

August 19, 2026

Ref. No.: **AIL/SE/29/2026-27**

To,

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400001, MH.

National Stock Exchange of India Limited

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

Scrip Code: **543534**

Symbol: **AETHER**

Dear Madam / Sir,

Subject: Annual Report (FY 2025-26)

In accordance with Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Annual Report for the FY 2025-26 along with the Notice of the 14th Annual General Meeting (includes e-voting instructions), is annexed herewith.

The Annual Report is dispatched electronically to Members whose e-mail id is registered with the Company / Registrar & Share Transfer Agent / Depositories.

The above document is also available on website of the Company, accessible at:

<https://aether.co.in/wp-content/uploads/2026/08/Annual%20Report%20FY%202025-26.pdf>

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

Thank you.

For Aether Industries Limited

CHITRARTH
RAJAN PARGHI

Digitally signed by
CHITRARTH RAJAN PARGHI
Date: 2026.08.19 17:11:39
+05'30'

Chitrarth Rajan Parghi

Company Secretary & Compliance Officer

Mem. No.: F12563

Encl.: As annexed

2025 Annual Report 2026



Contents

01

The Aether Edit

A Message from Mr. Ashwin Desai 03
About Aether 04
Timeline 05
Business Models 07
Perspective of Dr. Aman Desai 08
Product & Technology Excellence 10
Announcements 11
The Board of Directors 12
Statutory Information 13

02

The Power of Numbers

Business outlook from
Mr. Rohan Desai 15
Financial Growth 17
Earnings Growth by Mr.
Faiz Nagariya 21

03

Fiscal Focus

Financial Capital 24
Manufacturing Capital 25
Human Capital 26
Intellectual Capital 27
Social Capital 29

04

Building Tomorrow

Success Biography 31
Revenue Growth 32
Geographical Presence 34
Thoughts from Dr. James Ringer 36
Research & Development | Pilot Plant 37
ESG 38
QEHS 39
Aether's Performance Chronicle 40
Business Segments | Revenue 41
Social Outlook by Ms. Purnima Desai 42
CSR 43

05

Statutory Reports

Report of the Board 48
Corporate Governance Report 58
BRSR 69
MDAR 93

06

Financial Statements

Standalone Financials for Fiscal
Year 2026 111
Consolidated Financials for
Fiscal Year 2026 164
Notice the Annual General
Meeting 203



The Aether Edit

Dear Stakeholders,

FY2025-26 was a defining year for Aether Industries. Amidst persistent geopolitical headwinds, supply chain disruptions, and one of the longest downturns the global chemical industry has witnessed, we remained focused on disciplined execution and strengthening relationships with both existing and new customers. We delivered profitable growth while advancing our long-term vision of building a more resilient, innovative, and future-ready organisation.

Our transformation rests on the strong foundation of our core competencies in chemistries, technologies, and integrated systems. This foundation has enabled us to develop and manufacture several specialty products that are not only first-in-India but, in several cases, first-in-the-world — a source of immense pride for all of us at Aether.

The year tested the resilience of the entire industry. Volatile oil prices, rapid shifts in trade flows, and policy uncertainties continued to weigh on global markets. While the Indian economy demonstrated remarkable strength, supported by proactive government policies and robust domestic demand, we chose to stay the course — investing confidently in innovation, sustainability, and capability building.

Two clear themes have emerged globally: leading chemical companies are proactively rationalising higher-cost assets, while demand for specialty chemicals is accelerating in high-growth sectors such as semiconductors, battery storage, and renewables. India is increasingly recognized as a preferred manufacturing destination as global players seek to diversify and strengthen their supply chains. At Aether, we firmly believe that strategic autonomy and self-reliance will be critical for India to fully capitalize on these opportunities.

Research & Development remains at the heart of Aether. Our team of over 300 R&D professionals is relentlessly working on innovative processes across a wide spectrum of applications. The ongoing expansion of our current R&D facility — with additional fume hoods and advanced equipment such as Nuclear Magnetic Resonance (NMR) — is already enhancing our capabilities. Complementing this, we are constructing a new, state-of-the-art R&D building, expected to be operational by Q2 FY2028, which will deliver a three-fold increase in our R&D project capacity. Our confidence stems from the growing number of global partners who are turning to Aether for cutting-edge, cost-effective solutions.

On the manufacturing front, we successfully commercialized Site 3++ ahead of schedule and commenced water and solvent trials for the first two production blocks at Site 5. We deepened relationships with longstanding customers while forging new partnerships in emerging areas such as electronic chemicals. It fills me with deep pride that, within just ten years of commencing commercial operations, Aether has crossed the significant milestone of INR 1,000 crore in revenue.

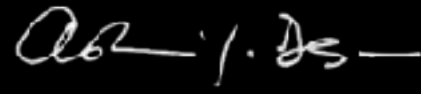
Looking ahead, we are strategically positioned to seize the opportunities before us. Our focus over the next few years will be on developing Site 5 in Panoli into a world-class manufacturing facility equipped with best-in-class infrastructure and the highest standards of safety and sustainability.

On behalf of the Board of Directors, I extend my heartfelt gratitude to the talented and passionate team of women and men at Aether. Your tireless commitment, collaborative spirit, and dedication to excellence continue to drive our success. We are honoured to once again be recognised as a Great Place to Work® in 2025, reflecting the high-performance culture we have collectively built — one that values diverse perspectives and an unwavering pursuit of excellence.

Aether enters the coming years from a position of strength. With a clear strategy, a robust roadmap for profitable growth, and the financial flexibility to invest in high-value projects, we are well placed to deliver enhanced value and superior returns to our shareholders.

To each of you — our valued shareholders — thank you for your continued trust, confidence, and steadfast support. Together, we will build an even brighter future for Aether.

Creating Impact

Ashwin Desai 
Founding Promoter | Managing Director



“We don't chase chemistry. We architect it”



About Aether

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

Our journey began in 2013 with a vision to redefine India's place in the global chemical landscape. The early years were spent building foundations — assembling exceptional talent, creating state-of-the-art facilities, and investing deeply in research and development. By 2017, commercial operations were in full swing, and since then we have sustained a compound annual growth rate of nearly 53%, making Aether one of India's fastest-growing specialty chemical enterprises. FY 2025-26 carried that momentum forward, with consolidated revenue growing 38% year-on-year and EBITDA rising 53%, as margins expanded on the back of strong pricing and robust demand across our CRAMS and CEM businesses.

Our business model rests on three pillars — Contract Research and Manufacturing Services (CRAMS), Contract and Exclusive Manufacturing (CEM), and Large-Scale Manufacturing (LSM). While pharmaceuticals were our primary revenue driver in the early years, we have since diversified into oil & gas, material sciences, and specialty performance chemicals. Today, CRAMS remains the cornerstone of our strategy, reflecting our ability to execute complex, high-impact projects for a growing global clientele — in FY 2025-26 alone, we onboarded 19 new marquee clients and completed more than 50 customer and certification audits, underscoring the trust global innovators place in our capabilities.

In-house R&D is what sets us apart. Every chemistry and technology we deploy is conceived, developed, and perfected by our own research team, scaled up in our advanced, world's largest Pilot Plant, and taken to full-scale production through processes we design and engineer ourselves. We continued to invest in this engine of innovation through the year, expanding our laboratory and fume-hood capacity and progressing work on a new R&D facility designed to nearly double our research capability. Our upcoming Site 5 will further extend our frontier into high-value semiconductor materials, adding to the manufacturing footprint at Site 4, which scaled rapidly during the year to become a meaningful contributor to overall revenue.

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

Our team, the "Aetherians," is young, dynamic, and determined. With an average age of just 31 years, we are powered by fresh perspectives and united by a shared commitment to excellence — building a company that doesn't just follow global standards but sets them.

Today, Aether is expanding its operational footprint and leading India's march into advanced specialty chemicals with sustainability at its core. From commissioning solar power projects to forging global partnerships in plastic up-cycling and bio-based products, we are shaping a future where cutting-edge chemistry works hand in hand with environmental responsibility. Even as we navigated a challenging final quarter of the year — marked by one-off costs including a fire-related claim at an external warehouse — our underlying business demonstrated resilience, with full-year profitability and margins improving meaningfully over the previous year.

From a small team in 2013 to a globally recognised partner of choice in 2026, Aether's story remains one of resilience, innovation, and a clear vision — to lead, to pioneer, and to keep challenging what's possible.



AETHER

2013

Aether Incorporated
- Registration procedure
- Incorporation
- Aether is born.

2014

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

2015

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

2016

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

2017

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

2018

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



2019

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

2020

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

2021

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

2022

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

2023

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

2024

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

2025

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

2026

- CEM+GRAMS pivot with total contribution more than 55% for the first time
- Revenue of ₹11,811 MM
- Commercialised Mfg. facility 3++
- Undertook augmentation of current R&D centre with 15 fume hoods and new R&D centre in adjacent land
- Site 4 ramp up with a 4x increase of ₹2,196 MM from ₹500 MM

INDUSTRIES



46%

Contract | Exclusive Manufacturing

FY24	₹1,535	26%
FY25	₹2,630	31%
FY26	₹5,234	

43%

Large Scale Manufacturing

FY24	₹3,565	60%
FY25	₹4,624	55%
FY26	₹4,891	

9%

Contract Research & Manufacturing Services

FY24	₹827	14%
FY25	₹1,028	12%
FY26	₹1,046	



Creating Opportunities

FY2025–26 was a year of resilience, disciplined execution, and meaningful strategic progress for Aether Industries, despite persistent geopolitical tensions and macroeconomic headwinds. We deepened our partnerships with globally respected innovators, accelerated the commercialization of new capacities, and maintained strong momentum on our Site 5 expansion at Panoli.

Contract and Exclusive Manufacturing (CEM), along with CRAMS, contributed 55% of our revenues during the year. We are confident that these high-value segments will grow to approximately 70% of revenues over the coming years, underpinned by the quality of our long-term customer relationships and a robust project pipeline.

A defining theme this year has been Energy Security. Industry reports project that Asia will require investments of approximately US\$5–6 trillion over the next five years to strengthen energy security, with India alone needing US\$500–600 billion across renewables, batteries, upstream oil & gas, coal, and coal gasification. At Aether, where R&D lies at the core of our business model, we are actively advancing multiple CRAM projects aligned with sustainability and energy-security imperatives.

Manufacturing Momentum

The past 15 months have seen a marked increase in Contract and Exclusive Manufacturing opportunities. With structurally higher costs in the US and Europe, India is emerging as a preferred, reliable global manufacturing hub. Project timelines have also compressed favorably to 12–24 months in many cases.

- ▶ *Site 5, our largest greenfield project, is advancing rapidly. The first two plants are on track for commissioning in Q1 FY2026–27, with clear visibility on the subsequent eight manufacturing plants.*
- ▶ *We remain in advanced discussions with several customers evaluating Aether as their preferred partner for globally novel products.*
- ▶ *Site 4 (dedicated to Baker Hughes) has been successfully commercialized and continues to ramp up steadily, expected to reach peak potential by FY2027–28.*
- ▶ *In June 2025, we executed Contract Manufacturing Agreement with Milliken under a 10-year exclusive agreement, making Aether the sole contract manufacturing partner for a key strategic product and commenced commercial operation at Site 3++ in February 2026.*
- ▶ *Sites 2 and 3, our established large-scale manufacturing hubs, continue to operate at optimal utilization with stable-to-improving pricing trends.*

Strengthened R&D Capabilities

Our commitment to innovation remains unwavering. Our existing R&D facility, equipped with 55 fume hoods (all fully occupied, with ~70% focused on non-pharma and non-agrochemical projects), continues to operate at peak capacity. To meet growing customer demand, we are augmenting this site with 15 additional fume hoods and advanced analytical infrastructure, including NMR spectroscopy (completion expected in Q1 FY2026–27).

In parallel, we are developing a new state-of-the-art R&D complex featuring 120 fume hoods and 15 dedicated laboratories (including five engineering labs). This facility will significantly enhance our capabilities in chemical engineering, process technology, and seamless scale-up. It is expected to be operational by end of Q1 or early Q2 FY2027–28

During FY2025–26, we invested ₹862 million in R&D, representing 7.3% of revenue — among the highest in the Indian chemical industry. Our R&D team has grown meaningfully, now organized into 11 specialized research groups, each mentored by senior leadership. This robust framework positions us strongly for sustained growth in CRAMS, specialty manufacturing, and emerging opportunities in electronic chemicals.



Looking Ahead

For FY2026–27 and beyond, we plan to **launch three new products** from our Large Scale Manufacturing vertical, focused on pharmaceutical and agrochemical applications. These are **direct import substitutes** that reinforce our contribution to **Atmanirbhar Bharat**. We are also **introducing electronic chemicals** targeted at the semiconductor sector, with a strategic emphasis on customers in **Japan, Korea, and Taiwan**.

Our partnerships with global leaders including Milliken, Baker Hughes, SEQENS Group, Saudi Aramco Technologies, Polaroid, and others have deepened and broadened. These relationships validate our integrated capabilities across R&D, scale-up, and commercial manufacturing, as well as our technical excellence, execution discipline, and customer-centric approach.

Creating Opportunities

“Research is where ambition meets precision and that's where we live”

Safety, Sustainability & Operational Excellence

Safety, sustainability, and operational excellence remain integral to our culture. In FY2025–26, we successfully completed **multiple multi-day HSE audits** by global multinational partners and regulatory authorities. We also underwent **50 customer and certification audits**, reflecting the strength of our systems and governance standards.

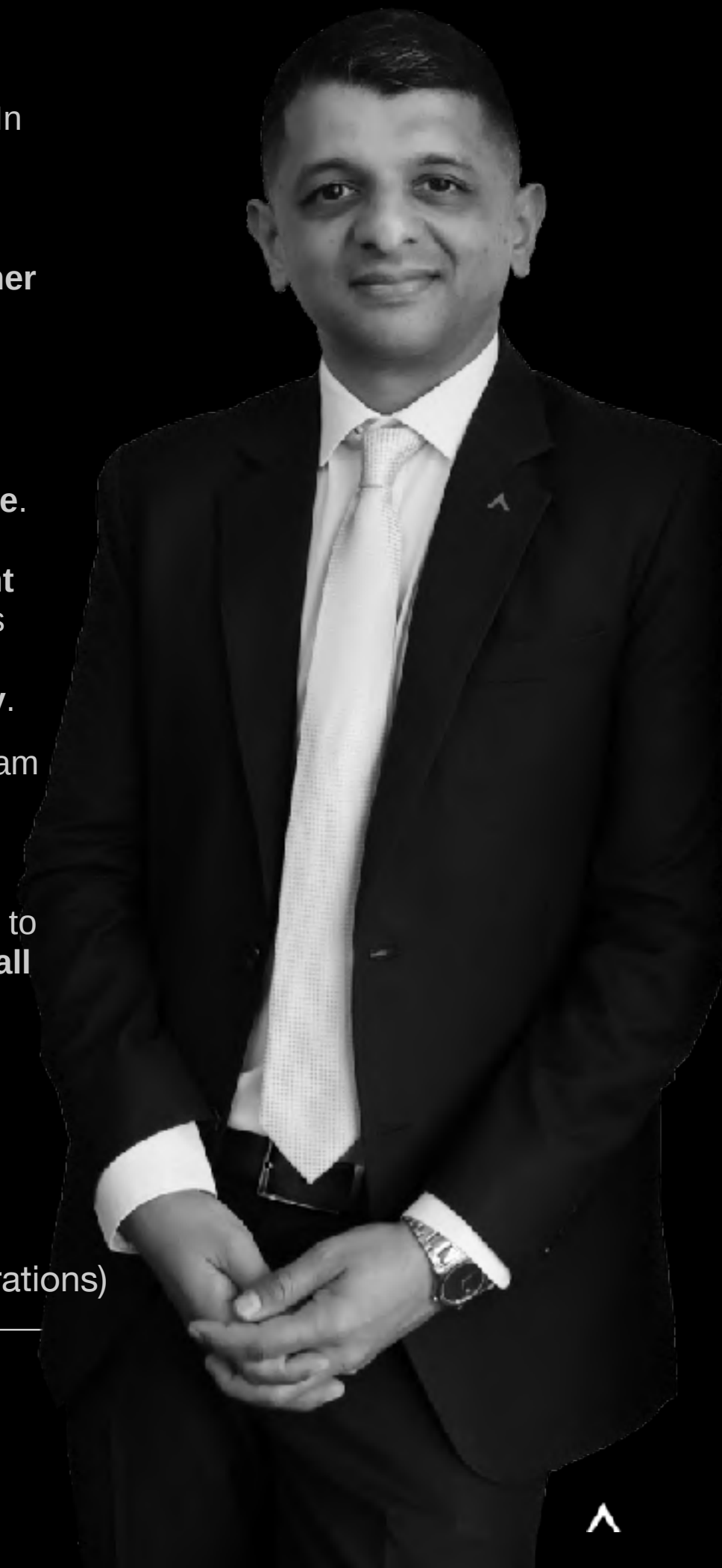
At the core of Aether's success is our operating model and, above all, **our people**. A culture of **accountability, disciplined execution, and continuous improvement** enables us to deliver reliably for customers while maintaining rigorous focus on **productivity, cost discipline, and quality**.

Even amid ongoing global uncertainties, I am **confident** that our strengthened R&D foundation, expanding manufacturing footprint, high-quality project pipeline, and resilient business model will enable Aether to **deliver sustainable long-term value for all stakeholders**.

Thank you for your continued trust and support.

Dr. Aman Desai

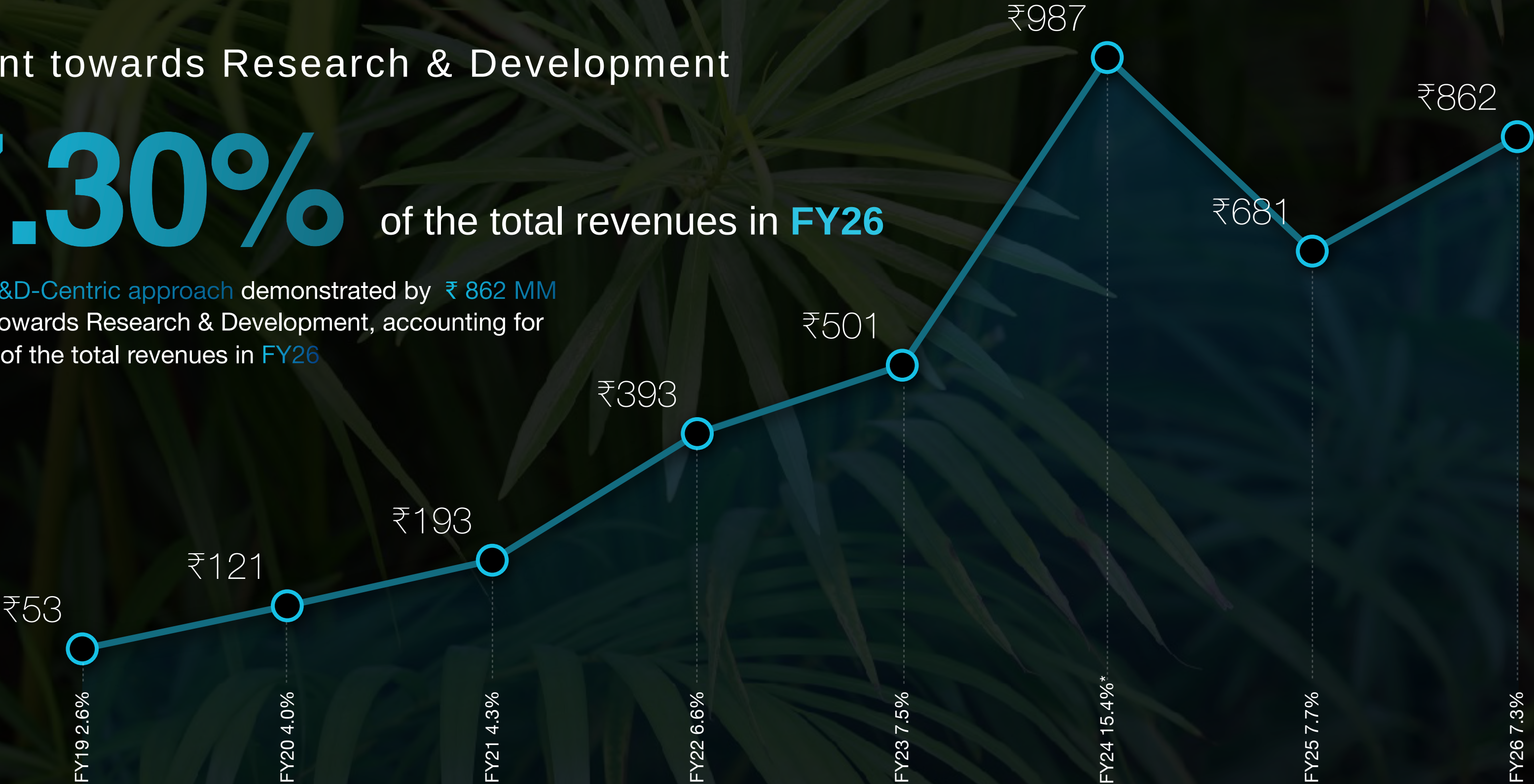
Co-Founder | Director (Research & Operations)



Spent towards Research & Development

7.30% of the total revenues in **FY26**

Core R&D-Centric approach demonstrated by ₹ 862 MM spent towards Research & Development, accounting for 7.30% of the total revenues in FY26



Site 3++

Commercial operation at the Manufacturing Site 3++ commenced, with effect from February 22, 2026 for Milliken & Co. (USA) - CEM. The said manufacturing site is expected to be a key contributor towards achieving the Company's production capacities and revenue growth going forward.





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



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



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



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



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



Ishita Manjrekar
Non-Executive Director
Experience in Chemical
Industry



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



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



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



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



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



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



Key Managerial Personnel

Chief Technology Officer - Dr. James W. Ringer
 Chief Financial Officer - Faiz A. Nagariya
 Company Secretary & Compliance Officer - Chitrarth R. Parghi

Statutory Auditor

Suresh I. Surana & Associates, Surat

Cost Auditor

PAAA & Associates, Surat

Secretarial Auditor

Dhirren R. Dave & Company, Surat

Registrar & Share Transfer Agent

MUFG Intime India Limited
 (Earlier known as M/s. Link intime India Private Limited)
 C-101, 247 Park, LBS Marg, Vikhroli (W), Mumbai-400083
 Phone: +91-22-49186000
 Email: mumbai@in.mpms.mufig.com
 Web: <https://web.in.mpms.mufig.com/>
 SEBI Registration Number: INR000004058

USA Office

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

Europe Office

Bruchweg 32,
 47608 Geldern, Germany

Solar Power Plants

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

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

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

Manufacturing Facilities Long Leased - GIDC

Manufacturing Facility 1

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

Manufacturing Facility 2

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

Manufacturing Facility 3

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

Manufacturing Facility 3++

(Operational - Feb. 26)
 Plot No. 8202/2/A &
 B, GIDC Sachin,
 Surat-394230,
 Gujarat, India

Manufacturing Facility 4

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

Manufacturing Facility 5

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

Manufacturing Facility 5+

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



The Power of Numbers



Creating Value

As I reflect on **Aether Industries' FY2025-26 performance**, I am exceptionally proud of the **decisive results** we delivered in a year defined by unrelenting volatility — from sweeping global tariffs at the outset to escalating geopolitical tensions in the final quarter. Through **rigorous strategic execution and unyielding operational discipline**, we not only **strengthened our competitive moat** but **significantly accelerated our transformation** into a higher-value specialty chemicals leader. We delivered **superior, sustainable solutions** to our customers while equipping our **Aetherians** with the advanced skills and capabilities required to **dominate** in a complex global environment.

Strategic Pivot to a High-Value, Recurring-Revenue Business Model

We have **aggressively intensified** our shift toward **Contract Research and Manufacturing Services (CRAMS)** and **Contract/Exclusive Manufacturing (CEM)** — the **core engines** powering our long-term revenue and margin expansion. These two verticals now account for **55% of our revenues**, with a clear target to drive them to **70%** over the coming years. This transition is unlocking **deeper, stickier customer partnerships** and **structurally superior economics**.

Our Large Scale Manufacturing (LSM) vertical delivered a robust 43% contribution. After absorbing unprecedented pricing pressure, LSM achieved a strong pricing recovery in the last two quarters, and we expect this momentum to sustain. We also onboarded 19 new marquee customers across all verticals, materially diversifying and fortifying our client base.

Execution Excellence: Building Scalable, World-Class Capabilities

Our execution across sites has been **consistent, disciplined, and unequivocally growth-oriented**:

Site 4, dedicated to Baker Hughes, continued its strong volume ramp-up, with products now validated across multiple global facilities — cementing Aether's position as a critical strategic partner.

Site 3++ commenced commercial production in February 2026, exclusively manufacturing a high-priority strategic product for Milliken & Company (USA) under a landmark 10-year agreement as the sole contract manufacturing partner.

Site 5 saw the successful completion of utilities and the first two production blocks of Phase 1, with trials already underway. We are on track to commercialize by end of Q1 FY2027.

Construction of Phase 2 is progressing rapidly, positioning us for accelerated capacity expansion and a significant revenue inflection.

Strategic Sector Diversification: Capturing High-Value Growth Frontiers

While Indian chemical companies have historically been heavily concentrated in pharmaceuticals and agrochemicals, we executed a **deliberate and highly successful diversification strategy**. These two sectors now represent **46% of our revenues** (down from 67%), while **Oil & Gas (21%)** and **Material Science (18%)** have gained strong traction.



At Aether, we are not waiting for the wave — **we are riding it**. In **FY2027**, we will **launch electronic chemicals** for the semiconductor segment, **positioning the company at the forefront** of this high-value, technology-intensive growth curve. We are determined to **outpace regional peers** by delivering **superior, higher-value-added solutions**.

Navigating Geopolitical Headwinds with Strategic Agility and Unmatched Resilience

The ongoing Middle East conflict has triggered widespread disruption. These headwinds **underscore the strategic premium** placed on reliable, India-based partners like Aether. We are responding with **aggressive focus** on:

*Rapid capacity expansion to capture surging demand
Continuous operational efficiency gains to drive sustained margin expansion
Scaling our platform in alignment with India's emergence as the preferred global chemical manufacturing hub*

India as a Global Growth Powerhouse

Global chemical majors are urgently seeking capable, reliable Indian partners to de-risk supply chains. Aether is uniquely positioned to capture this multi-year structural shift through proven execution excellence, deep relationships, and best-in-class infrastructure. We have further strengthened our expansion runway by acquiring an additional 15-acre land parcel in Panoli.

With robust fundamentals, a sharply defined strategy, and a proven track record of superior execution, Aether is confidently positioned to sustain strong momentum, accelerate profitable growth, and deliver superior and sustainable long-term returns to all stakeholders.

I extend my deepest appreciation to our Aetherians, shareholders, customers, bankers, partners, and communities. Your continued trust and partnership are the **bedrock of our success**. Together, we will seize transformative opportunities and build **enduring value at scale**.

Creating Value

“The market doesn't remember who grew fastest — it remembers who grew right. That's the growth we're chasing.”

Rohan Desai 
Co-Founder | Director (Commercial)



Financial Growth

Particulars (Standalone)	2026	For the year ended March 31,		
		2025	2024	2023
Income				
Revenue from operations	₹9,401.69	₹7,903.18	₹5,956.69	₹6,510.74
Other Income	₹215.37	₹424.96	₹442.64	₹165.65
Total income	₹9,617.06	₹8,328.14	₹6,399.33	₹6,676.39
Expenses				
Cost of materials consumed	₹5,340.79	₹4,736.05	₹3,757.87	₹3,796.14
Changes in inventories of FG and WIP	(₹789.60)	-₹600.41	-₹564.42	-₹622.76
Employee benefits expense	₹624.15	₹459.40	₹386.11	₹344.57
Finance costs	₹122.43	₹102.25	₹85.17	₹50.93
Depreciation and amortisation	₹607.81	₹427.97	₹394.15	₹232.45
Other expenses	₹1,271.89	₹1,035.24	₹1,062.66	₹1,130.27
Total expenses	₹7,177.47	₹6,160.50	₹5,121.54	₹4,931.60
PBT before exceptional items	₹2,439.59	₹2,167.64	₹1,277.78	₹1,744.79
Exceptional items	₹89.76	₹118.74	₹137.62	₹0.00
Profit before tax	₹2,349.83	₹2,048.90	₹1,140.17	₹1,744.79
Tax expense:				
Current tax	₹414.34	₹380.16	₹172.90	₹311.22
Deferred tax	₹199.39	₹147.85	₹86.29	₹129.39
Total Tax Expenses	₹613.73	₹528.01	₹259.19	₹440.61
Profit for the period (A)	₹1,736.10	₹1,520.89	₹880.98	₹1,304.17
Other comprehensive (loss)/income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit liability / (asset)	₹13.94	-₹4.97	-₹4.46	-₹1.67
Income tax relating to the above	-₹3.51	₹1.25	₹1.12	₹0.42
Total others (B)	₹10.43	-₹3.72	-₹3.34	-₹1.25
Total comprehensive income for the period (A+ B)	₹1,746.53	₹1,517.17	₹877.64	₹1,302.92
Earnings per equity share [nominal value of ₹ 10]				
Basic	₹13.09	₹11.47	₹6.74	₹10.47
Diluted	₹13.08	₹11.47	₹6.74	₹10.47

Particulars (Consolidated)	2026	For the year ended March 31,		
		2025	2024	2023
Income				
Revenue from operations	₹11,601.41	₹8,405.48	₹5,981.72	₹6,510.74
Other Income	₹209.27	₹397.64	₹392.07	₹165.65
Total income	₹11,810.68	₹8,803.12	₹6,373.80	₹6,676.39
Expenses				
Cost of materials consumed	₹6,822.37	₹5,072.03	₹3,774.13	₹3,796.14
Changes in inventories of FG and WIP	-₹813.47	-₹606.19	-₹564.95	-₹622.76
Employee benefits expense	₹627.33	₹462.12	₹386.25	₹344.57
Finance costs	₹180.87	₹129.33	₹85.17	₹50.93
Depreciation and amortisation	₹664.15	₹450.14	₹396.65	₹232.45
Other expenses	₹1,328.82	₹1,047.11	₹1,063.82	₹1,130.30
Total expenses	₹8,810.07	₹6,554.54	₹5,141.06	₹4,931.63
PBT before exceptional items	₹3,000.61	₹2,248.58	₹1,232.74	₹1,744.76
Exceptional items	₹89.76	₹118.74	₹137.62	₹0.00
Profit before tax	₹2,910.85	₹2,129.84	₹1,095.12	₹1,744.76
Tax expense:				
Current tax	₹508.35	₹380.16	₹172.90	₹311.22
Deferred tax	₹207.87	₹165.50	₹97.32	₹129.39
Total Tax Expenses	₹716.22	₹545.66	₹270.22	₹440.61
Profit for the period (A)	₹2,194.63	₹1,584.18	₹824.90	₹1,304.15
Other comprehensive (loss)/income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit liability / (asset)	₹13.97	-₹4.97	-₹4.46	-₹1.67
Income tax relating to the above	-₹3.52	₹1.25	₹1.12	₹0.42
Total others (B)	₹10.45	-₹3.72	-₹3.34	-₹1.25
Total comprehensive income for the period (A+ B)	₹2,205.09	₹1,580.46	₹821.57	₹1,302.90
Earnings per equity share [nominal value of ₹ 10]				
Basic	₹16.55	₹11.95	₹6.31	₹10.47
Diluted	₹16.54	₹11.95	₹6.31	₹10.47



Financial Growth

Particulars (Standalone)	For the year ended March 31,			
	2026	2025	2024	2023
EBITDA (₹ In MM)	₹2,864.70	₹2,135.97	₹1,176.85	₹1,862.52
EBITDA Margin (%)	30.47%	27.09%	19.76%	28.61%
PAT (₹ In MM)	₹1,736.10	₹1,520.90	₹880.98	₹1,304.17
PAT Margin (%)	18.05%	18.26%	13.77%	19.53%
ROCE (%)	8.23%	8.20%	4.77%	14.28%
Debt-Equity Ratio (Times)	0.14	0.05	0.06	0.00
Return on Net Worth (%)	7.21%	6.83%	4.26%	10.48%

Particulars (Consolidated)	For the year ended March 31,			
	2026	2025	2024	2023
EBITDA (₹ In MM)	₹3,546.60	₹2,311.67	₹1,184.87	₹1,862.49
EBITDA Margin (%)	30.57%	27.50%	19.81%	28.61%
PAT (₹ In MM)	₹2,194.63	₹1,584.18	₹824.90	₹1,304.15
PAT Margin (%)	18.58%	18.00%	12.94%	19.53%
ROCE (%)	9.97%	8.58%	4.70%	14.28%
Debt-Equity Ratio (Times)	0.18	0.08	0.08	0.00
Return on Net Worth (%)	8.94%	7.12%	4.00%	10.48%

Notes

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



Earnings Growth

The Inflection Year - Growth accelerates, margins expand, value compounds

Over the nine years from FY2016-17 to FY2025-26, Aether Industries Limited has transformed from a small, single-site specialty chemicals manufacturer into a diversified, scale-capable specialty chemicals, Contract Manufacturing (CEM) and CRAMS player — delivering sustained top-line compounding, expanding margins, a rapidly growing manufacturing footprint and consistently improving absolute profitability. FY2025-26 marked one of the strongest years in this journey, with revenue growth accelerating even as the Company deepened its shift toward higher-value, recurring CRAMS and CEM revenue streams. This transformation has been driven by disciplined capacity commissioning, a broadening product mix, selective capital investment, and the institutional credibility and capital access that followed the Company's public listing.

1. The Compounding Machine: Nine Years, One Trajectory

Aether's revenue trajectory illustrates a rare, sustained rate of compounding. The Company reported total revenue of ₹248.60 million (≈₹24.86 crore) in the early commissioning year of FY2016-17, reflecting its first commercial production streams coming online. By FY2024-25, total income had scaled to ₹880.33 crore, and in FY2025-26 the Company took this further, reporting consolidated revenue from operations of ₹1,160.10 crore (₹11,601 million) — a 38% year-on-year increase over FY2024-25's ₹840.6 crore. Measured on a consistent basis from FY2016-17 to FY2025-26, this represents a compound annual growth rate (CAGR) of approximately 53% over nine years, underscoring both robust end-market demand and the Company's consistent execution on capacity ramp-up and commercial traction.

2. Margins on the March: Operating Leverage Kicks In

Aether has historically delivered strong operating margins for a chemicals manufacturer, and FY2025-26 demonstrated meaningful margin expansion on top of an already healthy base. In FY2018-19 and FY2019-20, EBITDA margins stood in the mid-20% range (~24.4% and ~24.3% respectively), reflecting a favourable early product mix. By FY2024-25, the Company had already returned to healthy profitability with improved absolute EBITDA. In FY2025-26, this trend strengthened further: consolidated EBITDA rose 53% year-on-year to ₹354.7 crore (₹3,547 million), lifting the EBITDA margin to 31%, up from 28% in FY2024-25. Profit After Tax (PAT) for FY2025-26 grew 39% year-on-year to ₹219.5 crore (₹2,195 million), with the PAT margin improving to 19% from 18% a year earlier — clear evidence of operating leverage taking hold as new capacity ramps up and the revenue mix shifts toward higher-margin services.

3. Profit, Undeterred: Resilience Through the Noise

Absolute PAT has historically shown some volatility, reflecting early-stage investment cycles and occasional non-recurring items. FY2024-25 marked a decisive recovery, with total income of ₹880.33 crore and positive consolidated PAT for the year. FY2025-26 built on this recovery with sustained, broad-based profit growth across all four quarters. Q4 FY2025-26 alone delivered revenue of approximately ₹305 crore and PAT of ₹54 crore, up roughly 8% year-on-year — achieved despite one-off items during the quarter, including an inventory loss provision related to a warehouse fire and a logistics-related claim, underscoring the underlying resilience of the core business.

4. The Mix Shift: Betting Big on CRAMS and CEM

Aether operates principally across three revenue pools:

1. **Specialty Chemicals** — large-scale proprietary intermediates that remain a core revenue contributor, underpinned by deep technical know-how and scale economics.
2. **Contract / Exclusive Manufacturing (CEM)** — manufacturing for large pharmaceutical and chemical customers under long-term, multi-year relationships, including marquee accounts such as Baker Hughes.
3. **Contract Research & Manufacturing Services (CRAMS)** — higher-value, R&D-linked manufacturing that has seen escalating demand since the Company's public listing and sustained business-development investment.

This mix continued to shift decisively in FY2025-26: CEM and CRAMS together now contribute more than 55% of total revenue, up from prior years, with management targeting a 70:30 mix in favour of CEM/CRAMS by FY2029-30. By end-market, pharmaceuticals and agrochemicals contributed 46% of FY2025-26 revenue, with material sciences contributing a further 17%. The Company also added 19 new marquee clients and completed over 50 customer and certification audits during the year, reflecting both broadening commercial reach and rising operational maturity. This structural shift toward recurring, long-tenor contracts continues to improve revenue visibility and absolute EBITDA contribution per rupee of revenue.

5. Building for Tomorrow: Capacity, Capital, Conviction

Growth has remained capital-intensive and deliberate, with FY2025-26 marking a step-change in execution:

1. Multiple capacity commissioning phases since 2016, with new process streams and expansions across FY2017–FY2021.
2. Manufacturing Facility 3 expanded through FY2019-20 to FY2020-21; Manufacturing Facility 4 commissioned in FY2023-24 and scaled rapidly thereafter — Facility 4 revenue grew from ₹50 crore to ₹219 crore in FY2025-26, now representing 19% of total sales.
3. Manufacturing Facility 3++ commenced commercial production in February 2026 and is currently in its ramp-up phase.
4. Manufacturing Facility 5 reached a key milestone in FY2025-26, with its first two production blocks readied for commercial operations from June 2026, incorporating dedicated semiconductor-material capacity of approximately 400 tonnes.
5. Solar captive generation capacity, commissioned in stages, continues to improve energy security and reduce operating cost intensity.
6. Public listing in mid-2022 provided access to a wider capital base, supporting both organic expansion and working-capital needs.
7. R&D investment reached ₹86.2 crore in FY2025-26 (7.3% of annual revenue), with a new R&D facility — comprising 15 labs and 120 fume hoods — on track for commissioning by Q2 FY2027-28, effectively doubling research capacity.



Earnings Growth

6. A Balance Sheet Built to Back Growth

The Company's balance sheet has expanded in step with its growth ambitions, supporting larger working capital requirements and a growing base of fixed assets as new capacity has come online. Tangible assets and capital work-in-progress rose materially between FY2018 and FY2025-26 as successive plants were commissioned and capitalised. Analysts and rating agencies have consistently noted reasonable leverage relative to the Company's growth profile, supported by stable and improving operating cash generation through FY2025-26.

7. What's Next: The Road to FY2029-30

Management's communicated priorities for FY2026-27 and beyond include:

- 1. Complete the ramp-up of Facility 3++ and Facility 5, converting the order book — including three new large-scale pharmaceutical and agrochemical products slated for launch by May/June 2026 — into sustained revenue.
- 2. Continue growing the CRAMS and CEM share of revenue toward the Company's 70:30 target by FY2029-30, deepening recurring, long-tenor revenue streams.
- 3. Maintain margin discipline amid competitive pricing pressure in the large-scale manufacturing (LSM) segment, while guiding to an EBITDA margin of 29–30% and a PAT margin of 19–20% for FY2026-27.
- 4. Sustain a long-term revenue growth outlook of approximately 25%, supported by new capacity, an expanding client base and continued international business development, including a newly appointed European business-development leadership hire.
- 5. Strengthen HSE, ESG and risk controls following the FY2022-23 incident, continue scaling captive renewable energy to reduce cost and Scope 1/2 footprint, and reinforce operational resilience following isolated events such as the Q4 FY2025-26 warehouse fire.

From the early commissioning revenue base of FY2016-17 to the substantially scaled, margin-accretive operations of FY2025-26, Aether Industries' financial journey reflects deliberate capacity building, a decisive move up the value chain toward CRAMS and contract manufacturing, and disciplined execution that has preserved — and indeed expanded — operating margins through a period of rapid growth. While episodic operational and market risks remain, including competitive pricing pressure in certain segments, the Company's growing financial scale, improving absolute profitability, expanding R&D capability and clearly articulated strategic priorities position it well to pursue its next phase of profitable growth.



Consolidated

	FY26		FY25
	+ 38%		
	11,601		8,405
	+ 53%		
EBITDA	31%		28%
	2,195		1,584
PAT	19%		18%

Standalone

	FY26		FY25
	+ 19%		
	9,402		7,885
	+ 34%		
EBITDA	30%		27%
	2,865		2,136
	+ 14%		
PAT	18%		18%

FY26 is the year the turnaround became a track record

“Every headline number moved in the right direction, and moved together. Revenue grew 38.02% to ₹11,601.41 million. EBITDA grew 53.42% to approximately ₹3,546.60 million. PAT grew 38.53% to ₹2,194.63 million. This wasn't one good quarter carrying the year — it was broad-based, disciplined growth across the P&L.

But the number that tells you how we grew matters more than the number that tells you how much. Our Net Capital Turnover Ratio nearly doubled — from 0.93x to 1.78x — meaning every rupee of working capital deployed generated far more revenue than it did a year ago. Operating cash flow rose 42.35% to ₹1,423.82 million, more than covering the year's capital investment cycle. And our Debt Service Coverage Ratio actually improved to 16.53x even as we took on more debt — because that debt was working, not idle.

Returns are compounding

ROE rose from 7.12% to 8.94% — a 25.56% improvement. ROCE rose from 8.58% to 9.97% — up 16.18%. These aren't peak numbers; they're the shape of a business getting structurally more efficient, year over year.

Straight talk on leverage

Our Debt-Equity Ratio moved from 0.08 to 0.18, and our current ratio eased from 3.25x to 1.78x. This is not balance sheet stress — it is the direct, visible signature of funding our Site 3++ and Site 5 expansion. Capital work-in-progress grew from ₹3,553.73 million to ₹5,061.08 million, with ₹5,413.20 million invested during the year, and we capitalised ₹104.86 million of borrowing cost directly against these projects. We are financing growth with growth, and our coverage ratios confirm we can carry it comfortably.



Earnings Growth

On the fire incidents — full transparency, because that's what the balance sheet demands.

The November 2023 incident is substantially behind us: of the ₹299.68 million assessed property loss, ₹210 million has been received from the insurer, with the balance of ₹89.68 million recognised as receivable — and because our policy is on reinstatement value, we expect ultimate recovery above the assessed loss.

The way forward: FY27 to FY29

FY27 — Commission and convert

Based on our capital work-in-progress ageing, the bulk of the Site 5 (Panoli) investment is scheduled to complete within the next twelve months. FY27 is about bringing that capacity online and converting it into revenue, not just capital expenditure.

FY28 — Deleverage while we scale

As Site 3++ and Site 5 move from construction to production, we expect operating cash flow to absorb the remaining capital commitments, without further stretching the balance sheet. Our target is for the Debt-Equity Ratio to trend back down even as absolute EBITDA continues to grow.

FY29 — Let the returns show it

The combined effect of new capacity, a broader global customer base, and tighter working capital cycles should show up where it matters most: ROE and ROCE compounding further from FY26's 8.94% and 9.97%, on a larger, more efficient asset base.

Our commitment through this cycle stays simple: capital discipline, transparent disclosure, and converting every rupee of investment into a rupee of durable return. To our investors, lenders, customers, and colleagues — thank you for backing a business that's now proving it, not just promising it.



The Fiscal Focus



Financial Capital

In FY 2025-26, Aether Industries Limited translated a year of disciplined execution into a marked step-up in scale and profitability, reinforcing the strength and adaptability of its financial capital even as global specialty chemicals markets remained competitive. Building on the operational recovery achieved in the previous year, the Company delivered broad-based growth across its manufacturing verticals while continuing to invest ahead of demand in capacity, technology, and talent.

Revenue and Margins

Consolidated revenue for the year grew 38% year-on-year to ₹11,601 million, with the CEM (Contract/Exclusive Manufacturing) and CRAMS businesses together contributing over 55% of total revenue, underscoring the continued shift toward higher-value, partnership-led manufacturing. Pharma and agrochemical products accounted for roughly 46% of revenue, while material science contributed around 17%, reflecting the diversification of Aether's portfolio. EBITDA rose 53% year-on-year to ₹3,547 million, with margins expanding from 28% to 31%, while PAT grew 39% to ₹2,195 million, at a margin of approximately 19%. This margin expansion was driven by operating leverage, a richer product mix, and firmer pricing across the large-scale manufacturing business, even as the fourth quarter absorbed one-off charges relating to a warehouse fire and year-end provisioning.

Capital Investment

Capital deployment remained aligned with Aether's long-term growth roadmap. Site 3++ commenced commercial production in late February 2026 and is now ramping up, while Site 5's first two production blocks are set for commercial operations from June 2026. Site 4 scaled sharply — revenue rose from ~₹50 crore to ₹219 crore, now about 19% of total sales. R&D investment stood at ₹862.13 million (7.3% of revenue), and FY27 capex guidance is set at ₹3,000–3,500 million, largely for Site 5 and further R&D expansion.

Positive Working Capital Management

Working capital discipline remained a priority through the year. Working capital days improved to 179 in FY26, down from the prior year, with management targeting a further reduction to around 160 days in FY27 as new capacity ramps up and inventory turns improve. This continued tightening of the working capital cycle, alongside steady collections, supported the Company's ability to fund its expansion programme without disproportionate reliance on external debt.

Support from Investors

Investor confidence in Aether's growth trajectory remained strong through FY 2025-26, reflected in the Company's ability to fund an ambitious capacity expansion programme — spanning Site 3++, Site 5, and R&D infrastructure — while sustaining healthy margins. The Company also broadened its commercial base meaningfully during the year, onboarding 19 new customers and completing over 50 customer and certification audits, reinforcing the trust of both existing and prospective partners in Aether's execution capabilities.

Looking forward

Looking ahead, Aether will continue to lean on its strengthened balance sheet and improving working capital position to fund the next phase of growth. With CRAMS and CEM targeted to constitute around 70% of future sales, and with Site 5 positioned to add new capabilities including semiconductor-grade specialty chemicals, the Company is well placed to deepen global partnerships and sustain its trajectory as a leading player in the specialty chemicals sector.

38 Revenue FY26
% + Y/Y

53 EBITDA FY26
% + Y/Y

39 PAT FY26
% + Y/Y



Manufacturing Capital

₹14,310 Gross Block
(Tangible + Intangible)

₹5,432 CAPEX

04 Manufacturing Units

03 Greenfield Project expansion ongoing

In FY 2025-26, Aether Industries Limited continued to build on the strong manufacturing foundation established in the previous year, further reinforcing its position as a technology-driven, innovation-led manufacturer in the global specialty chemicals industry. Our manufacturing infrastructure — comprising Sites 1, 2, 3 and 4, operated by Aether Specialty Chemicals Limited, remained the cornerstone of our operations, enabling us to deliver complex, high-value chemistries at scale while upholding the highest standards of quality, safety, and environmental stewardship.

A key highlight of the year was the continued ramp-up of Site 4, the commissioning of Site 3++ for Milliken & Co. and the expansion of Phase 1 at Site 5, reinforcing our commitment to scaling innovative chemistries / deepening backward integration / strengthening our specialty portfolio. Site 4, which became fully operational in Q3 FY 2024-25, achieved a capacity utilization of ~50%, during the year, underscoring its role as a critical growth driver.

Our manufacturing facilities collectively achieved ~65% capacity utilization in FY 2025-26, supported by continued investment in automation, process control systems, and environmental safeguards. This robust and flexible manufacturing base continues to enable rapid scale-up of innovative chemistries and swift adaptation to evolving customer requirements across our target markets.

Innovation-Led Manufacturing: R&D as a Growth Catalyst

R&D and innovation remain deeply embedded in our manufacturing strategy. Close collaboration between our R&D teams and production facilities ensures that complex chemistries transition seamlessly from lab to plant. FY 2025-26 witnessed the successful scale-up of new products / processes / continued commercialization of proprietary technologies developed in-house. Our sustained investment in R&D — ₹86 crore, or 7.3% of revenue, during the year — continues to strengthen our competitive edge while opening new avenues for high-margin growth in niche, high-value segments.

Safety, Security & Operational Integrity

Safety and security remain integral to our operational philosophy. During the year, we further reinforced plant safety protocols / upgraded fire detection and suppression systems across 4 sites / expanded employee training hours in emergency preparedness. Regular safety audits, hazard identification programs, and stringent process controls ensure our facilities operate at the highest levels of occupational safety and asset protection. We also continued to strengthen cybersecurity measures to safeguard process data, intellectual property, and operational control systems, including specific certification/framework adopted, like ISO 27001.

Built for Growth: Scalability, Flexibility & Sustainability

Our manufacturing capital is anchored on three strategic pillars — scalability, flexibility, and sustainability. Across all sites, we continued to integrate renewable energy solutions, achieving considerable units of energy needs from renewable sources, implement waste minimization systems, and optimize resource utilization. These initiatives collectively reduced water/energy consumption and lowered carbon emissions, reinforcing our commitment to reducing environmental impact while improving operational efficiency.

A Versatile Manufacturing Ecosystem Powering Diverse Business Models

The diversity and sophistication of our manufacturing ecosystem enable us to serve multiple business models — Large Scale Manufacturing, Contract/Exclusive Manufacturing, and CRAMS — with speed and agility in responding to dynamic global market conditions. This versatility, combined with technological innovation and operational discipline, has been instrumental in mitigating the impact of sector-specific slowdowns and sustaining long-term growth momentum. In FY 2025-26, this adaptability enabled the Company to onboard 19 new customers across all the three business models.

Looking Ahead

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



Human Capital

At Aether Industries Limited, our people remain the foundation on which every operational and strategic milestone is built. FY 2025-26 was a year of consolidation and forward momentum for our human capital strategy — one where the investments of previous years matured into deeper capability, stronger engagement, and a more resilient safety culture. Our workforce of scientists, engineers, technicians, and cross-functional professionals continues to embody the values of integrity, innovation, and resilience that define Aether's identity.

Building Capability for the Future

We deepened our investment in structured learning journeys this year, expanding technical and functional training for plant operators, chemists, and engineers to keep pace with advancing process technologies, automation, and evolving safety standards. Our leadership development pipeline matured further, with targeted programs designed to build a strong bench of future-ready leaders and reinforce a culture of ownership and performance. Continued collaboration with academic and technical institutions kept our talent pipeline connected to the latest scientific and industrial advancements.

Engagement, Culture, and Retention

Creating a workplace where people feel heard, valued, and motivated remained central to our people strategy. We strengthened structured feedback loops, internal communication channels, and participatory forums that give employees a genuine voice in shaping how we work. Competitive compensation, clear career pathways, and recognition programs continued to anchor our retention strategy, helping us hold on to high-performing talent in a competitive industry landscape.

Advancing a Culture of Safety

Safety continued to be treated as a non-negotiable pillar of our operations. Building on the safety enhancements and emergency-response upgrades put in place in the previous year, we further strengthened our occupational health protocols, expanded safety training coverage, and intensified hazard identification and mock-drill programs across all manufacturing sites. Our EHS teams maintained rigorous compliance audits, reflecting our sustained commitment to a secure and incident-free work environment.

Innovation Powered by People

Our innovation engine continues to be driven by the intellectual curiosity and collaborative spirit of our people. Cross-functional teams spanning R&D, manufacturing, and commercial functions worked closely to translate complex chemistries into scalable, market-ready solutions. This collaborative, problem-solving mindset remains central to our ability to deliver differentiated value to customers in a competitive specialty chemicals landscape.

Strengthening Digital Fluency

As our operations grow more technology-driven, we continued to build digital fluency across the organization — deepening capabilities in advanced analytics, digital collaboration platforms, and process automation. These initiatives are equipping our workforce to operate with greater precision, agility, and responsiveness in an increasingly digitized manufacturing environment.

Way Forward

As Aether Industries Limited moves into its next phase of growth, our human capital priorities remain clear: build capability through continuous learning, deepen engagement across all levels, and hold safety as an unwavering standard. We remain committed to nurturing a workforce that is not only equipped to meet today's operational demands but is also positioned to lead the specialty chemicals sector into its next chapter.

Total Aetherians

Average Age

111931



Intellectual Capital

At Aether Industries Limited, intellectual capital is the invisible infrastructure behind everything visible in our performance — the proprietary chemistries, process know-how, and scientific judgment that allow us to solve problems our customers cannot solve themselves. FY 2025-26 was a year in which we moved this capital from strength to scale: deepening our science, institutionalising our knowledge systems, and translating both into a widening pipeline of commercial outcomes.

Deepening Our Science: R&D as a Growth Engine

Research and Development remains the wellspring of our competitive differentiation. Our R&D infrastructure — spanning advanced analytical laboratories, dedicated process development units, and pilot-to-commercial scale-up facilities — continued to push the boundary of what is chemically and commercially possible in complex, low-volume, high-value chemistries. In FY 2025-26, our 160 scientists and 196 process engineers worked closely with customers from the earliest stages of molecule development, compressing the journey from concept to commercial-scale manufacturing. This close-coupled model of innovation allowed us to bring new products to market faster, while simultaneously improving yields, atom economy, and process robustness on our existing portfolio — reinforcing our position in advanced, differentiated chemistries.

Proprietary Process IP: The Foundation of CRAMS and Manufacturing Excellence

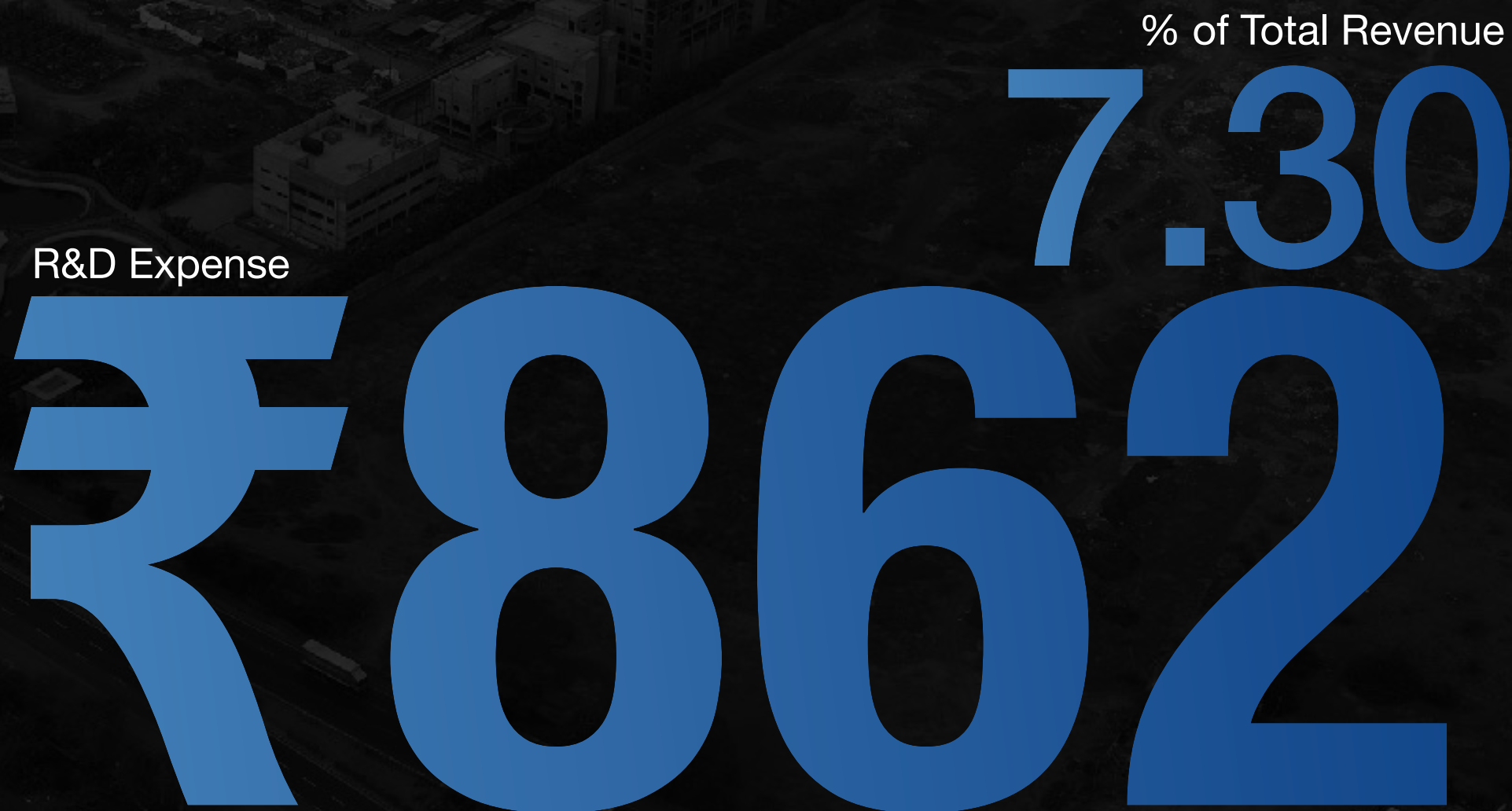
Our accumulated library of proprietary technologies, process routes, and trade secrets continues to underpin both our Contract Research and Manufacturing Services (CRAMS) and Large-Scale Manufacturing businesses. This is not static knowledge — it is a living asset that we refine with every batch, every trial, and every customer engagement. During the year, we extended our capabilities in areas such as photochemistry, continuous flow manufacturing, catalysis, and fluorination chemistry, enabling us to take on more technically demanding projects and to defend our cost and quality position even as global competition intensifies. This process depth is what allows us to convert scientific complexity into a durable commercial moat.

Institutionalising Knowledge: From Individual Expertise to Organisational Capability

The true test of intellectual capital is whether it survives the departure of any single individual. In FY 2025-26, we continued to strengthen the systems, platforms, and practices that convert tacit, individual expertise into shared, organisational knowledge. Structured knowledge-capture frameworks, cross-site documentation of process learnings, and formal mechanisms for technology transfer between R&D and manufacturing ensured that insights generated at one site or on one project could be rapidly redeployed elsewhere. Deeper collaboration between R&D, manufacturing, quality, and EHS functions continued to shorten problem-resolution cycles and improve first-time-right execution on scale-up.

Digital-First Innovation: Compressing the Development Cycle

Digitalisation has become inseparable from how we innovate. We continued to expand the use of data analytics, process simulation, and predictive modelling tools to de-risk and accelerate development — testing process parameters virtually before committing pilot-plant time and raw materials. This digital layer over our R&D process is reducing development timelines, lowering resource consumption during scale-up, and giving our teams sharper visibility into process risk before it materialises on the plant floor — a capability we intend to deepen further as data volumes and modelling maturity grow.



Intellectual Capital

Talent and Scientific Capability

Intellectual capital ultimately resides in people. Our continued investment in building and retaining a strong bench of chemists, process engineers, and technical specialists — supported by structured learning, cross-functional exposure, and close collaboration with academic and research institutions — remains central to sustaining our innovation pipeline over the long term.

Innovation in the Service of Sustainability

We continue to treat sustainability not as a constraint on innovation but as one of its primary objectives. A significant share of our process development effort in FY 2025-26 was directed at reducing solvent intensity, energy consumption, and waste generation across our chemistries — advancing both our ESG commitments and the changing expectations of global customers who increasingly view sustainable process design as a qualifying criterion, not a differentiator. Taken together, these efforts reflect a simple conviction: that in specialty chemicals, intellectual capital compounds. Every process improved, every insight documented, and every capability digitised today becomes the foundation for the innovation of tomorrow — and it is this compounding advantage that we believe will continue to set Aether apart.



Social Capital

At Aether Industries Limited, social capital represents the depth of trust we have earned — from the customers who rely on us, the communities we operate within, and the stakeholders who partner with us in our growth journey. FY 2025-26 was a year in which we moved from engagement to impact: strengthening relationships built over the years, scaling community programmes with measurable outcomes, and reaffirming our position as a responsible and trusted corporate citizen.

Engaging with Purpose: Our Stakeholder Approach

Sustainable business growth is built on relationships that are transparent, consistent, and mutually valuable. In FY 2025-26, we continued structured engagement across our stakeholder ecosystem — customers, suppliers, investors, employees, regulators, and local communities — through feedback sessions, partnership reviews, investor interactions, and on-ground community outreach. These structured touch-points helped us stay attuned to evolving stakeholder expectations and ensured our actions remained aligned with their priorities.

Customers at the Core: Collaborative Value Creation

Our social capital is anchored in the confidence our global customers place in Aether. Through FY 2025-26, we sustained open, responsive communication and worked alongside customers on co-development initiatives, addressing their evolving requirements with speed and technical depth. This collaborative approach continues to reinforce our standing as a trusted, innovation-led partner in the specialty chemicals space.

Suppliers as Partners: Responsible Sourcing in Practice

Reliable, ethical supplier relationships remain fundamental to our operational integrity. We continued close collaboration with our supplier base in FY 2025-26 to ensure consistent quality, timely fulfilment, and adherence to environmental and safety standards. Fair commercial practices and responsible sourcing norms have helped us build supplier partnerships rooted in mutual trust and shared accountability.

Empowering Communities: CSR in Action

Our CSR programmes are designed for measurable, lasting impact in the communities we operate in. In FY 2025-26, our initiatives spanned four focus areas:

1. Education — Strengthening school infrastructure, providing learning materials, and enabling scholarships for underprivileged students to improve access to quality education.
2. Healthcare — Conducting medical camps and health awareness drives, and improving access to essential healthcare services in underserved areas.
3. Livelihood & Skilling — Delivering skill development programmes aimed at improving employability among local youth and women.
4. Environmental Stewardship — Driving tree plantation drives, water conservation projects, and awareness campaigns to promote sustainable community practices.

Integrity in Practice: Governance of Social Engagement

Ethical conduct and transparency underpin every stakeholder interaction at Aether. We maintain strict adherence to compliance norms, fair trade practices, and a zero-tolerance stance on corruption and unethical behaviour. Our governance framework ensures that community and stakeholder engagement activities are consistently monitored for impact, relevance, and effectiveness.

People First: Safety, Security and Wellbeing

Safeguarding the wellbeing of our employees, contractors, and communities remains central to our social capital. In FY 2025-26, we enhanced safety training programmes, conducted regular emergency preparedness drills, and upgraded site security infrastructure — reinforcing our commitment to protecting people, assets, and the environment.

Trust Through Transparency

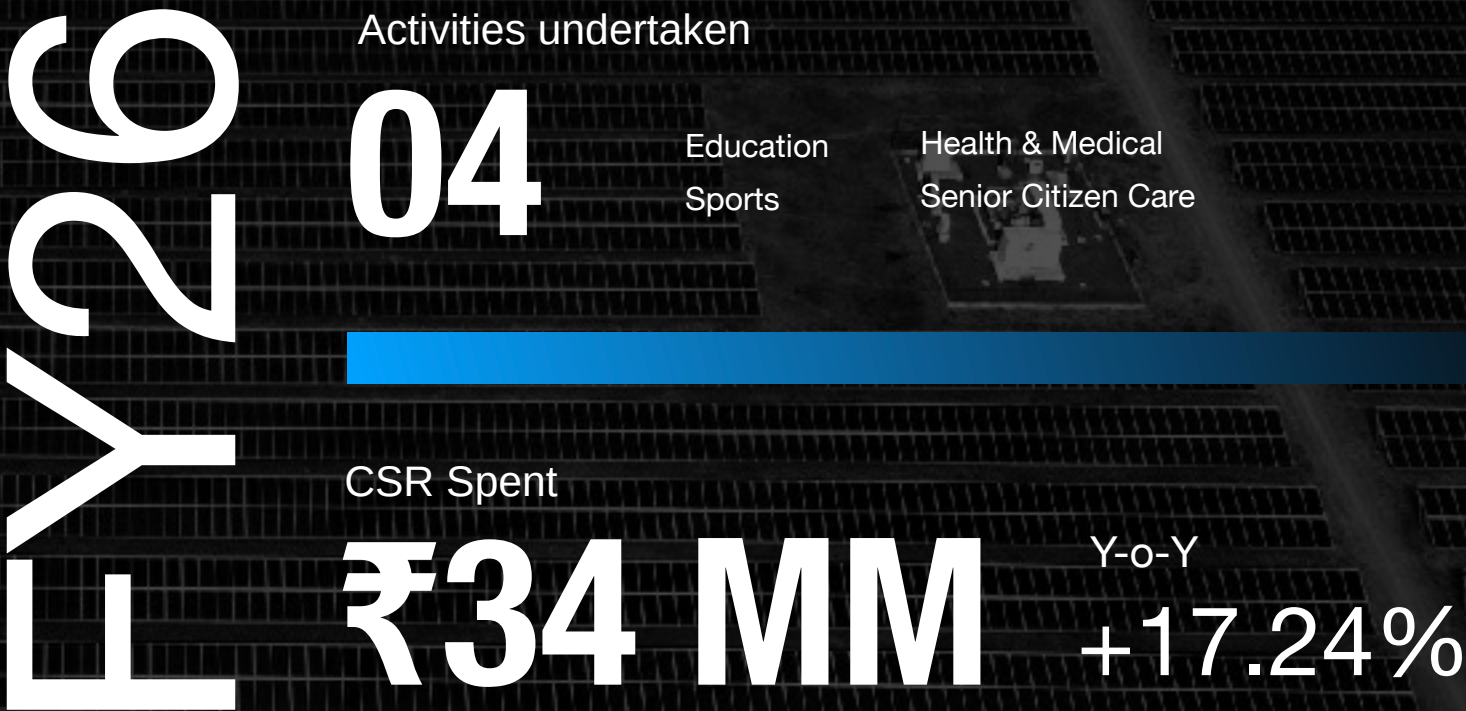
Trust is the foundation of our social capital. We remain committed to transparent communication, timely disclosure of material operational and financial information, and accountability at every level of the organisation. This openness continues to strengthen stakeholder confidence in our leadership, strategy, and long-term direction.

The Road Ahead

Looking forward, we remain committed to strengthening our social capital by:

- Expanding our CSR footprint to reach more communities with high-impact, sustainable projects.
- Deepening stakeholder collaboration to create shared, long-term value.
- Strengthening our ESG framework to deliver measurable societal and environmental benefits.

Through these efforts, Aether Industries Limited remains committed to pursuing business growth in tandem with meaningful, lasting contribution to the communities and ecosystems that make our success possible.



Building Tomorrow

04

Success Biography

Aether Industries Limited's FY 2025-26 journey stands as a defining chapter in the Company's evolution — one marked by accelerated growth, deepening customer partnerships, and a decisive shift toward higher-value, innovation-led business models. Building on the foundation laid over the previous decade, Aether continued to strengthen its position as a trusted partner to the global specialty chemicals ecosystem, translating scale into sustained profitability and long-term visibility.

Milestones That Defined the Year

The year was anchored by two landmark capacity additions. Site 3++ commenced commercial production toward the end of February 2026 and progressed steadily through its ramp-up phase, while the first two production blocks of Site 5 at Panoli were readied for commercial operations, following the completion of solvent trials, with commissioning slated for June 2026 — including a dedicated line for semiconductor-grade specialty chemicals. Site 4, commissioned in the previous fiscal, came into its own this year, growing four-fold in revenue and now contributing 19% of the Company's total sales. Together, these developments meaningfully expanded manufacturing capacity, deepened backward integration, and reinforced Aether's readiness to serve global demand at scale.

Innovation and R&D — Powering the Next Phase of Growth

Research and development remained central to Aether's competitive edge. The Company invested ₹862.13 million during the year — 7.3% of annual revenue — into research infrastructure, talent, and process innovation, including the addition of new fume hoods and advanced analytical capability. Work is well underway on a larger, next-generation R&D facility comprising 15 new laboratories and nearly 120 fume hoods, positioning Aether to double its innovation capacity as it scales its CRAMS and Contract/Exclusive Manufacturing (CEM) businesses. This innovation engine also underpinned key customer wins during the year, including a ten-year contract manufacturing agreement with Milliken, continued ramp-up of the Baker Hughes partnership, a new CEM agreement with a large European multinational in the material science space, and the onboarding of 19 new marquee clients, validated through more than 50 customer and certification audits.

Financial Performance — Scaling Profitably

Aether delivered its strongest year yet, with consolidated revenue from operations rising 38% year-on-year to ₹11,601 million, up from ₹8,406 million in FY 2024-25. This growth was broad-based across business models, with Contract/Exclusive Manufacturing and CRAMS together contributing more than 55% of total revenue — a clear reflection of the Company's strategic shift toward higher-margin, relationship-led business. Profitability scaled even faster than the top line: EBITDA grew 53% year-on-year to ₹3,547 million, with EBITDA margin expanding to 31% from 28% in the prior year, while Profit After Tax grew 39% to ₹2,195 million, with PAT margin improving to 19% from 18%. This margin expansion was driven by robust pricing — up over 20% year-on-year in the Large Scale Manufacturing segment — a richer product and business mix, and continued operating discipline, even as the Company absorbed one-off headwinds in the fourth quarter, including an inventory loss from a warehouse fire.

Our People and Our Values go hand in hand

Beyond the numbers, FY 2025-26 was shaped by the people who power Aether's growth. The Company continued to nurture a culture rooted in innovation, safety, integrity, and collaboration, enabling teams across manufacturing, R&D, and customer-facing functions to execute at pace while upholding the highest standards of quality and reliability. This included strengthening the international leadership bench, with the appointment of a dedicated business development leader for Europe to deepen the Company's presence in a region increasingly seeking reliable alternatives in specialty chemicals sourcing.

Sustainability and Social Responsibility

Sustainability remains embedded in Aether's mission. The Company continued to advance its ESG agenda through investments in renewable energy — including its 16 MW and 15 MW solar power installations — alongside ongoing efforts in resource efficiency, process automation, and circular economy practices across its manufacturing sites. Community engagement initiatives in education, healthcare, and women's empowerment continued to expand, reflecting Aether's conviction that lasting business success must go hand in hand with social progress.

The Road Ahead

Looking forward, Aether is entering its next phase of growth with clear intent — scaling Site 5 and its next-generation R&D infrastructure, deepening its CRAMS and CEM franchises toward a targeted 70% share of revenue, and widening its global footprint, with exports and deemed exports already contributing nearly 30% of FY 2025-26 revenue. The Company remains focused on converting this momentum into durable, long-term value for every stakeholder in its journey.

In Appreciation

We extend our sincere gratitude to our employees, customers, partners, and investors, whose trust and partnership were integral to Aether's performance in FY 2025-26. Together, we have scaled new capacity, deepened strategic relationships, and laid strong foundations for the milestones ahead.



Revenue Growth

In a year defined by accelerating global outsourcing demand, sustained pricing strength, and disciplined capacity execution, Aether Industries Limited delivered its strongest-ever revenue and profitability performance, decisively advancing its strategic shift toward high-value, contract-led business models. The following sections outline our performance and approach in FY 2025-26.

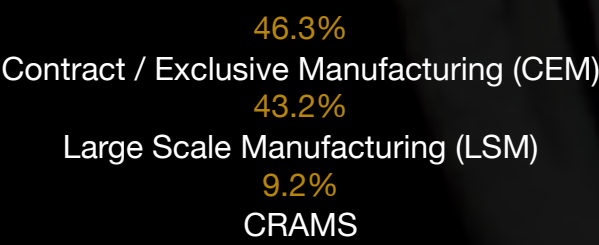
1. Performance Snapshot

Aether Industries Limited recorded a consolidated revenue of ₹11,601 million in FY 2025-26, a growth of 38% over FY 2024-25, marking the Company's highest-ever annual revenue and reaffirming the strength of its diversified, innovation-led business model. Growth was underpinned by three principal drivers:

- Sustained volume and pricing strength:** continued demand from long-term global customers in Large Scale Manufacturing, supported by product price realisations that stayed elevated through the year.
- Scale-up of Contract/Exclusive Manufacturing (CEM):** deepening of the Baker Hughes relationship, ramp-up of Site 4 (dedicated to the oil & gas vertical), and the commencement of production under the new 10-year exclusive manufacturing agreement with Milliken at Site 3++.
- Expansion of the CRAMS pipeline:** growing R&D-led engagements, including the SEQENS partnership, and a widening base of complex, multi-step synthesis programmes for global innovators.

2. CEM and CRAMS overshadowing LSM, the segment-wise trends

Aether's business mix continued its structural shift toward higher-margin, contract-led revenue streams. For FY 2025-26, the Company's revenue composition by business model stood as follows:



Contract / Exclusive Manufacturing (CEM)

- Emerged as the Company's largest business model for the first time, contributing 46.3% of consolidated revenue, and together with CRAMS now accounts for over 55% of total revenue.
- Growth driven by the ramp-up of the Baker Hughes contract, accelerating volumes at Site 4 (revenue up nearly 4x year-on-year to ₹2,196 million, now ~19% of total sales), and the start of commercial production at Site 3++ (commissioned end-February 2026) under the 10-year Milliken agreement.
- Deepening pipeline of new CEM engagements, including a fresh contract with a large European multinational in the material science space.

Large Scale Manufacturing (LSM)

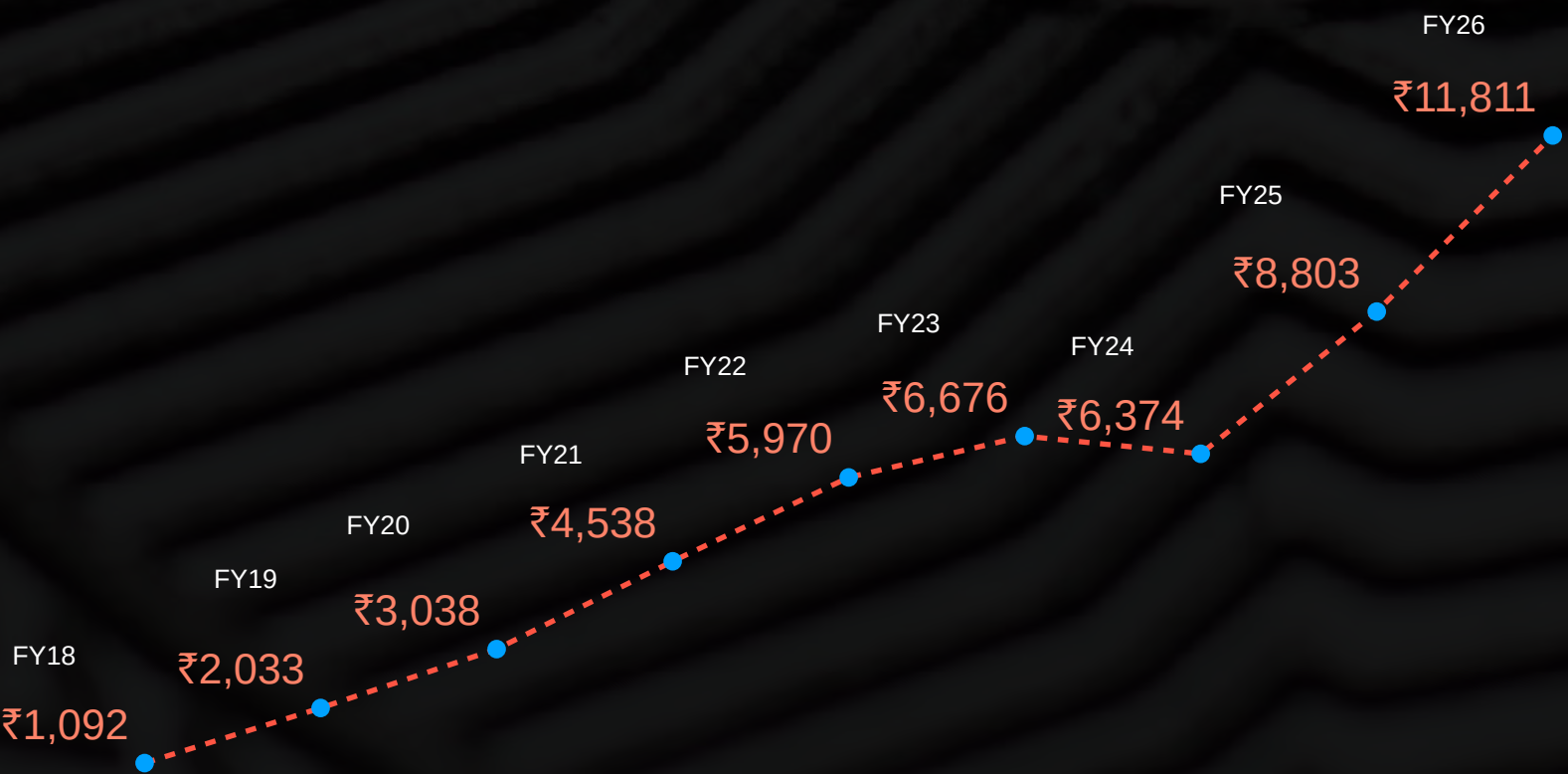
- Contributed 43.2% of consolidated revenue, supported by resilient global demand and product prices that remained elevated (up over 20% year-on-year) through most of the year.
- Benefited from newly commissioned capacities and continued process and efficiency improvements across manufacturing sites.

CRAMS (Contract Research and Manufacturing Services)

- Contributed 9.2% of consolidated revenue, with the underlying pipeline continuing to strengthen on the back of niche chemistries, complex synthesis capability, and growing enquiry volumes from customers seeking to diversify supply chains away from single-geography sourcing.
- The various partnerships progressed on track, alongside continued momentum in R&D-led, high-value programmes that lay the foundation for future CEM conversions.

3. Strategic Responses to Market Opportunities and Challenges

- Continued diversification** of the revenue base across pharmaceuticals, agrochemicals, material sciences, and oil & gas, reducing dependence on any single end-market and cushioning the Company against sector-specific cyclicality.
- Disciplined pricing and contract structuring**, including long-term, take-or-pay style CEM arrangements that improve revenue visibility and reduce exposure to spot-market volatility.
- Sustained R&D investment** of ₹862 million (7.3% of revenue) in FY 2025-26, including interim upgrades such as additional fume hoods and a new 400 MHz NMR machine, to accelerate the commercialisation of high-value, specialty and semiconductor-material products.
- Prudent working-capital management**, with the working capital cycle improving to 179 days during the year, on a clear path toward the Company's medium-term target of 160 days by FY 2026-27.
- Operational resilience**, with the Company absorbing the impact of an inventory loss at an external warehouse following a fire incident in March 2026, while continuing to deliver full-year growth well ahead of guidance.



Revenue Growth

4. Infrastructure and Capacity Expansion

- Commissioning of Site 3++ (end-February 2026) for exclusive manufacturing under the Milliken agreement, with the facility already ramping up ahead of schedule.
- Continued build-out of Site 5 (Panoli), with the first two production blocks readied for commercial operations from June 2026 following solvent trials, and a dedicated semiconductor-materials line (targeted ~400 tonnes capacity) planned as part of this expansion.
- Scale-up of Site 4 (Aether Specialty Chemicals Limited), which nearly quadrupled its revenue during the year and now represents roughly a fifth of consolidated sales, deepening the Company's presence in the oil & gas vertical.
- Ground-up planning of a significantly larger R&D facility — comprising 15 new laboratories and around 120 fume hoods — targeted for commissioning by Q2 FY 2027-28, which will materially expand Aether's research and scale-up capacity.
- Total capital expenditure for Site 3++ and Site 5 (Panoli) of approximately ₹450–500 crore during the year, with FY 2026-27 capex guidance of ₹300–350 crore directed toward Site 5 and R&D infrastructure.

5. Strengthening the Revenue Pipeline

Our continued investment in capacity, technology, and customer relationships has been central to this year's revenue performance. The commissioning of Site 3++, the impending ramp-up of Site 5, and the scaling of Site 4 collectively expand our production capabilities and position the Company to capture rising global demand. During the year, Aether onboarded 19 new marquee clients and successfully completed over 50 customer and certification audits, reinforcing its standing as a preferred, quality-assured manufacturing partner for global innovators.

Looking ahead, the Company remains focused on shifting its revenue mix decisively toward CRAMS and CEM — targeted to contribute around 70% of total revenue over the medium term — supported by favourable macroeconomic tailwinds, rising foreign direct investment, government Production Linked Incentive (PLI) schemes, and an accelerating “China Plus One” shift among global chemical and pharmaceutical innovators seeking diversified, reliable supply chains.

6. Conclusion

Fiscal Year 2025-26 was a landmark year for Aether Industries — one in which the Company achieved its highest-ever revenue and profitability, meaningfully advanced its shift toward a contract-led, higher-margin business model, and continued to invest decisively in capacity, technology, and talent for the future. Despite operational headwinds during the year, we delivered broad-based growth across our business models, strengthened our global customer base, and made strategic investments that position us for sustained, high-quality growth. Our performance reflects the strength of our strategic vision, the discipline of our execution, and the continued trust of our customers, employees, and shareholders. We remain firmly on course to advance as a global leader in the specialty chemicals industry.



Geographical Presence

In FY 2025–26, Aether Industries further strengthened its global and domestic reach, serving a diversified portfolio of customers across North America, Europe, and Asia-Pacific, while continuing to deepen its presence across India. Consolidated revenue from operations grew 38% year-on-year to ₹11,601 million (from ₹8,406 million in FY 2024–25), supported by robust demand across our Large Scale Manufacturing (LSM), Contract & Exclusive Manufacturing (CEM), and Contract Research & Manufacturing Services (CRAMS) business models. Our advanced manufacturing facilities in Surat remained the cornerstone of this network, enabling seamless supply to over 19 countries and catering to multiple industrial clusters across the nation. Strategic positioning in key geographies allowed the Company to respond swiftly to market needs, optimise logistics, and ensure consistent product quality — reinforcing Aether's role as a reliable, innovation-driven partner in the global specialty chemicals value chain.

1. Global Market Positioning

Maintained strong engagement in high-value markets such as the United States, Germany, United Kingdom, Japan, and China, while expanding into fast-growing economies in Southeast Asia, the Middle East, and Africa. The Company strengthened its European go-to-market capability with the appointment of a dedicated Business Development Leader – Europe, effective June 2026, to sharpen focus on technology and R&D-led growth for material sciences and performance materials in the region.

2. Region-wise Export Performance

North America – Sustained a strong presence in the United States and Mexico through long-term, take-or-pay supply contracts for niche chemistries with global clients. Revenue contribution from the United States moved from 6.81% in FY 2024–25 to 7.41% in FY 2025–26.

Asia-Pacific – Continued to generate revenues through strategic supply partnerships in Japan and emerging opportunities in South Korea, Taiwan, and China. The region's overall contribution moved from 4.43% in FY 2024–25 to 4.56% in FY 2025–26.

Rest of the World – Expanded presence in high-growth developing markets for performance materials and custom synthesis products, with continued traction in the African region following the Company's entry in FY 2024–25.

3. Domestic Market Strength

India, our home base, remained integral to our growth strategy, contributing 75% of total revenue in FY 2025–26, compared to 60.53% in FY 2024–25. Domestic growth was supported by strong pricing in the LSM segment (up over 20% year-on-year) and the scale-up of new capacities along with the supply of CEM products to companies in India.

4. Surat: Our Global Manufacturing Hub

Leveraged state-of-the-art manufacturing facilities in Surat — including the ramp-up of Site-3++, which commenced commercial operations on 22 February 2026, and the phased commissioning of Site 5 at GIDC Panoli — to serve international customers efficiently while ensuring consistency in quality, compliance, and timely deliveries. These capacity additions, backed by a capital expenditure of ₹3,838 million in FY 2025–26, position the Company to meet growing global demand across pharmaceutical, agrochemical, material science, and semiconductor-linked chemistries.

5. Regulatory Compliance & Quality Standards

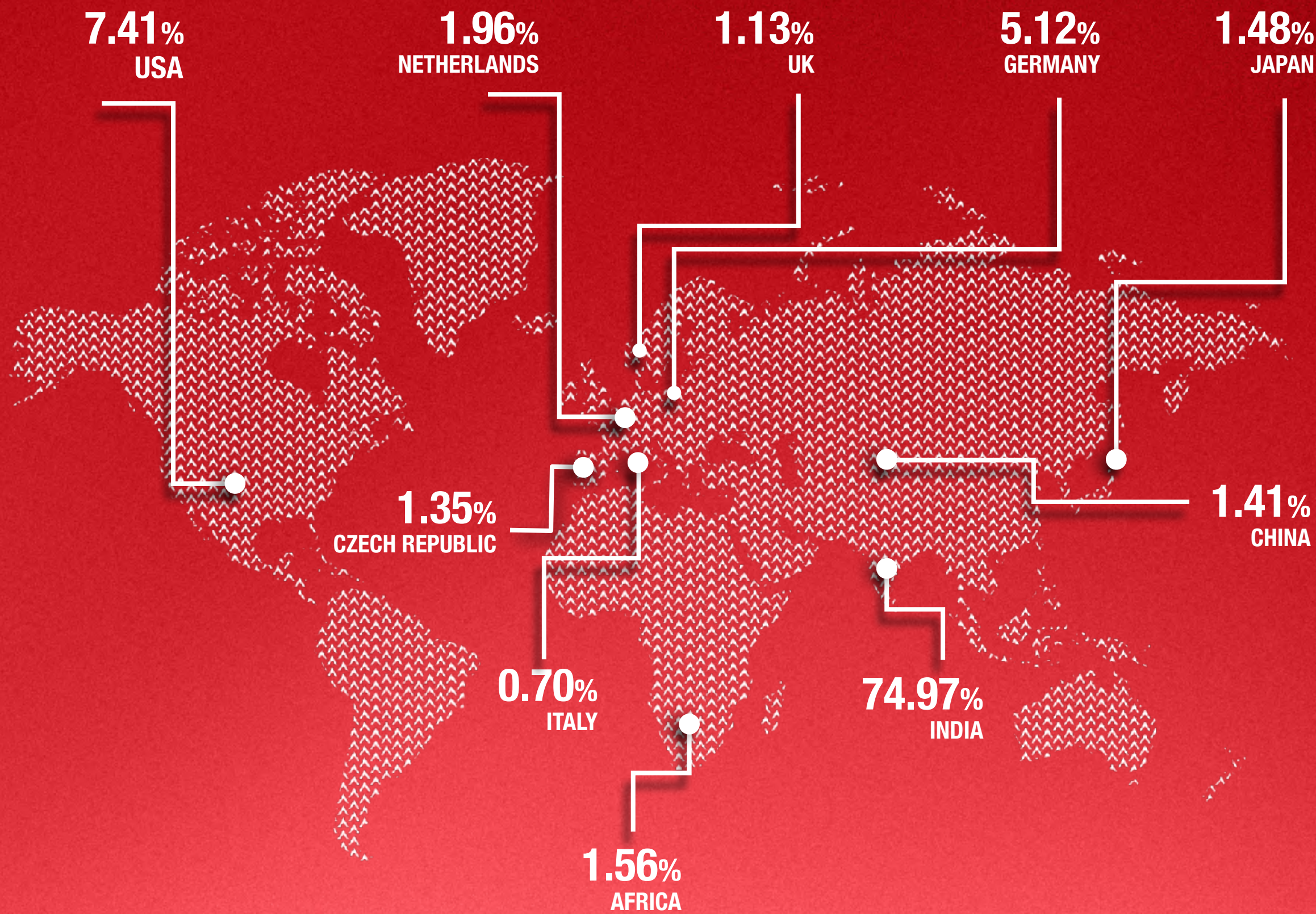
Met or exceeded stringent regulatory and quality requirements across multiple jurisdictions, completing over 50 customer and certification audits during the year and onboarding 19 new marquee clients — strengthening trust with global customers and enabling entry into new regions.

6. Strategic Outlook

Our geographic expansion continues to be underpinned by a dual strategy of leveraging local expertise while upholding global standards. With EBITDA margin expanding to 31% in FY 2025–26 (from 28% in FY 2024–25) and a continued shift toward higher-value CEM and CRAMS contracts — targeted to constitute a majority of revenues by FY 2030 — our state-of-the-art manufacturing facilities in India exemplify our dedication to quality and safety, ensuring the delivery of superior products worldwide. Our expanding R&D capabilities, including new laboratories and fume hoods, continue to drive innovation, enabling us to meet the specific needs of diverse markets and build enduring relationships across the globe.



Geographical Presence



It is a privilege to present my message as Chief Technology Officer of Aether Industries Limited for the financial year 2025-26. Since formally assuming this role in March 2024, and building on my earlier years with the organisation in business development and technology leadership for the Americas, I have had the opportunity to work closely with our teams as we translate scientific ambition into commercial reality. What continues to distinguish Aether is the seamless integration of rigorous chemistry, disciplined process engineering, and a culture that treats innovation as a sustained discipline rather than episodic achievement.

My more than three decades in research and development—at The Dow Chemical Company and later Corteva Agriscience—reinforced a simple truth: lasting technological leadership arises from the ability to move complex chemistry from concept through pilot to safe, safe, and scalable manufacturing. Precision in reaction optimisation, catalyst systems, impurity control, continuous processing, and process intensification remains non-negotiable. At Aether I see these principles applied daily by a growing team of scientists and engineers who combine synthetic depth with chemical engineering excellence.

Research and development remains the engine of our progress. During the year we meaningfully strengthened this foundation. An interim expansion of our existing R&D infrastructure was completed, adding new laboratories, additional fume hoods (including dedicated engineering capabilities), and advanced analytical instrumentation such as a 400 MHz NMR system. The new 15 fume hoods would be operational from Q1 FY27 and we would be doing more research. These assets are already enhancing data-driven decision-making, process analytics, modelling, and faster, more confident scale-up. Construction of a next-generation R&D facility is progressing on schedule and is expected to substantially expand our experimental and pilot capacity in the periods ahead. Our specialised R&D organisation now comprises approximately 350 scientists and engineers organised across multiple research groups, supporting a robust and diversified pipeline.

The new R&D facility is being created next to the current R&D facility, wherein we will be installing approximately 120 fume hoods and 15 laboratories to increase our R&D capabilities. We need to increase our capabilities to meet the increased CRAMS inquiries as well as for the development of our own products to feed the LSM business model. This addition along with our world class Pilot Plant will make our research capabilities premier. This should continue to attract new molecules from the current customers and from new customers as well.

That pipeline currently includes more than 55 active CRAMS projects, with the substantial majority focused on non-pharma and non-agrochemical applications spanning material science, oil & gas, electronics and semiconductor materials,

coatings, high-performance photography, and sustainability-linked chemistries. A meaningful portion of these projects continues to advance toward long-term contract and exclusive manufacturing (CEM) relationships, reinforcing the conversion pathway that sits at the heart of our model. We have also been deliberately expanding our core technology competencies—high-pressure chemistry, continuous reaction systems, process intensification, green chemistry approaches, and emerging capabilities in integrated polymerisation—while maintaining rigorous standards of safety, quality, and analytical control at every stage.

Several partnerships and manufacturing milestones reached important stages of maturity. We deepened our strategic relationship with Baker Hughes through additional products and expanding supply volumes, further establishing Aether as a reliable partner in oilfield chemistry. The ten-year exclusive manufacturing agreement with Milliken for a key material-science product successfully transitioned from CRAMS into dedicated commercial production at Site 3++, illustrating the strength of partnering early and scaling with customers over multi-year horizons. At our new strategic manufacturing campus (Site 5 / Magnum) in Panoli, the first production blocks commenced operations, enabling the commercial launch of new large-scale manufacturing molecules across pharmaceuticals, agrochemicals, and material science. Several of these molecules are being manufactured in India for the first time and are positioned for both domestic import substitution and export opportunities.

In electronic chemicals and semiconductor materials we advanced low-dielectric materials and related specialty monomers critical to high-speed circuit boards and next-generation electronics applications. Initial commercial sales have begun, with further dedicated capacity coming on stream at Site 5. These developments sit alongside continued progress on sustainability platforms, including the Converge® CO₂-based polyols technology, work on battery-related additives, and other circular-economy opportunities. Across the portfolio, every project is evaluated not only for technical feasibility and economic viability but also for its alignment with responsible manufacturing, process safety excellence, and long-term customer value.

Looking ahead, my priorities as CTO remain clear and focused. We will continue to expand and deepen our R&D infrastructure and talent base so that we can support a larger, more complex, and increasingly high-value project portfolio. We will

accelerate the development and commercialisation of differentiated technologies in electronic chemicals and semiconductors, advanced materials, oil & gas, coatings, and sustainable chemistries. We will strengthen intellectual property, further embed process safety systems and advanced process analytics, and deepen global technical collaborations. And we will ensure that every molecule and process we

advance is designed from the outset for sustainable, reliable scale-up, competitive economics, and enduring partnerships.

I am confident that Aether's technical journey will continue to power the company's growth, delivering not merely products but robust, high-performance solutions that serve our customers, strengthen India's position in global specialty chemicals, and contribute responsibly to the industries and communities we support. It remains a privilege to lead this effort alongside our exceptional scientists, engineers, manufacturing teams, and valued partners.

Creating Possibilities

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

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



Product & Technology Excellence

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

1. R&D Infrastructure and Capabilities

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

2. Innovation in Product Portfolio

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

3. Investment in R&D

We consider R&D as the core of Aether's business and hence, continuously invest towards the R&D and Pilot Plants. As of March 31, 2026, we had R&D Expenditure (revenues plus capital) of Rs. 862 million, which is 7.3% of our total revenues.

Looking Ahead

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

Female

12

Scientists

160

Engineers

196

of total manpower

32.25%

Environmental, Social & Governance (ESG)

Aether Industries Limited continued to embed ESG principles at the core of its business strategy during FY 2025-26. Amid strong financial performance — consolidated revenue from operations of ₹11,601 million (up 38% year-on-year), EBITDA of ₹3,547 million (up 53%, margin 31%), and PAT of ₹2,195 million (up 39%) — the Company reinforced its commitment to responsible growth, environmental stewardship, social impact, and ethical governance. ESG considerations remained integral to capacity expansion, process innovation, risk management, and stakeholder engagement, supporting sustainable value creation.

1. Environmental Stewardship and Climate Action

a. Renewable Energy Integration and Decarbonisation: The Company fully operationalised its renewable energy portfolio, comprising the earlier 16 MW solar power plant and the 15 MW auto-tracker solar facility. These assets have meaningfully reduced dependence on conventional grid power, delivered substantial energy cost savings, and lowered the carbon intensity of manufacturing operations. The combined installed capacity supports cleaner energy supply across facilities and contributes to improved operating leverage.

b. Sustainable Chemistry and Product Innovation: Aether advanced its green chemistry and sustainability-linked product platforms. Key initiatives include the Converge® polyols technology (licensed from Saudi Aramco Technologies), which utilises CO₂ in the manufacture of more sustainable polyols; development work in lithium-ion battery electrolyte additives, carbon-capture-derived products, and advanced water purification solutions; and collaboration on plastic waste up-cycling. Material Science and the emerging Sustainability & Renewables segment continue to gain strategic focus as the Company expands its portfolio of lower-impact specialty chemicals.

c. Resource Efficiency – Energy, Water and Waste: Process optimisation, energy-efficient technologies, and continuous improvement programmes delivered measurable gains in resource productivity. Water recycling and reuse systems were further strengthened at manufacturing sites, reducing freshwater intake while ensuring safe discharge through advanced treatment (including Zero Liquid Discharge capabilities at key facilities). Waste management practices emphasised segregation, higher co-processing of hazardous waste in cement plants, and progress toward minimising landfill disposal. Green chemistry efforts continued to substitute hazardous raw materials with safer alternatives, improving yields and reducing process waste.

2. Social Responsibility and Inclusive Growth

a. Employee Well-being, Safety and Culture: Occupational health and safety remained a top priority. Following earlier incidents and a March 2026 external warehouse fire (originating from neighbouring premises, with no casualties and limited inventory impact), the Company further strengthened safety protocols, emergency response systems, risk assessments, and process safety management across all sites. Training, audits, and a culture of continuous improvement underpin compliance with national and international standards. Dedicated Environment, Health & Safety leadership roles were reinforced to drive systemic enhancements.

b. Capability Building and Talent Development: Advanced technical training, leadership development programmes, and continuous learning initiatives were expanded across functions. Significant investment in R&D (approximately 7.3% of revenues in FY 2025-26) and ongoing expansion of laboratory and pilot facilities support skill enhancement and innovation capacity. The Company maintains a young, technically oriented workforce culture focused on complex chemistry and process excellence.

c. Community Engagement and CSR: CSR programmes continued to prioritise education, healthcare, skill development, and community welfare in areas surrounding operational sites. Initiatives through the Aether Foundation and direct programmes aim to create meaningful local impact while aligning with the Company's broader social responsibility commitments.

d. Diversity, Equity, Inclusion and Human Rights: Aether upholds a merit-based, inclusive workplace with zero tolerance for discrimination or harassment. Policies covering Prevention of Sexual Harassment (POSH), gender equality, fair labour practices, and human rights extend across operations and the supply chain. The Company fosters a respectful environment for employees and external stakeholders and remains committed to ethical conduct throughout its value chain.

3. Governance Excellence and Ethical Conduct

a. Ethical Business Practices and Compliance: A zero-tolerance approach to corruption, anti-competitive behaviour, and regulatory non-compliance is supported by robust internal controls, codes of conduct, and vigil mechanisms. The Company maintains high standards of integrity in all business dealings.

b. Board Oversight and ESG Integration: The Board and relevant committees actively oversee sustainability targets, compliance metrics, stakeholder engagement, and ESG-related risks. Climate, supply-chain, and regulatory risks are integrated into the enterprise risk management framework. Dedicated focus on EHS and environmental performance further strengthens operational governance.

c. Transparency, Reporting and Stakeholder Trust: ESG disclosures continue to be enhanced in line with Business Responsibility and Sustainability Reporting (BRSR) requirements under SEBI guidelines and evolving global best practices. Regular communication with investors, customers, regulators, and communities reinforces accountability and trust. The strong Board composition and professional management framework support effective corporate governance at the Company level.

d. Risk Management and Resilience: ESG risks — including climate-related physical and transition risks, process safety, and supply-chain resilience — are systematically identified, monitored, and mitigated. Lessons from operational incidents have driven further investments in safety systems, insurance coverage, and business continuity planning.

Through these integrated efforts, Aether Industries Limited continues to align commercial success with long-term environmental responsibility, social value creation, and high standards of governance, positioning the Company for sustainable growth in the specialty chemicals sector. Looking ahead, Aether Industries Limited remains firmly committed to embedding ESG principles deeper into its strategy, operations, and decision-making. The progress achieved in FY 2025-26 provides a strong foundation for the next phase of responsible growth.



Quality, Environment, Health, Safety (QEHS)

At Aether Industries Limited, our integrated commitment to Quality, Environment, Health, and Safety (QEHS) continues to form the foundation of operational excellence, resilience, and sustainable growth. In Fiscal Year 2025-26, these principles guided our actions amid strong business expansion, enabling us to deliver robust financial performance—consolidated revenue from operations of ₹11,601 million (up 38% year-on-year), EBITDA of ₹3,547 million (up 53%, with margins expanding to 31%), and Profit After Tax of ₹2,195 million (up 39%)—while upholding the highest standards of responsibility, integrity, and stakeholder trust across all manufacturing sites and business models.

1. Quality Excellence & Product Integrity

Excellence in quality remains the defining hallmark of Aether Industries, deeply embedded in our operational philosophy and culture. Throughout FY 2025-26, we reinforced our quality management systems in alignment with stringent global standards, including ISO 9001:2015 and Indian GMP certifications held across key facilities.

We continued to invest in advanced process technologies, automation (including DCS systems), rigorous raw material controls, in-process monitoring, and final product testing. Continuous improvement initiatives across manufacturing facilities enhanced batch consistency, efficiency, and reliability. The successful completion of over 50 customer and certification audits, alongside the onboarding of 19 new marquee customers, underscored the robustness of our quality framework and our position as a preferred partner in the specialty chemicals sector. Quality is treated not merely as a compliance obligation but as a shared responsibility that consistently meets or exceeds customer expectations worldwide.

2. Environmental Stewardship & Sustainable Operations

Sustainability remains central to our long-term vision and operational strategy. In FY 2025-26, we further embedded green chemistry principles, resource efficiency, and circular approaches into our processes. Our facilities maintain Zero Liquid Discharge (ZLD) systems supported by multi-stage treatment technologies. We advanced renewable energy adoption through expanded solar capacity (including auto-tracker modules), reducing reliance on conventional power and lowering our carbon footprint, while optimising energy consumption and waste management.

Strategic progress was made in sustainability-linked products and platforms, including the Converge® Polyols technology (CO₂-based, licensed from Saudi Aramco Technologies), developments in lithium-ion battery electrolyte additives, carbon-capture-based solutions, advanced water purification, and collaborations focused on plastic waste up-cycling. These initiatives, together with dedicated focus on the Sustainability & Renewables segment, reinforce our role as a responsible manufacturer. We maintained full compliance with environmental regulations and continued transparent engagement with authorities, building on the lessons and safeguards strengthened after earlier events.

3. Occupational Health & Employee Well-being

The health and well-being of our employees, contractors, and surrounding communities remain paramount. In FY 2025-26, we strengthened preventive health measures, occupational health protocols, and wellness support across all sites. Regular training programmes, medical surveillance, and a culture that prioritises early identification and mitigation of health risks helped ensure a supportive work environment.

Our integrated QEHS framework treats health as inseparable from safety and operational discipline. By equipping the workforce with knowledge, protective systems, and responsive processes, we aim to foster an environment in which people can perform at their best while remaining protected.

4. Safety Culture & Operational Resilience

Safety is the bedrock of our operational philosophy. FY 2025-26 reinforced the importance of uncompromising standards and continuous vigilance. The March 2026 fire incident at an external warehouse in Hojiwala Industrial Estate originated from neighbouring premises; it resulted in no injuries or casualties, caused no disruption to production, R&D, pilot plant, or other manufacturing operations, and was effectively contained by existing safety systems. An inventory loss of approximately ₹70 million was recognised, with an insurance claim lodged and under assessment. Additional safety measures and infrastructure enhancements were initiated promptly.

Progress continued on the resolution of the November 2023 incident at Manufacturing Facility 2, with insurance claims advancing and the facility fully restored and operational. Across the organisation, we intensified safety training, audits, root-cause analysis, emergency preparedness drills, and technology-enabled monitoring. Dedicated leadership focus on Environment, Health & Safety systems further strengthened accountability and a zero-incident aspiration. These efforts, combined with ISO 45001:2018 certification, support operational resilience even as capacity expands at sites including Site 3++ and the new Magnum facility (Site 5).

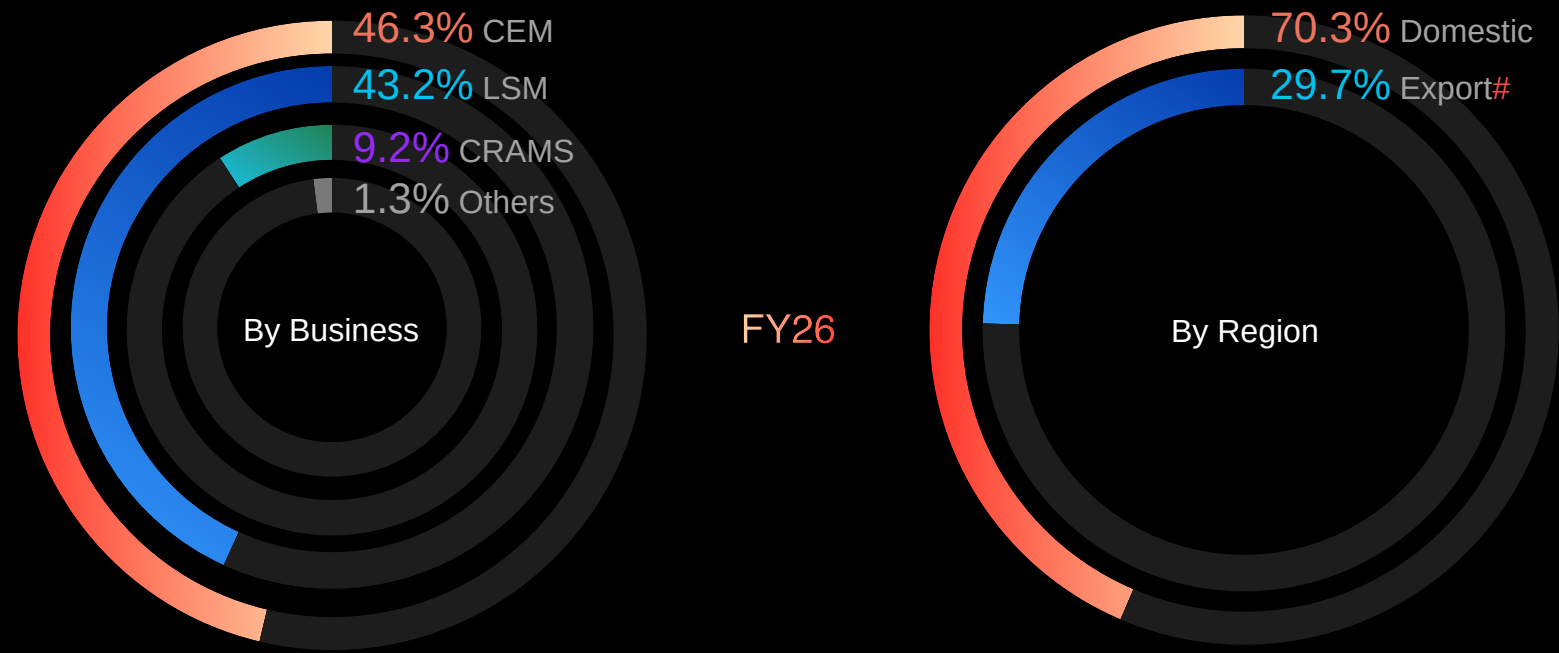
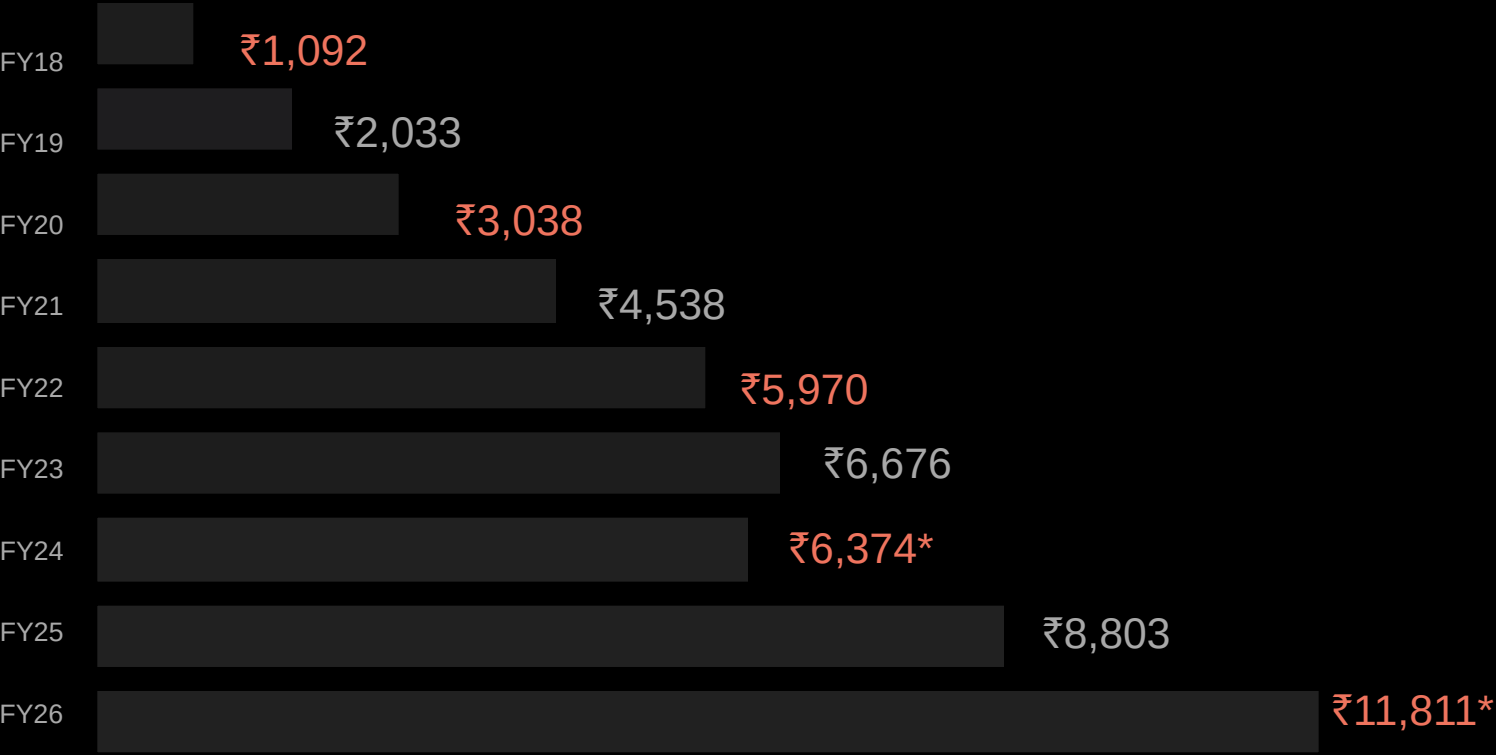
Strategic Priorities Ahead

Looking ahead, Aether Industries remains resolute in embedding Quality, Environment, Health, and Safety principles into every dimension of our growth. We will continue to invest in advanced technologies, renewable energy, process safety enhancements, employee capability building, and proactive risk management. Our goal is not only to meet but to consistently surpass global benchmarks, ensuring that operational excellence, environmental responsibility, and the well-being of our people remain inseparable from sustainable value creation and long-term stakeholder trust. This integrated QEHS approach will continue to underpin reliable performance, support capacity ramp-up, and reinforce Aether's standing as a responsible leader in the specialty chemicals industry.



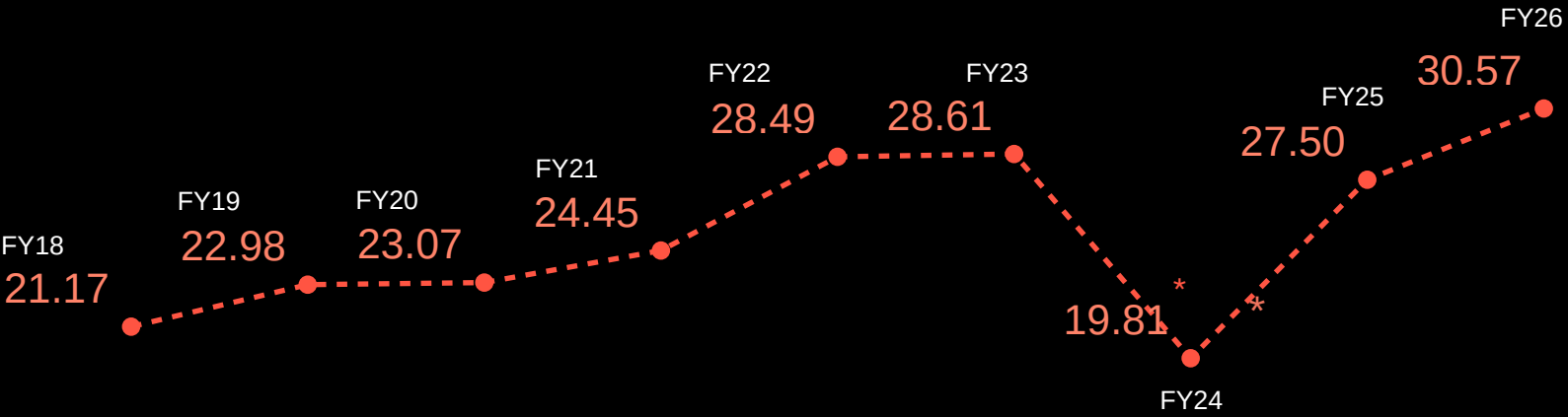
Aether's Performance Chronicle

TOTAL REVENUE

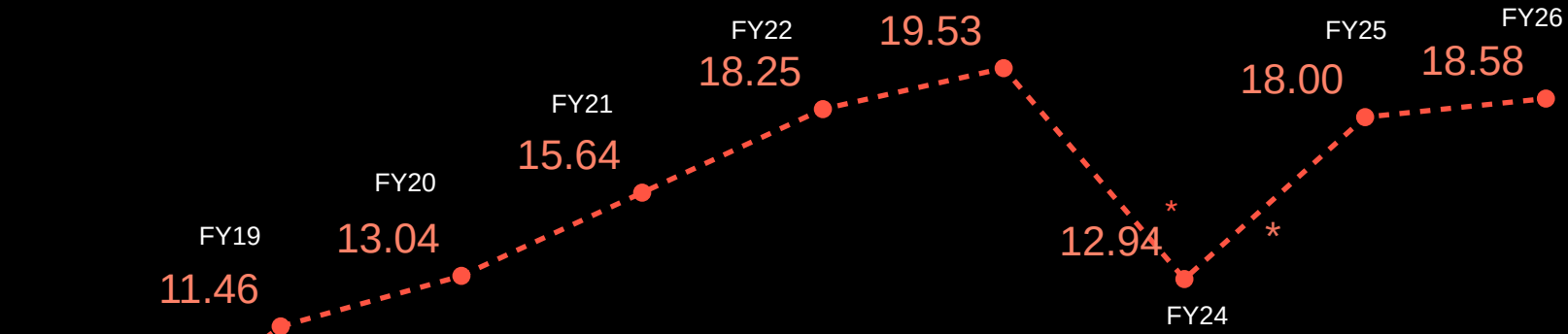


includes deemed exports and SEZ Sales

EBITDA %



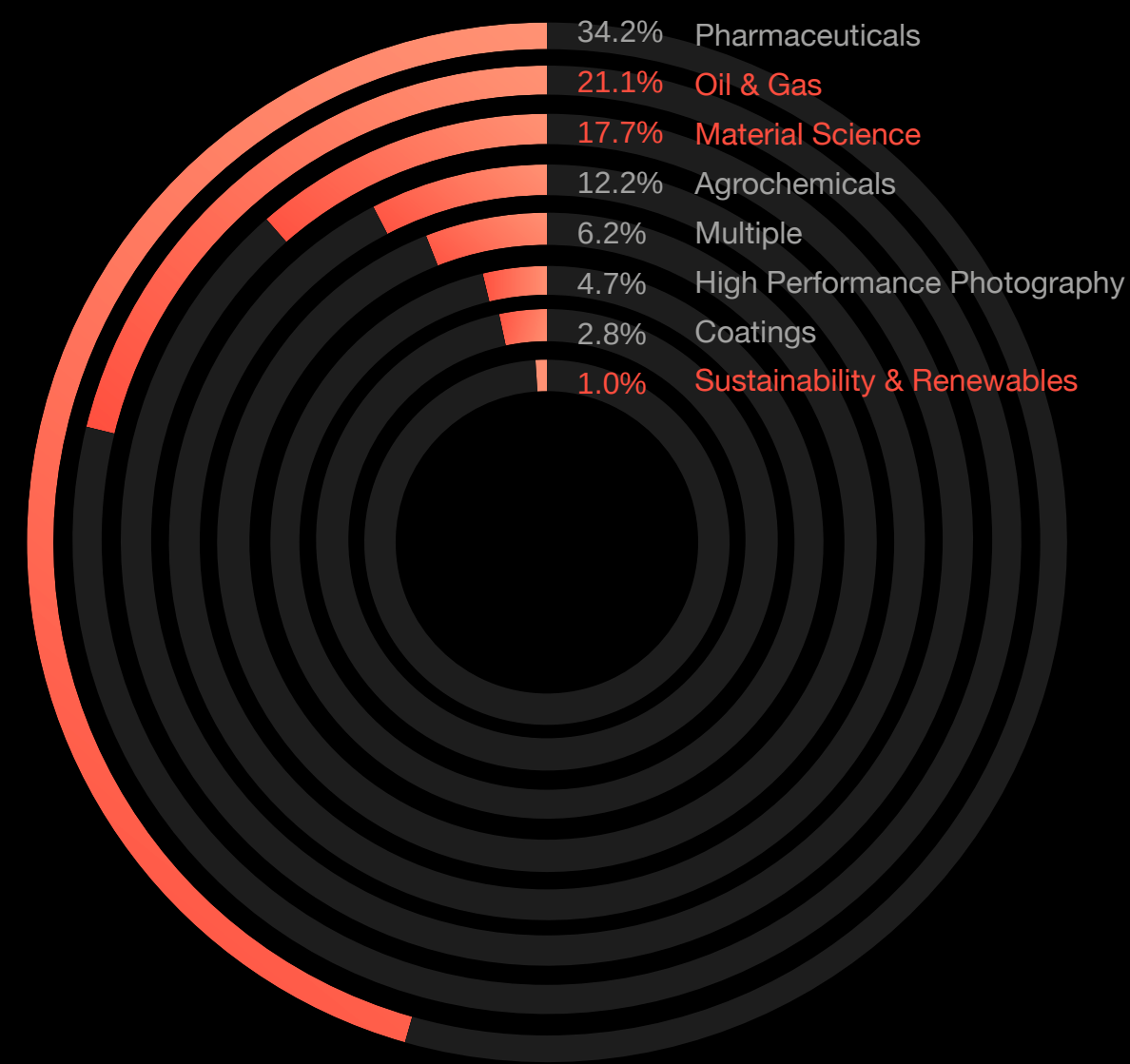
PAT %



* Impact due to Fire Accident in FY 2024

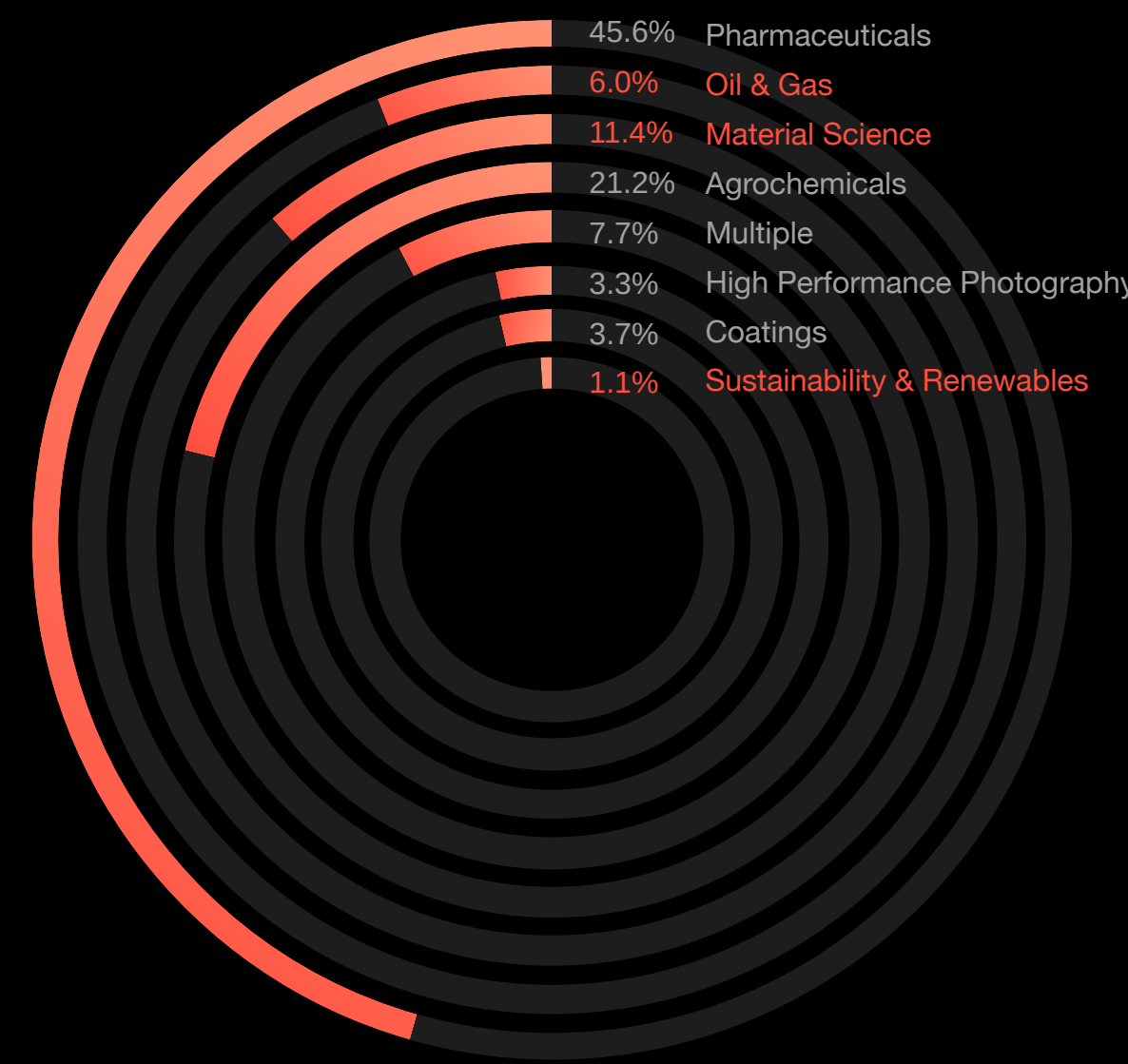


Business Segments | Revenue



FY26

Diversification Deepens: A Broader, More Resilient Portfolio
Aether's diversification journey, which began with a gradual rebalancing away from pharmaceuticals, has gathered pace in FY 2025-26. What started as a strategic shift is now a structural transformation — with material sciences, coatings, and oil & gas each strengthening their contribution to revenue, even as pharmaceuticals and agrochemicals remain vital, well-established pillars of our business. The share of pharmaceuticals in revenue from operations moved from 45.6% to 34.2% during the year, while agrochemicals moved to 12.2% (from 21.2%), reflecting the continued strength and stability of our base businesses.



FY25

The most notable movement came from material sciences, which rose sharply from 11.4% to 17.7%, and oil & gas which grew from 6% to 21.1%, each reinforcing their position as a key growth engine alongside pharmaceuticals and agrochemicals. Sustainability & renewables held at approximately 1.0%, continuing to build its foundation as a segment for the future. Together, these shifts underscore a portfolio that is not only more diversified but increasingly balanced across our core and emerging businesses. These are a result of new contracts entered into by us with Milliken, Baker Hughes, SEQENS, Saudi Aramco and many others.





As I reflect on the year gone by, I am reminded that the future is rarely shaped by singular moments of brilliance. It is built through countless consistent actions, rooted in patience, responsibility, and a deep sense of purpose.

At **Aether Industries Limited**, this philosophy lies at the very core of our Corporate Social Responsibility (CSR) initiatives. For us, CSR is not a peripheral activity or an occasional act of charity — **it is central to our identity and a fundamental expression of our values**. We have always believed that meaningful impact is created not through sporadic gestures, but through sustained commitment, year after year.

This belief is best captured in the timeless truth:

"Every seed we plant is an act of faith. We may never sit under its shade, yet we plant it because someone, someday, will."

Our CSR journey has been about planting and nurturing such seeds of hope. Whether it is empowering a child through education, restoring health and dignity through timely healthcare, building character through sports, or extending care and respect to senior citizens — each initiative represents our quiet but firm resolve to create a better tomorrow.

Education remains the cornerstone of our CSR philosophy. We are convinced that no other investment yields greater intergenerational returns. When a child gains knowledge and confidence, the impact multiplies across families and communities. As we often say, *"A classroom creates knowledge, but more importantly, it creates confidence. A school nurtures learning, but beyond that, it nurtures possibilities."*

Our efforts in healthcare, sports development, and senior citizen welfare are guided by the same spirit of consistency and compassion. We support these areas because we recognise that a society progresses meaningfully only when it cares for all its members — from the youngest to the eldest.

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

What truly defines our approach is not the scale of individual projects, but the unwavering consistency with which we pursue them. Lasting change emerges from relationships built on trust, from quiet determination, and from the discipline of doing what is right even when immediate results are not visible.

"The future belongs to those who remain committed long after recognition has faded."

Looking ahead, we remain steadfast in our commitment. We will continue to invest in education, strengthen healthcare access, nurture young talent, and support our communities with the same sense of gratitude and responsibility that has always defined Aether.

I extend my sincere gratitude to our employees, fellow board members, shareholders, and all stakeholders whose trust and participation make this journey possible. Together, we are not merely building a company — we are helping shape a more equitable and compassionate future.

The future will never be built in a single day. It will be built through the choices we make every day — and through the seeds we continue to plant with faith and conviction.

Creating Future

"The Future is Built Through Consistency, Not Occasional Acts."



600

Education Supports to
Students

65% male, 35% female

800

Health & Preventive Care for
Beneficiaries

Wholesome medical camps &
thalassemia blood support

80

Senior Citizen Support to
Individuals

Regular nutritional and essential aid

50

Contribution towards Sports
Athletes & Sportsmen

Through major initiatives

Medical Camp



School inauguration



Medical Camp



Statutory Reports

05

Report of the Board

To,
The Members,
Aether Industries Limited

Your Directors have pleasure in presenting the Annual Report and the Financial Statements of the Company for the Financial Year ended on March 31, 2026.

Particulars (INR in MM)	Standalone		Consolidated	
	2026	2025	2026	2025
Income from business operations	₹9,401.69	₹7,903.18	₹11,601.41	₹8,405.48
Add : Other income	₹215.37	₹424.96	₹209.27	₹397.64
Total income	₹9,617.06	₹8,328.14	₹11,810.68	₹8,803.12
EBITDA	₹3,169.83	₹2,697.86	₹3,845.63	₹2,828.05
Less: Finance Cost	₹122.43	₹102.25	₹180.87	₹129.33
Less: Depreciation	₹607.81	₹427.97	₹664.15	₹450.14
Profit before Exceptional items and Tax	₹2,439.59	₹2,167.64	₹3,000.61	₹2,248.58
Less: Exceptional items	₹89.76	₹118.74	₹89.76	₹118.74
Profit before tax	₹2,349.84	₹2,048.90	₹2,910.85	₹2,129.84
Less: Tax	₹613.73	₹528.01	₹716.22	₹545.66
Profit after tax	₹1,736.10	₹1,520.89	₹2,194.63	₹1,584.18
Earnings per Equity Share:				
Basic (per Equity Share)	₹13.09	₹11.47	₹16.55	₹11.95
Diluted (per Equity Share)	₹13.08	₹11.47	₹16.53	₹11.95

Business operations, affairs and nature of the Company
During the Fiscal Year under review, the Company pursued the existing stream of business operations without introducing any new business venture. Business activity of the Company remained unchanged throughout the Fiscal Year. The Reporting Financial Year turned out a progressive, efficient and overall a prosperous for the Company.

The revenue of the Company achieved to Rs. 9,401.69 MM, comparing to Rs. 7,903.18 MM of previous year, with y-o-y increase of 19%.

The PAT of the Company reported to Rs. 1,736.10 MM,

comparing to Rs. 1,520.89 MM of previous year, with y-o-y increase of 14%. The above strong and notable performance was led by CEM and CRAMs business models, contributing more than 55% of the revenue. Also, a strong traction was developed with diversified customers. Remarkably, Manufacturing Site 3++ commenced production in late February, 2026. Significant R&D Centre expansion was completed in adjacent land.

Transfer to Reserves
Total Retained Earnings of Rs. 7,165.11 MM was transferred to Reserves.

Dividend
No Dividend was declared during reporting Financial Year.

Share Capital
The paid-up share capital of the Company as of March 31, 2026, is reported to Rs. 1,32,67,98,240, comprising 13,26,79,824 Equity Shares of Rs. 10 each, in the dematerialised format.

During the reporting Financial Year, Company issued 89,583 Equity Shares to eligible employees of the Company under the Aether Industries Limited Employee Stock Options Scheme, 2021 (herein referred as AIL ESOS 2021) at multiple instances.

Subsidiaries, Joint ventures and Associate Companies
The Company has a following Wholly Owned Subsidiary Company;

Name: Aether Speciality Chemicals Limited
CIN: U24290GJ2022PLC135180
Holding: 100%

The above Wholly Owned Subsidiary becomes a Material Subsidiary in-line with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015.

Details of it are provided separately in the Form AOC-1, as Annexure-A.

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

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

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

Material changes and commitments during after the end of the Fiscal Year
There have been no material changes and commitments, affecting the financial position of the Company, that have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

Details of revision of Financial Statement or Annual Report
No revision of the Financial Statements or Annual Report has been made during Financial Year ended March 31, 2026 neither in any of the preceding three Fiscal Years.

Accounting treatment
Since the listing of the Company, the Company has adopted the “Ind AS” as the accounting methodology.

Particulars of the Loans, Guarantees or Investments by the Company
During the Reporting Financial Year, the Company had given an unsecured loan worth ₹ 201.87 MM to M/s. Aether Speciality Chemicals Limited, the Wholly Owned Subsidiary.

Contracts or Arrangements with Related Parties
There were no such significant Contracts or Arrangements were executed or transacted with Related Parties of the Company during the reporting Financial Year.

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

At present, the Board is comprised of a total 12 (twelve) Board members, including 3 (women) members. There



Report of the Board

are 4 (four) Executive Directors, 2 Non-Executive Directors and 6 Independent Directors.

The Key Managerial Personnel of the Company are comprised of Chief Technology Officer, Chief Financial Officer and Company Secretary, who also serve as Compliance Officer of the Company.

No changes were reported in the Board of Directors and the Key Managerial Personnel of the Company during the Reporting period.

The Policy on appointment of Directors and remuneration, including criteria for determining qualifications, positive attributes, independence of Directors and other matters, as described in Section 178 of the Companies Act, 2013, is accessible at: <https://aether.co.in/wp-content/uploads/2024/09/Policy on appointment of Directors, KMPs and Employees.pdf>

Declaration by Independent Directors

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

Directors’ retirement by rotation

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

Number of Board Meetings

During the reporting Financial Year, total 4 (four) Board Meetings were convened to discuss various business agenda.

The meetings were conducted in an effective and well-organised manner, with active participation of the Board Members throughout the year. The Board continued to provide strategic guidance and oversight in the conduct of the Company’s affairs.

The Board’s evaluation

The Board evaluated the effectiveness of its

functioning, its Committees, and Individual Directors by seeking their feedback on various aspects of the Board's and Committees' governance. In addition, several new initiatives were introduced to further strengthen the overall Board evaluation process.

The evaluation covered various aspects, including the Board's contribution to and oversight of corporate governance practices, participation in long-term strategic planning, and the discharge of Directors' statutory, fiduciary, and governance responsibilities. The evaluation also considered the active participation in Board and Committee meetings.

As part of the evaluation process, the Chairman of the Board held one-on-one meetings with the Independent Directors, while the Chairman of the Nomination and Remuneration Committee met individually with the Executive and Non-Executive Directors to obtain their feedback on the effectiveness of the Board and Committee processes.

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

Familiarization program for Independent Directors

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

Credit rating of the Company

The Company has maintained its credit ratings during the Reporting Financial year. Rating of the Company was awarded to ICRA A+ for long-term ratings and ICRA A1 for short-term ratings, issued by M/s. ICRA Limited.

The rating was issued on credit exposure of ₹ 2,960.00 MM, considering the performance of the Company at various measures.

Transfer of amounts to Investor Education and Protection Fund

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

Corporate Social Responsibility

During the reporting Financial Year, the Company with

the utmost joy fulfilled its CSR obligation of ₹ 32.89 MM, as per the budget, adhering to the Section 135 read with Schedule VII of the Companies Act, 2013.

The Annual Report on the CSR is annexed as Annexure-B. The Company has aligned the activities under CSR basis the Policy of the CSR, accessible at: <https://aether.co.in/wp-content/uploads/2022/08/CSR-Policy.pdf>

Directors’ Responsibility Statement

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

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

Internal Financial Controls

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

- (a) That IFCS are commensurate with the size and nature of its operations.
- (b) All legal and statutory compliances are ensured on a monthly basis. Non-compliance, if any, is seriously taken by the management and corrective actions are taken immediately. Any amendment is regularly updated by internal as well as external agencies in the system.
- (c) Approval of all transactions is ensured through a pre-approved Delegation of Authority Schedule which is reviewed periodically by the Management.

- (d) The Company follows a robust internal audit process.

Transaction audits are conducted regularly to ensure the accuracy of financial reporting, and the safeguard and protection of all the assets. Verification of Fixed Assets is done on an annual basis. The audit reports for the above audits are compiled and submitted to the Board of Directors for review and necessary action.

The Company is having the best-in-class IFCS for the optimum output.

Related Party Transactions

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

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

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

Risk Management

The Company has adopted a formal, enterprise-wide approach to risk management, under which key risks are identified, assessed, monitored, and managed within an integrated framework. As part of the formal implementation of this framework, all business divisions and corporate functions have adopted the Risk Management Policy and Guidelines and are expected to incorporate risk considerations into their decision-making processes.

Key business risks, together with the corresponding mitigation measures, are integrated into the annual and strategic business planning process and are reviewed periodically by the management. Over time, the risk management framework has been embedded across the Company's multi-business and multi-site operations, ensuring that risk management forms an integral part of its business systems and processes. This enables the Company to respond to emerging risks in a timely, dynamic, and effective manner, in line with the evolving business environment.

The Company has also formed a Risk Management Committee, details of which are mentioned in the Corporate Governance Report.



Report of the Board

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

(a) Conservation of Energy
The Company is taking all the efforts to save electricity and other resources to conserve energy and utilise the same optimally.

The Company remains committed to the conservation of energy through the efficient utilisation of electricity and other natural resources. Continuous efforts are made to optimise energy consumption by adopting energy-efficient practices, improving operational efficiencies, and promoting the prudent use of resources across all operations.

The steps taken by the company for utilising alternate sources of energy
The Company has entered into a Purchase Power Agreement to avail the benefit in the form of rebate from the electricity consumed for the manufacturing facility. The service provider will produce the electricity through solar power plant installed and that will lead to redemption in the electricity bills.

The Company is using the 15 MW Solar Power Project (Auto-Tracker Modules) under Captive Power Producer (CPP) segment to meet energy needs.

The Company has installed Variable FrequencyDevices (VFDs) along with Distributed Control System (DCS), dedicated automated dedicated energy meters in various high-power consuming equipment to optimize the usage.

(b) Foreign Exchange Earnings and Outgo
The Foreign Exchange earned and the Foreign Exchange outgo during the Fiscal Year 2026:

Earning: ₹ 2,397.34 MM
Outgo: ₹ 574.44 MM

Vigil Mechanism
The Company has established a Vigil Mechanism / Whistle Blower Policy to provide a robust framework

for reporting instances of unethical behaviour, actual or suspected fraud, misconduct, or violations of the Company's Code of Conduct and other applicable policies. The Policy enables Directors and Employees to report genuine concerns in a confidential and transparent manner, with adequate safeguards against victimisation.

The effectiveness of the Vigil Mechanism is reviewed by the Board of Directors on a quarterly basis. The Board considers the functioning of the mechanism and, wherever necessary, provides guidance and recommendations for its continuous improvement.

During the reported Financial Year, no instances of unethical behaviour, actual or suspected fraud, misconduct, or violations under the Vigil Mechanism / Whistle Blower Policy were reported.

Vigil Mechanism cum Whistle Blower Policy is accessible on the website of the Company, at: <https://aether.co.in/wp-content/uploads/2024/09/WhistleBlowerPolicyVigilMechanism.pdf>

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

Secretarial Audit
Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules framed thereunder, M/s. Dhirren R. Dave & Company, Company Secretary in practice, was appointed as the Secretarial Auditor of the Company for the Fiscal Year 2026.

They undertook the Secretarial Audit activity with utmost depth and integrity. All the conducts of the Company were found in line with the stipulated norms, and the compliance system was found in line with the laws, and no instance of any material misconduct was found in the audit.

The Report does not contain any qualifications, reservations, adverse remarks or disclaimers.

The Secretarial Audit Report is annexed herewith as Annexure-C.

Cost Audit
The Company has maintained the cost records specified by the Central Government under Section 148(1) of the Companies Act, 2013, and the applicable rules made thereunder. Accordingly, such cost accounts and

records have been duly made and maintained.

For the Financial Year under review, the cost audit of the Company's cost records was conducted by M/s. PAAA & Associates, Cost Accountants.

The Board, on the recommendation of the Audit Committee for the 2026, have approved their remuneration of Rs. 0.11 MM.

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

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

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

The Company has introduced the Aether Industries Limited Employees Stock Option Scheme 2021 (AIL ESOS 2021) primarily with a view to attract, retain, incentive and motivate the existing employees of the Company. The AIL ESOS 2021 contemplates the grant of options to eligible employees, as may be determined in due compliance of SEBI SBEB Regulations and provisions of the AIL ESOS 2021.

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

Secretarial Standards
The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI), namely Secretarial Standard on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2), as amended from time to time.

Reporting of fraud by Auditors
There is no qualification, reservation or adverse remarks made by M/s. Suresh I. Surana & Associates, Statutory Auditors in their Audit Report, M/s. Dhirren R. Dave & Company, Secretarial Auditors in their Secretarial Audit Report, and Ms. Riddhi Chitaliya, Internal Auditor in her Internal Audit Report M/s. PAAA & Associates, Cost Auditors in their Cost Audit Report.

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

Remuneration detail of employees
Pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the prescribed disclosures relating to the top ten employees in terms of remuneration drawn and other employee-related particulars form part of this Report. The requisite details are set out in Annexure-E.

Human Resources and Industrial Relations
The Company takes pride in the commitment, competence, and dedication of its employees, who continue to contribute significantly to its growth and success. A structured induction programme is in place across all locations to facilitate the seamless integration of new employees, while continuous learning and management development initiatives are undertaken to enhance the capabilities and skills of managers and other employees.

The Company has established an objective performance appraisal system based on Key Result Areas (KRAs), which is consistently implemented to ensure a fair, transparent, and merit-based evaluation of employee performance.



Report of the Board

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

The Company has established an objective performance appraisal system based on Key Result Areas (KRAs), which is consistently implemented to ensure a fair, transparent, and merit-based evaluation of employee performance.

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

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

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

Environment, Health and Safety Protection

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

Anti-Sexual Harassment Policy

The Company has in place a Policy on Prevention of Sexual Harassment at the Workplace, in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH Act”).

An Internal Committee has been constituted in accordance with the provisions of the POSH Act to receive, inquire into and redress complaints of sexual harassment at the workplace. The Company has also put in place appropriate practices for conducting training and awareness programmes for employees, with a view to enhancing awareness of the provisions of the POSH Act and fostering a safe, respectful and conducive work environment.

During the reported Financial Year, no complaints of sexual harassment were received by the Company.

Significant and material orders

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company’s operations in future.

Compliance with Maternity Benefit Act, 1961

The Company is compliant with the applicable provisions of the Maternity Benefit Act, 1961 and has policies, systems and processes in place to ensure ongoing compliance.

Proceedings under the Insolvency and Bankruptcy Code, 2016

No proceedings are initiated/pending against the Company under the Insolvency and Bankruptcy Code, 2016.

Valuation for one time settlement

There was no instance of one time settlement with any bank or financial institution.

Appreciation and Acknowledgement

The Directors place on record their sincere appreciation for the dedication, commitment, and hard work of the Company's employees at all levels,

whose continued efforts have significantly contributed to the Company's performance and growth.

The Board also expresses its gratitude to the Company's suppliers, retailers, dealers, distributors, business associates, clients, vendors, bankers, regulatory authorities, government authorities, and all other stakeholders for their continued support, trust, and cooperation. The Directors look forward to their continued association and support in the years ahead.

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

Rohan Desai
Whole Time Director | DIN: 00038379

July 31, 2026



Report of the Board

ANNEXURE - A

FORM NO. AOC-1

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

Statement containing salient features of the Financial Statement of Subsidiary

Details	Particulars (In ₹ MM)
Name of the Subsidiary	Aether Speciality Chemicals Limited
Date since when subsidiary was acquired / formed	02.09.2022
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2025 to 31.03.2026
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees
Share capital	₹1.00
Reserves & Surplus	₹1571.01
Total Assets	₹3304.37
Total Liabilities	₹1732.36
Turnover	₹2199.72
Profit /(Loss) Before Taxation	₹598.87
Provision for Tax	₹102.48
Profit after Tax	₹496.39
% of shareholding	100.00%

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

Rohan Desai
Whole Time Director | DIN: 00038379

July 31, 2026

ANNEXURE - B

ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2026

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

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

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

2. Composition of the CSR Committee

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

3. Details of URL for disclosure of the composition of the CSR Committee, CSR Policy and CSR projects on the website of the Company: www.aether.co.in

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

5. CSR Obligations:

- (a) Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the amount required for set off for the financial year, if any: None
- (b) Average net profit of the Company as per Section 135(5): ₹1,644.62 MM
- (c) 2% of average net profit of the Company as per Section 135(5): ₹32.89 MM
- (d) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: None
- (e) The amount required to be set off for the financial year: None
- (f) Total CSR obligation for the financial year: ₹32.89 MM

6. CSR spending

- (a) Details of amount spent (ongoing and other than ongoing project) for the financial year: ₹33.62 MM
- (b) Administrative overhead: None
- (c) Total CSR spent and unspent for the financial year: Spent: ₹33.62 MM | Unspent: None
- (d) Excess amount for set-off: 2% of average net profit of the Company as per Section 135(5): ₹32.89 MM
- Total amount spent for CSR: ₹33.62 MM
- Excess amount spent: ₹0.73 MM
- Surplus arising of CSR projects of last year: None
- Amount available for set-off: None

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

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

9. Details of the CSR spending:

Nature	Spending (₹ in MM)	% of spending
Promoting education	₹29.25	86.99%
Health care	₹1.67	4.96%
Sr. Citizen Welfare	₹0.10	0.3%
Sports	₹2.60	7.75%
Total	₹33.62	100.00%

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

Purnima Desai
Whole Time Director
Chairperson of the CSR Committee | DIN: 00038399

July 31, 2026



Report of the Board

ANNEXURE - C
FORM NO. MR-3
Secretarial Audit Report for the FY 2026

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

To,
The Members,
Aether Industries Limited

CIN: L24100GJ2013PLC073434

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information and representation provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- (a) We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026 according to the provisions of:
- The Companies Act, 2013 (the Act) and the rules made thereunder;
 - The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
- The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2018 - Not Applicable
- The Securities and Exchange Board of India Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - There are no events occurred during the year which attracts provisions of these regulations hence not applicable and
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; There are no events occurred during the year which attracts provisions of these regulations hence not applicable
- The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

Other as mentioned below:

- The Factories Act, 1948
- The Industrial Disputes Act, 1947
- The payment of Wages Act, 1936
- The Minimum Wages Act, of 1948
- Employee State Insurance Act, 1948
- The Employees Provident Fund and Miscellaneous Provisions Act, 1952
- The Payment of Bonus Act, 1965
- The Payment of Gratuity Act, 1972
- The Contract Labour (Regulation and Abolition) Act, 1970
- The Maternity Benefit Act, 1961
- The Child Labour (Prohibition and Regulation) Act, 1986
- The Industrial Employment (Standing Orders) Act, 1946
- The Employees Compensation Act, 1923
- The Apprentices Act, 1961
- The Equal Remuneration Act, 1976
- The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
- The Environment (Protection) Act, 1986 (read with The Environment (Protection) Rules, 1986
- The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008
- The Water (Prevention and Control of Pollution) Act, 1974 (read with Water (Prevention and Control of Pollution) Rules, 1975
- The Air (Prevention and Control of Pollution) Act, 1981 (read with Air (Prevention and Control of Pollution) Rules, 1982

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

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

- (b) We further report that;
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

No change occurred in the BoD composition during the year. Adequate Notices were issued to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, except those which were held with at a shorter notice with the consent of all the Directors. And a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.

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

- (c) We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- (d) We further report that during the audit period, the Company has not taken any actions or entered into events having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.

This Report is to be read with our letter dated July 31, 2026 which is annexed and forms an integral part of this Report.

For Dhirren R. Dave & Company
Company Secretaries

Pinal Kandarp Shukla
Principal Partner | UIN: P1996GJ002900

PR No.: 44/022 | ACS: 28554
CP: 10265 | UDIN: A028554H000990878

July 31, 2026



Report of the Board

To,
The Members,
Aether Industries Limited

CIN: L24100GJ2013PLC073434

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

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

For Dhirren R. Dave & Company
Company Secretaries

Pinal Kandarp Shukla
Principal Partner | UIN: P1996GJ002900

PR No.: 44/022 | ACS: 28554
CP: 10265 | UDIN: A028554H000990878

July 31, 2026

FORM NO. MR-3
Secretarial Audit Report of a Material Subsidiary for the FY 2026

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

(Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Aether Speciality Chemicals Limited

CIN: U24290GJ2022PLC135180

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Aether Speciality Chemicals Limited (hereinafter called the ‘Company’). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives of the Company during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit for the financial year ended on 31st March, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2026 according to the provisions of:

- (a) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (b) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder: **to the extent applicable to the Company.**

- (c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder, **to the extent applicable to the Company.**
- (d) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’);
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not applicable to the Company during the period under review**
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 ; **Not applicable to the Company during the period under review**
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not applicable to the Company during the period under review**
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not applicable to the Company during the period under review**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable to the Company during the period under review**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (**Not Applicable to the Company during the period under review**)
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (**Not Applicable to the Company during the period under review**)
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (**Not Applicable to the Company during the period under review**)



Report of the Board

(i) Other sector specific laws as applicable to the Company including product laws, pollution laws, manufacturing laws, safety laws as confirmed by the Board of Directors which were made available to me for my verification and considered as assurance for existence of proper compliance management system. However, the company has not identified any sector specific law applicable to it.

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

Based on the information provided to me, I report that during the period under review the Company has adequately complied in-line with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that;

- (a) The Board of Directors of the Company is duly constituted, and there is no change in its composition during the year under review. All re-appointments of Directors liable to retire by rotation are duly made in accordance with the applicable provisions of the Act.
- (b) Adequate notices were given to all Directors for the Meeting of the Board and its Committee Meetings along with agenda and detailed notes on agenda, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Decisions were approved through views of every participating members and the same was reported in the Minutes Book.
 - a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not applicable to the Company during the period under review**
 - b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not applicable to the Company during the period under review**
 - c. Decisions were approved through views of every participating members and the same was reported in the Minutes Book.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Pashmina P. Chevli
Company Secretary

ACS: 44262 | CP: 18840
PR No.: 1537/2021 | UDIN: A044262H001094025

August 12, 2026

This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

To,
The Members,
Aether Speciality Chemicals Limited

CIN: U24290GJ2022PLC135180

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

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

Pashmina P. Chevli
Company Secretary

ACS: 44262 | CP: 18840
PR No.: 1537/2021 | UDIN: A044262H001094025

August 12, 2026



Report of the Board

ANNEXURE - D
DETAILS OF AIL ESOS 2021

(a) Any material changes in the Scheme and whether the scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: There are no material changes in the scheme. The scheme was formulated in-line with the requirement and was issued prior to the listing of the Company and hence, the scheme was placed before the Members for their ratification in line with the Regulation and the maximum vesting tenure was also increased to 15 (fifteen) years from 7 (seven) years.

(b) Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 (18 of 2013) including the ‘Guidance note on accounting for employee share-based payments’ issued in that regard from time to time. Kindly refer ‘Annexure - Statement of Changes in Equity’ of the Standalone Financial Statements.

(c) Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with ‘Indian Accounting Standard 33 - Earnings Per Share’ issued by Central Government or any other relevant accounting standards as issued from time to time: ₹ 13.09

(d) Details related to ESOS

A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including:
The Company proposes to introduce the AIL ESOS 2021 primarily with a view to attract, retain, incentivise and motivate the existing employees of the Company, new employees joining the Company, that would lead to higher corporate growth. The AIL ESOS 2021 contemplates grant of options to the eligible employees, as may be determined in due compliance of SEBI SBEB Regulations and provisions of the AIL ESOS 2021. After vesting of options, the Eligible Employees earn a right (but not an obligation) to exercise the vested options within the exercise period and obtain equity shares of the

	Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon.	Source of shares (primary, secondary or combination)	Primary, the shares exercised will be listed on the Stock Exchanges.	Money realized by exercise of options (₹), if scheme is implemented directly by the Company	₹ 4,10,94,710
	The Nomination and Remuneration Committee (Committee) of the Company shall administer AIL ESOS 2021. All questions of interpretation of the AIL ESOS 2021 shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in AIL ESOS 2021.	Variation in terms of options	N.A.	Loan repaid by the Trust during the year from exercise price received	N.A.
		Method used to account for ESOS	Fair Value Method	Number of options outstanding at the end of the year	4,77,849
		Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	N.A.	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	₹ 730.88
	Date of Shareholders' approval	November 18, 2021. The scheme was approved vide the Special Resolution passed on November 18, 2021 and further ratified and modified in Annual General Meeting held on September 27, 2022.		Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -	
	Total number of options approved under ESOS	11,00,000 Options		Senior Managerial Personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;	Mr. James William Ringer (Chief Technology Officer) 22,267 Options at exercise price of ₹ 748 each
	Vesting requirements	Options granted on any date shall vest not earlier than 1 (one) year and not later than a maximum of 15 (fifteen) years from the date of grant of options as may be determined by the Committee.	Option movement during the year (for each ESOS)		
			Number of options outstanding at the beginning of the period	2,73,549	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and
			Number of options granted during the year	2,99,982	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.
	Exercise price or pricing formula	The exercise price per option shall be at the price determined by the Board /Committee and in no case less than face value of the equity shares.	Number of options forfeited/lapsed during the year	6,099	None
	Maximum term of options granted	8 years for already granted options	Number of options vested during the year	89,583	
			Number of shares arising as a result of exercise of options	89,583	
					A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information
					₹ 856.02 per Share and ₹ 458.73 per Share respectively



Report of the Board

the weighted-average values of share price and exercise price,	
the expected volatility	41.64%, 40.62%, 41.21%, 40.77%, 41.31%, 41.35% and 41.89% each in on every exercise date in year 2022, 2023, 2024, 2025, 2026, 2027 and 2028.
the expected dividends,	Considered 0%
the risk-free interest rate and any other inputs to the model;	5.72%, 5.96%, 6.19%, 6.29% 6.36%, 6.37% and 6.48% each in on every exercise date in year 2022, 2023, 2024, 2025, 2026, 2027 and 2028
the method used and the assumptions made to incorporate the effects of expected early exercise	Black-Scholes-Merton model are: The price of underlying instrument follows geometric Brownian motion with constant drift and volatility, and price changes are log normally distributed. It is possible to short sell the underlying stock. There are no arbitrage opportunities. Trading in stock is continuous. There are no transaction costs or taxes. It is possible to buy and sell any amount, even fractional, of the stock (securities are perfectly divisible).

	It is possible to borrow and lend cash at a constant risk-free interest rate. The volatility input, measured in % per year, is how much you generally expect the underlying Security to move during option. The measure of volatility used in Black-Scholes option pricing model is the annualized standard deviation of the continuously compounded rate of return on the stock over a period of time.
whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.	The stock price of the Company is the price as on date of grant as per valuation report. (as the options were granted prior to the date of listing.) The risk-free interest rate being considered for the calculation is the interest rate applicable for maturity approximately equal to the expected life of the options based on the zero-coupon yield curve for government securities. Expected dividend yield is dividend per share dividend by market price per share.

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

Rohan Desai
Whole Time Director | DIN: 00038379

July 31, 2026

ANNEXURE - E

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

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

Director drawing remuneration	Total Remuneration (₹)	Ratio	% Increase in Remuneration
Mr. Ashwin Jayantilal Desai	₹ 13.65 MM	30.78:1	0%
Ms. Purnima Ashwin Desai	₹ 13.65 MM	30.78:1	0%
Mr. Rohan Ashwin Desai	₹ 19.47 MM	43.91:1	0%
Dr. Aman Ashwinbhai Desai	₹ 20.48 MM	46.17:1	0%

- (b) The percentage increase in remuneration of CFO, CS in the Financial Year:
CFO: ~14.5%
CS: ~18%
- (c) The percentage increase in the median remuneration of employees in the Fiscal Year:
~15 %
- (d) The number of permanent employees on the rolls of Company as on March 31, 2026:
1,107 Employees
- (e) Details of top ten highest paid employees except above is accessible at website of the Company, at:
<https://aether.co.in/investor-relations/#financial-performance-and-presentation>

(f) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and explanation if there are any exceptional circumstances for increase in the managerial remuneration:
The average increase in salary of employees was 15%. It is affirmed that the remuneration paid is in adherence with the remuneration Policy applicable to Directors, Key Managerial Personnel and other employees.

(g) Affirmation:
The remuneration paid/payable is as per the Policy on Remuneration of Directors and Remuneration Policy for Key Managerial Personnel.

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

Rohan Desai
Whole Time Director | DIN: 00038379

July 31, 2026



Corporate Governance Report

CORPORATE GOVERNANCE REPORT

Corporate Governance refers to the framework of systems, principles and processes by which a company is directed, governed and controlled. It provides the framework for achieving the Company’s goals and objectives in a manner that creates sustainable long-term value and serves the interests of all stakeholders.

Stakeholders include the Board of Directors, management, shareholders, customers, employees and society at large. In this context, the management of the Company assumes the role of a trustee, with the responsibility of safeguarding the interests of all stakeholders and ensuring that the Company is managed with integrity, transparency, accountability and a long-term perspective.

The Equity Shares of the Company are listed and admitted to dealings on BSE Limited and the National Stock Exchange of India Limited with effect from June 3, 2022. Pursuant to Regulation 34 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company presents herewith its Corporate Governance Report for the financial year ended March 31, 2026.

(A) Company’s philosophy on Corporate Governance

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), and the report contains the details of Corporate Governance systems and processes at Aether Industries Limited. Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success, and we remain committed to maximising stakeholders’ value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all.

We believe that any business conduct can be ethical only when it rests on the core values. The Company believes that all its actions must serve the underlying goal of enhancing the overall stakeholder value over a sustained period of time. The company believes that good Corporate Governance is fundamental to enhancing and sustaining investor trust and the company is continually strengthens its governance standards and internal frameworks to align with evolving regulatory expectations and best practices.

(B) Board of Directors

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

The Board of Directors of the Company comprises of an optimal combination of Executive, Non-Executive and Independent Directors so as to preserve and maintain the independence of the Board. As of March 31, 2026, the Board of Directors comprises 12 Directors, out of which 6 are Independent Directors (including one Women Independent Director), 2 Non-Executive (Non-Independent) Directors and 4 Executive Directors including 1 Managing Director and 1 Woman Whole-time Director. The Chairman of the Board, Mr. Kamalvijay Ramchandra Tulsian, is a Non-Executive and Non-Independent Director. The composition of the Board is in conformity with the requirements of the Companies Act, 2013 (“the Act”) and Regulation 17 of the SEBI Listing Regulations.

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

The composition of the Board of Directors as on March 31, 2026, their attendance at Board Meetings held during the year and the last Annual General Meeting, the number of Directorships and Committee Chairmanship / Memberships held by them in other Companies is given below:



Corporate Governance Report

Name of the Director	Inter-se Relationship amongst Directors	Attendance in the Board Meetings	Whether present in the previous AGM	Name of the Director	Inter-se Relationship amongst Directors	Attendance in the Board Meetings	Whether present in the previous AGM	Name of the Director	Inter-se Relationship amongst Directors	Attendance in the Board Meetings	Whether present in the previous AGM	Name of the Director	Inter-se Relationship amongst Directors	Attendance in the Board Meetings	Whether present in the previous AGM
Mr. Ashwin Jayantilal Desai, Managing Director (Executive Promoter)	Spouse of Ms. Purnima Ashwin Desai Father of Mr. Rohan Ashwin Desai Father of Dr. Aman Ashwinbhai Desai Father-in-law of Ms. Ishita Surendra Manjrekar	4	Yes		Brother of Dr. Aman Ashwinbhai Desai Son-in-law of Mr. Kamalvijay Ramchandra Tulsian		Yes	Ms. Ishita Surendra Manjrekar, Non-Executive Director (Non-Executive Non-Independent)	Spouse of Dr. Aman Ashwinbhai Desai Daughter-in-law of Mr. Ashwin Jayantilal Desai Daughter-in-law of Ms. Purnima Ashwin Desai	4	No	Dr. Amol Arvindrao Kulkarni, Non-Executive Independent Director (Non-Executive Independent)	N.A.	4	Yes
Ms. Purnima Ashwin Desai, Whole-time Director (Executive Promoter)	Spouse of Mr. Ashwin Jayantilal Desai Mother of Mr. Rohan Ashwin Desai Mother of Dr. Aman Ashwinbhai Desai Mother-in-law of Ms. Ishita Surendra Manjrekar	4	Yes	Dr. Aman Ashwinbhai Desai, Whole-time Director (Executive Promoter)	Son of Mr. Ashwin Jayantilal Desai Son of Ms. Purnima Ashwin Desai Brother of Mr. Rohan Ashwin Desai Spouse of Ms. Ishita Surendra Manjrekar	3	Yes	Mr. Arun Brijmohan Kanodiya, Non-Executive Independent Director (Non-Executive Independent)	N.A.	4	Yes	Mr. Rajkumar Mangilal Borana, Non-Executive Independent Director (Non-Executive Independent)	N.A.	3	No
Mr. Rohan Ashwin Desai, Whole-time Director (Executive Promoter)	Son of Mr. Ashwin Jayantilal Desai Son of Ms. Purnima Ashwin Desai	4	Yes	Mr. Kamalvijay Tulsian, Chairman Non-Executive Non-Independent Director (Non-Executive Non-Independent)	Father-in-law of Mr. Rohan Ashwin Desai	4	Yes	Mr. Jeevan Lal Nagori, Non-Executive Independent Director (Non-Executive Independent)	N.A.	4	No	Mr. Jitendra Popatlal Vakharia, Non-Executive Independent Director (Non-Executive Independent)	N.A.	4	Yes
				(11,690 shares)				Ms. Leja Satish Hattiangadi, Non-Executive Independent Director (Non-Executive Independent)	N.A.	3	No				



Corporate Governance Report

Name of the Director	No. of Director ship (in. AIL)	No. of membership in Committees (incl. AIL) as a		Name of the listed entity in which directorship is held including AIL	Name of the Director	No. of Director ship (in. AIL)	No. of membership in Committees (incl. AIL) as a		Name of the listed entity in which directorship is held including AIL	Name of the Director	No. of Director ship (in. AIL)	No. of membership in Committees (incl. AIL) as a		Name of the listed entity in which directorship is held including AIL	Board Meetings
		Chair	Mem				Chair	Mem				Chair	Mem		During the year under review, total 4 (four) Board Meetings were conducted on
Mr. Ashwin Jayantilal Desai	4	0	1	Aether Industries Limited as Managing Director	Ms. Ishita Surendra Manjrekar	5	0	1	Aether Industries Limited as Non-Executive Non-Independent Director	Ms. Leja Satish Hattiangadi	2	0	5	Aether Industries Limited and Alkyl Amines Chemicals Limited as Non-Executive Independent Director	(a) May 2, 2025 (b) July 24, 2025 (c) November 13, 2025 (d) February 3, 2026
Ms. Purnima Ashwin Desai	3	1	1	Aether Industries Limited as Whole-time Director	Mr. Arun Brijmohan Kanodiya	3	2	6	Aether Industries Limited as Non-Executive Independent Director	Dr. Amol Arvindrao Kulkarni	1	0	1	Aether Industries Limited as Non-Executive Independent Director	Familiarisation Program for Independent Directors The Company has in place a familiarisation programme for Independent Directors to enable them to effectively discharge their roles, rights and responsibilities. The programme provides an overview of the Company's business, industry, business model and other relevant aspects of its operations, thereby enabling Independent Directors to gain a comprehensive understanding of the Company and its business.
Mr. Rohan Ashwin Desai	3	0	2	Aether Industries Limited as Whole-time Director	Mr. Jeevan Lal Nagori	5	0	2	Aether Industries Limited as Non-Executive Independent Director	Mr. Rajkumar Borana	5	1	4	Aether Industries Limited as Non-Executive Independent Director and R&B Denims Limited as Director	Upon induction, Independent Directors are familiarised with their roles, rights and responsibilities, as well as the policies and practices of the Company. The details of the familiarisation programme for Independent Directors are available on the Company's website at: https://aether.co.in/wp-content/uploads/2024/08/Familiarisation%20Program%20of%20Independent%20Directors%20-%20FINAL.pdf
Dr. Aman Ashwinbhai Desai	2	1	1	Aether Industries Limited as Whole-time Director	Mr. Jitendra Popatlal Vakharia	5	0	2	Aether Industries Limited as Non-Executive Independent Director						The Board confirmed that Independent Directors fulfil the conditions specified in these regulations and are independent of the Management.
Mr. Kamalvijay Ramchandran Tulsian	10	1	4	Aether Industries Limited as Chairman Non-Executive Non-Independent Director											Skills / Expertise / Competence of the Board of Directors The Board has identified certain skills/expertise/competence as required to be possessed by the Board of Directors to ensure the effective functioning of the business(es) and sectors of the Company. The mapping of these skills/expertise / competence among the Directors are given herewith:
															Skills / Expertise / Competence Science & Technology
															Name of the Director Mr. Ashwin Jayantilal Desai Dr. Aman Ashwinbhai Desai Ms. Ishita Surendra Manjrekar Ms. Leja Satish Hattiangadi and Dr. Amol Arvindrao Kulkarni



Corporate Governance Report

Skills / Expertise / Competence	Name of the Director
Commercial	Mr. Ashwin Jayantilal Desai Ms. Purnima Ashwin Desai Mr. Rohan Ashwin Desai Dr. Aman Ashwinbhai Desai Mr. Jeevan Lal Nagori and Mr. Jitendra Popatlal Vakharia
Finance	Ms. Purnima Ashwin Desai Mr. Rohan Ashwin Desai and Mr. Jeevan Lal Nagori Mr. Arun Brijmohan Kanodiya
Sales, Marketing, Strategic Procurement and Human Resource	Mr. Rohan Ashwin Desai and Mr. Jeevan Lal Nagori
Management / Administration	Ms. Purnima Ashwin Desai Mr. Kamalvijay Ramchandra Tulsian and Mr. Rajkumar Mangilal Borana
Domain Industry	Mr. Ashwin Jayantilal Desai and Mr. Jeevan Lal Nagori
Legal / Corporate Governance	Mr. Jeevan Lal Nagori and Mr. Arun Brijmohan Kanodiya

(C) Audit Committee

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

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

half-yearly and annual financial statements before submission to the Board for approval;
reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed.
Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/ or the applicable Accounting Standards and/or the Companies Act, 2013.;

scrutiny of inter-corporate loans and investments;
valuation of undertakings or assets of the Company, wherever it is necessary;
evaluation of internal financial controls and risk management systems;
scrutiny of inter-corporate loans and investments;
reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
discussion with internal auditors of any significant findings and follow up there on;

reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
reviewing the functioning of the whistle blower mechanism;
monitoring the end use of funds raised through public offers and related matters;
overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

- g) 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;
- h) 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;



Corporate Governance Report

- i) 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;
- j) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- k) Such roles as may be prescribed under the Companies Act, SEBI Listing Regulations and other applicable provisions and review :
- l) Management discussion and analysis of financial condition and results of operations;
- m) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- n) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- o) Internal audit reports relating to internal control weaknesses;
- p) The appointment, removal and terms of remuneration of the chief internal auditor;
- q) Statement of deviations in terms of the SEBI Listing Regulations:
- r) 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
- s) annual statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice in terms of the SEBI Listing Regulations.

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

Audit Committee Meetings

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

- (a) May 02, 2025
- (b) July 24, 2025
- (c) November 13, 2025
- (d) February 03, 2026

(D) Nomination & Remuneration Committee

Terms of Reference for the Nomination & Remuneration Committee:

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

- (a) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors of the Company (the “Board” or “Board of Directors”) a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees (“Remuneration Policy”);
- The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:
- the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.
- (b) Formulation of criteria for evaluation of independent directors and the Board;
 - (c) Devising a Policy on Board diversity;
 - (d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director’s performance (including independent director);
 - (e) Analysing, monitoring and reviewing various human resource and compensation matters;
 - (f) Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
 - (g) Determining the Company’s policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
 - (h) Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
 - (i) Reviewing and approving the Company’s compensation strategy from time to time in the context of the then-current Indian market in accordance with applicable laws;
 - (j) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, if applicable;
 - (k) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

- (l) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - (m) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
- (n) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities.
 - use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - consider the time commitments of the candidates
 - (o) Perform such other activities as may be delegated by the Board or specified / provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
 - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.



Corporate Governance Report

- (p) Formulation of criteria for evaluation of independent directors and the Board;
- (q) Devising a Policy on Board diversity;
- (r) 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);
- (s) Analysing, monitoring and reviewing various human resource and compensation matters;
- (t) 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;
- (u) 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;
- (v) Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
- (w) 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;
- (x) 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;
- (y) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
- (z) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
- (aa) 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.
- (bb) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge

and experience on the Board and on the basis of such evaluation prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities. use the services of an external agencies, if required; consider candidates from a wide range of backgrounds, having due regard to diversity; and consider the time commitments of the candidates

(bb) Perform such other activities as may be delegated by the Board or specified / provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

Name of the Director	Position held in the Committee	Category of the Director	Number of Meetings attended
Mr. Arun Brijmohan Kanodiya	Chairman	Independent Director	2
Mr. Kamalvijay Ramchandra Tulsian	Member	Non-Executive Director	2
Dr. Amol Arvindrao Kulkarni	Member	Independent Director	2

Nomination & Remuneration Committee Meetings
During the year under review, total 2 (two) Nomination & Remuneration Committee Meetings were conducted on
(a) July 23, 2025
(b) October 16, 2025

Performance evaluation of the Board

A formal evaluation of the performance of the Board, its Committees and Individual Directors was carried out for the financial year 2025-26. The evaluation was conducted through individual questionnaires covering various parameters, including contribution to areas impacting the Company’s performance, preparedness on matters to be discussed, and the quality and effectiveness of contributions and inputs during Board and Committee meetings.

In addition, the performance of the Executive Directors was evaluated based on parameters such as achievement of annual targets, financial and operational controls, risk management, business strategies, succession planning, corporate governance and compliance management.

(E) Corporate Social Responsibility Committee

Terms of Reference for the CSR Committee:

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

- (a) formulate and recommend to the Board, a “Corporate Social Responsibility Policy” which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;
- (b) identify corporate social responsibility policy partners and corporate social responsibility policy programmes
- (c) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
- (d) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

- (e) review and monitor the implementation of corporate social responsibility programmes and issue necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- (f) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and
- (g) exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act, 2013.

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

During the year under review, total 1 (one) CSR Committee Meeting was conducted on May 1, 2025.



Corporate Governance Report

(F) Stakeholder's Relationship Committee

Terms of Reference for the Stakeholders' Relationship Committee
The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required by the under applicable law, the following:

- (a) To specifically look into various aspects of interests of shareholders, debentures holders and other security holders;
- (b) Resolving the grievances of the security holders of the listed entity including complaints related to transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report or balance sheet, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
- (c) Review of measures taken for effective exercise of voting rights by shareholders;
- (d) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- (e) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- (f) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
- (g) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and

- (h) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

Name of the Director	Position held in the Committee	Category of the Director	Number of Meetings attended
Mr. Kamalvijay Ramchandra Tulsian	Chairperson	Non-Executive Director	1
Mr. Rohan Ashwin Desai	Member	Whole-time Director	1
Ms. Ishita Surendra Manjrekar	Member	Non-Executive Director	1
Ms. Leja Satish Hattiangadi	Member	Independent Director	1
Mr. Arun Brijmohan Kanodiya	Member	Independent Director	1
Mr. Rajkumar Mangilal Borana	Member	Independent Director	0

The Committee met once during the year on November 12, 2025. Mr. Chitrarth Rajan Parghi, Company Secretary is designated as Compliance Officer of the Company. During the year under review, no complaints were received from the Shareholders..

(G) Risk Management Committee

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

- (a) To formulate a detailed risk management policy which shall include:
- (b) 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.
- (c) Measures for risk mitigation including systems and processes for internal control of identified risks.
- (d) Business continuity plan.
- (b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (c) To monitor and oversee the implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (e) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (f) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

Name of the Director	Position held in the Committee	Category of the Director	Number of Meetings attended
Dr. Aman Ashwin Desai	Chairperson	Whole-time Director	2
Mr. Ashwin Jayantilal Desai	Member	Managing Director	2
Mr. Rohan Ashwin Desai	Member	Whole-time Director	2
Mr. Kamalvijay Ramchandra Tulsian	Member	Non-Executive Director	2
Mr. Arun Brijmohan Kanodiya	Member	Independent Director	2

During the year under review, total 2 (two) Risk Management Committee Meeting were held, as mentioned below :

- (a) May 1, 2025
- (b) November 12, 2025

(H) Senior Management

There are no changes in the Senior Management of the Company during the year under review.

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

(I) Remuneration of Directors
Pecuniary relationship or transactions

During the year under review, there was no pecuniary relationship or transactions between the Company and any of its Non-Executive Directors apart from



Corporate Governance Report

sitting fees and reimbursement of expenses incurred by them to attend Meetings of the Company.

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

Criteria for making payments to Non-Executive Directors

Due approval from the Audit Committee was obtained from the aforesaid transaction mentioned in Note 40, taking into consideration the requirement of availing the industrial premises from related parties.

Remuneration

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

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

Director	Category of the Director	Sitting fee (₹ in MM)
Mr. Kamalvijay Ramchandra Tulsian	Chairman Non-Executive Non-Independent Director	₹ 0.29
Ms. Ishita Surendra Manjrekar	Non-Executive Non-Independent Director	₹ 0.22
Mr. Arun Brijmohan Kanodiya	Non-Executive Independent Director	₹ 0.34
Mr. Jeevan Lal Nagori	Non-Executive Independent Director	₹ 0.28
Ms. Leja Satish Hattiangadi	Non-Executive Independent Director	₹ 0.18
Mr. Jitendra Popatlal Vakharia	Non-Executive Independent Director	₹ 0.28

Director	Category of the Director	Sitting fee (₹ in MM)
Mr. Rajkumar Mangilal Borana	Non-Executive Independent Director	₹ 0.15
Dr. Amol Arvindrao Kulkarni	Non-Executive Independent Director	₹ 0.23
Remuneration		
Name of the Director	Category of the Director	Remuneration (₹ in MM)
Mr. Ashwin Jayantilal Desai	Managing Director	₹ 13.65
Ms. Purnima Ashwin Desai	Whole-time Director	₹ 13.65
Mr. Rohan Ashwin Desai	Whole-time Director	₹ 19.47
Dr. Aman Ashwinbhai Desai	Whole-time Director	₹ 20.48

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

(J) General Body Meeting

Particulars of the Annual General Meetings of the Company are as below:

Day, Date and Time and Venue	No. of Directors present	Special Resolutions passed
Annual General Meeting held on Friday, June 16, 2023 through VC / OAVM mode (deemed to be considered at the Registered Office) at 16:00 Hrs.	10	Yes
Annual General Meeting held on Tuesday, September 10, 2024 through VC / OAVM mode (deemed to be considered at the Registered Office) at 16:00 Hrs.	11	Yes
Annual General Meeting held on Friday, September 12, 2025 through VC / OAVM mode (deemed to be considered at the Registered Office) at 16:00 Hrs.	8	Yes
No Resolution was passed through Postal Ballot.		

(K) Means of Communication

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

(L) Utilisation of funds raised through QIP

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

Object for which the fund raised	Utilisation (₹ in MM)
Funding capital expenditure for the expansion at Manufacturing Facility 3	₹1,830.00
Funding capital expenditure for the expansion at Manufacturing Facility 5	₹3,300.00
Funding Working Capital requirements of the Company	₹450.00
General Corporate Purposes	₹1,706.14
Total	₹7,286.14

(M) General shareholders’ information

General Information and address of correspondence

Aether Industries Limited
Corporate Identification Number: L24100GJ2013PLC073434
Reg. Office: Plot No. 8203, GIDC Sachin, Surat-394230, GJ.
ISIN: INE0BWX01014

Phone: 0261-6603000 / 3360
Fax: 0261-6603329
E-mail: compliance@aether.co.in

Hojiwala Site

Plot Nos. B-21/5-B-21/7, Hojiwala Industrial Estate, Surat-394230, GJ. (R&D Units & Pilot-Plants)



Corporate Governance Report

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

Sachin GIDC Site

Plot Nos. 8202/1 and 8203, GIDC Sachin, Surat-394230, GJ. (Manufacturing Units)
Plot Nos. 8202/2/A and 8202/2/B, GIDC Sachin, Surat-394230, GJ. (Manufacturing Units)
Plot Nos. 8204, 452-456, 822, 6714, 8206/A and 8208/1 & 2-P, GIDC Sachin, Surat-394230, GJ. (Warehouses)

Panoli GIDC Site

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

Annual General Meeting

Date: Friday, September 11, 2026
Time: 11:00 Hrs.
Mode: Video Conference ("VC") / Other Audio Visual Means ("OAVM")

Financial Calendar

The Company follows the financial calendar from April 1 to March 31.

Name and Address of the Stock-Exchanges where the securities are listed

The Company is listed on two Stock Exchanges of India and the listing fees payable were duly paid.

BSE Limited (BSE Scrip Code: 543534)
Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001, MH

National Stock Exchange of India Limited (NSE)
Scrip Symbol: AETHER)
Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051, MH

Registrar & Share Transfer Agent

M/s. MUFG Intime India Private Limited
(Earlier known as M/s. Link intime India Private Limited)
C-101, 247 Park, LBS Marg, Vikhroli (W), Mumbai-400083, MH.
Phone: 022-49186000
Fax: 022-49186060
Email: demat@linkintime.co.in /
rnt.helpdesk@linkintime.co.in

Share Transfer System

According to the SEBI Listing Regulations, 2015, no shares can be transferred unless they are held in dematerialized mode. All the shares of the Company are in dematerialised form only and no shares are held in physical form.

Distribution of shareholding

Shares	Shareholders (Numbers)		Shareholders (Value)	
	Number	%	Rs. in MM	%
1,000 and below	65,498	98.65	₹3.59	2.70%
1,001 - 10,000	719	1.08	₹1.93	1.46%
10,001 and above	179	0.27	₹127.16	95.84%
Total	66,396	100.00	₹132.68	100.00

Dematerialisation of Shares and Liquidity

The company's entire shareholding is held in demat mode and fully liquid for transferability.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

As on March 31, 2026, your company has not faced any foreign exchange loss and the risk management is done through various internal measures.

Credit rating

During the year under review, the Company obtained a credit rating from M/s. ICRA Limited, as below:

Long term rating: ICRA A+
Short term rating: ICRA A1

(N) Other information

Related Party Transactions

No materially significant related party transactions were in conflict of interest with the Company.

Declaration of compliance by the Company

The Company has complied with the requirements of the Ministry of Corporate Affairs, Stock Exchanges, SEBI and other applicable statutory Authorities/Regulators except, a GST search resulted in the identification of a GST liability of ₹1.44 MM along with the applicable 15% penalty, which was promptly settled by the Company. No other penalty or strictures were imposed on the Company by these Authorities.

Establishment of Vigil Mechanism, Whistle Blower Policy

The Company has established a Vigil Mechanism cum Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy has a systematic mechanism for Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Policy. None of the Directors nor any employees were denied access to the Chairman of the Audit Committee.

Once again in this year as well, no such instances have been reported under unethical and prohibited context.

Vigil Mechanism Policy is placed on the website of the Company, accessible at: <https://aether.co.in/wp-content/uploads/2024/09/WhistleBlower> Policy (Vigil Mechanism).pdf

(O)Details of compliance with mandatory requirements and adoption of the non-mandatory Requirements

The Company is in-line with the mandatory requirements to the extent applicable for this year.

(P) Web-links

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

(Q) Certificate from Practicing Company Secretary pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI Listing Regulations, 2015

The Company has obtained a certificate from M/s. Dhirren R. Dave & Company, Practicing Company Secretary confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority.

(R) Fees to the Auditor

During the year under review, total ₹ 1.34 MM (₹ 1.19 MM for AIL and ₹ 0.15 MM to ASCL) were paid to Statutory Auditors.

(S) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and other disclosures

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

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Members to note that there were no such instances reported in the Company during the period under review. All the male and female workforce in the Company works with due respect to each other.



Corporate Governance Report

(T) Others

The Company has granted unsecured loan to its Wholly owned Subsidiary viz. M/s. Aether Speciality Chemicals Limited, as mentioned in the Schedule 40 of the Financial Statements.

The Dividend Distribution Policy is accessible at: <https://aether.co.in/wp-content/uploads/2022/08/Dividend-Distribution-Policy.pdf>

There have been no instances of non-compliance of any requirement of the Corporate Governance Report as prescribed by the SEBI LODR.

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

From the end of the reporting year, M/s. Aether Speciality Chemicals Limited (incorporated on September 2, 2022 at Surat, where M/s. Birju S. Shah & Associates, Chartered Accountants were appointed as Statutory Auditors for a term of 5 (five) years, commencing from the FY 2023-24), is now qualified and treated as the ‘Material Subsidiary’ of the Company, for which the Secretarial Audit Report is applicable.

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

The Significant Accounting Policies which are consistently applied have been set out in the notes to the Financial Statements.

In terms of the provisions of Regulation 17(8) of the SEBI Listing Regulations, 2015, Mr. Ashwin Jayantilal Desai, Managing Director and Mr. Faiz Arif Nagariya, Chief Financial Officer have issued a certificate, certifying that the financial statements do not contain any materially untrue statement and these statements

represent a true and fair view of the Company’s affairs The said certificate is enclosed as Annexure to this report and forms part of this Report. Also, the certificate from M/s. Dhirren R. Dave & Company, Company Secretary in practice, regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of the Regulations, forms a part of this Report.

The Company has fulfilled the discretionary requirements relating to the financial statements and the same are unqualified.

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

Rohan Desai
Whole Time Director | DIN: 00038379

July 31, 2026

CERTIFICATE ON CORPORATE GOVERNANCE

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

CIN: L24100GJ2013PLC073434

We, have examined the compliance of conditions of Corporate Governance by M/s. Aether Industries Limited (the Company) for the year ended March 31, 2026, as per Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

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

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

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

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

For Dhiren R. Dave & Company
Company Secretaries

Pinal Kandarp Shukla
Principal Partner | UIN: P1996GJ002900

PR No.: 44/022 | ACS: 28554
CP: 10265 | UDIN: A028554H000990944

July 31, 2026



Corporate Governance Report

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

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

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

CIN: L24100GJ2013PLC073434

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Name of Director	DIN	Date of Appointment
Ashwin Jayantilal Desai	00038386	23.01.2013
Purnima Ashwin Desai	00038399	23.01.2013
Rohan Ashwin Desai	00038379	23.01.2013
Aman Ashwinbhai Desai	00043633	25.08.2014
Kamalvijay Ramchandra Tulsian	00190840	22.05.2018
Ishita Surendra Manjrekar	06731016	20.06.2018
Jeevan Lal Nagori	00017939	01.03.2018
Arun Brijmohan Kanodiya	03449000	01.03.2018
Leja Satish Hatiangadi	00198720	01.10.2021
Jitendra Popatlal Vakharia	00191088	17.11.2021
Amol Arvindrao Kulkarni	09311097	17.11.2021
Rajkumar Mangilal Borana	01091166	17.11.2021

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

For Dhirren R. Dave & Company
Company Secretaries

Pinal Kandarp Shukla
Principal Partner | UIN: P1996GJ002900

PR No.: 44/022 | ACS: 28554
CP: 10265 | UDIN: A028554H000990900

July 31, 2026

CERTIFICATE OF MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

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

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

CIN: L24100GJ2013PLC073434

- We hereby certify to the best of our knowledge and belief that:
- (a) We have reviewed the financial statements including the cash flow statement (standalone and consolidated) for the financial year ended March 31, 2026 and that these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
 - (b) There are no transactions entered into by the Company during the year, which are fraudulent, illegal or violate the Company’s Code of Business Conduct.
 - (c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.
 - (d) We further certify that there have been no significant changes in internal control during the aforesaid period, the Company has complied with new accounting standard, Ind-AS, there have been no instance of significant fraud of which, we have become aware and the involvement therein, if any, of management or an employee having a significant role in the Company’s internal control system over financial reporting.
 - (e) In accordance with Regulation 17 (5) of the SEBI LODR, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the Financial Year ended 31st March 2026.

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

Faiz Nagariya
Chief Financial Officer

July 31, 2026



Business Responsibility & Sustainability Report(BRSR)

Section A: General Disclosures

(A)		
(a) Corporate Identity Number (CIN) of the Listed Entity	L24100GJ2013PLC073434	
(b) Name of the Listed Entity	Aether Industries Limited	
(c) Year of incorporation	2013	
(d) Registered office address	Aether Industries Limited, Plot No. 8203, GIDC Sachin, Surat-394230, GJ.	
(e) Corporate address	Aether Industries Limited, Plot No. 8203, GIDC Sachin, Surat-394230, GJ.	
(f) E-mail	compliance@aether.co.in	
(g) Telephone	+91-261-6603360	
(h) Website	www.aether.co.in	
(i) Financial year for which reporting is being done	FY 2026	
(j) Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India (NSE) BSE Limited (BSE)	
(k) Paid-up Capital	₹ 1,32,67,98,240	
(l) Name and contact details (telephone, email address) of the person who may be contacted in case of any queries;	Name	
	Chitrarth Rajan Parghi	
	Phone	
	+91-261-6603360	
(m) Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Email Phone	
	compliance@aether.co.in	
	Standalone basis	
	₹ 9,401.69 MM	
(n) Turnover	₹ 9,401.69 MM	
(o) Name of the Assurance Provider	JointValues ESG Services Private Limited	

(B)Product / services

(o) Details of business activities (accounting for 90% of the turnover):

Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
Manufacturing of chemicals (NIC: 2011)	Aether Industries Limited is a specialty chemical manufacturer based in India, focused on producing advanced intermediates and specialty chemicals that involve complex, differentiated chemistry and proprietary technology developed in-house. The Company's core competencies span chemistry, technology and process systems, supporting sustainable, scalable growth across its manufacturing operations.	100%

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

Product/Service	NIC Code	% of total Turnover contributed
Manufacturing of chemicals	2011	100.00%

(q) Markets served by the entity:

Location	Number of Plants	Number of Offices	Total
National	5*	0	5
International	None (Not Applicable)	None (Not Applicable)	None (Not Applicable)

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

a. Number of locations

Locations	Number
National (No. of States)	16
International (No. of Countries)	20

b. What is the contribution of exports as a percentage of total turnover of the entity?: 17.88% (incl. sales in SEZ and Deemed Exports)

c. A brief on types of customers

Our customer base is diversified across the fields of agrochemicals, pharmaceuticals, material science, oil and gas industry and others.

(C)Employees

(a) Details as at the end of Financial Year (FY 2026):

a. Employees and workers (including differently abled):

Employees	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Permanent	817	787	96.33%	30	3.67%
Other than Permanent			Nil		
Total employees	817	787	96.33%	30	3.67%
Workers	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Permanent	290	290	100%	0	0
Other than Permanent	342	342	100%	0	0
Total workers	632	632	100%	0	0



Business Responsibility & Sustainability Report(BRSR)

b. Differently abled Employees and workers:

Differently abled employees

	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Permanent	2	1	50%	1	50%
Other than Permanent			Nil		
Total employees	2	1	50%	1	50%

Differently abled workers

	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Permanent	0	0	0	0	0
Other than Permanent	0	0	0	0	0
Total employees	0	0	0	0	0

21. Participation/Inclusion/Representation of women

Location	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	12	3	25%
Key Management Personnel	3	0	0

22.Turnover rate for permanent employees and workers:

	2026			2025			2024		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees	14.92%	0.58%	15.50%	16.15%	13.79%	14.97%	19.45%	0.00%	19.45%
Workers	20.62%	0.00%	20.62%	20.62%	0.00%	20.62%	45.21%	0.00%	45.21%

23.Holding, Subsidiary and Joint Ventures

Names of holding/subsidiary/associate companies/joint ventures:

Name of the holding/ subsidiary/associate companies/joint ventures (A)	Relation	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes / No)
Aether Speciality Chemicals Limited	Subsidiary	100%	No

24.Details of CSR:

a. Whether CSR is applicable as per section 135 of the Companies Act, 2013: Yes

b. Turnover (in ₹): 9,401.69 MM

c. Net worth (in ₹): 24,093.15 MM

25. Transparency and disclosure compliances

Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No)	Number of complaints filed during the year	Number of pending resolution at close of the year	Remarks
Communities	Yes	0	0	None
Investors (other than shareholders)	Yes	0	0	None
Shareholders	Yes	1	0	None
Employees	Yes	0	0	None
Customers	Yes	0	0	None
Value Chain Partners	Yes	0	0	None
Other (please specify)	Yes	0	0	None

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No)	Number of complaints filed during the previous year	Number of pending resolution at close of the previous year	Remarks
Communities	Yes	0	0	None
Investors (other than shareholders)	Yes	0	0	None
Shareholders	Yes	2	0	None
Employees	Yes	0	0	None
Customers	Yes	0	0	None
Value Chain Partners	Yes	0	0	None
Other (please specify)	Yes	0	0	None

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

Material issues identified	Indicate whether risk or opportunity	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Climate Change & Greenhouse	Risk & Opportunity	High dependency on fossil-fuel utilities inside chemical manufacturing grids presents transition risks under expanding	Mitigation is driven by the scaling of 31 MW	Positive & Negative: Capital expenditure for solar assets



Business Responsibility & Sustainability Report(BRSR)

Material issues identified	Indicate whether risk or opportunity	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)	Material issues identified	Indicate whether risk or opportunity	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)						
Gas (GHG) Emissions	Risk & Opportunity	carbon pricing frameworks.	of solar capacity across operating sites and the commercialization of the Converge® platform , which traps up to 40% CO ₂ by weight in polyol manufacturing.	reduces long-term operational grid electricity costs, providing a positive financial hedge against volatile non-renewable energy pricing.	Data Privacy and Cyber-security Integrity	Risk	The rapid migration toward paperless corporate networks and remote operational cloud servers opens vulnerabilities to proprietary intellectual property theft and cyber-attacks.	direct reuse inside core product manufacturing lines.							
								Mitigated by enforcing a robust Information and Cyber-Security (ICS) architecture audited annually by third parties to comply with ISO 27001 standard practices .	Negative: Ongoing software licensing and maintenance cash outflows to retain defensive perimeter firewalls and data encryption controls.						
Water Stewardship & Effluent Liquidation	Risk	Specialty chemical production processes generate highly concentrated streams of industrial wastewater. Stringent local PCB pollution compliance regulations demand flawless operational zero-liquid discharge discipline.	Mitigated by transitioning completely away from groundwater and deploying specialized Mechanical Vapour Recompression (MVR) Zero Liquid Discharge (ZLD) systems combined with an advanced Soil Biotechnology (SBT) plant to isolate and recycle internal process loops.	Negative: Increased parasitic power consumption loads to continuously run the ZLD plants, resulting in higher localized monthly utility expenditure.	Circular Economy & Hazardous Waste Governance	Risk & Opportunity	Chemical synthesis inherently generates by-products and chemical waste streams subject to tight hazardous waste regulations (e.g., mandatory 180-day storage caps for specialized components).	Mitigated through an integrated captive Solvent Recovery Plant (SRP) to reclaim and capture high-purity solvents for direct reuse inside core product manufacturing lines.	Positive: Drastically minimizes new raw material procurement expenditures and scales down statutory TSDF common facility disposal tariff costs.						
Section B: Management and process Disclosure															
This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.															
Disclosure Questions							P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes															
1.															
a. Whether your Company’s policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)							Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes



Business Responsibility & Sustainability Report(BRSR)

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web-Link of the Policies, if available***	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2. Whether the Company has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Do the enlisted policies extend to your value chain partners? (Yes/No)	EcoVadis UN Global Compact Membership GRI Reporting Framework for ESG Disclosure ISO 9001:2015 GMP ISO 45001:2018 ISO 14001:2015 Membership of the Indian Chemical Council ISO 27001:2013								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has established internal targets across various functions — spanning diversity and inclusion, the integration of ESG principles into core business areas, community development, and operational eco-efficiency — and regularly monitors progress towards achieving them. These commitments are underpinned by external validation: Aether holds a Silver Medal sustainability rating from EcoVadis and is a member of the UN Global Compact Network India, and progress is subject to Board-level oversight (see Section B, Q9). Operationally, these targets are already reflected in initiatives under way, including the continued scale-up of on-site solar power generation, the Company's Zero Liquid Discharge system, and the Converge® platform's carbon-capture technology. Also, the Company was awarded 'CRISIL ESG 51' rating by CRISIL ESG Ratings & Analytics Limited and rated '61' points out of '100' by NSE Sustainability Ratings & Analytics Limited, in the reporting period.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	As a Company, we understand the significance of environmental, social, and governance (ESG) factors in building a sustainable and ethical business, and remain committed to minimising								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
									the impact of our operations while creating positive value for our stakeholders. These priorities are set through a materiality assessment conducted with our stakeholders — employees, customers, investors and communities - building on the core values and ESG alignment established at the start of our ESG journey’.
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure). At Aether Industries, our commitment to sustainable, long-term growth is driven by embedding ESG parameters, governed by Board-approved policies across all nine NGRBC principles, directly into our advanced chemical manufacturing operations. In FY 2025-26, we translated this commitment into measurable action by scaling our renewable energy footprint to a total of 31 MW of rooftop solar capacity and maximizing resource loops through our captive Solvent Recovery Plants and newly commissioned MVR-based Zero Liquid Discharge systems. Beyond standard compliance, we are contributing to decarbonization in the CASE (coatings, adhesives, sealants, elastomers) sector by commercializing our proprietary Converge® polyol platform, which binds up to 40% CO ₂ by weight into sustainable products. Concurrently, we are extending our safety protocols and human rights standards to our value chain partners. By combining engineering controls with Board-level oversight, we are building a resilient, low-carbon manufacturing ecosystem.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). Dr. Aman Ashvin Desai (Whole-time Director), 0261-6603360, compliance@aether.co.in.									
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. No. The Executive Directors of the Company are responsible for decision making on sustainability related issues. Several Policies are framed, as accessible at: www.aether.co.in.									
10. Details of Review of NGRBCs by the Company. The performance and compliance under the framed Policies and Principles of the Company, is being taken care by Committees / Board of the Company at regular instances.									
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency. No, since independent assessment/ evaluation of the working of its policies by an external agency.									



Business Responsibility & Sustainability Report(BRSR)

Section C: Management and process Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible. .

Principal 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential indicators:

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segments	Total number of training and awareness programmes held	Topics / principles covered under the training	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	Corporate Governance and External risks	100.00%
Key Managerial Personnel	2	Corporate Governance and External risks	100.00%
Employees other than above	7	Health, Safety, Employee Rights, PF/ESIC awareness, Organ donation etc.	80.00%
Workers	7	Health, Safety, Employee Rights, PF/ESIC awareness, Organ donation etc.	80.00%

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

Monetary & Non-monetary: None

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed:
Not applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.:
Yes, the said content is covered in the Code of Conduct for employees, which broadly covers the culture of zero tolerance and conduct for corruption and bribery. The policy document is available to employees through intra-net.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:
None

6. Details of complaints with regard to conflict of interest:
Not applicable

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.
There were no such issues, hence the question is not applicable.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:
FY 2025-26: 97 days
FY 2024-25: 92 days

9. Open-ness of business:
Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format;

Parameter	Metrics	2026	2025
Concentration of Purchases	a. Purchases from Trading houses as % of total purchases	0.00%	0.00%
	b. Number of trading houses where purchases and made from	0	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0.00%	0.00%
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	0.00%	0.00%
	b. Number of dealers/distributors to whom sales are made	0	0
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	0.00%	0.00%
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	2.97%	4.80%
	b. Sales (Sales to related parties/Total Sales)	0	0
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	90.99%	98.94%
	d. Investments (Investments in related parties/Total Investments)	100.00%	100.00%



Business Responsibility & Sustainability Report(BRSR)

Leadership indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year.

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	2	75%

Aether Industries actively maintains a multi-channel engagement matrix with its value chain partners—leveraging structured site audits, technical supplier meets, and direct corporate communications to align partners with our core ESG frameworks. While we are currently designing a formalized, curriculum-driven sustainability training program, our existing site visits and group interactions are actively utilized to institutionalize our Supplier Code of Conduct. Through these protocols, we explicitly communicate the Company's zero-tolerance thresholds regarding bribery, corruption, and human rights violations to our key partners. Moving forward, we are systematically scaling these engagement programs to cover our top value chain segments by business value, ensuring comprehensive transparency and shared accountability across our upstream ecosystem.

2. Does the entity have processes in place to avoid / manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.
Yes, the same is covered in the Code of Conduct, which is applicable to the Board members as well as employees.

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

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

	2026	2025	Details of improvements in environmental and social impacts
R&D *	-	-	Non-quantifiable
Capex	-	7.74%	The Company operates an in-house Zero Liquid Discharge (ZLD) Effluent Treatment Plant (100 KLPD capacity), supported by a dedicated Solvent Recovery Plant commissioned in January 2021 (construction commenced at Manufacturing Facility 2 in 2020) and a Mechanical Vapour Recompression (MVR) unit installed to increase material recovery and reduce raw-material costs, and has partnered with government-affiliated agencies for the disposal of treated liquid and powder chemical waste. The Company has also scaled its solar power generation capacity to 31 MW across its operating sites, supplying electricity to its manufacturing facilities."

2. Does the entity have procedures in place for sustainable sourcing? (Yes/No): No

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for:
(a) Plastics (including packaging) – Recycle
(b) E-waste – Recycle
(c) Hazardous waste – Recycling/Landfill/Incineration
(d) other waste – Recycling/Landfill/Incineration

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No):
Yes, for plastic wastes.

Leadership indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format:
Currently the Company does not conduct LCA, but is likely to commence conducting Life Cycle Assessments (LCA) for some of our products soon.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.
While formalized Life Cycle Assessments (LCAs) were not executed during the current reporting cycle, the Company has adopted a board-level strategic mandate to systematically implement LCAs across our commercial product portfolio. Our phased deployment roadmap will prioritize advanced chemical platforms, specifically targeting our proprietary Converge® polyol technologies that structurally sequester up to 40% carbon dioxide by weight, alongside our collaborative polymer up-cycling and circular economy pilot initiatives in Surat. By establishing a rigorous 'cradle-to-cradle' metrological boundary, the Company will actively integrate LCA data into our core processes—leveraging these insights to optimize our captive Solvent Recovery Plants (SRP), select sustainable bio-based raw inputs, and minimize the downstream footprint of our advanced intermediates. This framework shifts our environmental metrics from standalone operational site boundaries to absolute product-level circularity.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).
Recoveries of solvent: 100.00%



Business Responsibility & Sustainability Report(BRSR)

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

	2026			2025		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Nil	85.64	Nil	Nil	25.63	Nil
E-waste	Nil	0.99	Nil	Nil	Nil	Nil
Hazardous Waste	Nil	1,039.45	3,268	Nil	835.02	4,217.14
Other waste	Nil	Nil	Nil	Nil	Nil	Nil

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

1. a. Details of measures for the well-being of employees:

Permanent employees

	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
	Total (A)	No. (B) % (B/ A)	No. (C)	% (C/ A)	No. (D)	% (D/ A)	No. (E)	% (E/ A)	No. (F)	% (F/ A)
Male	787	721 91.61%	99	12.58%	-	-	-	-	-	-
Female	30	30 100.00%	30	100.00%	30	100.00%	-	-	30	100.00%
Total	817	751 91.92%	129	15.79%	30	3.67%	0%	-	30	3.67%

Other than permanent employees

Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

b. Details of measures for the well-being of workers:

Permanent workers

	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
	Total (A)	No. (B) % (B/ A)	No. (C)	% (C/ A)	No. (D)	% (D/ A)	No. (E)	% (E/ A)	No. (F)	% (F/ A)

Male	290	45	15.52%	243	83.79%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	290	45	15.52%	243	83.79%	-	-	-	-	-	-

Other than permanent workers

Male	342	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	342	-	-	-	-	-	-	-	-	-	-

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Cost incurred on well-being measures as a % of total revenue of the company:

FY 2025-26: 0.34%

FY 2024-25: 5.39%

2. Details of retirement benefits, for Current FY and Previous Financial Year:

	2026			2025		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority
PF	100.00%	100.00%	Yes	100.00%	100.00%	Yes
Gratuity	100.00%	100.00%	Yes	100.00%	100.00%	Yes
ESIC	100.00%	100.00%	Yes	100.00%	100.00%	Yes
Others	-	-	-	-	-	-

3. Accessibility of workplaces - Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.:
Yes, Aether offices are outfitted with accessibility features for differently-abled employees and workers, in accordance with the Rights of Persons with Disabilities Act, 2016. These include lifts, illuminated corridors, automated taps, and other similar facilities to ensure ease of access.



Business Responsibility & Sustainability Report(BRSR)

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.
Yes, the Company has an Equal Opportunity Policy covering differently-abled employees and workers, consistent with the Rights of Persons with Disabilities Act, 2016. This policy is internal.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100.00%	100.00%	100.00%	100.00%
Female	100.00%	100.00%	-	-
Total	100.00%	100.00%	100.00%	100.00%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.
Yes

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity.
None

8. Details of training given to employees and workers:

	2026						2025			
	Health & safety		Skill upgradation				Health & safety		Skill upgradation	
	Total (A)	No. (B)	% (B/A)	No. (C)	% (C/A)	Total (D)	No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	787	787	100.00%	787	100.00%	656	656	100.00%	656	100.00%
Female	30	30	100.00%	30	100.00%	29	29	100.00%	29	100.00%
Total	817	817	100.00%	817	100.00%	685	685	100.00%	685	100.00%

9. Details of performance and career development reviews of employees and worker:

	2026			2025		
	Total (A)	No. (B)	% (B/A)	Total (A)	No. (B)	% (B/A)
Workers						
Male	787	787	100.00%	656	656	100.00%
Female	30	30	100.00%	29	29	100.00%
Total	817	817	100.00%	685	685	100.00%

10. Health and safety management system:
a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?
The system covers all operational areas including routine tasks, non-routine activities, contractor management, emergency preparedness, and compliance with legal requirements.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?
Hazards are identified in the course of work through the Company's routine and non-routine assessment processes, being Job Safety Analysis and the Work Permit System respectively, under which employees and workers participate in the identification of hazards associated with the task before it is undertaken. Hazards identified during operations are reported through the line supervisory structure to the site safety function, and are addressed under the Company's occupational health and safety management system, which covers routine tasks, non-routine activities, contractor management and emergency preparedness. Manufacturing operations are monitored on a distributed control system platform with alarm functionality, and gas and leak detection systems are installed on high pressure reaction equipment. In addition, the Company's Whistle Blower Policy provides a formal channel through which any employee may report negligence causing substantial and specific danger to public health and safety. Reports under that policy are received by the Vigilance Officer and placed before the Audit Committee, which is composed entirely of independent directors. The policy prohibits discrimination, harassment, victimisation or any other retaliatory action against a person raising a concern in good faith. Employees and workers are entitled to remove themselves from a work situation which they reasonably believe presents an imminent and serious danger to life or health, without being required to complete the task and without adverse consequence. Where a task is stopped on that basis, the hazard is reported and the task does not resume until it has been assessed and the necessary controls are in place. Awareness of hazard reporting and of the right to withdraw from unsafe work forms part of the Company's safety training and awareness program.
<https://aether.co.in/wp-content/uploads/2024/09/Risk%20Assessment%20and%20Management%20Policy.pdf>

c. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?
Yes

d. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?
Yes



Business Responsibility & Sustainability Report(BRSR)

11. Details of safety related incidents, in the following format.

Safety Incident /Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries** (incl. first-aid cases)	Employees	4	5
	Workers	12	11
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy work place.
Training & Awareness, Emergency Preparedness, Health Monitoring, Equipment Safety, Policy.

13. Number of Complaints on the following made by employees and workers.
None

14. Assessments for the year.
Health and safety practices: 100.00%
Working Conditions: 100.00%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions. Continuous learning programs to employees and hiring of external safety consultants were amongst the quantifiable corrective cum preventive actions in the review period.

Leadership Indicators

- Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) - Yes (B) Workers (Y/N).
Yes.
- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.
Yes, TDS and TCS have been deducted.
- Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:
None

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)
Yes. While the Company’s relatively young employee demographic profile has resulted in zero formal retirements during the reporting period, Aether Industries maintains active institutional frameworks to manage career endings and facilitate continued employability. For all separating personnel, the Company provides comprehensive transition assistance—including structured exit counselling, outplacement documentation support, and clear guidance on the optimal management and settlement of statutory retirement benefits (such as Provident Fund and Gratuity allocations).

6. Furthermore, our commitment to continued employability is reinforced by our continuous corporate training protocols, which provide 100% of our permanent employees and workers with regular skill up-gradation interventions. This continuous technical up-skilling equips our workforce with resilient, market-relevant competencies, successfully supporting their professional trajectory both within and beyond the organization's boundary.

5. Details on assessment of value chain partners:
Health and safety practices: 2.00%
Working Conditions: 2.00%

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.
No significant risks or concerns were identified during the reporting period. The Company follows a continuous monitoring and evaluation process for the health and safety practices of its value chain partners and undertakes corrective actions, as necessary, based on assessment findings.

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

- Describe the processes for identifying key stakeholder groups of the entity.
Aether's business operations are intertwined with the social and ecological surroundings that affect various stakeholder groups such as employees, customers, investors, and the community. To create value for all these stakeholder groups, the company strives to maintain their trust and continuously engages with them through various channels to promote sustainability initiatives and achieve economic and ecological sustainability goals. Aether conducts thorough stakeholder analysis research to rank risks according to their impact on business operations and influence on the company. The company maintains strong relationships with investors who contribute to its capital and support its commitment to value creation. A customer-centric approach reflects the company's dedication to serving its customers, while sustained value creation for all stakeholders demonstrates its commitment to shareholders. In addition, Aether engages with industry experts, regulatory bodies, and academic institutions, among others, to stay informed of evolving market trends.



Business Responsibility & Sustainability Report(BRSR)

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement	Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Others Multi channel engagement mechanisms - Phone, digital channel, trained customer relationship manager - Regular measurement of customer satisfaction	Frequent and need based	- Product Pricing - ESG Products and Services - Health and well-being - Innovation and digitisation - Data privacy and security - Customer relationship management - Transparency			relationship managers - Sales, service and claims processes on digital platform - Regular measurement of customer satisfaction		practices; equal employment opportunities - Effective performance management and recognition - Career growth - Diverse, inclusive and enabling work culture - Work-life balance - Topics/concerns raised - Fair Workplace - Occupational Health, Safety and Well-being - Fair pay - Talent Attraction and Retention - Diversity and Inclusion
Government/ Competent Authorities	No	- Directives and circulars - Meetings/discussions - Press Releases - Written communication - Presentations - Workshops - Submission of reports and returns - Workshop by regulators	Directives and circulars	- Human Rights - Public Policy Advocacy Management - Climate Change Mitigation - Board Composition and Processes - Compliance					
Employees	No	- Town hall meetings - HR portal and intranet - Performance update - Workshops, learning and training interventions - Wellness initiatives - Internal publications, circulars, posters, videos and e-mails - Surveys - Live sessions by the HR, Vertical Heads, Managers	- Quarterly - On-going - Regular - Need-based - Annually	- Purpose & Scope of Engagement - Assessment of effectiveness of learning and development - Job security - Fair remuneration practices; equal employment opportunities Fair remuneration	Suppliers	No	E-mail, telephone, site visit, group meetings , one on one interactions, telephonic communication, SMS, exhibitions gatherings	Frequent and need-based	To understand and know the potential of participants or the business partners
					Investors & funders	No	- Quarterly financial statements - Investor presentations - Annual Report - Annual General Meeting		- Responsible Investment - Economic Performance - Enterprise Risk



Business Responsibility & Sustainability Report(BRSR)

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website),	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
		- Investor/Analyst meet - Media releases - ESG report - Announcement through stock exchanges		- Management - Disaster Resilience and adaptation to - Climate Change - Operational - Ecoefficiency - Climate Change Mitigation
Communities	Yes	- Directives and circulars - Meetings/discussions - Pressreleases - Written communication - Presentations - Workshops	Frequent and need-based	- Human Rights - Public Policy Advocacy - Climate Change Mitigation - Board Composition and Processes - Compliance

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board. The CSR Committee of the Board oversees the economic, environmental, and social topics while governing the CSR matters. The top management of the company reviews key sustainability-related initiatives, performance, stakeholder concerns, and material issues. Feedback received through stakeholder engagement processes is periodically presented to the CSR Committee.
2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity. Yes, Aether, guided by its principles, has established channels for active engagement with all stakeholder groups, which gives the company a competitive edge and builds brand trust. We regularly interact with critical stakeholders to ensure that our business operations are aligned with their interests in a sustainable manner while also remaining profitable. Based on our discussions with the investment community, we have aligned our environmental management goals with the global transition to a low-carbon economy and have updated our policies and internal systems accordingly to reflect our commitment as a responsible business brand.

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

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

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

Principle 5: Businesses should respect and promote human rights

Essential Indicators

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

Employees	Total (A)	Employees covered	2026	Total (C)	Employees covered	2025
			% (B/A)			% (D/C)
Permanent	817	817	100.00%	685	685	100.00%
Other than permanent	-	-	-	-	-	-

Workers	Total (A)	Workers covered	2026	Total (C)	Workers covered	2025
			% (B/A)			% (D/C)
Permanent	290	290	100.00%	285	285	100.00%
Other than permanent	342	342	100.00%	250	250	100.00%



Business Responsibility & Sustainability Report(BRSR)

2. Details of minimum wages paid to employees and workers, in the following format

Employees	2026			2025		
	Total (A)	Employees above min. wages	% (B/A)	Total (C)	Employees above min. wages	% (D/C)
Permanent	817	817	100.00%	685	685	100.00%
Other than permanent	-	-	-	-	-	-

Workers	2026			2025		
	Total (A)	Workers above min. wages	% (B/A)	Total (C)	Workers above min. wages	% (D/C)
Permanent	290	290	100.00%	285	285	100.00%
Other than permanent	342	342	100.00%	250	250	100.00%

3. Details of remuneration/salary/wages, in the following format

Category	Number	Male	Number	Female
		Median remuneration/ salary/wages of respective category*		Median remuneration/ salary / wages of respective category*
Board of Directors (BoD)	12	17.98 MM	3	12.60 MM
Key Managerial Personnel	3	1.26 MM	0	3.63 MM
Employees other than BoD and KMP	814	0.42 MM	680	0.41 MM
Workers (Permanent)	290	0.39 MM	287	0.35 MM

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

FY 2025-26 4.98% , FY 2024-25 5.11%

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

Yes. The Company has a Whistle Blower policy in place to encourage employees to report issues without fear of retaliation, discrimination, or disadvantage. Through designated channels, the employees may report their concerns to the Chairman, the Company's Audit Committee. The employees may further report their grievances to the local HR team and in case of non-satisfactory resolution. Additionally, POSH Members serve as the focal point for resolving issues related to discrimination and its effects. The Company's Whistle Blower policy is available on the website, accessible at: <https://aether.co.in/wp-content/uploads/2022/08/Whistle-Blower-Policy-Vigil-Mechanism.pdf>

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

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

- (a) Whistle Blower (WB) Policy

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

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

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

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

6. Number of Complaints on the following made by employees and workers:

- a. Sexual Harassment None

b. Discrimination at workplace None

c. Child Labour None
- d. Forced Labour/ Involuntary Labour None

e. Wages None

f. Other human rights related issues None

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

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



Business Responsibility & Sustainability Report(BRSR)

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)
Yes, various human rights principles form a part of the Company’s business agreements and contracts as and where relevant.

9. Assessments for the year		% of your plants and offices that were assessed(by entity or statutory authorities or third parties)
Child labour		
Forced/involuntary labour		
Sexual harassment	100.00%	
Discrimination at workplace		
Wages		
Others – please specify		
The company has internal checks and a POSH committee in place.		

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/ complaints.
None
2. Details of the scope and coverage of any Human rights due-diligence conducted.
None
3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?
Yes
4. Details on assessment of value chain partners
Aprox. 30% under sexual harassment, discrimination at work-place, child labour, forced labour/involuntary labour, wages, others.
5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.
No major concerns reported in the assessment.

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

Essential Indicators

1. Number of Complaints on the following made by employees and workers

Parameter	Unit	2026	2025
Total electricity consumption from renewable sources (A)	TJ	92.98	111.65
Total electricity consumption from non-renewable sources (B)	TJ	84.82	81.69
Total fuel consumption from non-renewable sources (C)	TJ	149.73	800.65
Energy consumption through other sources (D)	TJ	145.21	0.00
Total energy consumption (A+B+C)	TJ	472.74	993.99
Energy intensity per rupee of turnover		0.50	1.25
Energy intensity per million rupee of turnover adjusted for PPP		1.02	2.52
Energy intensity in terms of physical output		0.32	0.82

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

3. Provide details of the following disclosures related to water, in the following format:

Water withdrawal by source (in kilolitres)	2026	2025
Third party water	34,111	1,83,505
Total volume of water withdrawal (in kilolitres)	34,111	1,83,505
Total fuel consumption from non-renewable sources (C)	149.73	800.65
Water intensity per crore rupee of turnover	36.29	232.20
Water intensity per crore rupee of turnover adjusted for PPP	73.80	466.23
Water intensity in terms of physical output	23.54	150.41
Energy intensity in terms of physical output	0.32	0.82



Business Responsibility & Sustainability Report(BRSR)

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

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

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

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format.

Parameter	Unit	2026	2025
NOx	Parts per Million	61.10	42.30
SOx	Parts per Million	42.70	19.30
Particulate matter (PM)	mg/Nm3	119.70	42.70
POP, VOC, HAP, Others	-	-	-

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

Parameter	Unit	2026	2025
Total Scope 1 emissions	Metric tonnes of CO2 equivalent	7,696.08	59,326.91
Total Scope 2 emissions	Metric tonnes of CO2 equivalent	17,768.27	1,23,673.45
Total Scope 1 and Scope 2 emissions per rupee of turnover	MtCO2e / Rs.	27.08	231.56
Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP)	MtCO2e / Rs.	55.10	464.96
Total Scope 1 and Scope 2 emission intensity in terms of physical output	MtCO2e	17.58	150.00

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

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

9. Provide details related to waste management by the entity, in the following format

Parameter	2026	2025
Plastic waste (A)	85.64	28.22
E-waste (B)	0.99	-



Business Responsibility & Sustainability Report(BRSR)

Parameter	2026	2025
Plastic waste (A)	85.64	28.22
E-waste (B)	0.99	-
Bio-medical waste (C)	0.01	-
Battery waste (D)	0.28	-
Other Hazardous waste, please specify (E)	4,307.45	5,036.01
1. Spent solvent		
2. Distillation residues and Process residues		
3. ETP Sludge		
4. Used oil		
Other Non-hazardous waste generated (F)	4.88	-
Total (A+B+C+D+E+F)	4,399.25	5,064.23
Waste intensity per crore rupee of turnover	4.67	6.00
Waste intensity per crore rupee of turnover adjusted for PPP	9.52	12.10
Waste intensity in terms of physical output	3.04	4.15

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

Category of Waste	2026	2025
(i) Recycled	1,126.36	860.65

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

Category of waste	Incineration	Landfilling	Others	Total
Hazardous waste : Used oil under category 5.2 of Hazardous and Other Wastes Rules, 2016	-	-	0.45	0.45
Hazardous waste : Distillation residues under category 20.3 Hazardous and Other Wastes Rules, 2016	2,759	-	-	2,759
ETP chemical sludge under category 35.3 of Hazardous and Other Wastes Rules, 2016	-	509	-	509
Spent solvent under category 28.3 of Hazardous and Other Wastes Rules, 2016	-	-	1,039	1,039

Category of waste	Incineration	Landfilling	Others	Total
Plastic waste under category 33.1 of Hazardous and Other Wastes Rules, 2016	-	-	85.64	85.64
E-waste	-	-	0.99	0.99
Battery-waste	-	-	0.28	0.28
Total	2,759	509	1,126.36	4,394.36

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

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

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

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:
No

12.If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:
Not applicable



Business Responsibility & Sustainability Report(BRSR)

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres)
Not Applicable
2. Please provide details of total Scope 3 emissions & its intensity, in the following format
Not Applicable

Parameter	Unit	2026	2025
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	123.04	561.77
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent	0.11	0.67

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

The company refrains from conducting its operations in environmentally fragile or ecologically sensitive regions. This strategic decision underscores the company's commitment to responsible business practices and environmental stewardship, avoiding potential harm to delicate ecosystems. By deliberately choosing locations that are not ecologically sensitive, the company aims to minimize its environmental impact and contribute to the preservation of biodiversity and natural habitats.
4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format;

Sl. No.	Initiatives undertaken	Details of initiative	Outcome of the initiative
1	Aether Industries partnered with Novoloop on the sustainable plastic management project.	Novoloop's Life-cycling™ technology. This breakthrough technology transforms post-consumer plastic waste into virgin-quality monomers for the synthesis of virgin-quality, high performance materials such as the company's Life-cycled™ thermoplastic polyurethane. This pilot plant is a testament to the commitment of the Novoloop team and for both of the company to tackle the global plastic crisis. By scaling this technology, a pathway is being created	Validated advanced chemical up-cycling of post-consumer polyethylene

Sl. No.	Initiatives undertaken	Details of initiative	Outcome of the initiative
1	Aether Industries partnered with Novoloop on the sustainable plastic management project.	towards a truly circular world, where plastic waste becomes a valuable resource.	waste into high-purity monomers, laying the groundwork for a circular plastic economy.
2	First commercialization of the sustainable Converge polyols technology in conjunction with H.B. Fuller and Saudi Aramco Technologies Company	The ConvergeÒ platform represents a novel and cutting-edge technology for the manufacture of more sustainable polyols that could contain up to 40% of carbon dioxide by weight, thus reducing overall CO2 emissions. These are a differentiated series of polyols with promising applications in the CASE (coatings, adhesives, sealants, elastomers) industry. The commercialization and revenue potential of these novel polyols is significant, with a targeted market of 850 KTA (850,000 MT per year) and a CAGR of 5%, out of the overall CASE industry polyol market size of more than 10,000 KTA.	Drastic optimisation of raw material loops and reduction in direct stationary combustion footprint.
5.	Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link. Yes, Aether has a comprehensive Business Continuity Management (BCM) policy and a strong BCM plan to mitigate the impact of unforeseen events or uncertainties. The Board-approved policy outlines the general guidelines for recovering and restoring information, resuming operations, and maintaining business continuity during various incidents caused by natural disasters, technological issues, human error, and pandemics. As disruptions can happen at any moment, the Company has developed a BCM plan to mitigate the adverse effects of operational risks, including business disruption and system failures.		
6.	Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard? Given the nature of business, there were no reported negative impacts from the Company's activities on the environmental resources.		
7.	Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts. The Company actively engages with the value-chain partners for communicating the sustainability goals.		



Business Responsibility & Sustainability Report(BRSR)

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

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

Essential Indicators

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

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

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

Leadership Indicators

1. Details of public policy positions advocated by the entity.
- Aether is actively involved in advocating for public policies that enhance the governance framework within its sector. Additionally, the company provides its expertise to tackle social and regulatory challenges. It collaborates with trade organizations and associations to shape public policies across various domains such as governance, finance, and social development. Through its involvement in industry associations, Aether actively promotes initiatives aimed at advancing the industry and serving the public good. The company adheres to a strict Code of Conduct Policy to uphold the highest standards of business ethics when engaging with these trade associations and industry bodies.

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

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

None conducted in the current financial year. Social Impact Assessment (SIA) plays an important role in ensuring that CSR and other qualifying projects deliver their intended benefits to target communities, while identifying and addressing potential negative impacts. The Company did not undertake any project requiring an SIA under applicable law during FY2025-26, and will consider conducting one in future periods as and when a qualifying project arises.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.
- Not applicable.
3. Describe the mechanisms to receive and redress grievances of the community.
- Aether has established a clear and effective grievance mechanism to address and resolve complaints from all stakeholders. We actively encourage community members to voice their grievances or concerns through our NGO partners. Working closely with these partners, we collaboratively address grievances and take appropriate actions to resolve them.
4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	2026	2025
Directly sourced from MSMEs/ small producers	1.54%	40%
Sourced directly from India	91.28%	65%

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

Location	2026	2025
Rural	0	0
Semi Urban	0	0
Urban	100%	100%
Metropolitan	0	0



Business Responsibility & Sustainability Report(BRSR)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question of Essential Indicators above).
None
2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.
None. The Company actively focuses its community and socio-economic development initiatives within the local geographies of its primary manufacturing and industrial operating boundaries. Consequently, no specific CSR programs were carried out in designated aspirational districts during the reporting period.
3. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?
No.
4. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?
No.
5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved?
Not applicable
6. Details of beneficiaries of CSR Projects
Aether Industries actively focuses its Corporate Social Responsibility (CSR) frameworks on driving inclusive growth and socio-economic development within the local communities surrounding its primary manufacturing boundaries. During the reporting period, the Company reached approximately 2,000 total beneficiaries through sustained programmatic interventions across three core thematic areas: inclusive education support, community healthcare extension (including medical aid and life-saving measures), and social inequality reduction programs specifically targeting elderly care and disadvantaged socio-economic groups. While these community initiatives are open to the general public within the localized industrial catchment zones, the selection and deployment of our CSR projects are structurally prioritized to maximize welfare, skill progression, and resource access for vulnerable and marginalized populations

Total beneficiaries reported to ~2,000.

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

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.
Aether has implemented a comprehensive escalation process for customer complaints, which is also outlined on the Company's website for easy access. Clients can follow a three-step procedure to address their concerns: Customers can submit their grievances through various channels such as email, toll-free phone numbers, or complaint letters. If dissatisfied with the initial resolution, customers have the option to directly email the Deputy Vice President of Customer Support. If still unsatisfied, customers can escalate their concern by sending an email directly to the head of customer support.The Company's continuous efforts to streamline operations, introduce relevant products and digital technologies, and advanced digital solutions have significantly enhanced customer experience and satisfaction.
2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about

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

3. Number of consumer complaints in respect of the following

	2026	2025
Data privacy	None	None
Advertising	None	None
Cyber-security	None	None
Delivery of essential services	None	None
Restrictive Trade Practices	None	None
Unfair Trade Practices	None	None
Other	None	None

4. Details of instances of product recalls on account of safety issues
None



Business Responsibility & Sustainability Report(BRSR)

5.

Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No)
If available, provide a web-link of the policy.
Yes, we, at Aether, have always believed in being transparent with our stakeholders by providing all the relevant details and necessary information. We also display important Circulars and GRO contact details in each office.Also all product related details, features, FAQs along with Grievance mechanism is displayed on our website.Customers can get help from the Company on how to take advantage of specific risk-minimisation measures. We also continuously conduct satisfaction surveys to seek feedback from our customers at various stages starting from the time of purchasing a product. This feedback is used to improve systems, processes and enable us to better focus on training and development and also enhance customer experience.
6.

Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.
Aether being a responsible brand has all the systems and processes in place to adhere to the fair trade practices. The IT infrastructure is extremely strong and is continuously updated to ensure the highest level of data security. No complaints regarding advertising, the provision of essential services, cyber security and customer data privacy, the recurrence of product recalls, or penalties or actions taken by regulatory authorities over the safety of goods or services were received during the reporting period.
7.

Provide the following information relating to data breaches.
None.

Leadership Indicators

1.

Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).
We, at Aether, strive to provide a holistic & uniform service experience across all touch points/life cycle stages to our customers. While we are transforming our business to paperless operations, we have also introduced innovative digital channels through our website for customers to reach out to us.
2.

Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
Aether takes huge steps to engage with its customers to appropriately inform them regarding the product. The awareness policy that the Company has implemented outlines the customer rights.
3.

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

4.

Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)
Yes, we, at Aether, have always believed in being transparent with our stakeholders by providing all the relevant details and necessary information. We also display important Circulars and GRO contact details in each office.Also all product related details, features, FAQs along with Grievance mechanism is displayed on our website.Customers can get help from the Company on how to take advantage of specific risk-minimisation measures. We also continuously conduct satisfaction surveys to seek feedback from our customers at various stages starting from the time of purchasing a product. This feedback is used to improve systems, processes and enable us to better focus on training and development and also enhance customer experience.



Business Responsibility & Sustainability Report(BRSR)

INDEPENDENT ASSURANCE REPORT

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

JointValues ESG Services Pvt. Ltd. (hereinafter referred to as “JointValues”) was appointed and engaged by the management of Aether Industries Limited (hereinafter referred to as the “Company” or “AIL”) for performing an independent assurance of the nine core attributes as mentioned in SEBI’s BRSR Core^[1] format^[2] for information pertaining to Environmental, Social, and Governance performance disclosed by the Company in the Business Responsibility and Sustainability Report (BRSR) for the ‘reporting period’ April 1, 2025 to March 31, 2026 considering related formats and criteria^{[3], [4], [5], [6], [7]} for listed entities issued by SEBI.

JointValues performed the engagement through a multidisciplinary team of experienced professionals and subject-matter specialists, on attributes pertaining to Environmental, Social, and Governance performance of the Company reported through BRSR Core, to obtain sufficient evidence to support the professional judgement, and provide the basis for conducting assurance within the defined scope and boundary of the engagement.

Methodology

JointValues conducted this assurance engagement for the Company in accordance with the following standards issued by the International Auditing and Assurance Standards Board (IAASB):

- 1. ISAE 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information
- 2. ISAE 3410, Assurance Engagements on Greenhouse Gas Statements

JointValues conducted the engagement process with adherence to ethical requirements, professional standards, and compliance with applicable legal and regulatory requirements, in line

with the International Standards on Quality Management (ISQM), Quality Management for Firms that Perform Audits or Reviews of Financial Statements or Other Assurance or Related Services Engagement issued by IAASB.

During the engagement, the assurance team complied with JointValues’s Code of Conduct, that defines independence and other ethical requirements and aligns with the best practices and the International Code of Ethics (ICE) for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Limitations and Exclusions

- 1. Preparing the Company’s BRSR information requires management to set the criteria, decide what information is relevant to include, and make estimates and assumptions that impact the reported information.
- 2. Reducing engagement risk to zero is rarely attainable; therefore, reasonable assurance is less than absolute assurance.
- 3. Calculating and measuring certain amounts and BRSR Core metrics, such as GHG emissions, water, waste and energy footprint, involves assumptions/estimations and inherent measurement uncertainty. Even though we obtain sufficient appropriate evidence to support our opinion, it does not eliminate the uncertainty in these amounts and metrics
- 4. Evaluation, verification and assessment of any Company’s financial performance and data have been out of the scope of this engagement, except relying on the Company’s third-party audited financial reports as provided to us during the course of engagement, wherever materially required concerning the nine core attributes of the BRSR core. The assurance does not cover the Company’s statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance
- 5. Aspects of the BRSR and the data and information (qualitative or quantitative) as per BRSR Core attributes.

- 6. The engagement does not include a review of the Company’s strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- 7. The assurance does not extend to mapping the BRSR with reporting frameworks other than those specifically mentioned. This engagement does not consider assessments or comparisons with frameworks beyond the specified ones.
- 8. Compliance with any Environmental, Social, and legal issues related to the regulatory authority.
- 9. The absence of a significant body of established practice on which to draw, to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.
- 10. Activities and practices followed outside the defined assurance period stated herein above.

Procedures Followed

- Given the circumstances of the engagement, in performing the engagement procedures, we have
- 1. Interacted with relevant personnel of Company’s management responsible for Sustainability, Environmental, Social and Governance (ESG) and their team at the Company’s corporate head office and operating locations for understanding the process of collecting, collating the subject matter as per SEBI Circular for BRSR Core.
 - 2. Assessed the appropriateness of various assumptions, estimations and materiality thresholds used by the Company for data analysis.
 - 3. Performed analytical procedures to analyse trends and accordingly ascertain the reasonableness of the data reported in the current year. Prior-period comparatives presented in the BRSR were not in the scope of this engagement and have not been assured.
 - 4. Performed substantive testing on a sample basis of the identified sustainability indicators, to verify that the data had been appropriately measured with the underlying documents recorded, collated and reported, including returns and internal monitoring reports filed to various authorities by the Company and relied upon by us. This includes assessing records and performing testing, including recalculation

of sample data.

The selection of the assurance approach was based on our professional judgment, considering the risk assessment and various aspects of assurance. Our opinion on the continuing effectiveness of the Company’s internal controls is out of the scope of this assurance statement. Our responsibilities under those standards are further described in this statement’s “Our Responsibilities” section.

Our Responsibilities

- 1. Planning and performing the engagement to obtain reasonable assurance that the disclosures about the BRSR Core are free from material misstatement.
- 2. Exercising professional scepticism, judgement, skills and techniques in systematic engagement process.
- 3. Forming an independent opinion about the underlying subject matter within the scope and boundary of the engagement based on the procedures performed and the evidence obtained.

Other Information

Our assurance engagement was with respect to the information for the period April 1, 2025 to March 31, 2026 only and not on any other elements included in the BRSR or any report linked to BRSR and, therefore, do not express any conclusion thereon.

Independence, Quality Control and Competence

JointValues is independent of the Company and has not been involved in any non-audit, non-assurance or non-assessment nature of engagement during the financial year 2025-26 for which JointValues has conducted independent assurance of BRSR core for the Company.

In the course of this engagement, the assurance practitioner exercised professional judgement and applied professional scepticism consistent with the provisions of ISAE 3000 (Revised) and ISAE 3410, which prescribes that unless information provided by the firm or other parties suggests otherwise, the engagement team is entitled to rely on the firm’s system of quality control. In such circumstances, and to the extent so relied upon, JointValues placed appropriate and limited reliance on the Company’s



Business Responsibility & Sustainability Report(BRSR)

management systems, adherence to applicable regulatory requirements, and the overall rigour of the Company's governance and continuance procedures. The responsibility for the completeness, accuracy and integrity of the underlying data and primary computation inputs rests solely with the management of the Company.

The independent assurance opinion statement has been prepared for the stakeholders of the Company only for the purpose of verifying its non-financial sustainability information relating to Environment, Social and Governance disclosures as required in the SEBI's BRSR core format, particularly described in the scope above.

Scope and Boundary of Assurance

The scope of this engagement, as agreed upon by JointValues and the Company, was to provide assurance on the non-financial sustainability disclosure covered under nine core attributes of the BRSR Core format, as provided by the Company to JointValues in the BRSR format. The values related to the nine core attributes of BRSR Core as provided by the Company are mentioned in Annexure-I to this assurance statement.

The reporting boundary of the Company's BRSR is on a standalone basis, encompassing the Company's three operating manufacturing sites in India, and excluding the site under construction at Panoli Industrial Area (Panoli) and the warehouse in Sachin Industrial Estate (Surat), Gujarat, India." . The BRSR disclosures and this assurance accordingly cover the Company's standalone operations only and do not extend to the operations of its subsidiaries. The table in Annexure-I below shows the reporting boundaries and scope of disclosure on which the opinion is being issued for the reporting period from April 1, 2025, to March 31, 2026. Safety data assured herein excludes the workforce at sites under construction, consistent with the reporting boundary as reported by the Company in its BRSR.

Scope and Boundary of Assurance

Based on the procedures performed, evidence obtained and explanations provided by management, and subject to the inherent limitations

outlined above, JointValues expresses its opinion that the nine core attributes as per the BRSR Core, as disclosed by the Company through the BRSR format, are assured within the scope, boundary and data coverage as described in this statement. The level of assurance for each individual parameter within the nine core attributes of the BRSR Core is recorded in Annexure-I to this statement, in the format prescribed by SEBI vide the Master Circular dated 11th November 2024 and its amendments till date.

Responsibilities of Management at the Company

By publishing this assurance statement, the management of the Company acknowledges and understands that they are, inter-alia, responsible for the information provided in the BRSR for:

1. Designing, implementing, and maintaining internal controls to ensure the information is free from material misstatement, including preventing deliberate misrepresentation.
2. Selecting or establishing suitable criteria for preparing the information, considering applicable laws and regulations, identifying key aspects, engaging with stakeholders, and preparing and presenting the information according to the reporting criteria.
3. Disclosing the applicable criteria used for preparation in the relevant report or statement.
4. Preparing and calculating the information in accordance with the reporting criteria.
5. Ensuring the reporting criteria are available to assurance providers and intended users with relevant explanations and assumptions.
6. Establishing targets, goals, and performance measures and implementing actions to achieve them.
7. Identifying and describing inherent limitations in measuring or evaluating information according to the reporting criteria.
8. Providing details of the management personnel responsible for the disclosed information.
9. Ensuring compliance with laws, regulations, or applicable contracts and preventing fraud.

Limitation of Liability and Legal Disclaimer

In no event, the assurance agency and assurance practitioners, for the opinion in this assurance statement, shall be liable to any party for any direct, indirect, incidental, compensatory, punitive, special,

or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the content in this assurance statement.

This assurance statement is not intended to be produced by any user in any court of law. The assurance practitioners and the agency absolve themselves from legal or other representation to any third party for any consequences arising from using this assurance statement.

This assurance statement speaks only as at its date of issuance stated above. After issuance, it may be revised only to correct clerical, typographical or presentational matters that do not affect the opinion expressed, and only where such a correction is requested by the Company as the issuer of the BRSR, or is identified by JointValues. It will not be revised to alter or extend the scope, boundary, subject matter or level of assurance, and no fact, datum, value or disclosure not already assured as part of this engagement will be introduced into it. Where information subsequently comes to light that would require assurance beyond that already performed, it can be reflected only through a fresh engagement and a separately issued statement, and not by amendment of this one.

Any revised statement issued will state the date of original issuance, the nature of the correction, and the date of re-issuance, and will supersede the version it replaces.

Limitation of Liability and Legal Disclaimer

The information provided by the Company related to BRSR Core in the BRSR and our assurance statement is intended only for users who have reasonable knowledge of the BRSR Core attributes and who have read the information with reasonable diligence and understand that the attributes are prepared and assured at appropriate levels of materiality.

Except for the publication along with the BRSR as part of the annual report or for internal purposes by the Company, this assurance statement is not intended to be used by anyone for the publication

of any selected paragraphs or excerpts elsewhere, nor should the design or content be altered for any purpose.

This document is intended to be used in its original form without modification by the management of the Company. JointValues will not be responsible for monitoring disclosures made by the Company after the date of issuance of assurance. In the event that any material deviation comes to the attention, JointValues may bring it to the notice of the Company and, if considered necessary in the context of regulatory expectations, also communicate the same to relevant stakeholders and authority concerned.

In sections where BRSR has specific requirements to indicate if any independent assessment, evaluation, assurance has been carried out by any external agency and if any reference has been made to JointValues, such should be interpreted as assurance provided by JointValues, if such requirements form a part of BRSR Core only on which JointValues has given its opinion.

For and on behalf of
JointValues ESG Services Private Limited

J. S. Kamyotra
Verifier & Assurer

Ritu A. Tomar
Signatory - Commercial Contract

Encl.: Annexure of Assurance Statement



Business Responsibility & Sustainability Report(BRSR)

Scope and Boundary of Assurance
Annexure of Assurance Statement for BRSR Core of the Company for FY 2025-26 as per format in Annexure 17a of SEBI Master Circular dated 11 November, 2024 and its amendments.

Sl.	BRSR Core Attribute	Parameter	Measurement	Disclosure by the Company in print ready BRSR produced for assurance	JointValues' remark on Level of Assurance	Sl.	BRSR Core Attribute	Parameter	Measurement	Disclosure by the Company in print ready BRSR produced for assurance	JointValues' remark on Level of Assurance
1	Greenhouse gas (GHG) footprint	Principle (P) 6, Question (Q) 7: Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	GHG (CO2e) Emission in Mn MT / KT / MT Direct emissions from organization's owned- or controlled sources	7,696.08 tCO2e	Reasonable		Energy footprint	P6, Q4: Water Discharge by destination and levels of Treatment	Mn Lt or KL	0 KL	
								P6, Q1: Total energy consumed	In Joules or multiples	472.74 Tera Joules (TJ)	
								P6, Q1: % of energy consumed from renewable sources	In % Terms	19.67 %	
		P6, Q7: Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	GHG (CO2e) Emission in Mn MT / KT / MT Indirect emissions from the generation of energy that is purchased from a utility provider.	17,768.27 tCO2e		4	Embracing circularity - details related to waste management by the entity	P6, Q1: Energy intensity	Joules or multiples / Joules or multiples / Product or Service	1.02 TJ/ million 0.33 TJ/ FTE	Reasonable
								P6, Q9: Plastic waste (A)	Kg or MT	85.64 Metric Tonne (MT)	
		P6, Q7: GHG Emission Intensity (Scope 1+2)	Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for PPP.	55.10 tCO2e/ million USD adjusted for PPP				P6, Q9: E-waste (B)	Kg or MT	0.99 MT	
			Total Scope 1 and Scope 2 emissions (MT) / Total Output of Product or Services	17.58 tCO2e/ Full-Time Employee Equivalent (FTE) including workers				P6, Q9: Bio-medical waste (C)	Kg or MT	0.006278 MT	
								P6, Q9: Construction and demolition waste (D)	Kg or MT	0 MT	
2	Water footprint	P6, Q3: Total volume of water consumption	Mn Lt or KL	34,111.00 KL	Reasonable			P6, Q9: Battery waste (E)		0.28 MT	
		P6, Q3: Water consumption intensity	Mn Lt or KL / Rupee adjusted for PPP	73.80 KL/million USD adjusted for PPP				P6, Q9: Radioactive waste (F)		0 MT	
			Mn Lt or KL / Product or Service	23.54 KL/ FTE				P6, Q9: Other Hazardous waste. Please specify, if any. (G)	Kg or MT	4307.45 MT	
								(Solvent, Spent Catalyst, Process Sludge, ETP Sludge, Distillation Residues, Used/ Spent oil, Chemical Sludge, Discarded Containers, Bags, Empty barrels, Containers)			



Business Responsibility & Sustainability Report(BRSR)

Sl.	BRSR Core Attribute	Parameter	Measurement	Disclosure by the Company in print ready BRSR produced for assurance	JointValues' remark on Level of Assurance	Sl.	BRSR Core Attribute	Parameter	Measurement	Disclosure by the Company in print ready BRSR produced for assurance procedures	JointValues' remark on Level of Assurance
5	Enhancing safety	P6, Q9: Other Non Hazardous waste. Please specify, if any. (H)	Kg or MT	4.88 MT	Reasonable	6	Enabling Gender Diversity in Business	P3, Q11: Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)	Number of Permanent Disabilities	0 (employees and workers)	Reasonable
		P6, Q9: Total waste quantity (A+B+C+D+E+F+G+H)	Kg or MT	4399.25 MT					Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	0 (employees and workers)	
		P6, Q9: Waste intensity	Kg or MT / Rupee adjusted for PPP	9.52 MT/Million USD adjusted for PPP					No. of fatalities	0 (employees and workers)	
		P6, Q9: Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations	Kg or MT /Unit of Product or Service	3.04 MT/FTE					In % terms	4.98%	
			Mn Lt or KL	34,111.00 KL		7	Enabling Inclusive Development	P5, Q3: Gross wages paid to females as % of wages paid	Total Complaints on Sexual Harassment (POSH) reported	0	Reasonable
			Intensity	0.26 (Kg/Kg)					Complaints on POSH as a % of female employees / workers	0	
			(Kg of Waste Recycled Recovered /Total Waste generated)						Complaints on POSH upheld	0	
		P6, Q9: For each category of waste generated, total waste disposed by nature of disposal method	Kg or MT Intensity (Kg of Waste Disposed/ Total Waste generated)	3,268 MT 0.74 (Kg/Kg)				P8, Q4: Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India	In % terms – As % of total purchases by value	MSMEs/ small Producers: 1.54%	
			Intensity (Kg of Waste Disposed/ Total Waste generated)							Within India: 91.28%	
		P3, Q1(c): Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company	In % terms	0.34%				P8, Q5: Job creation in smaller towns – Wages paid to persons employed in smaller towns	In % terms – As % of total wage cost	Urban: 100%	



Business Responsibility & Sustainability Report(BRSR)

Sl. BRSR Core Attribute	Parameter	Measurement	Disclosure by the Company in print ready BRSR produced for assurance procedures	JointValues' remark on Level of Assurance
8	Fairness in Engaging with Customers and Suppliers	P9, Q7: Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	In % terms	Reasonable
		P1, Q8: Number of days of accounts payable	(Accounts payable *365) / Cost of goods/services procured	
9	Open-ness of business	P1, Q9: Concentration of purchases & sales done with trading houses, dealers, and related parties	Purchases from trading houses as %of total purchases	Reasonable
			Number of trading houses where purchases are made from	
			Purchases from top 10 trading houses as % of total purchases from trading houses	
			Sales to dealers / distributors as % of total sales	
			Number of dealers / distributors to whom sales are made	
			Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	
			Shares of RPT in Purchase, Sales, Loans & Advance, Investments	



Management Discussion & Analysis Report (MD&AR)

Overview of the Company's Business

Founded in 2013, Aether Industries Limited has evolved into a specialty chemicals manufacturer of scale, delivering advanced intermediates and specialty chemicals to a diverse range of end-user industries. Our product selection is guided by a proprietary 8x8 matrix — a strategic framework built at the intersection of complex chemistry and deep technological capability, enabling us to identify and pursue high-value, defensible opportunities.

Over the past thirteen years, we have built a well-diversified business across three complementary segments:

- 1. Large-Scale Manufacturing (LSM)
- 2. Contract / Exclusive Manufacturing (CEM)
- 3. Contract Research and Manufacturing Services (GRAMS)

Our journey began with a deliberate, four-year investment in research and development, laying the scientific and technological foundation for sustainable growth. This commitment translated into commercial success starting in FY2018, and has since driven consistent, profitable expansion. In FY2026, the Company recorded total revenue of ₹11,810 million, reflecting a robust CAGR of 30.3% from FY2018 to FY2026 — a testament to the strength of our business model and execution capability.

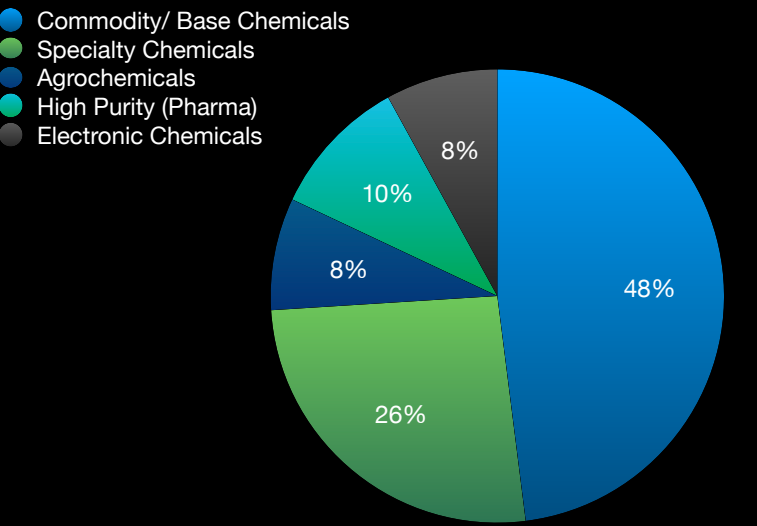
Global Chemicals Market

The global chemical industry, valued at approximately USD 6.4 trillion, is projected to grow at a CAGR of 4.5% over the next five years, underscoring its enduring role as a cornerstone of the global economy.

Commodity and base chemicals continue to dominate the sector by volume, with China remaining the epicentre of new capacity additions and global supply.

The year 2025 tested the resilience of the industry, as sluggish demand, persistent overcapacity, and heightened uncertainty stemming from evolving global trade policies weighed heavily on the sector. Chemical prices touched multi-decadal lows, reaching levels that were fundamentally unsustainable for producers across the value chain.

However, the operating landscape shifted meaningfully in the final quarter of the year. Geopolitical tensions and the escalating Middle East crisis triggered a sharp rise in crude oil prices — a key feedstock for the industry — while disruption to regional oil and gas infrastructure created raw material shortages that pushed chemical prices upward from their lows. With damage to Middle Eastern energy infrastructure expected to take 18–24 months to fully repair, the resulting supply-side constraints are likely to support a sustained recovery in chemical prices going forward, setting the stage for a more constructive pricing environment in the year ahead.



Regional Break-up

Region	2025 Position	Main Characteristics
Asia - Pacific	Largest and fastest growing region	Dominates demand and new capacity' China remains central, while India and South east Asia add growth
North America	Strong in high-value segments	Benefits from feedstock advantage and investments linked to semiconductors and clean energy
Europe	Mature and under pressure	High energy and labour cost, weak industrial demand and competitiveness weakness
Middle East	Export-led hub	Strong in base chemical and petrochemical due to feedstock

Trends in the Global Chemical Market

Demand and Pricing – Global chemical demand is expected to improve gradually in 2026, with production volumes forecast to grow at a modest pace. However, the recovery is likely to be uneven across the value chain. Basic chemical prices are expected to remain under pressure, weighed down by persistent overcapacity, while specialty chemicals are better positioned — supported by more resilient end-market demand, higher-value applications, and stronger pricing power. This divergence underscores the structural advantage of a diversified, specialty-weighted portfolio in an otherwise subdued pricing environment.

Capacity Rationalisation – Structural cost disadvantages are reshaping the global capacity map. Producers in Europe and the United States, burdened by significantly higher energy and labour costs relative to Asian counterparts, are expected to accelerate capacity rationalisation. This realignment is likely to gradually ease global overcapacity and could support a more balanced demand-supply equation over the medium term, benefiting well-positioned Asian producers.

Supply chain resilience – Following the announcement of reciprocal tariffs in April 2025, companies across the industry are recalibrating their operations to align with the evolving global trade landscape. This includes deploying digital tools to optimise supply chains, diversify sourcing, and enhance agility — a shift that is expected to become a lasting feature of industry operating models rather than a temporary adjustment.

Electronic chemicals – The electronic chemicals segment stands out as a bright spot amid broader market softness. Demand from the semiconductor, electric vehicle, and battery energy storage systems industries is expected to accelerate, with the semiconductor chemicals sub-segment further propelled by the rapid expansion of AI-driven data centre infrastructure. This positions electronic chemicals as one of the fastest-growing and most strategically significant segments within the broader chemical industry.

Innovation - Even amid a cyclical downturn, innovation remains a strategic imperative rather

than a discretionary pursuit.

Companies that continue to invest in new products, processes, and business models are best placed to differentiate themselves, unlock new markets, and respond swiftly to evolving customer needs — building resilience today while positioning for outperformance in the next up-cycle.

Focus on Sustainability - Sustainability is set to emerge as a defining driver of capital allocation in the chemical industry's next growth cycle. With demand for chemical building blocks projected to double over the next 30 years, the industry could require an estimated USD 1 trillion in capital by 2080 to meet evolving sustainability requirements. While near-term spending remains cautious amid the current down-cycle, sustained investment in low-carbon pathways — including carbon capture, clean hydrogen, and electrification — will be critical to securing long-term competitiveness and license to operate.

Indian Speciality Chemical Market

India's chemical sector, valued at approximately USD 220 billion in FY2024-25, is poised to grow at 8-9% annually over the next five years, reinforcing its position as a critical pillar of the country's industrial economy. While bulk chemicals and petrochemicals continue to command the largest value pool, speciality chemicals and pharma-linked chemistries are emerging as the fastest-growing segments, offering compelling structural opportunities in import substitution and in sectors powering semiconductors, renewables, automotive, and construction.

Within this landscape, the Indian speciality chemicals market — valued at ~USD 70 billion in 2025 — is projected to nearly double to ~USD 130 billion by 2030, according to industry estimates. As a high-value, innovation-driven segment of the broader chemical industry, it is defined by low-volume, high-margin products engineered for specialised applications. Growing at an estimated 12%+ CAGR, the sector is set to significantly outpace the broader chemical industry, propelled by robust domestic demand, expanding export opportunities, and sustained policy support — even as it navigates challenges such as raw material volatility, regulatory pressures, and intensifying global competition.



Management Discussion & Analysis Report (MD&AR)

Key Growth Drivers for the Indian Speciality Chemicals Sector

Export Opportunities & China+1 Strategy: As Western companies accelerate supply chain diversification away from China, India is emerging as a preferred alternative — underpinned by strong process engineering capabilities, cost-competitive manufacturing, a skilled workforce, and robust regulatory compliance.

Innovation, R&D, and Sustainability: Rising R&D investment by Indian chemical companies is driving a shift toward higher value-added products and an expanding pipeline of CDMO partnerships with global innovators. This innovation push is central to reducing India's chemical import bill, which stood at USD 65 billion in FY2025-26.

Capacity Expansions: Indian chemical players are scaling production capacity to meet surging demand from the automotive, pharmaceuticals, and electronics industries, with total capex announced or implemented in FY2025-26 estimated at over USD 2.5 billion.

Government Support and Policies: Initiatives such as Make in India, Production Linked Incentive (PLI) schemes, Petroleum, Chemicals & Petrochemicals Investment Regions (PCPIRs), infrastructure development, and FDI facilitation are strengthening the sector's foundation — with a clear focus on self-reliance, sustainability, and industrial clustering to support capacity building and innovation.

Notwithstanding these favourable tailwinds, the sector must contend with raw material price volatility, continued import dependency — particularly from China — and increasingly stringent environmental regulations that raise compliance costs.

Overview of Aether Industries Limited

We are one of India's leading specialty chemical manufacturers, engineering advanced intermediates and specialty chemicals through sophisticated, differentiated chemistry and technology. Founded in 2013, our vision has always been clear: to carve out a distinctive position in the global chemical industry by fusing innovation in chemistry, technology and systems with a commitment to sustainable, long-

term growth.

A Deliberate, Three-Phase Journey

Our growth has been built in phases, by design:

Phase 1 (up to FY2017) — Foundation: We invested in building our team, infrastructure and R&D capabilities, laying the core competencies on which everything since has been built.

Phase 2 (FY2018–FY2025) — Capacity Creation: With our first revenues booked in FY2018, we shifted focus to expanding capacity — securing land banks and building manufacturing assets at scale.

Phase 3 (FY2026 onwards) — Commercialisation: We have now entered the phase where our years of investment begin to convert into performance, as our assets and capabilities are commercialised at scale.

This disciplined, phase-led approach has delivered consistent, compounding growth — revenues have grown at a CAGR of 30.3% from FY2018 to FY2026, a track record that reflects the strength of the foundation we built early on.

A Differentiated Technology Platform

Where most specialty chemical companies rely on one or a handful of chemistry platforms, Aether has deliberately built eight distinct, in-house chemistry and technology competencies spanning our product range. This breadth is a genuine structural advantage — it allows us to address the specialised, advanced-intermediate needs of a wide spread of end-products and applications, and it stands as a testament to the depth and innovation of our R&D team. We continue to invest in expanding this platform. In FY2027, we will add a ninth competency — focused and integrated polymerisation, centred on continuous, high-pressure polymerisation under extreme process conditions — further widening the range of chemistries we can offer our customers.

Three Business Models, Built in Five Years

We operate across three distinct, complementary business models:

Large Scale Manufacturing (LSM) of our own

intermediates and specialty chemicals

Contract Research and Manufacturing Services (CRAMS)

Contract/Exclusive Manufacturing (C/EM)

Aether is among a select few Indian specialty chemical companies to have successfully established all three models within just five years of commencing commercial manufacturing — a rare achievement that reflects the versatility of our platform.

Every product we take on is selected against a consistent set of criteria: chemical complexity, niche application, limited competition, scalability and commercial viability. Applying this discipline, we have built a portfolio of advanced intermediates and specialty chemicals serving pharmaceuticals, agrochemicals, materials science, coatings, high-performance photography, additives, sustainability & renewables, and oil and gas.

A Portfolio Built on "Firsts"

As of March 31, 2026, our portfolio comprises 31 products — each one manufactured either for the first time in India, or for the first time anywhere in the world, by Aether.

Our products sit deliberately in the high-value zone of the chemical industry value chain — closer to final active ingredients and formulations, and further from commodity chemicals. This positioning is reflected in our economics: the average selling price of our products in FY2026 was ₹937 per kg (FY2025 was ₹1,306.89 per kg) major reduction on account of scaling up of the CEM business with Baker Hughes where the price per kg is quite lower.

In pharmaceuticals, our high-value intermediates support therapeutic areas including hypertension, anti-platelets, anti-psychotics, anti-histamines, NSAIDs, antiretrovirals for HIV/AIDS, anti-epileptics and anti-convulsants, among others. Beyond pharmaceutical, our chemistries serve agrochemicals, materials science, coatings, high-performance photography, additives, sustainability & renewables, and oil and gas.

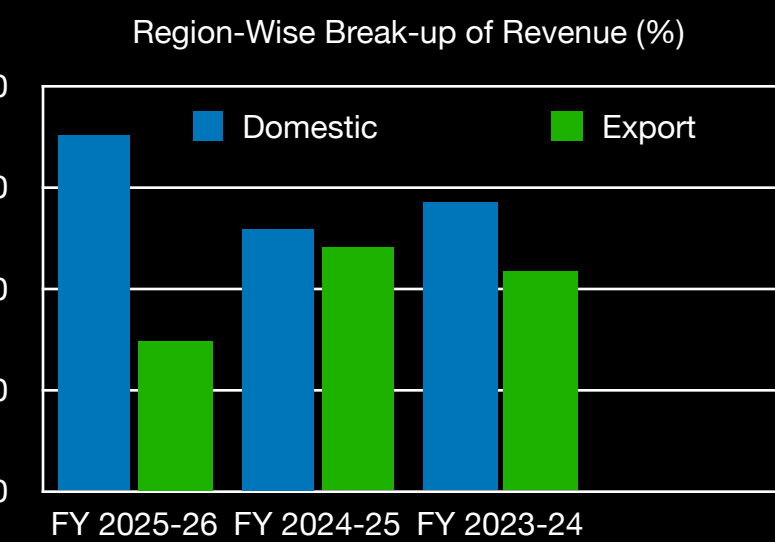
Import Substitution, at Scale

Beyond pharmaceuticals, our products are utilized in various sectors such as agrochemicals, material science, coatings, high-performance photography, additives, sustainability & renewables, and oil and gas. The majority of our advanced intermediates and specialty chemicals were introduced for the first time in India and are 100% import substitutes — a direct contribution to the Government of India's "Make in India" and "Atmanirbhar Bharat" initiatives. Products such as 4MEP, T2E, MMBC, NODG, BFA, OTBN and DVL — once imported from China — are today manufactured and exported by Aether, including to customers in China itself.

We will build on this momentum in FY2027 with the launch of three new products (two pharmaceuticals and one agrochemical), further strengthening our import-substitution portfolio.

A Global, B2B Franchise

Our sales model is predominantly business-to-business, both in India and internationally. We export to 20 countries worldwide, including Germany, the United States of America, the Netherlands, Japan, China, Czech Republic, United Kingdom and others. Exports accounted for 29.66% of sales in FY2026 [vs. 48.13% in FY2025], with the decline in export share primarily reflecting increased domestic sales to Baker Hughes India. We expect this trend to continue into FY2027, supported by a new agreement with Milliken Chemical and Textile (India) Co (a subsidiary of Milliken & Company, USA).



Management Discussion & Analysis Report (MD&AR)

R&D, Pilot Plant and Manufacturing Sites

In-house research and development is the cornerstone of Aether Industries Limited. Our chemistry and technology capabilities, and every product in our portfolio, are conceived by our dedicated R&D team, validated and scaled up at our Pilot Plant, and commercialized using our own process design and engineering expertise — a fully integrated, self-reliant innovation model that reduces dependency on external technology and shortens time-to-market.

Our advanced R&D centre and Pilot Plant are located at Manufacturing Facility 1 in Sachin, Surat, Gujarat. These facilities are the engine of our growth, driving three parallel priorities: strengthening our existing product pipeline, developing next-generation and high-value specialty chemistries, and delivering customized process and scale-up solutions for our CRAMS (Contract Research and Manufacturing Services) partners.

We operate five manufacturing facilities in total — four at Sachin and one at Panoli, Gujarat — forming a robust, geographically efficient manufacturing base. Every facility is certified to ISO 9001:2015 (Quality Management), ISO 14001:2015 (Environmental Management), ISO 45001:2018 (Occupational Health & Safety), ISO/IEC 27001:2013 (Information Security Management), and Indian GMP standards, reflecting our uncompromising commitment to quality, safety, sustainability, and data integrity across operations.

All facilities are built on a foundation of Distributed Control System (DCS)-led process automation, engineered to global standards of technology and precision. Their strategic location near Hazira Port and Jawaharlal Nehru Port Trust (JNPT) gives us a distinct logistics advantage — enabling faster shipment turnaround and optimized freight costs for our growing export business.

To power this automation backbone, we deploy best-in-class DCS platforms: Siemens PCS7 DCS across our Pilot Plant and CRAMS operations, and Yokogawa Centrum VP DCS across our manufacturing facilities. Together, these systems deliver:

- Consistent, high-quality output through tightly controlled, repeatable processes

- Enhanced plant reliability with reduced downtime and process variability
- Lower overhead costs through optimized resource utilization
- Superior safety outcomes by minimizing manual intervention and human error, thereby reducing the risk of industrial incidents

This combination of integrated R&D, scalable pilot infrastructure, certified manufacturing, and advanced automation positions Aether Industries as a trusted, quality-first partner to customers across the specialty chemicals and CRAMS value chain.

Long standing relationships with a diversified customer base

Aether Industries has built an enduring, diversified customer franchise spanning multinational, regional, and local companies across the globe. Our customer base now exceeds 300 companies, with 19 new customers added in Fiscal Year 2026 alone — a testament to our ability to consistently win new business even as we deepen existing relationships.

As of March 31, 2026, our products reached more than 50 global customers across 20 countries, complemented by a strong domestic presence of over 250 clients in India.

Our unwavering commitment to product quality and consistency underpins these relationships, giving customers little reason to seek alternative suppliers. This customer stickiness, combined with the significant capital investment and lengthy technical approval processes required of new entrants, gives Aether a durable competitive moat in the specialty chemicals space.

Sectoral Diversification

Aether has meaningfully diversified its revenue base over the past several years, reducing concentration risk while broadening its addressable market.

FY2022: Pharmaceuticals and Agrochemicals together accounted for nearly 84% of revenue

FY2026: These two sectors now contribute 36% of revenue, as growth in newer verticals has outpaced them

Oil & Gas and Material Science have emerged as the two other major growth pillars, contributing 21% and 17% of revenue, respectively, in FY2026. We expect both sectors to accelerate their contribution in the coming years, driven by expanding volumes with key customers such as Baker Hughes India and Milliken Chemical and Textile (India) Co.

Material Science is set to receive a further boost from our entry into electronic chemicals, particularly semiconductor chemicals. Validation quantities have already been approved by leading Japanese majors, giving us confidence that this segment will emerge as a meaningful growth driver in the years ahead.

Our five-year vision is to build a more balanced, diversified revenue mix — with Pharmaceuticals & Agrochemicals, Oil & Gas, Material Science, and Others each contributing roughly a quarter of total sales.

Business Segment (% of Revenue)	FY 2025-26	FY 2024-25
Pharmaceutical	34.21%	45.60%
Oil & Gas	21.05%	5.98%
Material Science	17.74%	11.44%
Agrochemical	12.22%	21.17%
Multiple	6.19%	7.69%
High Performance Photography	4.74%	3.33%
Coatings	2.82%	3.74%
Sustainability & Renewables	1.02%	1.05%

Where Strengths meet Vision

At Aether Industries Limited, we are driven by purpose and innovation — constantly advancing solutions that make a meaningful difference. Through state-of-the-art manufacturing and robust R&D (DSIR recognised), we deliver efficiency, sustainability, and quality, while shaping the future of our business and the industries we serve.

1) Robust R&D capabilities
With a chemistry- and technology-driven approach, we are at the forefront of process innovation and continuous efficiency improvement. Our focus is on developing non-infringing, commercially viable processes that remain efficient across the entire product lifecycle.

Largest pilot plant in the world, with over 600 reactors
~300 scientists working across our R&D Centre and Process Development teams
55+ projects across sectors, with over 75% of projects dedicated to customer-specific development

Our R&D capabilities enable us to enhance product quality, optimise costs, and support sustainability — forming the foundation of our long-term competitiveness.

2) Technocrat Promoters and a Seasoned Senior Management Team

Aether Industries is led by one of the most experienced management teams in the Indian chemical sector. Our promoters are technocrats with a combined 125+ years of expertise in the chemical industry, each actively engaged in key areas — R&D, process and plant engineering, finance, and marketing — while overseeing daily operations.

Our senior management team — comprising Dr. James (Jim) W. Ringer (Chief Technology Officer), Mr. Raymond Paul Roach, Dr. Norbert Flüggen, and Dr. Ron Valente — brings decades of collective industry experience. Through constant engagement and mentorship, they inspire our young Aetherians to find innovative solutions to complex problems. This team has demonstrated a consistent ability to generate significant value by building exceptional teamwork and organisational culture, underpinned by strong personnel development, technical excellence, and a robust project portfolio.

Over the next few years, we intend to further strengthen our senior team, having already identified individuals who will help us explore new chemistries and product opportunities.

The depth and breadth of experience across our



Management Discussion & Analysis Report (MD&AR)

Board, management team, and Promoters position us to be a leading specialty chemicals manufacturer in India — enabling us to navigate market trends, manage operations effectively, and deepen customer relationships.

3) Strong customer relationships

We have cultivated deep, long-standing customer relationships built on trust, reliability, and technological expertise. These partnerships enable us to navigate industry challenges while maximising opportunities in a dynamic market.

- 5+ years of partnerships with leading global customers, including Milliken Textiles and Chemicals Ltd (subsidiary of Milliken & Company, USA), Baker Hughes, Saudi Aramco, Polaroid, Altana, SEQENS, and several leading domestic pharmaceutical companies
- A 100% secure environment, where customers entrust us with their proprietary processes and intellectual property

Our proven expertise in complex chemistry and sustainable manufacturing enables us to deliver tailored solutions for diverse customer needs. A continued commitment to on-time supply, intellectual property protection, and process integrity has strengthened customer confidence and fostered long-term collaboration.

4) An integrated platform for Large-Scale Manufacturing, CRAMS, and Contract / Exclusive Manufacturing

Aether Industries operates through three distinct, complementary business models:

- Large-Scale Manufacturing (LSM) of proprietary intermediates and specialty chemicals
- Contract Research and Manufacturing Services (CRAMS)
- Contract/Exclusive Manufacturing (CEM)

We are among the few Indian specialty chemical companies to have successfully commercialised all three business models within a five-year period, with each contributing meaningfully to our revenue base.

These models reinforce one another: customers for our proprietary intermediates and specialty chemicals often overlap with those served through CRAMS and contract manufacturing. Our CRAMS business enables close collaboration with innovative companies on new product development, which in turn strengthens our R&D capabilities and supports expansion of our own product portfolio. Higher production volumes under contract manufacturing further support economies of scale and improved procurement efficiencies.

5) State of the art automated Manufacturing Facilities

Aether Industries has invested in automated manufacturing facilities built on advanced technologies and systems. Our manufacturing infrastructure, cutting-edge technology, and automation are central to our continued growth in intermediates and specialty chemicals. We have pioneered innovative manufacturing processes and product recipes, establishing leadership positions across many of our product categories.

Each facility operates independently, with dedicated quality departments, effluent treatment plants, and warehousing — and their proximity to Hazira and JNPT ports helps reduce export freight costs and lead times.

Our operations are certified under:

- ISO 9001:2015 (Quality Management)
- ISO 14001:2015 (Environmental Management)
- ISO 45001:2018 (Occupational Health & Safety)
- ISO/IEC 27001:2013 (ISMS) (Information Security)
- Indian GMP (Good Manufacturing Practices)

An overview of our manufacturing facilities is mentioned below:

Site	Site 1	Site 1+	Site 2	Site 3	Site 3++	Site 4	Site 5	Site 5+
Location	Surat						Panoli	
Sq meters	5,250	5,250	10,500	5,250	5,250	18,500	1,25,000	60,000
Business Model	CRAMS, Pilot Plant	CRAMS	LSM, CEM	LSM, CEM	CEM	CEM	LSM, CEM	LSM, CEM
Utilisation Rates	100%	N/A	75%	70%	Commenced production in February, 2026	55%	First 2 of 16 production blocks to commercial ised in Q1 FY27	N/A
Other	55 Fume hoods installed, 15 Additional fume hoods and NMR machines being installed by Q1FY27, Analytical labs and Pilot Plant	Completion by Q2 FY28 120 fume hoods being installed	Solvent Recovery Plant 13,140 MT		Dedicated to a global MNC customer	Dedicated to a global customer in oil & gas sector	All 16 production blocks to be completed by FY30	Construction to commence by FY31

In Fiscal Year 2026, our facilities were audited 50 times by various customers or their external auditors.

Future Capacity Expansion:

Site	Segment	Current Status
Site 1+	CRAMS	Construction commenced and expected to be completed by Q2FY28 Install 120 fume hoods which will nearly triple the capacity from the current 70 fume hoods Total Capex for this site is ~INR 1,000 million
Site 5	CEM/ LSM	Site has been divided in four phases of four production blocks each Two production blocks from phase one to be commence production from Q1FY27. 2 additional production blocks to commence production every 6 months All 16 production blocks to be commercialise by FY31 Active discussion with customers across different sectors for dedicated production blocks Total Capex for this site is ~INR 20,000 – INR 21,000 million
Site 5+	CEM/ LSM	Purchased land in January 2025 and is adjacent to Site 5 The land was purchased for INR 446.93 million and has an area of 60,000 sq.m



Management Discussion & Analysis Report (MD&AR)

Contract Research and Manufacturing Services (CRAMS)

CRAMS contributed revenues of INR 1,045.6 million in FY2026, representing 9.2% of the Company's total revenue — a reflection of the deep scientific trust our global partners place in Aether's research and manufacturing capabilities.

At the heart of this business is our commitment to in-house research and development. Sustained, strategic investment in R&D is what sets Aether apart from other Indian chemical companies, allowing us to build and defend leadership positions across our product portfolio. By translating decades of technical expertise into processes that are genuinely difficult to replicate, we create durable barriers to entry — the same barriers that make Aether a partner of choice for global innovators.

A Partnership Model Built on Science

Our CRAMS model offers clients a full spectrum of outsourced research and technology services: contract research, pilot-scale scale-up, contract manufacturing, FTE (Full-Time Equivalent) services, technology development, and process optimization. Clients work hand-in-hand with our scientists and engineers, gaining direct access to our R&D facilities, analytical laboratories, and Pilot Plant.

This is more than a transactional arrangement — it is the foundation of long-term partnerships. Molecules developed under CRAMS frequently graduate into regular commercial supply, becoming large-scale manufacturing products within our own portfolio. Just as importantly, the model builds deep working relationships with our clients' technical and leadership teams — CTOs, technical directors, and VPs — laying the groundwork for future contract manufacturing opportunities and long-term strategic alliances.

Innovation Engineered In-House

end innovation model is central to Aether's competitive advantage. Our chemistry and technology expertise spans a wide and complex range of platforms, supporting diverse end-use industries, including:

- Grignard, organolithium, and other organometallic chemistries

- Ethylene oxide and isobutylene chemistry
- Hydrogenation
- Catalysis — both homogeneous and heterogeneous
- Cross-coupling chemistry
- Metathesis and polymerization chemistry

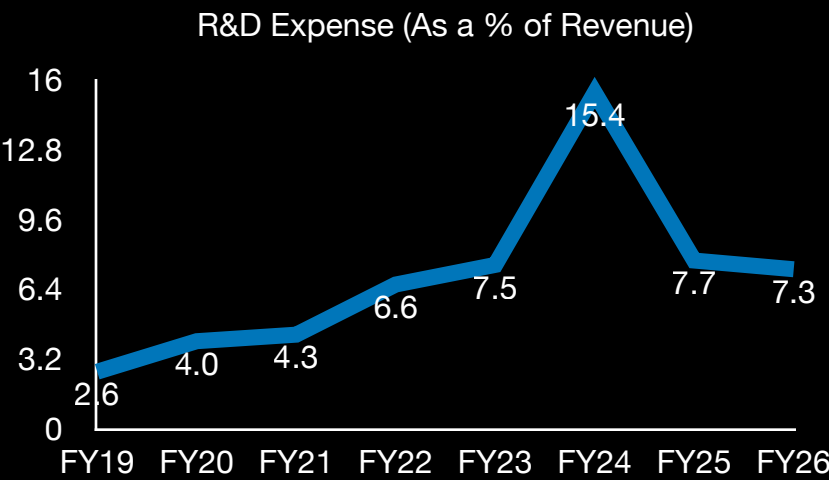
Aether is a pioneer in the Indian specialty chemicals industry in tandem Grignard and ethylene oxide chemistry, a capability held by only a handful of competitors globally — reinforcing our position as a technology leader, not just a manufacturer.

Investing in Our Scientific Talent

As of March 31, 2026, our specialized R&D team comprised 356 scientists and engineers, up from 286 as of March 31, 2025 — including 160 scientists holding PhDs or Master's degrees or Bachelor's degrees (up from 145 in the previous fiscal year) and 196 chemical engineers (up from 141 in the previous fiscal year).

Our R&D facilities house dedicated laboratories for process development, innovation, and technology advancement, enabling us to optimize efficiency at every stage — from initial conceptualization through to full product commercialization.

Total R&D expenditure for FY2026 stood at INR 862.13 million, equivalent to 7.3% of revenue — among the highest R&D-to-revenue ratios in the Indian chemical sector, underscoring our conviction that sustained investment in science is the surest route to long-term, defensible growth.



Academic and Institutional Partnerships

We maintain strong collaborations with leading universities and research institutions across India, including the National Chemical Laboratory (NCL, Pune), the Institute of Chemical Technology (ICT, Mumbai), Uka Tarsadia University (UTU, Bardoli), and Sardar Vallabhbhai National Institute of Technology (SVNIT, Surat). Our sponsored PhD programs, run in partnership with these institutions, deepen our access to fundamental research and continue to strengthen our in-house R&D capabilities.

Our R&D facilities are recognized by the Department of Scientific & Industrial Research (DSIR), Government of India, as an accredited in-house R&D centre — a recognition that reflects the depth and consistency of our innovation efforts.

Expanding Our R&D Capacity

Fiscal Year 2026 saw a deliberate expansion of our R&D capacity, driven by a strong pipeline of research projects secured over the past two years — particularly in the Oil & Gas and Material Science sectors. Our R&D centre currently operates 55 fume hoods, all fully utilized, underscoring the intensity of ongoing research activity.

Of our 55 active projects, approximately 70% are concentrated in the Oil & Gas and Material Science sectors. The portfolio comprises 40 customer-sponsored projects and 15 proprietary molecules being developed in-house. This robust and growing pipeline of customer projects positions us well to scale our Contract & Exclusive Manufacturing (CRAMS) business — our second core business model. Our CRAMS engagements also create valuable, ongoing interactions with senior technical leadership at customer organizations, generating a steady stream of new project opportunities.

Pilot Plant: Bridging R&D and Commercial Scale

Our state-of-the-art Pilot Plant is a critical link between R&D and full-scale production, and ranks among the largest facilities of its kind globally, with over 100 reactors supporting both batch and continuous reaction technologies.

The Pilot Plant serves a dual purpose: generating

essential scale-up data for the transition from laboratory research to commercial production, and functioning as a stand-alone manufacturing facility for low-volume, high-value products for our CRAMS clients. It is equipped with a comprehensive range of reactors and downstream processing equipment, supporting both continuous and batch operations across diverse scale-up volumes and process parameters — all fully automated through Distributed Control System (DCS) process automation.

The facility also houses a dedicated continuous reaction and flow chemistry section, equipped with pilot-scale continuous reactors and associated downstream processing equipment, reinforcing our capabilities in next-generation process technologies.

World-Class R&D Infrastructure

Our R&D laboratories include four dedicated organic synthesis labs, housed on a separate floor and equipped with modern amenities to support advanced research work.

Alongside this technical expansion, we have completely transformed the architecture and interior design of our R&D facilities, creating a world-class environment for our scientists. The redesigned campus includes a library, scientist lounges, a cafeteria, a dedicated coffee house for scientists, modern offices, conference rooms, a gymnasium, and outdoor meeting spaces — reflecting our commitment to fostering creativity, collaboration, and well-being among our research talent.

To support this expansion, we have strengthened our R&D team by recruiting additional scientists and engineers, with a particular focus on candidates holding PhDs and Master's degrees, further deepening our scientific and technical capabilities.

Future Outlook for CRAMS

Doubling Down on R&D Infrastructure

Fiscal Years 2027 and 2028 mark a step-change in Aether's research and development capabilities, as we work to nearly triple the size of our R&D facility, underpinning our ambition to remain the innovation



Management Discussion & Analysis Report (MD&AR)

partner of choice for global customers. By Q1 FY2027, capacity at our existing R&D facility will expand from 55 to 70 fume hoods, enabling a higher volume of parallel development work without compromising safety or turnaround time.

We are also investing in advanced analytical infrastructure, including Nuclear Magnetic Resonance (NMR) spectroscopy, which will allow non-destructive structural analysis of polyols — a critical capability as we deepen our engagement with the oil and gas and material science sectors, where process and chemical engineering rigour matters as much as the underlying chemistry itself.

Complementing this, we are building an entirely new R&D centre, adjacent to our existing R&D and pilot plant, at a capital outlay of approximately INR 1,000 million, targeted for completion by Q2 FY2028. On completion, the new complex will house 120 fume hoods and 15 dedicated laboratories (including five engineering labs) — a state-of-the-art facility that will materially strengthen our capabilities in chemical engineering, process technology and seamless lab-to-plant scale-up. This expansion is a direct expression of Aether's long-term vision: to be an innovation-first, customer-focused organisation capable of delivering high-value, sustainable solutions to partners around the world.

Expanding Our Chemistry Platform: Focused and Integrated Polymerisation

In FY2027, we will add a new and focused chemistry competency in Integrated Polymerisation — the branch of chemistry concerned with how monomers react to form long-chain or network polymer molecules, and the mechanisms, kinetics and reaction conditions that govern this process. This capability is aimed primarily at the material science and oil and gas sectors, and we are already progressing several projects within our CRAMS vertical that draw on this chemistry.

Entering Advanced Materials

FY2027 will also see us begin work on projects in advanced materials — a field in which Aether does not currently have a presence, and one that represents an exciting new growth frontier. To lead this initiative, we will hire a senior team member with the relevant domain expertise, positioning Aether to win new customers and projects that demand a high

level of process chemistry capability. Building Upstream Silicone Manufacturing Capability.

Building Upstream Silicone Manufacturing Capability

We will also begin developing manufacturing technology for silicones — the upstream process itself, rather than downstream compounding or formulation of bought-in silicone. Developing upstream capability is a fundamentally scarcer and higher-barrier undertaking, and one that offers a structurally more defensible position.

The opportunity is significant: India is the fastest-growing regional silicone market in Asia Pacific, even as it remains small in absolute terms. Industry estimates size the Indian market at approximately USD 700 million in 2022, growing to USD 2.5 billion by 2030 at a 7.5% CAGR. Because domestic consumption structurally outpaces domestic production, India remains a significant net importer, sourcing the majority of its silicone requirements from China, Germany and the United States, at average import/export prices of USD 3,200–3,300 per tonne in 2024. This import dependency represents a clear addressable opportunity for Aether as we build upstream capability.

Broadening Our Oil & Gas, Electronics and Proprietary Molecule Pipeline

In FY2027 we will complete and expand projects across drag reducing agents for the oil and gas sector, electronic chemicals for the semiconductor industry, and organic chemicals for cosmetics. In parallel, we will continue to progress a portfolio of proprietary molecules targeted at the pharmaceutical and agrochemical sectors — work that aligns closely with the Government of India's Make in India initiative and reinforces our commitment to strengthening domestic chemical manufacturing self-reliance.

Contract / Exclusive Manufacturing (CEM)

The CEM business vertical focuses on the manufacture of complex, technology-intensive chemicals, leveraging the Company's capabilities in advanced chemistries such as high-pressure hydrogenation, Grignard reactions and continuous

reaction technologies. This focus on high-margin, differentiated products strengthens our competitive positioning across key end-use industries, including pharmaceuticals, oil and gas, agrochemicals, material science and sustainable materials.

The CEM business operates predominantly under long-term, take-or-pay arrangements, minimum off-take arrangement with leading global customers, including Milliken & Company, USA (through their subsidiary in India, Milliken Chemicals & Textile (India) Pvt. Ltd.), Baker Hughes, SEQENS and Saudi Aramco's Converge business, providing enhanced revenue visibility, predictable off-take and a meaningful degree of insulation from market volatility. We work closely with our customers to co-develop and scale up innovative manufacturing processes; the SEQENS engagement, for instance, involved a three-year joint development programme to establish a complex continuous reaction process for bio-based products — underscoring both our R&D strength and our proven pilot-to-commercial scale-up capability.

FY2026 Performance

The CEM business vertical delivered a standout year, contributing INR 5,234.43 million in revenue in FY2026, up 99% year-on-year from INR 2,630.07 million in FY2025. CEM contributed 46.27% of total revenue in FY2026, cementing its position as the primary engine of growth for the Company.

- Baker Hughes — Our dedicated Site 4 continued to scale up production of pour point depressants used across Baker Hughes' oil field operations, generating INR 2,196 million in revenue in FY2026, with further growth expected in FY2027.
- Milliken & Company — In June FY2026, we signed a 10-year CEM agreement with Milliken Chemical and Textile (India) Co. Pvt. Ltd., a wholly owned subsidiary of Milliken & Company (USA), under which we are the sole contract manufacturing partner for a key strategic Milliken product. The product was co-developed within our CRAMS division over several years and is manufactured at the dedicated Site 3++. The site commercialised operations in February FY 2026 and is expected to begin contributing revenue from FY2027.

Future Outlook for Contract / Exclusive Manufacturing

CEM is set to be our next major engine of growth. Together with CRAMS, the vertical is expected to contribute approximately 70% of Company revenue over the next five years. Conversations held through FY2026 with customers across the USA, Europe and Asia reinforce our conviction that the next decade represents a golden age for the Indian chemical sector. High labour and energy costs, combined with intensifying competition from lower-cost geographies such as China and India, mean that developed-market companies can research new products but increasingly cannot commercialise them competitively at home. The resulting China+1 shift places Indian chemical companies — and Aether, with its state-of-the-art R&D and pilot infrastructure and deep chemistry and technology expertise — firmly at the forefront of this opportunity.

In FY2027, we will commercialise our semiconductor chemicals production block at Site 5. The current addressable market for these chemicals stands at USD 400–500 million, and is projected to reach USD 1.5 billion by 2030, driven by rising global demand for semiconductor chips. The segment is currently dominated by Japanese producers, with Chinese players largely absent due to stringent purity requirements. We have developed this product via a differentiated manufacturing route, leveraging our chemistry and technology competencies, with commercialisation targeted for Q3 FY2027.

We have also partnered with a leading European material science major to develop products for the first time in India, and continue to deepen our relationships with existing partners including Polaroid, SEQENS, Saudi Aramco and Otsuka, from each of whom we expect increased revenue contribution in FY2027.

Backed by a robust CRAMS project pipeline and active conversations with both existing and prospective customers, we are confident that CEM will continue to grow rapidly and remain the primary growth engine for Aether. Over the coming years, we will focus on launching products for the semiconductor industry, new chemistries for the oil and gas sector, and new offerings within agrochemicals.



Management Discussion & Analysis Report (MD&AR)

Large Scale Manufacturing (LSM)

The Large Scale Manufacturing segment contributed INR 4,890.69 million, or 43% of revenue, growing a steady 5.8% in FY2026. LSM was Aether's original business vertical, having generated the Company's first revenues in 2017, and remains focused on direct import-substitution products, predominantly serving the pharmaceutical and agrochemical sectors.

Every product entering our LSM portfolio is evaluated against four core selection filters, consistent with our core competencies of chemistry, technology and systems:

- No existing manufacturer of the product in India
- Process complexity of at least four synthesis steps
- Projected revenue of INR 1,000 million at plant maturity (within three years of commercialisation)
- A targeted global market share of over 50% at plant maturity

India imports close to USD 35 billion worth of chemicals annually. We have identified over 60 products that meet the above criteria, and currently have the capability to manufacture 40~45 of these; of these, we are actively manufacturing 31, with the remainder currently impacted by Chinese pricing competition.

Every product in our LSM portfolio has been developed in-house and brought to market against these stringent criteria over the 13 years since our inception. Our advanced intermediates and specialty chemicals bridge the gap between commodity chemicals and final actives and formulations, and are used across multiple therapeutic areas including hypertension, anti-platelet, anti-psychotic, anti-histamine and non-steroidal anti-inflammatory (NSAID) drugs.

FY2026 Performance

LSM has faced sustained pricing pressure from Chinese competition; however, pricing began to stabilise from the start of FY2026, with visible improvement following two years of unprecedented lows. In Q4 FY2026, prices strengthened across several of our key products, lifting the average

realised price to INR 1,374, an increase of 24.8% over FY2025 levels. Volume growth was flat year-on-year, primarily as a result of paused shipments in Q4 FY2026 due to geopolitical disruption in the Middle East.

Future Outlook for LSM

In FY2027, we will launch three new products — two pharmaceutical and one agrochemical — from the first two production blocks at Site 5. These products are priced between USD 30–50 per kilogram and are currently imported by the majority of Indian pharmaceutical and agrochemical manufacturers. As a proportion of overall revenue, we expect LSM's share to continue to decline, not due to any underperformance, but because CEM is growing at a substantially faster rate.

Underlying demand for our LSM products remains healthy, growing at over 6% year-on-year, a trend we expect to continue into FY2027 based on ongoing customer discussions, with no signs of demand softness. On pricing, we expect levels to remain at or above those seen in Q4 FY2026. While the segment has weathered a challenging pricing environment over the past two years, any further price recovery should translate into strong positive operating leverage for the Company.

Key financial highlights

1. Revenue Growth: In Fiscal Year 2026 the revenue from operations were at ₹ 11,601 million as compared to ₹ 8,405 million in Fiscal Year 2025. This represents a growth of 38% year on year. The growth in revenue was mainly on account of scaling up of CEM contracts and the LSM business vertical seeing stable or increasing pricing for our products.

2. Profitability: The company reported a consolidated net profit of ₹ 2,195 million in Fiscal Year 2026 as compared to ₹ 1,584 million in Fiscal Year 2025 representing a growth of 39%. Net profit margins was at 19% in Fiscal Year 2026 versus 18% in Fiscal Year 2025.

3. Operational Efficiency: Aether's operating profit margin reached a high of 31% in Fiscal Year 2026, with EBITDA of ₹ 3,547 million representing a growth of 53%. The improve in EBITDA is mainly on account of CRAMS and CEM business verticals contributing 55% of revenues. These two business

verticals have better operating margins as compared to LSM and we expect EBITDA margins to be in the range of 28%-30% in Fiscal Year 2027.

4. Strong Balance Sheet: Aether is nearly debt-free, with a low debt-to-equity ratio, enhancing financial stability. The company raised significant equity in recent years to fund capacity expansion, maintaining strong liquidity despite rising interest expenses in Fiscal Year 2026 to ₹ 181 million.

5. Cash Flow Improvement: Operating cash flow (OCF) improved to ₹1,424 million in Fiscal Year 2026 from ₹ 1,000 million in Fiscal Year 2026. This was mainly on account of improvement in working capital cycle. Even though Working capital days we believe this will reduce even further as CEM business vertical is expected to contribute further to revenues in Fiscal Year 2027.

Upcoming Expansion

In Feb 2026, the Manufacturing Facility 3++ has been commissioned and production started. The facility is currently equipped for a key strategic product for Milliken Chemical and Textile (India) Co. Pvt Ltd a wholly owned subsidiary Milliken & Company (Milliken) based out of the USA. Under the agreement, we will be the sole contract manufacturing partner for a Milliken. The initial duration of the agreement is 10 years.

Expansion of Manufacturing Facility 5 continues in full swing. In Fiscal Year 2026 we have completed the construction of all the utilities (non revenue generating) for all the sixteen production blocks which has been envisaged on the site. Also we commenced water and steam trials in the first two production blocks of Manufacturing Site 5. The commercialisation of the first two production blocks is expected by quarter 1 of Fiscal Year 2027. We expect another two more production blocks to commence production in Fiscal Year 2027. By the end of Fiscal Year 2027 we should have four of the sixteen production blocks commencing production and contributing revenue to the LSM / CEM business verticals.

In Fiscal Year 2027 the total capex which is envisaged is ₹ 3,500 million of which we plan to incur:

- ₹ 1,000 million on the new R&D building which

is being constructed to the adjacent R&D site. The new R&D site is expected to be equipped with 120 fume hoods for which we already have a high visibility of projects

- ₹ 2,500 million will be spent on Manufacturing Facility 5 where we expect to start construction of Phase 2 i.e 4 new production blocks which will commence production in Fiscal Year 2028

Raw Material

The raw materials utilized in our manufacturing processes are predominantly sourced from third-party suppliers both globally and within India.

In Fiscal Year 2026, our cost of goods sold (which includes the cost of materials consumed and changes in inventories of finished goods and work-in-progress) amounted to ₹6,008.90 million (Fiscal Year 2025: ₹4,465.84 million), with the cost of materials consumed representing 51.79% of our revenue from operations (Fiscal Year 2025: 53.13%). Our raw materials encompass crude oil derivatives such as phenol, as well as other essential commodities including hydrogen, ethylene oxide, and isobutylene gas. Key raw materials also include chlorobenzonitrile, methanol, toluene, methylene dichloride, tetrahydrofuran, dichlorotoluene, and thiophene, among others.

The pricing of our raw materials is generally based on or linked to international market prices, and fluctuations are typically passed on to our customers. We do not typically engage in long-term supply contracts with our raw material suppliers; instead, we source these materials through shorter-term contracts or from the open market. The prices of our key raw materials have been volatile on a global scale, and increases in these prices directly impact our production costs.

For majority of Year 2026, we observed that the raw material prices, have been more or less the stagnant and not much of reduction or increase is noticed. There was a spike in raw material cost due to the middle east conflicts in Q4 of Fiscal Year 2026 and this was directly passed on to our customers. We expect raw material prices to remain elevated in Fiscal Year 2027 mainly on account of the conflicts in the Middle East.



Management Discussion & Analysis Report (MD&AR)

Inventory Management

Our finished products are stored on-site at our manufacturing facilities, while raw materials are housed in nearby warehouses procured by the Company on leased premises. Ready-to-use raw materials for production are stored in on-site warehouses. To mitigate the risk of raw material price fluctuations, we typically maintain at least three months of inventory across raw materials, work-in-progress, and recoveries. Specifically, we hold 15 to 30 days of inventory in Work-in-Progress (semi-finished goods), and we maintain minimal inventory of finished goods due to the demand-driven nature of our production process. We usually manufacture finished goods based on orders received, ensuring that they are not held in inventory for more than a week.

We employ a lead-time material requirement planning system and utilize ERP software to manage our inventory levels in real-time.

We have been able to bring down the inventory levels to 151 days as on March 31, 2026, which was 161 days as on March 31, 2025. With the change in our business model going forward especially with the CEM business vertical which is expected to contribute further we expect the inventory levels to decline and have a positive impact on our working capital intensity.

Sales and Marketing

Our business primarily operates on a business-to-business model, with a strong emphasis on maintaining continuous engagement with customers and ensuring timely deliveries. Additionally, we have an exclusive distributor for the Telangana region of India. Our sales, marketing, and business development teams are dedicated to securing new orders, providing accurate pricing, and thoroughly understanding customer needs. These teams are led by industry veterans, including Dr. James Ringer (Chief Technology Officer), Raymond Paul Roach (Business Development Leader – Americas), Dr. Ron Valente (Business Development Leader - Americas) and Dr. Norbert Flüggen (Business Development Leader – Europe). We have identified a few more industry veterans who are expected to join Aether in the next couple of years as we look to expand our presence in application testing and new chemistries like polymerisation and silicone chemistry.

We actively participate in prominent trade shows and exhibitions, such as CPHI in India, Europe, Japan, China, South Korea and the USA; Chemical Outsourcing in the USA; and Chemspec in India and Europe. Furthermore, our sales team members are frequently invited to speak at various industry forums, showcasing our expertise and thought leadership.

To better serve our existing direct end-use customers, acquire new ones, and extend our product reach into new markets, we are pursuing a global expansion strategy. This includes the establishment of dedicated teams focused on business development in key international markets, particularly in Europe and the Americas.

Our strategic priorities include increasing the number of global stock points and strengthening our sales teams in India, the Americas, and Europe to ensure timely product delivery and enhanced customer service. We will also be looking to set up a point of contact in Asia especially in Japan or South Korea as we foray to focus on these markets going forward especially for electronic chemicals.

Information Technology

Our IT systems are critical to the seamless operation of our business, and we have implemented comprehensive IT policies to support our operations effectively. Our IT team's primary responsibilities include establishing and maintaining enterprise information systems, delivering infrastructure services to meet our business needs, and ensuring the security of our enterprise operations.

We leverage SAP, an enterprise resource planning (ERP) solution, which supports a wide array of business functions, including sales distribution, materials management, warehouse management, production planning, quality management, plant maintenance, finance and controlling, environment, health and safety, and human resources across all our offices, R&D facilities, and manufacturing plants.

Our information security strategy is focused on protecting data and assuring our customers of the security of their intellectual property (IP). To this end, we have implemented a robust data management facility, access restriction systems, and other advanced security measures. In Fiscal Year 2026 our IT systems were audited by global

customers and we successfully passed all of them. The global customers maintain extremely stringent IT requirements.

In Fiscal Year 2024, we initiated the implementation of SAP S/4HANA, an advanced version of our current SAP-B1 system. We anticipate this new system will go live in the second half of FY26, enhancing our day-to-day operations and facilitating the integration of various departmental workflows.

Insurance

We maintain comprehensive insurance coverage that we deem essential for the protection of our business operations. Our insurance portfolio includes a policy that provides coverage against material damage to buildings, facilities, machinery, furniture, fixtures, fittings, stocks, and machinery breakdown. Additionally, we hold a cargo insurance policy that covers consignments of goods during transit by sea, air, and courier services, extending until delivery to the customer's warehouse, as well as inland bulk cargo movement via road tanker.

Moreover, we maintain a commercial general liability insurance policy that safeguards against liabilities arising from bodily injury (including medical payments), property damage, and personal and advertising injury claims. To address specific IT and system-related risks, we have secured a cyber insurance policy. We also offer our employees COVID-19 insurance, covering pre- and post-hospitalization expenses and emergency road ambulance costs. For our Directors and Senior Management, we have a Directors' and Officers' liability insurance policy, and for our employees, we provide Group Medical Insurance, Group Term Insurance, and Group Personal Accident coverage.

With respect to the insurance claim of approximately ₹1,000 million, related to the fire incident occurred at our Manufacturing Facility 2 we had received ₹210 million as on account payment from the Insurance Company towards the loss of assets and ₹130 MM approximately towards the loss of stocks in FY 2025. The Company has quantified asset losses at ₹299.68 million. An on-account insurance recovery of ₹210 million has been received to date, and the final claim remains under assessment by the insurance company. In FY 2026, the Company has received claim

proceeds aggregating to Rs. 258.23 million towards loss of profit (FLOP).

In March 2026 there was a fire incident at an external warehouse which led to a loss of inventory worth ₹ 70 million. We have lodged an insurance claim with the insurance company for the said loss.

Focus on Quality, Environment, Health and Safety (QEHS)

Our business is dedicated to sustainability, prioritizing quality, environment, health, and safety.

We recognize that upholding superior product quality is crucial to our brand and growth. To ensure consistent quality, efficacy, and safety, we have implemented rigorous quality systems across all our manufacturing processes, from production to delivery. Our products meet global quality standards and undergo thorough quality checks, including random sampling and internal inspections. Numerous key customers have audited and approved our facilities, validating the continued excellence of our operations. As of March 31, 2026, our environmental and safety teams consist of 73 (March 31, 2025: 53) and 50 (March 31, 2025: 47) employees, respectively, which is 6.50% and 4.45% (March 31, 2025: 5.37% and 4.76%) respectively of our total work force, reflecting our commitment to maintaining a safe and sustainable operation.

We are committed to minimizing our environmental impact by adhering to stringent standards that not only meet but often surpass regulatory requirements. Our manufacturing practices embody the principles of green chemistry, focusing on energy efficiency, atom economy, and the 4R strategy (reduce, recover, recycle, reuse). We utilize cleaner chemistries, advanced reaction technologies, and automation to optimize the use of non-toxic materials and reduce effluent generation.

Our sustainability efforts include a 100 KLPD in-house zero liquid discharge (ZLD) plant, featuring comprehensive treatment technologies such as chemical neutralization, multiple effect evaporators, mechanical vapour recompression, reverse osmosis, and a soil biotechnology platform with ozonation. In July 2022, we had commissioned a 16 MW solar power plant at Sarod Village, Gujarat,



Management Discussion & Analysis Report (MD&AR)

funded by internal accruals, to power our current facilities and Greenfield project. We have further invested in a 15 MW solar plant with auto-tracker modules, which has also become operational fully in December 2024, which entails us to cover more than 75% of our electricity cost for Manufacturing Facility 1, Manufacturing Facility 2 and Manufacturing Facility 3. We will continuously be investing in the renewable sources of energy and are fast tracking the solar / wind / hybrid model for our upcoming new sites. In Fiscal Year 2026 we had energy savings of INR 149 million.

We also prioritize employee health and safety, ensuring a safe and supportive work environment. This includes hazard and operability studies for new products, an in-house mobile app for resource coordination, and comprehensive safety equipment including firefighting and safety systems including 700 m3 fire hydrant water storage, 271 m3 main electrical pump and diesel pump, automated foam monitors and water sprinklers, and Pulse Position Modulation (PPM) detection for gas and solvent leakage. Our plant wide DCS automation system allows us to control our safety systems and processes. Our safety infrastructure includes advanced firefighting systems and a collaborative fire hydrant water reserve (over 2,000 m3 capacity) with neighbouring chemical companies, enhancing overall safety and response capabilities.

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 Centrum VP DCS.

Manufacturing Process

Our facilities have been meticulously designed and developed around a chemistry and technology-centric model, where each product is strategically allocated to a specific production stream. This approach grants us the agility to switch from one product to another seamlessly, without any gestation period and with minimal costs.

The flexible design of our plants allows us to operate multiple streams within our intermediate

product buildings, thereby mitigating contagion risks and ensuring consistent fulfilment of product demand.

All our manufacturing units are multipurpose plants with the capability to handle multiple streams, accommodating the broad range of products in our portfolio. We do not have dedicated plants or streams; instead, each stream is versatile enough to be utilized for various products, providing the flexibility to swiftly adapt the production mix in response to shifting demand. Every product is the outcome of a combination of specialized chemistries and processes tailored to achieve the desired results.

Competition

The speciality chemicals industry presents significant entry barriers, including customer validation and approvals, expectation from customers for process innovation and cost reduction, high quality standards and stringent specifications. Our competition varies by market, geographic areas and type of product. As a result, to remain competitive in our markets, we must continuously strive to reduce our costs of production, transportation and distribution and improve our operating efficiencies. We face competition primarily from international manufacturers especially Chinese companies. We compete primarily on the basis of product quality, technology, cost, delivery and service, as well as quality and depth of senior level relationships.

Human Resources

We place significant emphasis on the development of our human resources. As of March 31, 2026, our workforce comprised 1123 employees (excluding trainees), compared to 987 as of March 31, 2025, along with 296 contract workers and trainees. The strategic blend of full-time employees and contract personnel allows us the flexibility to operate our business efficiently. During Fiscal Year 2026, our attrition rate was 3.84%. In contrast, our attrition rate in Fiscal Year 2025 was 1.57%. The average age of our workforce as of March 31, 2026, was 31 years.

As of March 31st, 2026, we employed 160 scientists holding either a PhD or Master of Science degree (constituting 14.24% of our workforce). Additionally,

we had 196 chemical engineers, representing 17.45% of our workforce, as of March 31, 2026. Our employees are not affiliated with any unions, and we have not encountered any significant work stoppages due to labor disputes or cessation of work over the past three years.

Our workforce plays a pivotal role in maintaining our standards of quality, productivity, and safety, which in turn bolsters our competitive advantage. The following table provides details of our employee count as of March 31, 2026:

Departments /Teams	Fiscal Year 2026
Management and administration	4
Human Resource (HR) & Admin	36
Computer Information System (CIS)	18
Corporate Affairs	4
Finance & Accounts	16
Logistics & EXIM	13
Procurement	4
Sales & Business Development	6
Stores / Warehouse	63
Quality Control / Analytical Lab / Quality Assurance (CQ/ADL/QA)	85
Research & Development (R&D)	112
Control & Instrumentation (C&I)	47
Environment Health & Safety (EHS)	50
Effluent Treatment (ETP)	73
Maintenance	166
Electrical	51
Production	357
Process & Project	14
Creative Team	4
Grand Total	1,123

Our goal is to cultivate a culture grounded in fairness and respect, ensuring adherence to our Code of Conduct while safeguarding employees against discrimination, harassment, and retaliation. We are committed to regularly evaluating and enhancing our human resource initiatives to make them more inclusive, engaging, and focused on skill development. We place a strong emphasis on fostering and maintaining a superior organizational climate centred on human performance. Additionally, we provide our employees with a broad array of training opportunities and have

established a comprehensive learning and development policy to support these training initiatives.

Intellectual Property

We have applied for various trademark registration for our corporate logo under various classes of the Trademark Act, 1999, and Trade Rules, 2002, before the Registrar of Trademarks. The application has been made in the name of the Company. We also have registered the domain names aether.co.in, which is renewable periodically. We also rely on a combination of trade secret, and copyright law and contractual restrictions to protect We do not own any patents. We have agreements with our employees and consultants which include confidentiality provisions and provisions on ownership of intellectual property developed during employment or specific assignments, as applicable.

We have applied for various trademarks, copyrights for our logo, trade name, and punch line, wherein 46 of such trademarks are already approved.

Awards and recognition

Our Company has received the following key awards, accreditation and recognition:

Year	Certifications / Accreditations / Awards
2015	Awarded with ISO 9001:2015 (Manufacturing Facility 1 – Hojiwala Unit)
2017	Awarded with ISO 9001:2015
2017	Awarded with GMP – (ICH Q7 Revision 1)
2018	Awarded with ISO 14001:2015
2021	Awarded with ISO 27001:2013
2021	Awarded with ISO 45001:2018
2022	Silver rating from EcoVadis (Sustainability Rating)
2022	Membership to UN Global Compact (Network India)
2023	Membership of Indian Chemical Council (ICC)



Management Discussion & Analysis Report (MD&AR)

Year	Certifications / Accreditations / Awards
2024	Award from Dun & Bradstreet / SBI Business Enterprise of tomorrow for Champions of the Year under Atmanirbhar Abhiyan
2024	Award from Dun & Bradstreet / SBI Business Enterprise of tomorrow for Chemicals & Pharma (Mid-Corporate)
2024	Awarded with ISO 9001: 2015 - 8202 site
2024	Awarded with ISO 14001:2015 & ISO 45001 : 2018 - Hojiwala site
2025	Great Place to Work
2026	Great Place to Work - Reaffirmed Certification

Principal Factors affecting our Results of Operations

Our financial performance and results of operations are influenced by a variety of factors, including without limitation, global and domestic competition, conditions in the markets of our end-user products, general economic conditions, changes in costs of raw materials and government regulations and policies.

Raw materials price fluctuations and availability

Our cost of goods sold, which encompasses the cost of materials consumed and changes in inventories of finished goods and work-in-progress, constitutes a significant portion of our operating expenses. In Fiscal Year 2026, our cost of goods sold amounted to ₹6,008.90 MM (Fiscal Year 2025: ₹4,465.84 MM), representing 51.79% of our revenue from operations (Fiscal Year 2025: 53.13%). We primarily procure raw materials from third-party suppliers, including imports.

These materials include crude oil derivatives, such as phenol, and other key commodities like hydrogen, ethylene oxide, and isobutylene gas. Additional critical raw materials include

chlorobenzonitrile, methanol, toluene, methylene dichloride, tetrahydrofuran, dichlorotoluene, and thiophene, among others.

Typically, we do not engage in long-term supply contracts with our raw material suppliers; instead, we source materials through shorter-term contracts or on the open market. The prices of our key raw materials are generally linked to international markets and have exhibited volatility, which can impact our production costs. While fluctuations in crude oil prices may influence our revenues, our profitability tends to be less affected as these price variations are usually passed on to our customers.

In Fiscal Year 2026, our cost of materials as a percentage of revenue from operations reduced marginally, primarily due to increase in raw material prices at the end of Q4 FY2026 due to the Middle East conflicts and also due to increase in inventory for our new production blocks in Site 3++ and Site 5.

Foreign exchange rate risk

Our financial statements are prepared in Indian Rupees. However, a significant portion of our revenue from exports and raw material expenditures are denominated in foreign currencies, predominantly the U.S. Dollar. As a result, we are exposed to currency fluctuations related to transactions in other currencies.

In Fiscal Year 2026, ₹2,397.34 MM of our revenue from operations was derived from exports compared to ₹3309.88 MM in Fiscal Year 2025.

Additionally, 9.97% of our raw materials were imported in Fiscal Year 2026, in line with Fiscal Year 2025. Also export revenues as a percentages of sales are expected to decrease as some of our contract exclusive manufacturing contracts are dominated in Indian rupees and are with the Indian subsidiaries of multinational companies. Exchange rate fluctuations also impact our ability to meet debt obligations denominated in foreign currencies, such as our Packing Credit Loans in Foreign Currencies. We do not engage in hedging activities to mitigate our foreign currency exposure.

Consequently, we are subject to fluctuations in exchange rates among the U.S. Dollar, Indian Rupee, and other currencies.

In Fiscal Year 2026, we recorded a gain of ₹160.53 MM from these currency fluctuations, compared to ₹38.29 MM in Fiscal Year 2025.

Capital expenditure

On the back of robust inquiries on the GRAMS and CEM contracts we are currently in expansion mode. Site 1 which is dedicated to R&D is being expanded and also we have 16 new production blocks in Site 5. In Fiscal Year 2026, our capital expenditure was ₹6,233.16 MM, compared to ₹4,523.08 MM in Fiscal Year 2025. This expenditure focused on constructing and enhancing manufacturing facilities and diversifying our product range.

In March 2026, the Manufacturing Facility 3++ has been commissioned and production started. The facility is currently equipped for a key strategic product for Milliken Chemical and Textile (India) Co. Pvt Ltd a wholly owned subsidiary Milliken & Company (Milliken) based out of the USA. Under the agreement, we will be the sole contract manufacturing partner for a Milliken. The initial duration of the agreement is 10 years.

Expansion of Manufacturing Facility 5 continues in full swing. In Fiscal Year 2026 we have completed the construction of all the utilities (non revenue generating) for all the sixteen production blocks which has been envisaged on the site. Also we commenced water and steam trials in the first two production blocks of Manufacturing Site 5. The commercialisation of the first two production blocks is expected by quarter 1 of Fiscal Year 2027. We expect another two more production blocks to commence production in Fiscal Year 2027. By the end of Fiscal Year 2027 we should have four of the sixteen production blocks commencing production and contributing revenue to the LSM / CEM business verticals.

In Fiscal Year 2027 the total capex which is envisaged is ₹ 3,500 million of which we plan to incur:

- ₹ 1,000 million on the new R&D building which is being constructed to the adjacent R&D site. The new R&D site is expected to be equipped with 120 fume hoods for which we already have a high visibility of projects

- ₹ 2,500 million will be spent on Manufacturing Facility 5 where we expect to start construction of Phase 2 i.e 4 new production blocks which will commence production in Fiscal Year 2028

Reliance on major customers and relatively few products

Our customer base includes numerous multinational and domestic companies. In Fiscal Year 2026, our largest customer contributed approximately 18.98% of revenue from operations (up from 10.00% in Fiscal Year 2024). Our top 10 customers accounted for about 40.32% of revenue our revenue from operations (compared to 45.86% in Fiscal Year 2025), while our top 20 customers contributed 52.19% (down from 58.77% in Fiscal Year 2025). This indicates a reduced dependence on major customers and an expanded client base. As we scale up our CEM business model we do expect the concentration to increase for certain customers. However we expect the concentration to reduce when Site 5 starts manufacturing at scale.

For Fiscal Year 2026, our top five specialty chemical products (BFA, 4MEP, T2E, 10MISB, and DVL) represented 31.01% of our revenue from operations, showing a decline from 43.69% in the previous fiscal year, reflecting a broader product portfolio. We maintain several supply contracts, ranging from one to ten years, primarily with multinational clients for our GRAMS and contract manufacturing services.

Competition

Our products are used in end-user industries, such as pharmaceuticals, agrochemicals, oil and gas, material science amongst other industries. The broad-spectrum application of our products in the chemical industry is for advanced intermediates and significantly higher value specialty chemicals, which we believe is a unique position in the Indian chemical industry.

Moreover, whatever new products that we are developing in our R&D Facility are also such products which will be the first of its kind in India and we would be dominating the Indian market with the new products as well.



Management Discussion & Analysis Report (MD&AR)

Costs of power and fuel

Power and fuel are essential for the uninterrupted operation of our manufacturing facilities. In Fiscal Year 2026, electricity charges represented 1.67% of our revenue from operations (down from 2.05% in Fiscal Year 2025). Overall power and fuel costs, including gas, steam, and diesel, accounted for 2.55% of revenue from operations (a decrease from 2.80% in Fiscal Year 2025).

Between Fiscal Year 2025 and Fiscal Year 2026: Steam charges increases from ₹159.85 MM to ₹206.75 MM, driven by mainly on increase of operations and higher coal and crude oil prices. Electricity expenses increased from ₹172.01 MM to ₹194.22 MM, largely due to increase in operations from Site 4 and commissioning of Manufacturing Facility 3++.

Non-GAAP Financial Measures

Alongside our results prepared in accordance with Ind AS, we believe that the following non-GAAP measures provide valuable insights for assessing our performance and for investor evaluation: EBITDA, EBITDA Margin, PAT Margin, ROE, Capital Employed, ROCE, Debt, Net Debt, Debt-Equity Ratio, Net Debt- EBITDA Ratio, Net Worth, Return on Net Worth, Net Asset Value per Equity Share, Pre-Tax Operating Profit, Net Tangible Assets, Monetary Assets, and the percentage of Monetary Assets to Net Tangible Assets. These non- GAAP metrics are used internally for ongoing operational assessment, planning, and forecasting.

We believe that non-GAAP financial information, when considered alongside Ind AS-compliant measures, offers additional tools for investors to evaluate our operating results, trends, and for comparative analysis within our industry. They provide consistency and comparability with historical performance. However, our management does not view these non-GAAP measures in isolation or as substitutes for Ind AS financial measures.

It is important to note that non-GAAP financial information is supplementary and has limitations as an analytical tool. It should not be considered in isolation or as a replacement for financial information prepared under Ind AS. These measures are not recognized under Ind AS and lack

standardized definitions, which may vary from those used by other companies. The main limitation of these non-GAAP measures is their exclusion of significant expenses and income required by Ind AS to be recorded in our financial statements. Moreover, they reflect management’s judgment regarding which items are included or excluded. Reconciliations of non-GAAP measures to their closest Ind AS-compliant counterparts are provided below. Investors are encouraged to review these reconciliations and not rely solely on any single financial measure for evaluating our business.

Particulars	As at March 31,	
In ₹ MM	2026	2025
EBITDA (1)	3546.6	2311.67
EBIDTA Margin (2)	30.57%	27.5%
PAT Margin (3)	18.92%	18.85%
ROE (4)	8.94%	7.12%
Capital Employed (5)	28,918.87	21,698.89
ROCE (6)	9.97%	8.58%
Debt (7)	4,416.62	1,825.29
Net Debt (8)	₹4,359.99	-₹559.97
Debt - Equity Ratio (9)	0.18	0.08
Net Tangible Asset (11)	21,960.30	20,525.36
Monetary Asset (12)	56.63	2,385.26
% of Monetary Asset to Net Tangible Asset (13)	0.26%	11.62%
Net Worth (14)	₹24,558.88	₹22,258.86
Return on Net Worth (15)	8.94%	7.12%
Pre-Tax Operating Profit (16)	₹2,520.71	₹1,602.87
Net Asset Value per Equity Share (17)	185.10	167.88

Notes

- EBITDA is calculated as the sum of (i) profit before tax and prior period items for the period/year, (ii) depreciation and amortization expenses, and (iii) finance costs less (iv) other income.
- EBITDA Margin is calculated as EBITDA divided by revenue from operations.
- PAT Margin is calculated as profit for the period/year divided by total income.
- ROE is calculated as profit for the period/year divided by total equity.

- Capital Employed is calculated as total equity, plus non-current borrowings, plus current borrowings, less current investments, less cash & cash equivalents, less bank balances other than cash & cash equivalents.
- ROCE is calculated as earnings before interest and taxes divided by Capital Employed.
- Debt is calculated as the sum of current borrowings and non-current borrowings.
- Net Debt is calculated as total liabilities less cash & cash equivalents and bank balances.
- Debt-Equity Ratio is calculated as Debt divided by total equity.
- Net Debt-EBITDA Ratio is calculated as Net Debt divided by EBITDA.
- Net Tangible Assets is calculated as the sum of all the assets of our Company excluding, right of use assets and other intangible assets as reduced by total liabilities of our Company.
- Monetary Assets is calculated as cash and cash equivalents and bank balances and excluding bank deposits with remaining maturity of more than twelve months and fixed deposits held as margin money.
- Percentage of Monetary Assets to Net Tangible Assets is calculated as Monetary Assets divided by Net Tangible Assets, expressed as a percentage..
- Net Worth is calculated as the aggregate value of the paid-up share capital and all reserves created out of the profits (inclusive of net gain consequent to fair valuation of certain assets on transition to Ind AS) and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
- Return on Net Worth is calculated as profit for the period/year divided by Net Worth.
- Pre-Tax Operating Profit is calculated as profit before tax and prior period items for the period/year, excluding other income, finance costs and other comprehensive income.
- Net Asset Value per Equity Share is calculated as Net Worth divided by the weighted average number of equity shares for the period/year as adjusted for bonus issue. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year/period adjusted by the number of equity shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year/period.

EBITDA, EBITDA Margin, PAT Margin and ROE

The following table sets forth our EBITDA, EBITDA Margin, PAT Margin and ROE, in each of the Fiscal Year 2026 and Fiscal Year 2025:

Particulars	As at March 31,	
In ₹ MM	2026	2025
Total Income (A)	11810.68	8803.12
Revenue from Operations (B)	₹11,601.41	₹8,405.48
Profit before tax and prior period items (C)	₹2,910.85	₹2,129.84
Add: Finance Costs (D)	180.87	129.33

Particulars	As at March 31,	
In ₹ MM	2026	2025
Add: Depreciation and Amortization Expense (E)	664.15	450.14
Less: Other Income (F)	₹209.27	₹397.64
EBITDA (G=C+D+E-F)	3,546.60	2,311.67
EBITDA Margin (H=G/B)	30.57%	27.5%
Profit for the Period (I)	2194.63	1584.18
Total Equity (J)	24,558.88	22,258.86
PAT Margin (I/A)	18.58%	18.00%
Return on Equity - ROE (I/J)	8.94%	7.12%

Capital Employed and Return on Capital Employed (ROCE)

The following table sets forth our Capital Employed and Return on Capital Employed (ROCE), including a reconciliation of ROCE to our profits/losses before tax and prior period items in each of the Fiscal Year 2026 and Fiscal Year 2025

Particulars	As at March 31,	
In ₹ MM	2026	2025
Profit/(Loss) before tax* (A)	₹2,910.85	₹2,129.84
Finance Costs* (B)	₹180.87	₹129.33
Other income* (C)	209.27	397.64
EBIT (D) = (A)+(B)-(C)	2,882.45	1,861.52
Capital Employed- Pre Cash (K)=(E)+(F)+(G)-(H)-(I)-(J)	28,918.87	21,698.89
Total Equity (E)	24,558.88	22,258.86
Non-Current Borrowings (F)	-	-
Current Borrowings (G)	₹4,416.62	₹1,825.29
Current Investments (H)	-	-
Cash and Cash equivalents (I)	₹56.63	₹173.71
Bank balances other than cash and cash equivalents (J)	-	₹2,211.55
ROCE (K=D/K)	9.97%	8.58%



Management Discussion & Analysis Report (MD&AR)

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 March 31, 2026 and March 31, 2025

Particulars	As at March 31,	
In ₹ MM	2026	2025
Non-Current Borrowings (A)	-	-
Current Borrowings (B)	₹4,416.62	₹1,825.29
Debt (C=A+B)	₹4,416.62	₹1,825.29
Total equity (D)	₹24,558.88	₹22,258.86
Debt-Equity Ratio (E=C/D)	0.18	0.08
Total Liabilities (G)	₹7,455.38	₹4,183.33
Less: Cash and cash equivalents and bank balances (H)	₹56.63	₹2,385.26
Net Debt (I=G-H)	₹7,398.75	₹1,798.07
EBITDA (J)	₹3,546.60	₹2,311.67
Net Debt - EBITDA Ratio (K=I/J)	2.09	0.78

Overview of Revenue and Expenditure

The following descriptions set forth information with respect to key components of our income statement.

Particulars	As at March 31,	
In ₹ MM	2026	2025
Total Income (A)	11,810.68	8,803.12
Revenue from Operations (B)	₹11,601.41	₹8,405.48
Profit before tax and prior period items (C)	₹2,910.85	₹2,129.84
Add Finance Costs (D)	₹180.87	₹129.33
Add: Depreciation and Amortization Expense (E)	664.15	450.14
Less: Other Income (F)	₹209.27	₹397.64
EBITDA (G=C+D+E-F)	₹3,546.60	₹2,311.67
EBITDA Margin (H=G/B)	₹0.31	₹0.28
Profit for the Period (I)	2,194.63	1,584.18
Total Equity (J)	₹24,558.88	₹22,258.86
PAT Margin (I/A)	18.58%	18.00%

Revenue from operations

Sale of products manufactured are done under our three business models, namely (i) Large-Scale Manufacturing of Specialty Chemicals (“LSM”), (ii) Contract/Exclusive (“CEM”) Manufacturing, and (iii) Contract Research and Manufacturing Services (“CRAMS”). Such sales of products can be divided into (i) local sales, (ii) export sales (including sales to SEZ units within India), (iii) deemed exports (representing sales to Indian companies under an advance authorization license) and (iv) export sales under our CRAMS business model.

Sale of services are done under our CRAMS business model. Such sales can be divided into services provided to (i) overseas customers and (ii) customers in India. costs. The flexible design of our plants allows us to operate

Other income

Other income primarily comprises interest income on fixed deposits, income from foreign exchange fluctuation, MEIS Duty Credit, SEIS Duty Credit, exports duty drawback, interest accrued on loans to employees, interest on income tax refund, profit on termination of lease amongst the others.

Expenditure

Our expenditure comprises the following:

Cost of materials consumed

Cost of materials consumed comprises (i) the cost of raw materials used in the manufacture of our products; (ii) the cost of packing materials; (iii) the cost of stores and spares; and (iv) the cost of other materials. Our raw materials include crude oil derivatives such as phenol and other commodities such as hydrogen, ethylene oxide and Isobutylene gas.

Other important raw materials include chlorobenzonitrile methanol, toluene, methylene dichloride tetrahydrofuran, dichlorotoluene and thiophene.

Changes in inventories of finished goods and work-in- progress

Expenses / Income accounted for pursuant to an (increase)/decrease in inventories of work-in-progress.

Employee benefit expenses

Employee benefit expenses comprises salaries, wages and bonus, contribution to provident and other funds, actuarial valuation of gratuity, staff welfare expenses, leave encashment expenses, employee medical insurance expenses, value of discount in ESOPs and other employee related expenses.

Finance costs

Finance costs comprises interest expenses on term loan, cash credit, Packing Credit Loan in Foreign Currency (PCFC), bill discounting, Stand by Letter of Credit (SLC), car loans, interest on finance liabilities and interest on overdrafts.

Depreciation and amortization expenses

Depreciation and amortization expenses comprises depreciation of tangible assets including our plant and machinery, building, factory equipment, computer equipment, office and other equipment, furniture and fixture, amongst others; and amortization of intangible assets including computer software and others; and amortization of leasehold land and leasehold premises.

Other expenses

Other expenses comprise primarily of (a) manufacturing expenses, such as gas expenses, steam charges, diesel expenses, water, fees paid to third party workers for solvent recovery services (classified as ‘job work charges’ in our Financial Statements), effluent disposal, and fees paid to contract works (classified as ‘manpower supply expenses’ in our Financial Statements), amongst others; (b) administrative and general expenses, such as rents, salaries to directors, repairs and maintenance expenses, electricity expenses, legal and professional charges, amongst others; (c) selling and distribution expenses, such as freight and selling expenses and commissions paid to selling agents, amongst others; and (d) other expenses, such as loan processing fees and other documentation charges and bank charges, amongst others.

Operating Segment and Business Models

Our Company is exclusively engaged in the business of manufacturing of speciality chemicals and intermediates. As such, in accordance with Ind AS, our Company’s business is considered to constitute one single primary segment.

Geographic information

The geographic information analyses our revenues by our country of domicile and other countries for the periods/years indicated. In presenting geographic information, revenue has been based on the location of the customers.

Particulars	As at March 31,	
In ₹ MM	2026	2025
India	₹9,204.07	₹5095.60
Rest of the world	₹2,397.34	₹3,309.88
Total	₹11,601.41	₹8,405.48

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”) The following table sets out our revenue for each of the periods/fiscal years mentioned, broken down by our three (3) business models.

Particulars	As at March 31,	
In ₹ MM	2026	2025
Contract/Exclusive Manufacturing	₹5,234.43	₹2,630.07
Large Scale Manufacturing	₹4,890.69	₹4,623.54
CRAMS	₹1,045.62	₹1,027.54
Others*	₹142.63	₹105.74
Total	₹11,313.37	₹8,386.90

*Others represents sale of wastage material, as well as packing material and certain raw material no longer required in our production activities.



Management Discussion & Analysis Report (MD&AR)

Results of operations

The following table sets forth our income statement data, the components of which are expressed as a percentage of total income for the periods indicated, for our operations for Fiscal Year 2026 and Fiscal Year 2025

Particulars	For the year ended			
	March 31, 2026		March 31, 2025	
	In ₹ MM	%	In ₹ MM	%
Income:				
Revenue from operations	11,601.41	98.23%	8,405.48	95.48%
Other Income	209.27	1.77%	397.64	4.52%
Total income	11,810.68	100%	8,803.12	100%
Expenses:				
Cost of materials consumed	6,822.37	57.76%	5,072.03	57.62%
Changes in inventories of finished goods and work-in-progress	(813.47)	-6.89%	(606.19)	-6.89%
Employee benefits expense	627.33	5.31%	462.12	5.25%
Finance cost	180.87	1.53%	129.33	1.47%
Depreciation and amortisation expense	664.15	5.62%	450.14	5.11%
Other expenses	1,328.82	11.25%	1,047.11	11.89%
Total expenses	8,810.07	74.59%	6,554.54	74.46%
Profit before exceptional items and tax	3,000.61	25.41%	2,248.58	25.54%
Exceptional Items	89.76	0.76%	118.74	1.35%
Profit before tax	2,910.85	24.65%	2,129.84	24.19%
Tax expense:				
Current tax	508.35	4.30%	380.16	4.32%
Deferred tax	207.87	1.76%	165.50	1.88%
Total Tax Expenses	716.22	6.06%	545.66	6.20%
Profit for the year (A)	2,194.63	18.58%	1,584.18	18.00%

Net Asset Value

The following table sets forth the Net Assets Value (NAV) per share for Fiscal Year 2026 and Fiscal Year 2025

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
	In ₹ MM	In ₹ MM
Total Assets (A)	32,014.26	26,442.19
Less: Other Intangible Assets (B)	107.26	87.26
Less: Right of use assets (C)	2,587.10	1,725.78
Less: Total Liabilities (D)	7,455.38	4,183.33
Net Tangible Assets (E=A-B-C-D)	21,864.52	20,445.82
Less: Cash and cash equivalents and bank balances (F)	56.63	173.71
Less: Bank deposits with remaining maturity more than 12 months (G)	-	2,211.55
Less: Fixed Deposit held as margin money (H)		
Monetary Asset (I=F-G-H)	56.63	2,385.26
% of Monetary Asset to Net Tangible Assets (J=I/E)	0.26%	11.67%
Net Worth (K=1+2+3+4+5)	24,558.88	22,258.86
Issued subscribed and fully paid up equity share capital (1)	1,326.80	1,325.90
General Reserve (2)		
Securities Premium Reserve (3)		
Retained Earnings (4)		
Employee share options reserve (5)		
Profit for the year (L)	2,194.63	1,584.18
Return on Net Worth (M=L/K)	8.94%	7.12%
Profit before tax (N)	2,910.85	2,129.84
Less: Other Income (O)	209.27	397.64
Add: Finance Cost (P)	180.87	129.33
Pre-Tax Operating Profit (Q=N-O+P)	2,882.45	1,861.52
Number of equity shares outstanding at the end of the year (R) (number in MM)	132.68	132.59
Effect of dilutive potential equity shares		
Number of equity shares outstanding at the end of the year after adjustment (number in MM) (S)	132.68	132.59
Net Asset Value per Equity share (basic) (T=K/R)	185.10	167.88
Net Asset Value per Equity share (adjusted) (U=K/S)	185.10	167.88



Management Discussion & Analysis Report (MD&AR)

Comparative analysis of Profit and Loss

The following table sets out the comparison of the revenues and expenses for the FY 2026 and FY 2025:

Particulars	For the year ended March 31		Change
In ₹ MM	2026	2025	%
Income			
Revenue from operations	₹11,601.41	₹8,405.48	38.02%
Other Income	₹209.27	₹397.64	-47.37%
Total income	₹11.810.68	₹8.803.12	34.16%
Expenses			
Cost of materials consumed	₹6,822.37	₹5,072.03	34.51%
Changes in inventories of finished goods and work-in-progress	-₹813.47	-₹606.19	34.20%
Employee benefits expense	₹627.33	₹462.12	35.75%
Finance cost	₹180.87	₹129.33	39.85%
Depreciation and amortisation expense	₹664.15	₹450.14	47.54%
Other expenses	₹1,328.82	₹1,047.11	26.90%
Total expenses	₹8,810.07	₹6,554.54	34.41%
Profit before exceptional items and tax	₹3,000.61	₹2,248.58	33.44%
Exceptional Items	₹89.76	₹118.74	-24.40%
Profit before tax	₹2,910.85	₹2,129.84	36.67%
Tax expense:			
Current tax	₹508.35	₹380.16	33.72%
Deferred tax	₹207.87	₹165.50	25.60%
Total Tax Expenses	₹716.22	₹545.66	31.26%
Profit for the year (A)	₹2,194.63	₹1,584.18	38.53%

Revenue from operations

The revenue from operations in Fiscal Year 2026 amounted to ₹11,601.41 MM, as against ₹8,405.48 MM, an increase of 38.02% in the comparative periods. The main reasons for the increase in the revenue from operations, include:

1. Scale up of Site 4 which has been dedicated to Baker Hughes
2. Increase in revenue contribution from Contract / Exclusive Manufacturing
3. Increase in prices for products in Large Scale Manufacturing
4. Increase in revenue from CRAMS as there were 55 projects which we were working on of which 40 projects were for customers

Other income

Our other income reduced by 47.37% from ₹397.64 MM in Fiscal Year 2025 to ₹209.27 MM in Fiscal Year 2026. The decrease was mainly on account of decrease interest incomes on Fixed Deposits created out of idle QIP

funds, which helped us earn revenue in Fiscal Year 2025, which was ₹344.06 MM. The same has reduced to ₹42.57 MM Fiscal Year 2026 as the idle funds were used for the capital expenditure on different projects and interest income earned on fixed deposits created for margin monies.

Cost of materials consumed

Our cost of materials consumed increased by 34.51% from ₹5,072.03 MM in Fiscal Year 2025 to ₹6,822.37 MM in Fiscal Year 2026, primarily due to an increase in production volumes. The material consumed as percentage of sales reduced from 60.34% to 58.80% is mainly on account of increase in sales contribution from CRAM and CEM business model and increase in prices for the large scale manufacturing products.

Change in inventories of finished goods and work-in-progress

The change in inventories of finished goods and work in progress increased from ₹ 606.19 MM to ₹813.47 MM an increase of 34.51%. The increase was mainly due to increase in production across all business models and also increase in raw materials

Employee benefit expenses

Our employee benefit expenses increased by 35.75% from ₹462.12 MM in Fiscal Year 2025 to ₹627.33 MM in Fiscal Year 2026, primarily due to the annual increments of the employees, new recruitments and new ESOPs granted in the Fiscal Year 2026.

Finance costs

Our finance costs increased by 39.85% from ₹129.33 MM in Fiscal Year 2025 to ₹180.87 MM in Fiscal Year 2026, primarily because the Company, after its IPO proceeds used to pay off all the debts, had to start with fresh working capital facilities from the banks for the increase in business needs. This was also increased due to the rates of interest which increased in Fiscal Year 2025 as compared to Fiscal Year 2024.

Depreciation and amortization expenses

Depreciation and amortization expense increased by 47.54% from ₹450.14 MM in Fiscal Year 2025 to

₹664.15 MM in Fiscal Year 2026. This increase is attributable to the continuous capital expenditure being done by the Company at regular intervals for the expansions at most of the sites, and also the new projects started at Manufacturing Facility 3++ and Manufacturing Facility 5.

Other expenses

Our other expenses increased marginally by 26.90% from ₹1,047.11 MM in Fiscal 2025 to ₹1,328.82 MM in Fiscal Year 2026. The reason for increase is attributable to the increase electricity expenses and steam costs due to increase in production mainly on account of increase in production in Site 4 and Site 2. We have commissioned 31 MW Solar Power Plant in Fiscal Year 2025 and the total electricity savings was ₹ 194.22 mm in Fiscal Year 2026.

Exceptional items

During the Fiscal Year 2026, there was a fire accident at our external warehouse in March 2026. This led to some one-time and exceptional expenses, which amount to ₹89.76 MM. This mainly includes the excess of premium paid for insurance for the insurance claim put up by the Company to the Insurance Company.

Profit before tax

As a result of the foregoing, we recorded an increase of 33.44% in our profit before tax, which amounted to ₹3,000.61 MM in Fiscal Year 2026, as compared to ₹2,248.58 MM in Fiscal Year 2025.

Tax expenses

Our tax expenses (current and deferred) increased by 31.26% from ₹545.66 MM in Fiscal Year 2025 to ₹716.22 MM in Fiscal Year 2026. Our effective tax rate in Fiscal Year 2026 and Fiscal Year 2025 was 24.61% and 25.62%, respectively.

Profit for the period

As a result of the foregoing, we recorded an increase of 92.04% in our profit for the year from ₹824.90 MM in Fiscal Year 2024 to ₹1,584.18 MM in Fiscal Year 2025. PAT Margin in Fiscal Year 2025 has been 18%, which was 12.94% in Fiscal Year 2024.



Management Discussion & Analysis Report (MD&AR)

Liquidity and Capital Resources

Capital requirement

Our principal capital requirements are for payment for the various capital expenditure on going at Manufacturing Facility 3++, Manufacturing Facility 4, Manufacturing Facility 1 (for the expansion of the new R&D) and Manufacturing Facility 5.

Our principal source of funding has been and is expected to continue to be, cash generated from our operations, supplemented by borrowings from banks and financial institutions and optimization of operating working capital.

For the expansion projects for Site 5 and the new R&D plant coming adjacent to Site 1 will be primarily be funded via a mixture 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

Cash flow from operations increased from ₹1,000.21 MM in Fiscal year 2025 to ₹1,423.82 MM in Fiscal Year 2026 representing a growth of 42.35%. The improvement in cash flow from operations has been mainly on account of improvement in our profitability and also reduction in the inventory days and trade receivable days. Working Capital for the company is expected tom improve in Fiscal Year 2027 as we start executing more of the CEM contracts and also there is an expected increase in revenue from the new CRAMS projects.

Our Cash Flows for the Fiscal Year 2026 and Fiscal Year 2025 have been as depicted in the below table:

Particulars	For the year ended March 31,	
In ₹ MM	2026	2025
Net Cash generated from Operating Activities	₹1,423.82	₹1,000.21
Net Cash (Used in) Investing Activities	-₹6,193.77	-₹4,184.72
Net Cash from/(Used in) Financing Activities	₹2,438.60	₹12.54
Net Increase / (Decrease) in Cash and Cash Equivalents	-₹2,331.35	-₹3,171.97
Cash and Cash Equivalents at the beginning of the year	₹2,385.26	₹5,556.54
Cash and Cash Equivalents at the end of the year	₹56.63	₹2,385.26

Cash flows generated from operating activities

We had positive ₹1,423.82 MM net cash from operating activities during the Fiscal Year 2026. While our net profit before tax was ₹2,910.85 MM, we had an operating profit before working capital changes of ₹3,732.52 MM, primarily due to adjustments for depreciation and amortization expenses of ₹664.15 MM and finance costs of ₹180.87 MM which were partially offset by interest income amounting to ₹42.58 MM. Our adjustments for working capital changes for the Fiscal Year 2026 primarily consisted of increase in trade receivables by ₹908.16 MM, increase in inventories by ₹1,476.02 MM and increase in other current assets by ₹301.20 MM, which were partially offset by a decrease in trade payables by ₹691.62 MM. Our cash generated from operating activities was ₹1,966.03 MM, adjusted by tax paid (net of refund) of ₹542.22 MM.

We had positive ₹1,000.21 MM net cash from operating activities during the Fiscal Year 2025. While our net profit before tax was ₹2,129.84 MM, we had an operating profit before working capital changes of ₹2,380.92 MM, primarily due to adjustments for depreciation and amortization expenses of ₹450.14 MM and finance costs of ₹129.33 MM which were partially offset by interest income amounting to ₹344.08 MM. Our adjustments for working capital changes for the Fiscal Year 20255 primarily consisted of increase in trade receivables by ₹551.15 MM, increase in inventories by ₹533.95 MM and increase in other current assets

by ₹326.43 MM, which were partially offset by a decrease in trade payables by ₹244.06 MM. Our cash generated from operating activities was ₹1,544.69 MM, adjusted by tax paid (net of refund) of ₹544.48 MM.

Cash flows used in investing activities

Net cash used in investing activities was ₹6,193.77 MM in Fiscal Year 2026, primarily on account of ₹3,838.74 MM used for purchase of fixed assets principally for Manufacturing Facility - 3++, Manufacturing Facility 1 (new building) and Manufacturing Facility – 5 (Phase 1 at Panoli), Investment in Manufacturing Facility 3++ and Phase One of Manufacturing Facility 5 (at Panoli), which are still in Capital Work in Progress amounting to ₹1,481.11 MM. In Fiscal Year 2026 we also purchased a 15 acre land on Panoli for ₹913.09 MM for future expansion. These were partially offsetting by ₹42.58 due to income from Mutual Fund investments.

Net cash used in investing activities was ₹4,184.72 MM in Fiscal Year 2025, primarily on account of ₹2,924.39 MM used for purchase of fixed assets principally for Manufacturing Facility - 3, Manufacturing Facility 1 (normal capex) and Manufacturing Facility – 2 (normal CAPEX post fire accident in November 2023), Manufacturing Facility 4 (normal Capex) and payment for new Solar Power Plant of 15MW (Auto-Tracker). Investment in Manufacturing Facility 3++ and Phase One of Manufacturing Facility 5 (at Panoli), which are still in Capital Work in Progress amounting to ₹1,478.98 MM . These were partially offsetting by ₹344.08 due to income from Mutual Fund investments.

Cash flows generated from / (used in) financing activities

Net cash used in financing activities in the Fiscal Year 2025 amounted to ₹2,438.60 MM, which primarily consisted of proceeds from the working capital facilities which were availed during the year amounting to ₹2,589.05 MM in Fiscal Year 2026 as compared to ₹141.12 MM in Fiscal Year 2025 and allotments or vesting of ESOPs to employees amounting to ₹41.09 MM. These were offset by interest paid in the amount of ₹166.02 MM and lease liabilities of ₹25.52 MM.

Capital and other commitments

As of March 31, 2026 and March 31, 2025, the estimated amount of contracts remaining to be executed on capital account not provided for was ₹ 3347.77 MM and ₹2635.73 MM, respectively.

Capital expenditure

Capital expenditures consist primarily of investments in new manufacturing facilities and equipment. We also make investments at our manufacturing facilities to add new technologies, modernise facilities and expand our product lines. Capital expenditure will vary from year to year depending upon a number of factors, including the need to replace equipment and the timing of certain projects, such as investment in new technologies. In the Fiscal Year 2026, we incurred capital expenditure of ₹4,751.84 MM (Fiscal Year 2025: ₹3,044.105 MM). A significant amount of our capital expenditure was aimed at constructing manufacturing and other facilities, increasing our manufacturing capacities and diversifying our product base, along with the construction of the Greenfield Project at site 3++, first phase of expansion at Manufacturing Facility 5 and expansion at Manufacturing Facility 1 (R&D expansion).

Contingent liabilities

Contingent liabilities, to the extent not provided for, as of March 31, 2026 and March 31, 2025, as determined in accordance with Ind AS 37, are described below:

Particulars (INR in MM)	2026	2025
Bank Guarantees Issued for:		
Customs	₹6.44	₹8.89
Gujarat Gas Limited	₹20.92	₹27.31
DGVCL	₹116.83	₹100.46
NHI	₹0.25	₹0.25
GPCB	₹0.00	₹0.75
Income tax demand:		
AY 2020-21 (PY 2019-20)	₹1.32	₹1.32
TDS Demand:		
AY 2024-25 (PY 2023-24)	₹0.01	₹0.01
GST Demand:		
FY 2021-22	₹6.12	₹0.00
FY 2021-22	₹36.49	₹0.00
FY 2021-22	₹0.01	₹0.00



Management Discussion & Analysis Report (MD&AR)

Note:
(1) Management believes that its position on the aforesaid Income tax and GST matters against the Company will likely to be upheld in the Appeals / appellate process and accordingly no provision has been made in the standalone financial statements for such demands.
(2) Fixed Deposits amounting to Rs.13.40 millions (Previous year: Rs.11.97 millions) has been provided to bank for above bank guarantees
(3) The Company received a demand cum show Cause Notice from the CGST & Central GST Surat Commissionerate alleging an ineligible / excess availing of Input Tax Credit (ITC) amounting to ₹42.62 million (Previous Year: Nil) with respect to expenses incurred on the launching of its Initial Public Offer (IPO).
The Company has preferred an appeal before the appropriate Appellate Authorities against the said demand. Management, based on internal assessments and independent legal advice, is of the firm opinion that the said ITC is eligible under the provisions of the CGST Act, 2017. As the company expects a favourable outcome and believes that the probability of an ultimate outflow of economic resources is remote, no provision has been recognized in the financial statements for the year ended March 31, 2026.

Related Party Transactions

Contingent liabilities, to the extent not provided for, as of March 31, 2026 and March 31, 2025, as determined in accordance with Ind AS 37, are described below:

Particulars	As at March 31,	
Nature of transaction (INR in MM)	2026	2025
Rent Paid	₹1.84	₹5.58
Purchase of Land	₹0.00	₹109.44
Managerial Remuneration	₹67.25	₹67.25
Transactions with Companies controlled by Directors/ Relatives	₹172.79	₹118.87
Salary Paid	₹27.09	₹25.38
Payment for ESOP	₹1.92	₹2.42
Sitting Fee to Director	₹1.95	₹1.97
Purchase of Building	₹0.00	₹80.00
Total	₹272.83	₹410.91

Financial risk management

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The Company’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess impairment loss or gain. The Company uses a matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and Company's historical experience for customers.

1. The company has not made any provision on expected credit loss on trade receivables and other financials assets, based on the management estimates.
2. Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company’s approach to managing liquidity is to ensure, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company’s reputation.

The Company's treasury department within the Finance Department is responsible for liquidity and funding. In addition policies and procedures relating to such risks are overseen by the management.

The table below sets out an analysis of working capital and current ratio as at March 31, 2026 and March 31, 2026. The table below sets out exposure to financial liabilities based on the contractual maturity as at the reporting date:

Particulars	As at March 31,	
In ₹ MM	2026	2025
Total Current Assets (A)	₹11,714.72	₹11,405.19
Total Current Liabilities (B)	₹6,573.37	₹3,507.02
Working Capital (A-B)	₹5,141.35	₹7,898.17
Current Ratio	1.78	3.25

In ₹ MM				
As at March 31, 2026	Carrying value	< than 1 Year	> than 1 Year	Total
Borrowings	₹4,416.62	₹4,416.62	-	₹4,416.62
Trade payables	₹1,969.38	₹1,969.38	-	₹1,969.38
Lease Liabilities	₹162.74	₹20.34	₹142.41	₹162.74
Other liabilities	₹80.44	₹80.44	-	₹80.44
As at March 31, 2025				
Borrowings	₹1,825.29	₹1,825.29	-	₹1,825.29
Trade payables	₹1,275.68	₹1,275.68	-	₹1,275.68
Lease Liabilities	₹173.41	₹25.32	₹148.09	₹173.41
Other liabilities	₹52.68	₹52.68	-	₹52.68

Market Risk

Market risk is the risk that changes with market prices – such as foreign exchange rates and interest rates, will affect the Company’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign Exchange Rate Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange

rate.

Company transacts business in its functional currency (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.

The table below sets out an analysis of unhedged foreign currency exposure:

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Foreign currency (in MM)	Rupees (in MM)	Foreign currency (in MM)	Rupees (in MM)
(A) Financial Assets				
Trade Receivables	\$24.06	₹2,277.08	\$27.69	₹2,369.75
Balance with banks – EEFC	\$0.54	₹51.51	\$0.89	₹76.12
Trade Receivables	€0.55	₹60.04	-	-
(B) Financial Liabilities				
Trade Payables	\$0.67	₹63.82	\$1.87	₹160.44
Borrowings	\$0.53	₹49.69	\$4.05	₹346.20

(C) Currency wise net exposure

Financial Assets -	\$23.96	₹2,275.12	\$22.66	₹1,938.61
Financial Liabilities				

Sensitivity Analysis

Particulars (INR in MM)	As at March 31,	
	2026	2025
Impact on profit/equity (1% strengthening) - (US \$)	₹22.50	₹19.39
Impact on profit/equity (1% strengthening) - (Euro)	₹0.60	-
Impact on profit/equity (1% weakening) - US \$	-₹22.15	-₹19.39
Impact on profit/equity (1% weakening) - (Euro)	-₹0.60	-

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company’s exposure to the risk of changes in market interest rates relates primarily to the Company’s debt obligations with floating interest rates. The Company manages its interest rates by selecting appropriate type of borrowings



Management Discussion & Analysis Report (MD&AR)

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:

As at March 31,		
Particulars (INR in MM)	2026	2025
Variable rate borrowings	₹4,416.62	₹1,825.29
Fixed rate borrowings	₹0.00	₹0.00
Total borrowings	₹4,416.62	₹1,825.29

Sensitivity Analysis

Impact on Profit before tax / pre-tax equity		
As at March 31,		
Particulars (INR in MM)	2026	2025
Increase by 50 basis points	-₹22.08	-₹9.13
Decrease by 50 basis points	₹22.08	₹9.13

Capital management

The Company's capital comprises equity share capital, surplus in the statement of profit and loss and other equity attributable to equity holders.

The Company's objectives when managing capital are to :

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits for other stakeholders, and
2. maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital using debt-equity ratio, which is net debt divided by total equity. These ratios are illustrated below:

The financial indebtedness of the Company as on March 31, 2026 and March 31, 2025 are as depicted in the table below:

As at March 31,		
Particulars (INR in MM)	2026	2025
Total liabilities	₹7,455.38	₹4,183.33
Less: cash and cash equivalents and bank balances	₹56.63	₹2,385.26
Net Debt	₹7,398.75	₹1,798.07
Total equity	₹24,558.88	₹22,258.86
Net Debt-equity ratio	0.30	0.08

Financial indebtedness

The financial indebtedness of the Company as on March 31, 2025 and March 31, 2024 are as depicted in the table below:

As at March 31,		
Particulars (INR in MM)	2026	2025
Short Term		
Secured Borrowings, comprising of	₹4,416.62	₹1,825.29
Loans repayable on demand	₹4,416.62	₹1,825.29
Long Term	₹0.00	₹0.00
Total indebtedness	4,416.62	1,825.29

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
None

Reservations, Qualifications and Adverse Remarks Included in Financial Statements
There have been no reservations or qualifications or adverse remarks of our Statutory Auditors in the last three fiscal Years.

Off-Balance Sheet Arrangements
We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for

the purpose of facilitating off-balance sheet arrangements.

Issue of Equity Shares for consideration other than cash
Except for the bonus allotment made on November 17, 2021, our Company has not issued any Equity Shares, for consideration other than cash.

Split / Consolidation of Equity Shares
Our Company has not undertaken a split or consolidation of the Equity Shares.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI
Our Company has not made any application under Regulation 300(1)(c) of the SEBI ICDR Regulations for seeking exemption from complying with any provisions of securities laws.



Financial Statements



Independent Auditor's Report - Standalone Financial Statements

To,
The Members,
Aether Industries Limited
Surat

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Aether Industries Limited (“the Company”)** which comprises the standalone balance sheet as at March 31, 2026 and the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended and notes to the standalone financial statements, including summary of material accounting policies and other explanatory information. (hereinafter referred as “standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026 and total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis of opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the “Auditor’s Responsibilities for the audit of the Standalone Financial Statements” section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matters	Audit Procedures
1	Cut off risk in Revenue Recognition Due to the sales being under various contractual terms and across geographies, delivery to customers in different regions might take different time periods and may result in undelivered goods at the period end. We consider there to be a risk of misstatement of the financial statements related to transactions occurring close to the year end, as transactions could be recorded in the wrong financial period. Accordingly, cut-off risk in revenue recognition is a key audit matter.	• We have assessed the revenue recognition policies of the Company including accounting for sales returns and discounts for compliance with Ind AS. • The Company has manual and automated (information technology – IT) controls on recording revenue and accruals for sales returns and discounts. We tested the design, implementation and operating effectiveness of these controls. In respect of cut-off, we focused on controls around the timely and accurate recording of year-end sales transactions. • We have performed substantive testing by selecting samples of revenue transactions during specific periods before and after year end to ensure that the correct amount of revenue is recorded in the correct period. • We have verified the invoice's contractual terms and tested transit delivery times by reviewing supporting documentation, including contracts, sales invoices, and shipping dispatches.
2	Capital Expenditure in respect of property, plant and equipment and capital work in progress The Company has incurred significant expenditure on capital projects, as reflected by the total value of additions in property plant and equipment and capital work in progress in notes 4 and 5 of the standalone financial statements. We considered capital expenditure as a Key audit matter due to: • Significance of amount incurred on such items during the year ended March 31, 2026.	• We have obtained an understanding of the Company’s capitalization policy and assessed for compliance with the relevant accounting standards. • We have obtained understanding, evaluated the design and tested the operating effectiveness of controls related to capital expenditure and capitalization of assets. • We have performed substantive testing on a sample check basis for each element of capitalized costs including material issued to contractors for the purpose of these projects and physical verification performed by



Independent Auditor's Report - Standalone Financial Statements

Sr. No.	Key Audit Matters	Audit Procedures
	- Judgement and estimate required by management in assessing assets meeting the capitalization criteria set out in Ind AS 16 Property, Plant and Equipment. - Judgement involved in determining the eligibility of costs including borrowing cost and other directly attributable costs for capitalization as per the criteria set out in Ind AS 16 Property, Plant and Equipment.	management along with reconciliation and directly attributable cost, including verification of underlying supporting evidence and understanding nature of the costs capitalized. We have obtained understanding on management assessment relating to progress of projects and their intention to bring the asset to its intended use.
3	Valuation, Accuracy, Completeness and disclosures pertaining to Inventories with reference to Ind AS 2 Inventories constitutes material component of standalone financial statement. Correctness, Completeness and Valuation are critical for reflecting true and fair financial results of operations. Further due to continuous nature of plan operations and the raw materials which are basically chemicals, management has to exercise judgement in assessing stage of the product and its valuation. Also refer note 13 to the standalone financial statement.	Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: - We have assessed the Company’s process regarding maintenance of records, Valuation and accounting of transactions relating to Inventory as per the Indian Accounting Standard 2. - We have evaluated the design of Internal Controls relating to recording and valuation of Inventory. - We have carried out substantive audit procedures to verify the allocation of overheads to Inventory. - We attended the physical inventory counts conducted by management and performed independent test counts on a sample basis. We evaluated the management’s controls over the counting process and tested the reconciliations between the physical count results and the underlying accounting records. - We have verified the consistency in respect of valuation process and methodology followed by the Company.

Information other than the Standalone Financial Statements and Auditor’s Report thereon
The Company’s Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Board’s Report including Annexures to Board’s Report,

Management Discussion and Analysis, Report on Corporate Governance, Business Responsibility and Sustainability Report, but does not include the standalone financial statements and our auditor’s report thereon. The Annual Report is expected to be made available to us after the date of this auditor’s report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulation.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements
The Company’s Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the standalone financial position, standalone financial performance including other comprehensive income, standalone changes in equity and standalone cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company’s Board of Directors are also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibility for the Audit of Standalone Financial Statements
Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a



Independent Auditor's Report - Standalone Financial Statements

whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Emphasis Matters

- (a) We draw attention to Note 53 (a) of the standalone financial statement, which describes the fire incident that occurred on November 29, 2023 at Company’s manufacturing facilities located in Sachin, Surat. As stated in the note, the Company has assessed the damage to its property, plant and equipment (net of accumulated depreciation) amounting to Rs. 299.68 million. Pending final assessment and approval from the insurance company, the Company has received Rs. 210.00 million from the insurance company towards the claim for such loss. Considering that the insurance policy is based on reinstatement value, and also based on the management estimate and assessment carried out by the insurance surveyor, the Company expects to recover an amount higher than the carrying value of assets lost. Accordingly, Management has adjusted the insurance receipt of Rs. 210.00 million against the asset loss of Rs. 299.68 million. The balance amount of Rs. 89.68 million has been recognized as receivable from the insurance company.
- (b) We draw attention to Note 53 (b) of the standalone financial statement, which describes the fire incident that occurred on March 11, 2026 at the Company’s external warehouse located at Hojiwala Industrial Estate, Sachin, Surat. As stated in the note, Pursuant to a preliminary assessment of the damage, the Company has recognized a loss of inventory amounting to Rs. 70.00 million in the Standalone Statement of Profit and Loss for the year ended March 31, 2026. The Holding Company has lodged an insurance claim with the insurance company for the said loss. The assessment of the claim is currently in progress, and any recovery thereof will be recognized upon virtual certainty of receipt.

Our opinion is not modified in respect of above matters.

Other Matter

The standalone financial statements of the Company for the previous year ended March 31, 2025 were audited by the predecessor auditor, Birju S. Shah & Associates, who expressed an unmodified opinion on those standalone financial statements vide their audit report dated May 02, 2025.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the “**Annexure – A**” a



Independent Auditor's Report - Standalone Financial Statements

- statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of change in equity, the standalone statement of cash flows and notes to the standalone financial statements dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
 - (g) As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
 - (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 41 to the standalone financial statements.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to Investor Education and protection fund by the Company.

- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- iv. (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- iv. (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material misstatement.
- iv. (d) Since the Company has not declared or paid any dividend during the year, the question of commenting on whether dividend declared or paid is in accordance with Section 123 of the Companies Act, 2013 does not arise.
- v. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For Suresh I Surana & Associates
Chartered Accountants | ICAI Firm Reg. No.: 121749W

CA Shirish Shah - Partner
Membership No.: 035742 | UDIN: 26035742TNMFDG2232

Place: Surat | Date: May 15, 2026



Independent Auditor's Report - Standalone Financial Statements

Annexure A to the Independent Auditor’s Report
(Referred to in paragraph 1 under the heading ‘Report on Other Legal and Regulatory Requirements’ of our report to the Members of Aether Industries Limited of even date)

- i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the management in a phased programme designed to cover all items over a period of three financial years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the management during the year and no material discrepancies between the book records and the physical verification have been noticed.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 4 and Note 6 to the standalone financial statements, are held in the name of the Company.
- (d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
- (e)Based on the information and explanations furnished to us, no proceedings have been initiated or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.
- ii) (a) The physical verification of inventories has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 Crore, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the books of account for the

respective periods which were subject to audit / review. (Also refer Note 24 to the standalone financial statements)

- iii) According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans to firms and limited liability partnerships during the year. Further, the Company has provided guarantee and granted unsecured loans to companies and other parties during the year, in respect of which details are given here below:
- (a) Based on the audit procedures performed and according to the information and explanations provided to us, the Company has granted loans to its employees and subsidiary company and has provided guarantees during the year. The Company has not made any investments, provided any security, or granted any advances in the nature of loans to any party during the year. The details of the loans granted, guarantees provided, and investments made during the year are as follows:

(Rs. in Million)			
Particulars	Guarantees	Loans	Investment
Aggregate amount granted/ provided during			
- Subsidiary	-	1,228.00	-
- Employees	-	18.42	-
- Bank Guarantees to various authorities	22.15	-	-
Balance outstanding as at balance sheet date in respect of			
Subsidiary	-	201.87	1,000.48
Other Entities	-	-	2.09
Employees	-	19.99	-
Bank Guarantees to various authorities	133.32	-	-

- (b) In our opinion and according to the information and explanations given to us, the investments made and the terms and conditions of the grant of unsecured loans to the subsidiary company during the year are not, prima facie, prejudicial to the Company's interest.
- (c) In respect of the unsecured loans granted by the Company to its subsidiary, the schedule of repayment of principal and payment of interest has not been stipulated as these loans are current in nature and repayable on demand. According to the information and explanations given to us, the repayments of principal and receipts of interest have been regular as and when demanded by the Company.



Independent Auditor's Report - Standalone Financial Statements

- (d) Since the loans granted to the subsidiary company are repayable on demand, there is no overdue amount outstanding for more than ninety days as at the balance sheet date. Accordingly, the reporting under clause 3(iii)(d) is Nil.
- (e) According to the information and explanations given to us, no loan or advance in the nature of a loan granted by the Company has fallen due during the year. Consequently, there has been no renewal, extension, or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) According to the information and explanations given to us, the Company has granted unsecured loans to its subsidiary company which are repayable on demand. The details of such loans are as under:

(Rs. in Million)		
Particulars	Promoter	Related Parties (Subsidiary)
Aggregate Amount of Loans granted during the year	Nil	1,228.00
Percentage of Total Loans granted during the year	0.00%	98.52%

- iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans granted and investments made, as applicable. The Company has not provided any guarantee or securities that are covered under the provisions of sections 185 and 186 of the Companies Act, 2013.
- v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder during the year. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company during the year.
- vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, custom duty, cess and other material statutory dues as applicable to the appropriate authorities during the year. No undisputed amounts payable in respect of aforesaid statutory dues were outstanding as on the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of provident fund, employees' state insurance and cess, which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2026 which have not been deposited or adjusted on account of a dispute, are as

follows:

Name of the Statute	Nature of dues	Amount (Rs.in Millions)	Period to which the amount relates	Forum where the dispute is pending
Central Goods & Services Tax Act, 2017	Goods and Service Tax	42.62	FY 2021-22, 2022-23 and FY 2023-24	Additional Commissioner GST and Central Excise (Appeals)
Income Tax Act, 1961	Income Tax	1.32	AY 2020-21	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	TDS	0.01	AY 2024-25	TRACES Portal (Income Tax Department)

- viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix) (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has utilized funds amounting to 2,122.81 million, which were raised on a short-term basis, for long-term purposes, primarily towards the funding of capital expenditure. As explained by the management, the Company is currently in the process of restructuring its debt profile and expects to substitute these short-term borrowings with long-term financial arrangements in due course to align its asset-liability maturity profile.



Independent Auditor's Report - Standalone Financial Statements

- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary company.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary company.
- x) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us and as represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv) (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv) The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and on the basis of our examination, the Company does not belong to any group which consist Core Investment Company as part of the Group.
- xvii) The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, (Also refer Note 55 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any unspent amount which is require to transfer



Independent Auditor's Report - Standalone Financial Statements

- to transfer to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, paragraph 3(xx)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not have any ongoing projects under provisions of the section 135 of the said Act. Accordingly, paragraph 3(xx)(b) of the Order is not applicable.
- xxi) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Suresh I Surana & Associates
Chartered Accountants | ICAI Firm Reg. No.: 121749W

CA Shirish Shah - Partner
Membership No.: 035742 | UDIN: 26035742TNMFDG2232

Place: Surat | Date: May 15, 2026

Annexure B to the Independent Auditor’s Report
(Referred to in paragraph 2(f) under the “Report on Other Legal and Regulatory Requirements” of our report to the Members of Aether Industries Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)
We have audited the internal financial controls with reference to standalone financial statements of **Aether Industries Limited (“the Company”)** as of March 31, 2026 in conjunction with our audit of standalone financial statements of the Company for the year ended on that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls
The Company’s Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to standalone financial statements issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility for the Audit of the Internal Financial Controls
Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our



Independent Auditor's Report - Standalone Financial Statements

audit opinion on the Company’s internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to financial statements including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to further periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Suresh I Surana & Associates

Chartered Accountants | ICAI Firm Reg. No.: 121749W

CA Shirish Shah - Partner

Membership No.: 035742 | UDIN: 26035742TNMFDG2232

Place: Surat | Date: May 15, 2026



Standalone Balance Sheet

Assets	Notes	As at March 31,	
		2026	2025
Non-current assets			
Property, plant and equipment	4	₹11,499.44	₹8,534.77
Capital work-in-progress	5	₹4,742.04	₹3,330.70
Right-of-use assets	6	₹2,210.96	₹1,343.07
Intangible assets	7	₹11.34	₹7.54
Intangible assets under development	8	₹80.99	₹65.40
Financial assets			
(i) Investments	9	₹1,002.58	₹1,002.58
(ii) Loans	10	₹8.51	₹8.01
(ii) Other financial assets	11	₹13.67	₹23.74
Other non-current assets	12	₹148.06	₹194.77
Total non-current assets		₹19,717.59	₹14,510.58
Current assets			
Inventories	13	₹4,994.99	₹3,864.85
Financial assets			
(i) Trade receivables	14	₹3,060.60	₹2,640.16
(ii) Cash and cash equivalents	15	₹56.62	₹173.70
(iii) Bank balances other than (ii) above	16	-	₹2,211.55
(iv) Loans	17	₹213.35	₹353.63
(v) Other financial assets	18	₹198.92	₹315.10
Current tax asset (net)	19	₹336.31	₹292.05
Other current assets	20	₹1,449.75	₹1,250.17
Total current assets		₹10,310.55	₹11,101.22
Total assets		₹30,028.14	₹25,611.80

Summary of material accounting policies - Note 3. The accompanying notes are an integral part of these standalone financial statements.

For Suresh I Surana & Associates, Chartered Accountants
ICAI Firm Reg. No.: 121749W
CA Shirish Shah, Partner
Membership No.: 035742
Place: Surat | Date: May 15, 2026

Equity and Liabilities	Notes	As at March 31,	
		2026	2025
Equity			
Equity share capital	21	₹1,326.80	₹1,325.90
Other equity	22	₹22,766.35	₹20,925.78
Total equity		₹24,093.15	₹22,251.68
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	23	₹142.41	₹148.09
Deferred tax liabilities (net)	39 d)	₹702.43	₹499.53
Total non-current liabilities		₹844.84	₹647.62
Current liabilities			
Financial liabilities			
(i) Borrowings	24	₹3,400.39	₹1,197.31
(ii) Lease liabilities	25	₹20.34	₹25.32
(iii) Trade payables	26		
a) total outstanding dues of MSME		₹123.66	₹214.87
b) total outstanding dues of other than MSME		₹1,382.26	₹926.55
(iv) Other financial liabilities	27	₹79.84	₹52.22
Other current liabilities	28	₹14.07	₹234.64
Provisions	29	₹69.59	₹61.59
Total current liabilities		₹5,090.15	₹2,712.50
Total liabilities		₹5,934.99	₹3,360.12
Total equity and liabilities		₹30,028.14	₹25,611.80

As per our report of even date attached.

Ashwin Desai, Managing Director — DIN: 00038386
Rohan Desai, Whole Time Director — DIN: 00038379
Faiz Nagariya, Chief Financial Officer — Mem. No.: 125481
Chitrarth Parghi, Company Secretary — Mem. No.: F12563
Place: Surat | Date: May 15, 2026



Standalone Statement of Profit and Loss

Particulars (INR in MM)	For the year ended March 31,		
	Note	2026	2025
Income			
Revenue from operations	30	₹9,401.69	₹7,903.18
Other income	31	₹215.37	₹424.96
Total income		₹9,617.06	₹8,328.14
Expenses			
Cost of materials consumed	32	₹5,340.79	₹4,736.05
Changes in inventories of finished goods and work-in-progress	33	-₹789.60	-₹600.41
Employee benefit expenses	34	₹624.15	₹459.40
Finance costs	35	₹122.43	₹102.25
Depreciation and amortisation expense	36	₹607.81	₹427.97
Other expenses	37	₹1,271.89	₹1,035.24
Total expenses		₹7,177.47	₹6,160.50
Profit before exceptional items and tax		₹2,439.59	₹2,167.64
Exceptional items	38	₹89.76	₹118.74
Profit before tax		₹2,349.83	₹2,048.90
Tax expense	39		
Current tax		₹414.34	₹380.16
Deferred tax		₹199.39	₹147.85
Total tax expense		₹613.73	₹528.01

Summary of material accounting policies - Note 3. The accompanying notes are an integral part of these standalone financial statements.

For Suresh I Surana & Associates, Chartered Accountants
ICAI Firm Reg. No.: 121749W
CA Shirish Shah, Partner
Membership No.: 035742
Place: Surat | Date: May 15, 2026

Particulars (INR in MM)	For the year ended March 31,		
	Note	2026	2025
Profit for the year (A)		₹1,736.10	₹1,520.89
Other comprehensive -loss / income			
Items that will not be classified subsequently to profit or loss			
(i) Remeasurement of defined benefit liability / -asset		₹13.94	-₹4.97
(ii) Income tax relating to remeasurement of defined benefit liability / -asset		-₹3.51	₹1.25
Other comprehensive -loss / income (B)		₹10.43	-₹3.72
Total comprehensive income for the year (A + B)		₹1,746.53	₹1,517.17
Earnings per equity share	40		
[nominal value of Rs. 10]			
Basic		₹13.09	₹11.47
Diluted		₹13.08	₹11.47

As per our report of even date attached.

Ashwin Desai, Managing Director — DIN: 00038386
Rohan Desai, Whole Time Director — DIN: 00038379
Faiz Nagariya, Chief Financial Officer — Mem. No.: 125481
Chitrarth Parghi, Company Secretary — Mem. No.: F12563
Place: Surat | Date: May 15, 2026



Standalone Statement of Changes in Equity

Particulars (INR in MM)	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Value	No. of Shares	Value
(a) Equity share capital				
Balance at the beginning of the reporting period	13,25,90,241	₹1,325.90	13,25,50,273	₹1,325.50
Add: Exercise of employee stock option plan resulting in new issue of shares	89,583	₹0.90	39,968	₹0.40
Balance at the end of the reporting period	13,26,79,824	₹1,326.80	13,25,90,241	₹1,325.90
(b) Other equity				
	Employee Share Option Reserve	Securities Premium	Retained Earnings	Total other Equity
Balance as at April 1, 2024	₹46.24	₹15,416.17	₹3,901.40	₹19,363.81
Total comprehensive income for the year ended March 31, 2025				
Profit for the period	-	-	₹1,520.89	₹1,520.89
Other comprehensive income (net of tax)	-	-	-₹3.72	-₹3.72
Rounding off	-	-	₹0.01	₹0.01
Total comprehensive income	₹46.24	₹15,416.17	₹5,418.58	₹20,880.98
Other movements for the year ended March 31, 2025				
Transfer upon exercise of employee stock option plan	-₹13.44	₹13.44	-	₹0.00
Employee stock compensation expense	₹33.27	-	-	₹33.27
Share issue Expenses	-	-₹0.90	-	-₹0.90
Allotment of Shares under exercise of ESOPs	-	₹12.43	-	₹12.43
Total movements	₹19.83	₹24.97	₹0.00	₹44.80
Balance as at March 31, 2026	₹66.07	₹15,441.13	₹5,418.58	₹20,925.78

(b) Other equity	Reserves and surplus			
	Employee Share Option Reserve	Securities Premium	Retained Earnings	Total other Equity
Balance as at April 1, 2025	₹66.07	₹15,441.13	₹5,418.58	₹20,925.78
Total comprehensive income for the year ended March 31, 2026				
Profit for the period	-	-	₹1,736.10	₹1,736.10
Other comprehensive income (net of tax)	-	-	₹10.43	₹10.43
Total comprehensive income	₹66.07	₹15,441.13	₹7,165.11	₹22,672.31
Other movements for the year ended March 31, 2026				
Transfer upon exercise of employee stock option plan	-₹42.92	₹42.92	-	₹0.00
Employee stock compensation expense	₹51.39	-	-	₹51.39
Allotment of Shares under exercise of ESOPs	-	₹40.20	-	₹40.20
Other movement	-	₹2.45	-	₹2.45
Balance as at March 31, 2026	₹74.54	₹15,526.70	₹7,165.11	₹22,766.35
Nature and purpose of reserves:				
i) Retained earnings				
Retained earnings comprises of undistributed earnings after taxes.				
ii) Securities premium				
Securities premium is created when shares are issued at premium (net of issue expenses). The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.				
iii) Employee share option				
Employee Share Options Outstanding represents reserve in respect of equity settled share options granted to the Company's employees in pursuance of the Employee Stock Option Plan.				

Summary of material accounting policies - Note 3. The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached.

For Suresh I Surana & Associates, Chartered Accountants
ICAI Firm Reg. No.: 121749W
CA Shirish Shah, Partner
Membership No.: 035742
Place: Surat | Date: May 15, 2026

Ashwin Desai, Managing Director — DIN: 00038386
Rohan Desai, Whole Time Director — DIN: 00038379
Faiz Nagariya, Chief Financial Officer — Mem. No.: 125481
Chitrarth Parghi, Company Secretary — Mem. No.: F12563
Place: Surat | Date: May 15, 2026



Standalone Statement of Cash Flows

Particulars (INR in MM)	For the year ended March 31,	
	2026	2025
A. Cash flow from operating activities		
Profit before tax	₹2,349.83	₹2,048.90
Adjustments to reconcile profit before tax to net cash flow:		
Net unrealised foreign exchange -gain / loss	-₹87.81	-₹12.88
Finance cost	₹122.43	₹102.25
Interest income on deposits	-₹42.57	-₹344.06
Depreciation and amortisation expenses	₹607.81	₹427.97
Provision for expected credit loss	₹6.65	-
Inventory written off due to fire	₹70.00	-
Interest on loan to subsidiary	-₹37.86	-₹30.25
Profit on termination of lease	-	-₹3.21
Other Non-cash items	₹53.74	₹33.17
Operating profit before working capital changes	₹3,042.22	₹2,221.90
Movement in working capital:		
-Increase / decrease in trade receivables	-₹338.36	-₹334.54
-Increase / decrease in inventories	-₹1,200.14	-₹452.46
-Increase / decrease in other assets	-₹200.71	-₹205.37
-Increase / decrease in other financial assets	₹216.04	₹79.33
Increase / -decrease in trade payables	₹363.14	₹205.56
Increase / -decrease in other current liabilities	-₹10.57	₹208.36
Increase / -decrease in other financial liabilities	₹27.62	-₹15.87
Increase / -decrease in provision	₹21.94	₹10.02
Cash generated from operations	₹1,921.18	₹1,716.93
Net income tax paid	-₹458.60	-₹544.17
Net cash generated from operating activities (A)	₹1,462.58	₹1,172.76
B. Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	-₹3,830.75	-₹2,839.65
Purchase of leasehold land	-₹913.09	-₹0.86
Capital work in progress (including intangibles assets under development and capital advances)	-₹1,379.08	-₹1,379.05

The accompanying notes are an integral part of these standalone financial statements.

For Suresh I Surana & Associates, Chartered Accountants
ICAI Firm Reg. No.: 121749W
CA Shirish Shah, Partner
Membership No.: 035742
Place: Surat | Date: May 15, 2026

Particulars (INR in MM)	For the year ended March 31,	
	2026	2025
Interest income on deposits	₹42.57	₹344.06
Unsecured Loan to Subsidiary and Employee Loans	₹139.77	-₹304.92
Interest on loan to subsidiary	₹37.86	₹30.25
Net cash used in investing activities (B)	-₹5,902.72	-₹4,150.17
C. Cash flows from financing activities		
Proceeds / (repayment) from working capital facilities (net)	₹2,200.80	-₹92.72
Proceeds from issue to shares towards Employee Stock Options	₹41.09	₹12.83
Share issue expenses	-	-₹0.90
Interest paid	-₹107.57	-₹88.15
Payment towards lease liability	-₹25.52	-₹25.28
Net cash generated from / (used in) financing activities (C)	₹2,108.80	-₹194.22
Net cash generated from / (used in) financing activities (A+B+C)	-₹2,331.34	-₹3,171.63
Effect of exchange differences on account of foreign currency	₹2.71	₹0.69
Cash and cash equivalents at the beginning of the year	₹2,385.25	₹5,556.19
Cash and cash equivalents at the end of the year	₹56.62	₹2,385.25
Cash and cash equivalents comprises of:		
Cash on hand	₹2.16	₹1.04
Balances with banks		
- Current accounts	₹2.95	₹85.40
- EEFC accounts	₹51.51	₹76.12
- Cash credit accounts	₹0.00	₹11.14
Other bank balances	₹0.00	₹2,211.55
Total	₹56.62	₹2,385.25
Notes:-		
a) The above standalone statement of cash flows has been prepared in accordance with 'Indirect method' as set out in the Ind AS - 7 'Statement of Cash Flows', as notified under Section 133 of the Companies Act 2013, read with the relevant rules thereunder.		
b) Figures in bracket indicate cash outflow.		
c) The followings is Significant non-cash movement in investing and financing activities		
Particular		
Acquisition of Right-of-use assets with corresponding impact to lease liabilities	₹0.26	₹28.02
As per our report of even date attached.		

Ashwin Desai, Managing Director — DIN: 00038386
Rohan Desai, Whole Time Director — DIN: 00038379
Faiz Nagariya, Chief Financial Officer — Mem. No.: 125481
Chitrarth Parghi, Company Secretary — Mem. No.: F12563
Place: Surat | Date: May 15, 2026



Notes forming part of Standalone Financial Statements

1. Corporate Information

Aether Industries Limited (“the Company”/“Aether”) is a public limited company which was incorporated on January 23, 2013, and having its registered office at Plot No. 8203, GIDC Sachin, Surat-394230, Gujarat, India. The Company’s equity shares are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”). The Company is engaged in the business of Specialty Chemicals and Intermediates. The products of the Company find application in various sectors like Pharmaceuticals, Agrochemicals, Specialty, Electronic Chemicals, Material Sciences, High Performance Photography etc. The CIN of the Company is L24100GJ2013PLC073434.

2. Basis of Preparation and Statement of Compliance

A. Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (“Ind AS”) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013(“Act”). The standalone financial statements have been prepared on going concern basis.

The standalone financial statements were approved for issue by the Board of Directors of the Company on May 15, 2026.

Details of the Company’s material accounting policies are disclosed in Note 3.

B. Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company’s functional currency. All amounts have been rounded to nearest millions, up to 2 decimal places, unless otherwise stated.

C. Basis of measurement

These standalone financial statements have been prepared under the historical cost basis except certain financial assets, financial liabilities and plan asset , which are measured on an alternative basis on each reporting date. Refer Note 46 and 47.

D. Current and non-current classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

E. Use of judgements, estimates and assumptions

The preparation of Financial Statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities and the disclosure of the contingent liabilities on the date of the preparation of Financial Statements. Such estimates are on a reasonable and prudent basis considering all available information, however due to uncertainties about these judgements, estimates and assumptions, the actual results could differ from those estimates. Information about each of these estimates

and judgements is included in relevant notes. Any revision to accounting estimates is recognised prospectively in current and future periods.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the Financial Statements is included in the following notes:

Note No. 46 - 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 4 and Note 7 - Useful life of depreciable assets, Property, Plant and Equipment and Other Intangible Assets.

Note 41 - Recognition of contingencies, key assumptions about the likelihood and magnitude of outflow of resources.

Note 39 - Recognition of tax expenses including deferred tax.

Note 47 - Defined benefit obligation, key actuarial assumptions.

Note 48 - fair value measurement of share based payment.

Note 14 - Impairment of trade receivables.

Note 13 - Valuation of Inventories.

Going concern assumption

These Financial Statements have been prepared on a going concern basis. The management has, given the significant uncertainties arising out of the various situations, assessed the cash flow projections and available liquidity for a period of at least twelve months from the date of this Financial Statements. Based on this evaluation, management believes that the Company will be able to continue as a "going concern" in the foreseeable future and for a period of at least twelve months from the date of these Financial Statements based on the following:

- Expected future operating cash flows based on business projections, and
- Available credit facilities from 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.



Notes forming part of Standalone Financial Statements

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.

3. Material accounting policies

Material accounting policy information has been identified and disclosed based on the guidance provided under Ind AS 1. The material accounting policy information used in preparation of these standalone financial statements have been disclosed in the respective notes below.

3.1 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.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, directly attributable borrowing costs.

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

Depreciation is calculated on estimated useful life using the written down value method for Property, plant and equipment are provided on straight line method over the useful life of assets, at the rates and in the

manner specified in Part C of Schedule II of the Act.

The estimated useful life, depreciation method and residual value are reviewed at the end of each annual reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the asset.

Freehold land is not depreciated. Leasehold land (includes development cost) is amortised on a straight-line basis over the period of respective lease, except land acquired on perpetual lease. Useful life and residual values are reviewed at each financial year end and adjusted, as appropriate. Leasehold improvements are amortised/depreciated over the remaining tenure of the contract.

The management has estimated the useful life of the Tangible Assets as mentioned below:

Asset Class	Estimated Useful Life
Factory Building	30 years
Other Building	10 years
Plant & Machinery	20 years
Plant & Machinery (Pipelines)	15 years
Office Equipment	5 years
Factory Equipment	10 years
Computer Equipment (Servers & Networks)	6 years
Computer Equipment (Others)	3 years
Other Equipment	10 years
Furniture & Fixtures	10 years
Vehicle Equipment	8 years
Vehicle Equipment (Others)	10 years

Residual value on property, plant and equipment has been estimated at 5% of the cost, specified in Schedule II of the Act.

The management believes that these estimated useful life and residual values are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Impairments of non-financial assets

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If



Notes forming part of Standalone Financial Statements

the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Capital work-in-progress

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

Capital advances

Advances paid towards the acquisition of property, plant and equipment, outstanding at each balance sheet date is classified as capital advances under “other non-current assets”.

3.2 Intangible Assets

Recognition and measurement

Intangible assets that are acquired are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of assets can be measured reliably. The intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and are carried at cost less accumulated amortisation and impairment losses, if any. There are no internally generated intangible assets.

Subsequent measurement

Subsequent costs are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure on intangible assets is recognised in the Standalone Statement of Profit and Loss, as incurred.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight- line method over their estimated useful lives and is generally recognised in depreciation and amortisation on pro rata basis expense in the Standalone Statement of Profit and Loss.

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

An item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Standalone Statement of Profit and Loss when the asset is derecognised.

3.3 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



Notes forming part of Standalone Financial Statements

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)

3.4 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.

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



Notes forming part of Standalone Financial Statements

and dividend are recognized when the same are due to be received and right to receive such other income is established.

3.5 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.

3.6 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.

3.7 Cash and Cash Equivalents

Cash and cash equivalents comprises of cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.8 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.

3.9 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.

3.10 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 substantive substitution right, then the asset is not identified.
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
 - the Company has the right to operate the asset; or
 - the Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices

Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying



Notes forming part of Standalone Financial Statements

asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets re determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rates as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to e payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is change in future lease payments arising from a change n an index or rate, if there is change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

Leasehold land is amortised over the period of lease remaining as on the date of purchase.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liability for the short-term leases that have lease term of 12 months 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.

3.11 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.



Notes forming part of Standalone Financial Statements

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.

3.12 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.

3.13 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 employee benefits

Defined Contribution Plan

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 Plan

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the current in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and under other equity in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

In respect of funded post-employment defined benefit plans, amounts due for payment within 12 months to the fund may be treated as 'current'. Regarding unfunded post-employment benefit plans, settlement obligations which are due within 12 months in respect of employees who have resigned or expected to resign or are due for retirement within the next 12 months is 'current'. The remaining amount attributable to other employees, who are likely to continue in the services for more than a year, is classified as "non-current".

Company uses the work of an actuary in determining the current and non current liability for unfunded post employee benefit obligations.

3.14 Trade Receivables

Trade Receivables are stated after writing off debts considered as bad. Adequate provision is made for debts considered as doubtful.

3.15 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.



Notes forming part of Standalone Financial Statements

- (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.

3.16 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.

3.17 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.

3.18 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.

3.19 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.

3.20 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.

3.21 Recent accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2026, MCA has notified following Amendment to Ind AS, applicable to the Company w.e.f. 1st April, 2025.

- Ind AS 21 - The Effects of Changes in Foreign Exchange Rates Lack of Exchangeability
- Ind AS 12 - Income Taxes relating to International Tax Reform – Pillar Two Model Rules – Exception to recognition and disclosure of deferred tax.
- Amendments to Ind AS 7 – Cash flow statement and Ind AS 107 – Financial Instrument Disclosures relating to supplier finance arrangements
- Ind AS 1 - Presentation of Financial Statements Classification of Liabilities as current or non- current and non- current liabilities with covenants.

The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its Standalone financial statements.



Notes forming part of Standalone Financial Statements

4. Property, plant and equipment				
Particulars	Gross Carrying Amount			
	As at 01 April 2025	Add during the year	Disposals during year*	As at 31 March 2026
Freehold land	₹213.46	₹65.75	-	₹279.21
Factory building	₹968.39	₹311.69	-₹23.51	₹1,256.58
Other building	₹21.11	-	-	₹21.11
Plant and machinery	₹7,465.83	₹2,944.99	-₹357.04	₹10,053.78
Office equipment	₹80.85	₹21.14	-	₹101.99
Factory equipment (electric)	₹752.07	₹365.20	-₹34.59	₹1,082.68
Computer equipment	₹123.71	₹41.00	-	₹164.71
Other equipment (Lab)	₹219.21	₹61.79	-	₹281.00
Furniture and fixtures	₹77.55	₹8.32	-₹2.49	₹83.38
Vehicle equipment	₹23.91	₹5.11	-	₹29.02
Total	₹9,946.09	3,824.98	(417.63)	₹13,353.44

Particulars	Gross Carrying Amount			
	As at 01 April 2024	Add during the year	Disposals during year	As at 31 March 2025
Freehold Land	₹12.43	₹201.03	₹0.00	₹213.46
Factory building	₹826.63	₹141.76	₹0.00	₹968.39
Other building	₹21.11	-	₹0.00	₹21.11
Plant and machinery	₹5,246.03	₹2,219.79	₹0.00	₹7,465.83
Office equipment	₹68.85	₹12.00	₹0.00	₹80.85
Factory equipment (electric)	₹545.43	₹206.64	₹0.00	₹752.07
Computer equipment	₹103.57	₹20.13	₹0.00	₹123.71
Other equipment (Lab)	₹198.31	₹20.90	₹0.00	₹219.21
Furniture and fixtures	₹65.48	₹12.07	₹0.00	₹77.55
Vehicle equipment	₹22.07	₹1.84	₹0.00	₹23.91
Total	₹7,109.92	₹2,836.17	₹0.00	₹9,946.09

*Refer note 53.

	Accumulated Depreciation			Net Carrying Amount	
	As at 01 April 2025	Add during the year	Disposals during year*	As at 31 March 2026	As at 31 March 2025
	₹0.00	₹0.00	₹0.00	₹0.00	₹213.46
	₹100.89	₹33.08	-₹6.89	₹127.08	₹867.50
	₹16.55	₹2.01	₹0.00	₹18.56	₹4.56
	₹910.42	₹382.45	-₹80.85	₹1,212.02	₹6,555.41
	₹36.69	₹13.44	₹0.00	₹50.13	₹44.16
	₹174.13	₹74.01	-₹28.02	₹220.13	₹577.94
	₹70.98	₹23.16	₹0.00	₹94.14	₹52.72
	₹70.04	₹21.59	₹0.00	₹91.63	₹149.17
	₹23.96	₹7.66	-₹2.19	₹29.43	₹53.59
	₹7.64	₹3.25	₹0.00	₹10.89	₹16.28
	₹1,411.32	₹560.64	-₹117.95	₹1,854.01	₹8,534.77

	Accumulated Depreciation			Net Carrying Amount	
	As at 01 April 2024	Add during the year	Disposals during year	As at 31 March 2025	As at 31 March 2024
	₹0.00	₹0.00	₹0.00	₹0.00	₹12.43
	₹73.84	₹27.06	₹0.00	₹100.89	₹752.79
	₹14.54	₹2.01	₹0.00	₹16.55	₹6.57
	₹657.39	₹253.03	₹0.00	₹910.42	₹4,588.64
	₹24.73	₹11.96	₹0.00	₹36.69	₹44.12
	₹118.52	₹55.61	₹0.00	₹174.13	₹426.91
	₹49.59	₹21.39	₹0.00	₹70.98	₹53.98
	₹51.98	₹18.07	₹0.00	₹70.04	₹146.33
	₹17.57	₹6.40	₹0.00	₹23.96	₹47.91
	₹5.08	₹2.56	₹0.00	₹7.64	₹16.99
	₹1,013.24	₹398.09	₹0.00	₹1,411.32	₹6,096.68

Descriptions	As at 31 March 2026	As at 31 March 2025
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.	



Notes forming part of Standalone Financial Statements

5. Capital work-in-progress

Particulars	Particulars			
	As at 01 April 2025	Add during the year	Capitalised during year	As at 31 March 2026
Capital work-in-progress	₹3,330.70	₹5,317.18	-₹3,905.84	₹4,742.04
Total	₹3,330.70	₹5,317.18	-₹3,905.84	₹4,742.04

CWIP ageing schedule: Amount in CWIP for a period of	Projects in Progress		Projects temporarily suspended	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Less than 1 Year	₹3,592.24	₹2,081.25	₹0.00	₹0.00
1-2 Years	₹1,149.80	₹1,249.45	₹0.00	₹0.00
2-3 Years	₹0.00	₹0.00	₹0.00	₹0.00
More than 3 Years	₹0.00	₹0.00	₹0.00	₹0.00
Total	₹4,742.04	₹3,330.70	₹0.00	₹0.00

6. Right-of-use assets

Particulars	Gross Carrying Amount				
	As at 01 April 2025	Add during the year	Disposals during year	Adjustments	As at 31 March 2026
Leasehold Land	₹1,221.50	₹913.09	₹0.00	₹0.00	₹2,134.59
Properties (Land & Building)	₹200.14	₹0.00	₹0.00	₹0.26	₹200.40
Total Assets	₹1,421.64	₹913.09	₹0.00	₹0.26	₹2,334.99

Particulars	Gross Carrying Amount				
	As at 01 April 2024	Add during the year	Disposals during year	Adjustments	As at 31 March 2025
Leasehold Land	₹1,220.63	₹0.87	₹0.00	₹0.00	₹1,221.50
Properties (Land & Building)	₹172.12	₹57.96	-₹29.94	₹0.00	₹200.14
Total Assets	₹1,392.75	₹58.83	-₹29.94	₹0.00	₹1,421.64

Particulars	Particulars			
	As at 01 April 2024	Add during the year	Capitalised during year	As at 31 March 2025
Capital work-in-progress	₹2,142.60	₹3,907.77	-₹2,719.68	₹3,330.70
Total	₹2,142.60	₹3,907.77	-₹2,719.68	₹3,330.70

For CWIP, whose completion is overdue compared to its original plan the project wise details of when the project is expected to be completed is given below:

CWIP	To be completed in			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Panoli (Site - 5)	₹4,455.97	₹0.00	₹0.00	₹0.00

Accumulated Amortisation				Net Carrying Amount		
As at 01 April 2025	Add during the year	Disposals during year	Adjustments	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026
₹36.23	₹30.23	₹0.00	₹0.00	₹66.46	₹1,185.27	₹2,068.14
₹42.34	₹14.97	₹0.00	₹0.26	₹57.57	₹157.80	₹142.83
₹78.57	₹45.20	₹0.00	₹0.26	₹124.03	₹1,343.07	₹2,210.96

Accumulated Amortisation				Net Carrying Amount		
As at 01 April 2024	Add during the year	Disposals during year	Adjustments	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025
₹23.73	₹12.50	₹0.00	₹0.00	₹36.23	₹1,196.91	₹1,185.27
₹42.34	₹15.94	-₹15.95	₹0.00	₹42.33	₹129.78	₹157.80
₹66.06	₹28.45	-₹15.95	₹0.00	₹78.57	₹1,326.68	₹1,343.07



Notes forming part of Standalone Financial Statements

7. Intangible assets				
Particulars (INR in MM)	Gross Carrying Amount			
	As at 01 April 2025	Add during the year	Disposals during year	As at 31 March 2026
Computer Software	₹19.15	₹5.77	₹0.00	₹24.91
Others	₹2.40	₹0.00	₹0.00	₹2.40
Total	₹21.54	₹5.77	₹0.00	₹27.31
Particulars (INR in MM)	Gross Carrying Amount			
	As at 01 April 2024	Add during the year	Disposals during year	As at 31 March 2025
Computer Software	₹15.67	₹3.48	₹0.00	₹19.15
Others	₹2.40	₹0.00	₹0.00	₹2.40
Total	₹18.07	₹3.48	₹0.00	₹21.54
8. Intangible assets under development				
Particulars (INR in MM)	Particulars			
	As at 01 April 2025	Add during the year	Capitalised during year	As at 31 March 2026
Computer Software	₹65.40	₹17.77	-₹2.18	₹80.99
Total	₹65.40	₹17.77	-₹2.18	₹80.99
Intangible assets under development ageing schedule				
Amount in Intangible assets under development for a period of	Projects in Progress		Projects temporarily suspended	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Less than 1 Year	₹15.59	₹15.21	₹0.00	₹0.00
1-2 Years	₹15.21	₹50.19	₹0.00	₹0.00
2-3 Years	₹50.19	₹0.00	₹0.00	₹0.00
More than 3 Years	₹0.00	₹0.00	₹0.00	₹0.00
Total	₹80.99	₹65.40	₹0.00	₹0.00

Note: There are no projects as at reporting date which has exceeded cost as compare to its original approved plan.

	Accumulated Amortisation			Net Carrying Amount	
	As at 01 April 2025	Add during the year	Disposals during year	As at 31 March 2025	As at 31 March 2026
	₹11.94	₹1.76	₹0.00	₹7.19	₹11.20
	₹2.06	₹0.20	₹0.00	₹0.34	₹0.14
	₹14.01	₹1.96	₹0.00	₹7.54	₹11.34
	Accumulated Amortisation			Net Carrying Amount	
	As at 01 April 2024	Add during the year	Disposals during year	As at 31 March 2024	As at 31 March 2025
	₹10.75	₹1.20	₹0.00	₹4.92	₹7.20
	₹1.83	₹0.23	₹0.00	₹0.57	₹0.34
	₹12.57	₹1.43	₹0.00	₹5.50	₹7.54
Particulars (INR in MM)	Particulars				
	As at 01 April 2024	Add during the year	Capitalised during year	As at 31 March 2025	
Computer Software	₹50.19	₹18.41	-₹3.20	₹65.40	
Total	₹50.19	₹18.41	-₹3.20	₹65.40	



Notes forming part of Standalone Financial Statements

Particulars	As at March 31,	
	2026	2025
9. Investments		
Unquoted equity shares		
Investments in subsidiaries (measured at cost)		
1,00,200 (31 March 2025: 1,00,200) equity shares of Aether Speciality Chemicals Limited, of Rs.10 each fully paid-up id-up	₹1,000.48	₹1,000.48
Other investments (measured at cost)		
9 (31 March 2025: 9) equity shares of Sachin Industrial Co. Op. Society Limited, of Rs.500 each fully paid-up	₹0.00	₹0.00
1,16,851 (31 March 2025: 1,16,851) equity shares of Globe Enviro Care Limited, of Rs.10 each fully paid-up	₹2.09	₹2.09
	₹1,002.58	₹1,002.58
Aggregate value of unquoted investments	₹1,002.58	₹1,002.58
Aggregate amount of impairment in value of investments	₹0.00	₹0.00
Notes:		
(1) Refer note 44 and 46 for financial instruments - risk measurement and fair values respectively.		
(2) The Company's interest in its subsidiaries, have been disclosed below in accordance with Ind AS 112 - Disclosure of Interests in Other Entities:		
Name of entity, Place of incorporation and Principal activity	Proportion of ownership interest and voting power held	
	As at March 31,	
	2026	2025
Aether Speciality Chemicals Ltd., Surat, India	100%	100%
Manufacturer of speciality chemicals		
(3) In accordance with Ind AS 27, investments in equity instruments of subsidiaries are carried at cost, less impairment losses, if any. The Company has not designated any equity investments as, measured at amortised cost method in accordance with Ind AS 109 - Financial Instruments.		
(4) The Company has assessed for any indicators of impairment in accordance with the principles laid down under Ind AS 109 and Ind AS 36. Based on the evaluation, no indication of significant increases in credit risk nor has any objective evidence of impairment of investments been identified as at the reporting date and hence, no impairment loss has been recognised during the years ended 31 March 2026 and 31 March 2025.		
(5) The Company has complied with the permitted number of subsidiary layers, prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.		
(6) The Company does not have any fellow subsidiaries, step down subsidiaries, associates or joint ventures.		

Particulars	As at March 31,	
	2026	2025
10. Loan		
Loans to employees*	₹8.51	₹8.01
	₹8.51	₹8.01
Breakup of security details		
Loans, considered good - secured	₹0.00	₹0.00
Loans, considered good - unsecured	₹8.51	₹8.01
Loans, considered doubtful / credit impaired	₹0.00	₹0.00
Total	₹8.51	₹8.01
Less: Loss allowance	₹0.00	₹0.00
Total loans receivables	₹8.51	₹8.01
*Loan to employees does not include any loan given to promoters, directors, KMPs and any other related parties.		
11. Other financial assets		
(Unsecured, considered good)		
Security deposits	₹12.00	₹11.90
Fixed Deposit at Bank	₹0.76	₹0.68
Margin Money - Fixed Deposits	₹0.91	₹11.16
	₹13.67	₹23.74
12. Other non-current assets		
(Unsecured, considered good)		
Capital advances	₹146.31	₹194.17
Prepaid expenses	₹1.74	₹0.60
	₹148.06	₹194.77
13. Inventories (Valued at lower of cost or net realisable value)		
Raw material	₹1,194.04	₹838.34
Work in progress	₹2,663.40	₹2,010.24
Finished goods	₹847.57	₹641.13
Stores and spares	₹97.59	₹87.15
Others :		
Packing materials	₹19.19	₹29.34
Recoveries	₹243.21	₹258.64
Gross Inventory	₹5,064.99	₹3,864.85



Notes forming part of Standalone Financial Statements

Particulars	As at March 31,						
	2026	2025					
Less: Stock Loss due to Fire (Refer note 53)							
Work in progress	₹700.00	₹0.00					
Net Inventory	₹4,994.99	₹3,864.85					
Notes:							
(1) Inventories are pledge / hypothecated as primary security with the bankers (lenders) against the Working Capital Facilities availed by the Company. Also refer note 24.							
14. Trade receivables							
Loans, considered good - secured	₹53.01	₹40.57					
Loans, considered good - unsecured	₹3,014.24	₹2,599.59					
	₹3,067.25	₹2,640.16					
Less: Allowance for expected credit loss	-₹6.65	₹0.00					
	₹3,060.60	₹2,640.16					
The above amount includes :							
Receivable from related parties	₹0.00	₹0.00					
Receivable from other than related parties	₹3,067.25	2,640.16					
	₹3,067.25	₹2,640.16					
Notes:							
(1) Trade receivables are pledge / hypothecated as primary security with the bankers (lenders) against the Working Capital Facilities availed by the Company. Refer note 24.							
(2) For disclosures regarding credit risk and trade receivable impairments under the expected credit loss model, please refer to Note 44.							
Ageing of trade receivables as at 31 March 2026							
Particulars	Outstanding for following periods from due date of Payment						Total
	Not Due	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - considered good	₹2,146.30	₹884.41	₹28.16	₹3.63	₹0.00	₹4.74	₹3,067.25
	₹2,146.30	₹884.41	₹28.16	₹3.63	₹0.00	₹4.74	₹3,067.25

Ageing of trade receivables as at 31 March 2025							
Particulars	Outstanding for following periods from due date of Payment						Total
	Not Due	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - considered good	₹1,727.79	₹896.06	₹7.58	₹0.64	4.49	₹3.61	₹2,640.16
	₹1,727.79	₹896.06	₹7.58	₹0.64	₹4.49	₹3.61	₹2,640.16
As at March 31,							
Particulars	2026		2025				
15. Cash and cash equivalents							
Cash in hand		₹2.16					₹0.35
Cash in Hand (Foreign Currency)		₹0.00					₹0.69
Balances with banks in							
Current accounts		₹2.95					₹85.40
EEFC accounts		₹51.51					₹76.12
Cash Credit accounts		₹0.00					₹11.14
Total loans receivables		₹56.62					₹173.70
16. Bank balances other than cash and cash equivalents							
Other bank balances							
Fixed Deposits with Bank		₹0.00					₹2,211.55
(with remaining maturity of less than 12 months)		₹0.00					₹2,211.55
17. Loans							
Loans to employees		₹11.48					₹8.84
Loan to Aether Speciality Chemicals Limited (Refer note 43)		₹201.87					₹344.79
		₹213.35					₹353.63
Breakup of security details							
Loans, considered good - secured		₹0.00					₹0.00
Loans, considered good - unsecured		₹213.35					₹353.63
Loans, considered doubtful / credit impaired		₹0.00					₹0.00
Total		₹213.35					₹353.63
Less: Loss allowance		₹0.00					₹0.00
Total loans receivables		₹213.35					₹353.63



Notes forming part of Standalone Financial Statements

Notes:

(1) Loan to employees does not include any loan given to promoters, directors, KMPs and any other related parties.

(2) Loan granted to Promoter, Directors, KMPs and the Related Parties

Type of Borrower	Amount of Loan		% to the total loan	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
(i) Undisputed Trade Receivables - considered good				
Promoter	₹0.00	₹0.00	0.00%	0.00%
Directors	₹0.00	₹0.00	0.00%	0.00%
KMP's	₹0.00	₹0.00	0.00%	0.00%
Related Parties - Repayable on Demand	₹201.87	₹344.79	90.99%	95.34%
(3) Loans given to employees as per the Company's policy are not considered for the purposes of disclosure under Section 186(4) of the Companies Act, 2013.				
(4) Loan given to Aether Speciality Chemicals Limited (wholly owned subsidiary) for general business purpose. The said loan is repayable on demand and carry an interest rate of 7.52% p.a. (31st March 2025 - 8.50% p.a.).				

Particulars	As at March 31,	
	2026	2025
18. Other financial assets		
Margin Money - Fixed Deposits	₹12.22	₹0.58
Interest receivable (from fixed deposits with banks)	₹0.00	₹106.38
Insurance Claim Receivable	₹89.68	₹0.00
Unbilled Revenue	₹7.34	₹0.00
Security Deposits	₹89.67	₹208.14
	₹198.92	₹315.10
19. Current tax asset (net)		
Advance Tax (net of Provision)	₹336.31	₹292.05
	₹336.31	₹292.05
20. Other current assets		
Advance credit card payments	₹0.77	₹1.06
Advance to suppliers and others	₹112.12	₹227.34
Balances with government authorities	₹1,229.18	₹869.22
Prepaid expenses	₹91.32	₹120.66
Share issue expenses	₹0.00	₹12.56
Other Receivables	₹16.36	₹19.34
	₹1,449.75	₹1,250.17

Particulars	As at March 31,	
	2026	2025
21. Share capital		
Authorised		
14,00,00,000 (31 March 2025: 14,00,00,000) equity shares of Rs.10 each.	₹1,400.00	₹1,400.00
Total	₹1,400.00	₹1,400.00
Issued, subscribed and paid up		
Equity share capital		
13,26,79,824 (31 March 2025: 13,25,90,241) equity shares of Rs.10 each fully paid-up	₹1,326.80	₹1,325.90
	₹1,326.80	₹1,325.90
Reconciliation of number of shares outstanding at the beginning and end of the year	Number of shares	Number of shares
Outstanding at the beginning of the year	13,25,90,241	13,25,50,273
Add: Issued during the year	89,583	39,968
Outstanding at the end of the year	13,26,79,824	13,25,90,241

Note: Number of shares is presented as absolute number.

Terms / Rights attached to each classes of shares

Rights, preferences and restrictions attached to Equity shares

As to dividend

As to repayment of capital

As to voting

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.

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.

The Company has one class of shares referred to as Equity Shares having par value of Rs. 10/-. Each holder of the equity share is entitled to one vote per share.



Notes forming part of Standalone Financial Statements

Details of shareholders holding more than 5% shares in the Company	As at March 31,		As at March 31,	
	2026		2025	
	Number of Shares	% holding	Number of Shares	% holding
Equity shares of Rs 10 each fully paid				
Purnima Ashwin Desai	2,30,78,230	17.39%	3,20,57,403	24.18%
Ashwin Jayantilal Desai	67,20,417	5.07%	67,20,417	5.07%
AJD Family Trust	1,35,60,206	10.22%	1,35,60,206	10.23%
PAD Family Trust	1,35,60,206	10.22%	1,35,60,206	10.23%
RAD Family Trust	2,00,17,162	15.09%	2,00,17,162	15.10%
AAD Business Trust	2,00,17,162	15.09%	2,00,17,162	15.10%
Total	9,69,53,383	73.07%	10,59,32,556	79.89%
Promotors Shareholding in the Company is set out below				
	Number of Shares	% holding	Number of Shares	% holding
Equity shares of Rs 10 each fully paid				
Purnima Ashwin Desai	2,30,78,230	17.39%	3,20,57,403	24.18%
Ashwin Jayantilal Desai	67,20,417	5.07%	67,20,417	5.07%
Rohan Ashwin Desai	22,21,681	1.67%	22,21,681	1.68%
Aman Ashwin Desai	1,10,000	0.08%	1,10,000	0.08%
AJD Family Trust	1,35,60,206	10.22%	1,35,60,206	10.23%
PAD Family Trust	1,35,60,206	10.22%	1,35,60,206	10.23%
RAD Family Trust	2,00,17,162	15.09%	2,00,17,162	15.10%
AAD Business Trust	2,00,17,162	15.09%	2,00,17,162	15.10%
Ruchira Surendra Manjrekar	43,810	0.03%	43,810	0.03%
Surendra Keshav Manjrekar	43,810	0.03%	43,810	0.03%
Sourabh Manjrekar	29,210	0.02%	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%
Pramiladevi Kamalvijay Tulsian	32	0.00%	32	0.00%
Kamalvijay Tulsian (HUF)	32	0.00%	32	0.00%
Jayshree Dilip Shah	275	0.00%	275	0.00%
	9,94,37,293	74.95%	10,84,16,466	81.77%
As at March 31,				
Particulars	2026		2025	
22. Other equity				
A. Retained earnings	₹7,165.11		₹5,418.58	

Particulars	As at March 31,	
	2026	2025
B. Securities premium	₹15,526.70	₹15,441.13
C. Employee Share Option Reserve	₹74.54	₹66.07
	₹22,766.35	₹20,925.78
A. Retained earnings		
Opening balance	₹5,418.58	₹3,901.41
Profit for the year	₹1,736.10	₹1,520.89
Other comprehensive (loss)/ income		
-Remeasurements of defined benefit liability / (asset) (net of tax)	₹10.43	-₹3.72
Closing balance	₹7,165.11	₹5,418.58
B. Securities Premium		
Opening balance	₹15,441.13	₹15,416.17
Transfer upon exercise of employee stock option plan	₹42.92	₹13.44
Share issue expenses	₹0.00	-₹0.90
Allotment of Shares under exercise of ESOPs	₹40.20	₹12.43
Other movement	₹2.45	₹0.00
Closing balance	₹15,526.70	₹15,441.13
C. Employee Share Option Reserve		
Opening balance	₹66.07	₹46.24
Add: Additions during the year	₹51.39	₹33.27
Less: Transferred to Securities Premium on exercise of stock options	₹42.92	₹13.44
Closing balance	₹74.54	₹66.07
Total Reserve and surplus	₹22,766.35	₹20,925.78
Notes:		
(1) During the year, the Company has issued 39,190, 33,161 and 17,232 equity shares of the Face Value of Rs. 10/- each, at the exercise price of Rs. 321/-, Rs. 400/- and Rs. 885/- each including a premium of Rs. 311/-, Rs. 390/- and Rs. 875/- each respectively under Employee Stock Option Plan. During the previous year, Company had issued 39,968 equity shares of the Face Value of Rs. 10/- each, at the exercise price of Rs. 321/- including a premium of Rs. 311/- under Employee Stock Option Plan. Information relating to Employee Stock Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 48.		
(2) For the period of five years immediately preceding the Balance Sheet date, the Company has not allotted any Equity Shares as fully paid-up by way of bonus shares (Previous Year: NIL)		
23. Lease liabilities		
Lease liabilities (Refer note 50)	₹142.41	₹148.09
	₹142.41	₹148.09



Notes forming part of Standalone Financial Statements

24. Borrowings

Working capital loan from bank		
Secured	₹2,285.96	₹1,197.31
Unsecured	₹1,114.43	₹0.00
	₹3,400.39	₹1,197.31

Notes:

(1) The primary security for working capital loan is outstanding receivables and inventories.

(2) The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

(3) During the financial year, the Company has utilized short-term borrowing funds amounting to Rs.2,122.81 million for long-term purposes, primarily towards funding of capital expenditure. Consequently, borrowing costs of Rs. 104.86 million were capitalized in accordance with Ind AS 23. The same is also subject to reporting under Clause 3(xvii) of the Companies (Auditor's Report) Order, 2020. The Company is currently in the process of restructuring its debt profile and expects to substitute them with long-term financial arrangements in due course to align its asset-liability maturity profile.

(4) Break-up of the Working capital loan

i) Working Capital Limits with Axis Bank	₹430.00	₹0.00
Facilities includes sanctioned interchangeable combined fund-based and non fund based facility of Rs. 630.00 million (31 March 2025: Rs.0.00 million). It carries interest rates ranging from 7.00% p.a. to 8.50% p.a.)		
ii) Working Capital Limits with HDFC Bank	₹812.98	₹327.15
Facilities includes sanctioned interchangeable combined fund-based and non fund based facility of Rs. 1,860.00 million (31 March 2025: Rs. 460.00 million). It carries interest rates ranging from 7.00% p.a. to 8.50% p.a.)		
iii) Working Capital Limits with ICICI Bank	₹1,040.71	₹872.17
Facilities includes sanctioned interchangeable combined fund-based and non fund based facility of Rs. 2,500.00 million (31 March 2025: Rs. 2,000.00 million). It carries interest rates ranging from 7.00% p.a. to 8.50% p.a.)		
Total outstanding	₹2,283.68	₹1,199.32
Foreign exchange (gain)/ loss on PCFC loans	₹2.28	-₹2.01
Net outstanding	₹2,285.96	₹1,197.31

25. Lease liabilities

Lease liabilities (Refer note 50)	₹20.34	₹25.32
	₹20.34	₹25.32

26. Trade payables

Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note 42)	₹123.66	₹214.87
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	₹1,382.26	₹926.55
	₹1,505.92	₹1,141.43

Notes:

(1)Refer note 43 - Related Party for related party disclosure

Ageing of trade payables as at 31 March 2026

Particulars	Outstanding for following periods from due date of Payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than	Total
(i) MSME	₹60.53	₹63.13	₹0.00	₹0.00	₹0.00	₹123.66
(ii) Others	₹747.71	₹564.11	₹1.74	₹1.69	₹0.00	₹1,315.26
(iii) Disputed dues - MSME	₹0.00	₹0.00	₹0.00	₹0.00	₹0.00	₹0.00
(iv) Disputed dues - Others	₹0.00	₹0.00	₹67.00	₹0.00	₹0.00	₹67.00
	₹808.24	₹627.25	₹68.74	₹1.69	₹0.00	₹1,505.92

Ageing of trade payables as at 31 March 2025

Particulars	Outstanding for following periods from due date of Payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than	Total
(i) MSME	₹114.46	₹100.42	₹0.00	₹0.00	₹0.00	₹214.87
(ii) Others	₹614.86	₹238.03	₹6.59	₹0.06	₹0.01	₹859.55
(iii) Disputed dues - MSME	₹0.00	₹0.00	₹0.00	₹0.00	₹0.00	₹0.00
(iv) Disputed dues - Others	₹0.00	₹67.00	₹0.00	₹0.00	₹0.00	₹67.00
	₹729.32	₹405.45	₹6.59	₹0.06	₹0.01	₹1,141.43

Particulars	As at March 31,	
	2026	2025
27. Other financial liabilities		
Employee benefit payables	₹65.61	₹52.22
Credit Card Dues	₹14.18	₹0.00
Refund of share application money	₹0.00	₹0.00
Insurance Claim Payable to Employees	₹0.05	₹0.00
	₹79.84	₹52.22
28. Other current liabilities		
Advance from customers	₹1.55	₹1.33
Statutory due payables	₹12.52	₹17.39
Insurance Claim Payable	₹0.00	₹215.91
	₹14.07	₹234.64
29. Provision		
Provision for employee benefits	₹28.61	₹22.60
Provision for expenses	₹40.99	₹38.99
Total loans receivables	₹69.59	₹61.59



Notes forming part of Standalone Financial Statements

Particulars	For the year ended March 31,	
	2026	2025
30. Revenue from Operation		
Revenue from contracts with customers		
Sale of products	₹6,614.28	₹6,707.86
Sale of services	₹2,507.19	₹1,181.15
Less : Rebate and discount	-₹0.01	-₹3.83
	₹9,121.46	₹7,885.18
Other operating revenue		
Export incentives	₹22.00	₹18.00
FLOP Claim (Refer note 53)	₹258.23	₹0.00
	₹280.23	₹18.00
Total revenue from operations	₹9,401.69	₹7,903.18
Refer note 49 for revenue from contract with customers as per Ind AS 115. Refer note 51 for information about operating segment as per Ind AS 108.		
31. Other income		
Interest		
Interest on fixed deposits	₹42.57	₹344.06
Interest on loan given to a wholly owned subsidiary	₹37.86	₹30.25
Others	₹3.01	₹2.03
Other non-operating income		
Foreign exchange fluctuation (net)	₹128.80	₹35.68
Interest on Income Tax Refund	₹0.00	₹8.94
Profit on Termination of Lease	₹0.00	₹3.21
Miscellaneous income	₹3.13	₹0.79
	₹215.37	₹424.96
32. Cost of materials consumed		
Raw Materials		
Opening	₹838.34	₹835.04
Add: Purchases	₹5,478.58	₹4,302.00
Add: Custom duty and clearing forwarding charges	₹57.87	₹45.41
Less: Discount on Purchase of Raw Material	-₹137.28	-₹0.43
	₹6,237.51	₹5,182.02
Less: Closing	₹1,194.04	₹838.34
	₹5,043.47	₹4,343.68

Particulars	For the year ended March 31,	
	2026	2025
Packing Materials		
Opening	₹29.34	₹22.42
Add: Purchases	₹108.66	₹94.63
	₹138.00	₹117.05
Less: Closing	₹19.19	₹29.34
	₹118.82	₹87.70
Stores & Spares		
Opening	₹87.15	₹59.47
Add: Purchases	₹173.50	₹210.90
	₹260.66	₹270.37
Less: Closing	₹97.59	₹87.15
	₹163.07	₹183.21
Recoveries		
Opening	₹258.64	₹332.04
Add: Purchases	₹0.00	₹48.06
	₹258.64	₹380.09
Less: Closing	₹243.21	₹258.64
	₹15.44	₹121.45
Total cost of materials consumed	₹5,340.79	₹4,736.05
33. Changes in inventories of finished goods and work-in-progress		
Opening inventories		
Finished goods	₹641.13	₹492.61
Work-in-progress	₹2,010.24	₹1,670.81
Total (A)	₹2,651.37	₹2,163.42
Closing inventories		
Finished goods	₹847.57	₹641.13
Work-in-progress	₹2,663.40	₹2,010.24
Total (B)	₹3,510.97	₹2,651.37
Goods destroyed due to fire (C) (Refer note 53)	₹70.00	₹0.00
Claim settled against goods destroyed due to fire (D) (Refer note 53)	₹0.00	₹112.46
Total (A-B+C-D)	-₹789.60	-₹600.41



Notes forming part of Standalone Financial Statements

Particulars	For the year ended March 31,	
	2026	2025
34. Employee benefits expense		
Salaries, wages and bonus	₹487.36	₹361.44
Gratuity expense (Refer note 47(ii))	₹25.89	₹9.89
Contribution to provident and other fund (Refer note 47(i))	₹25.25	₹22.85
Share based payment expenses	₹53.84	₹33.27
Staff welfare and other employee benefit expenses	₹31.81	₹31.96
	₹624.15	₹459.40
35. Finance cost		
Interest expense on credit facilities	₹100.19	₹85.45
Interest expense on lease liabilities	₹14.85	₹14.10
Bank charges	₹7.38	₹2.70
	₹122.43	₹102.25
36. Depreciation and amortisation expense		
Depreciation of property, plant and equipment (Refer note 4)	₹560.64	₹398.08
Amortisation of right-of-use asset (refer note 6)	₹45.20	₹28.45
Amortisation of intangible assets (refer note 7)	₹1.96	₹1.44
	₹607.81	₹427.97
37. Other expenses		
Manufacturing service cost expenses		
Power and fuel	₹286.60	₹234.00
Water charges	₹11.27	₹11.71
Other manufacturing costs	₹483.13	₹380.51
Administrative and general expenses		
Telephone and postage	₹4.79	₹4.24
Printing and stationery	₹2.59	₹2.03
Rent (Refer note 50(d))	₹4.05	₹5.44
Rates and taxes	₹13.50	₹14.13
Payment to statutory auditors (Refer note below)	₹1.19	₹1.00
Directors' sitting fees (Refer note 43)	₹1.95	₹1.97
Repairs and maintenance expenses	₹76.17	₹44.91
Travelling expenses	₹26.06	₹15.52
Expected Credit Loss on Trade Receivables	₹6.65	₹0.00
Legal and professional expenses	₹62.67	₹58.80

Particulars	For the year ended March 31,	
	2026	2025
Insurance expenses	₹50.27	₹57.26
Vehicle running expenses	₹8.45	₹7.37
Other administrative and general expenses	₹31.86	₹26.89
Selling and distribution expenses	₹135.50	₹125.41
Technical Testing of Analytical Services	₹6.02	₹8.18
CSR Expenses (Refer note 52)	₹33.62	₹28.63
Miscellaneous Freight & Forwarding Charges	₹13.75	₹3.42
Miscellaneous expenses	₹11.80	₹3.83
	₹1,271.89	₹1,035.24
(a) Payment to auditors		
Statutory audit fee (including previous auditor's fees)	₹1.19	₹1.00
Other matters	₹0.00	₹0.00
	₹1.19	₹1.00
38. Exceptional items		
Excess Insurance amount due to fire	₹86.27	₹107.12
Other incidental expenses	₹3.49	₹11.62
	₹89.76	₹118.74
Note: The exceptional items mentioned above are in the nature of excess Insurance Premium and other related expenses due to the Insurance Claim on account of fire accident.		
39. Taxes		
(a) Statement of profit or loss		
Current tax		
Current income tax charge	₹414.34	₹380.16
Deferred tax	₹199.39	₹147.85
Income tax expense reported in the statement of profit or loss	₹613.73	₹528.01
(b) Other comprehensive income (OCI)		
<i>Taxes related to items recognised in OCI during the year</i>		
Deferred tax		
Remeasurements gains/(losses) on post employment benefits	₹3.51	-₹1.25
Income tax recognised in OCI	₹3.51	-₹1.25



Notes forming part of Standalone Financial Statements

Particulars	For the year ended March 31,	
	2026	2025
(c) Balance sheet		
Current tax assets	₹336.31	₹292.05
Total tax assets	₹336.31	₹292.05
(d) Deferred tax liabilities / (assets)		
Property, plant and equipment and Intangible Assets	₹716.32	₹543.57
Fair valuation of Security deposits	-₹0.02	-₹0.05
Prepaid Rent	₹0.02	₹0.04
Provision for Gratuity & Leave encashment	-₹7.20	-₹0.39
Lease liabilities	-₹40.96	-₹43.64
Right-of use assets	₹35.95	₹0.00
Allowance for expected credit losses	-₹1.67	₹0.00
Net deferred tax liability/(asset)	₹702.43	₹499.53
(e) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate		
Accounting profit before tax	₹2,349.83	₹2,048.90
Tax rate	25.17%	25.17%
Tax as per Income Tax Act on above	₹591.41	₹515.67
Tax expenses (P&L)		
(i) Current tax	₹414.34	₹380.16
(ii) Deferred tax	₹199.39	₹147.85
(iii) Taxation in respect of earlier years	₹0.00	₹0.00
	₹613.73	₹528.01
Difference	-₹22.32	-₹12.34
Tax reconciliation		
Adjustments:		
Effect of permanent adjustments		
(i) Impact as a result of Tax Rate Change	₹0.00	₹0.00
(ii) Impact as a result of Capital Gains	₹0.00	₹0.00
(iii) Others	₹0.00	₹0.00
	₹22.32	₹12.34
	₹0.00	₹0.00

Particulars	31 March 2025	Recognised in profit or loss during the year	Recognised in OCI during the year	31 March 2026
(f) Movement in temporary differences				
Deferred tax liabilities (DTL)				
Property, plant and equipment and Intangible Assets	₹543.57	₹172.75	₹0.00	₹716.32
Fair valuation of Security deposits	-₹0.05	₹0.02	₹0.00	-₹0.03
Prepaid Rent	₹0.04	-₹0.02	₹0.00	₹0.02
Provision for Gratuity & Leave encashment	-₹0.39	-₹10.32	₹3.51	-₹7.20
Lease liabilities	-₹43.64	₹2.68	₹0.00	-₹40.96
Right-of use assets	₹0.00	₹35.95	₹0.00	₹35.95
Allowance for expected credit losses	₹0.00	-₹1.67	₹0.00	-₹1.67
Net deferred tax liability/(asset)	₹499.53	₹199.39	₹3.51	₹702.43
Particulars	31 March 2024	Recognised in profit or loss during the year	Recognised in OCI during the year	31 March 2025
Deferred tax liabilities (DTL)				
Property, plant and equipment and Intangible Assets	₹388.46	₹155.12	₹0.00	₹543.57
Fair valuation of Security deposits	-₹0.07	₹0.02	₹0.00	-₹0.05
Prepaid Rent	₹0.07	-₹0.03	₹0.00	₹0.04
Provision for Gratuity & Leave encashment	₹0.68	₹0.18	-₹1.25	-₹0.39
Lease liabilities	-₹36.20	-₹7.44	₹0.00	-₹43.64
Net deferred tax liability/(asset)	₹352.94	₹147.85	-₹1.25	₹499.53
Particulars	For the year ended March 31,			
	2025	2024		
40. Earnings per share				
Basic Earnings Per Share				
Profit for the year	₹1,736.10	₹1,520.89		
Weighted average number of equity shares outstanding during the year	13,26,10,173	13,25,64,881		
Basic EPS (Rs.)	₹13.09	₹11.47		



Notes forming part of Standalone Financial Statements

Particulars	For the year ended March 31,	
	2026	2025
Diluted Earnings Per Share		
Profit for the year	₹1,736.10	₹1,520.89
Weighted average number of equity shares outstanding during the year	13,27,26,476	13,26,27,995
Diluted EPS (Rs.)	₹13.08	₹11.47
Weighted average number of equity shares for Basic Earnings Per Share		
Balance at the beginning and at the end of the period	13,25,90,241	13,25,50,273
Weighted Average number of equity shares issued during the year	19,932	14,608
Weighted average number of equity shares outstanding during the year	13,26,10,173	13,25,64,881
Weighted average number of equity shares for Diluted Earnings Per Share		
Balance at the beginning and at the end of the period	13,25,90,241	13,25,50,273
Adjustment for calculation of diluted earnings per share	1,36,235	77,722
Weighted average number of equity shares outstanding during the year	13,27,26,476	13,26,27,995
		As at March 31,
	2026	2025
41. Contingent liabilities		
Bank Guarantees Issued for		
Customs	₹6.44	₹8.89
Gujarat Gas Ltd.	₹14.32	₹20.71
DGVCL	₹112.31	₹95.93
NHI	₹0.25	₹0.25
GPCB	₹0.00	₹0.75
Income Tax Demand		
AY 2020-21 (PY: 2019-20)	₹1.32	₹1.32
TDS Demand		
AY 2024-25 (PY: 2023-24)	₹0.01	₹0.01

Particulars	As at March 31,	
	2026	2025
GST Demand		
FY 2021-22	₹6.12	₹0.00
FY 2022-23	₹36.49	₹0.00
FY 2023-24	₹0.01	₹0.00
Notes:		
(1) Management believes that its position on the aforesaid Income tax and GST matters against the Company will likely to be upheld in the Appeals / appellate process and accordingly no provision has been made in the standalone financial statements for such demands.		
(2) Fixed Deposits amounting to Rs.13.13 millions (Previous year: Rs.11.74 millions) has been provided to bank for above bank guarantees.		
(3) The Company received a demand cum show Cause Notice from the CGST & Central GST Surat Commissionerate alleging an ineligible / excess availing of Input Tax Credit (ITC) amounting to ₹42.62 million (Previous Year: Nil) with respect to expenses incurred on the launching of its Initial Public Offer (IPO).		
The Company has preferred an appeal before the appropriate Appellate Authorities against the said demand. Management, based on internal assessments and independent legal advice, is of the firm opinion that the said ITC is eligible under the provisions of the CGST Act, 2017. As the company expects a favourable outcome and believes that the probability of an ultimate outflow of economic resources is remote, no provision has been recognized in the financial statements for the year ended March 31, 2026.		
42. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		
The amount due to micro and small enterprises (MSME) as defined in the “The Micro, Small and Medium Enterprises Development Act, 2006” (hereinafter referred to as "MSMED Act") has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to micro enterprises and small enterprises is as below		
		As at March 31,
	2026	2025
Principal amount remaining unpaid (less than 45 days) to any supplier as at the end of the year		
Trade payables	₹62.63	₹188.46
Capital creditors	₹61.03	₹26.41
Principal amount remaining unpaid (more than 45 days) to any supplier as at the end of the year		
Trade payables	₹0.00	₹0.00
Capital creditors	₹0.00	₹0.00
Interest due thereon remaining unpaid to any supplier as at the end of the year		
Trade payables	₹0.00	₹0.00
Capital creditors	₹0.00	₹0.00
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act 2006.	₹0.00	₹0.00



Notes forming part of Standalone Financial Statements

Particulars	As at March 31,	
	2026	2025
The amount of payment made to micro and small supplier beyond the appointed day during each accounting year.	₹0.00	₹0.00
The amount of interest due and payable for period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act 2006.	₹0.00	₹0.00
The amount of interest accrued and remaining unpaid at the end of the accounting year.	₹0.00	₹0.00
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	₹0.00	₹0.00
43. Related Party Disclosures		
(a) List of Related Parties and description of relationship		
Subsidiary company		
Aether Speciality Chemicals Limited		
Entities where Directors are interested		
Ashwin Jayantilal Desai (Managing Director)		
Aether Foundation		
Aether Speciality Chemicals Limited		
Globe Enviro Care Limited		
Purnima Ashwin Desai (Whole Time Director)		
Aether Foundation		
Aether Speciality Chemicals Limited		
Rohan Ashwin Desai (Whole Time Director)		
Aether Foundation		
Aether Speciality Chemicals Limited		
Aman Ashwin Desai (Whole Time Director)		
Aether Speciality Chemicals Limited		

Ishita Surendra Manjrekar (Director) Sunanda Speciality Coatings Pvt. Ltd.	
Jeevanlal Nagori (Trustee) Kajorimal Basantilal Nagori Charitable Trust	
Key Management Personnel (KMP)	
Name	Designation
Ashwin Jayantilal Desai	Managing Director
Purnima Ashwin Desai	Whole Time Director
Rohan Ashwin Desai	Whole Time Director
Aman Ashwin Desai	Whole Time Director
Dr. James W. Ringer	Chief Technology Officer
Faiz Arif Nagariya	Chief Financial Officer
Chitrarth Rajan Parghi	Company Secretary & Compliance Officer
Relative of Key Management Personnel	
Name	Relation
Payal Rohan Desai	Spouse of Rohan Ashwin Desai
Kamalvijay Ramchandra HUF	HUF of Director - Kamalvijay Ramchandra Tulsian
Pramilaben Kamalvijay Tulsian	Spouse of Kamalvijay Tulsian
Other Directors on Board	
Name	Designation
Kamalvijay Ramchandra Tulsian	Chairperson Non-Executive Director
Ishita Surendra Manjrekar	Non-Executive Director
Amol Arvindrao Kulkarni	Independent Director
Arun Brijmohan Kanodiya	Independent Director
Jeevanlal Nagori	Independent Director
Jitendra Popatlal Vakharia	Independent Director
Leja Satish Hattiangadi	Independent Director
Rajkumar Mangilal Borana	Independent Director



Notes forming part of Standalone Financial Statements

Particulars	For the year ended March 31,	
	2026	2025
(b) Disclosure in respect of transactions with related parties during the year		
Rent paid		
Aether Speciality Chemicals Limited	₹0.85	₹0.00
Purnima Ashwin Desai	₹0.04	₹0.00
Payal Rohan Desai	₹1.80	₹1.80
Kamalvijay Ramchandra HUF	₹0.00	₹1.89
Pramilaben Kamalvijay Tulsian	₹0.00	1.89
Total	₹2.69	₹5.58
Purchase of Land		
Kamalvijay Ramchandra HUF	₹0.00	₹54.72
Pramilaben Kamalvijay Tulsian	₹0.00	₹54.72
Total	₹0.00	₹109.44
Managerial Remuneration		
Ashwin Desai	₹13.65	₹13.65
Purnima Desai	₹13.65	₹13.65
Rohan Desai	₹19.47	₹19.47
Aman Desai	₹20.48	₹20.48
Total	₹67.25	₹67.25
Transactions with Companies Controlled by Directors / Relatives		
Sunanda Speciality Coatings Pvt. Ltd. (Consumables)	₹3.18	₹4.75
Sunanda Speciality Coatings Pvt. Ltd. (Building & Structure)	₹59.47	₹33.52
Globe Enviro Care Limited (Effluent Treatment Expenses)	₹106.11	₹77.32
Aether Foundation (CSR Expenses)	₹0.00	₹1.47
Kajorimal Basantilal Nagori Charitable Trust (CSR Expenses)	₹1.50	₹0.50
Total	₹170.27	₹117.56
Salary paid		
Dr. James W. Ringer	₹18.09	₹17.63
Faiz Arif Nagariya	₹7.85	₹6.83
Chitrarth Rajan Parghi	₹1.15	₹0.92
	₹27.09	₹25.38

Particulars	For the year ended March 31,	
	2026	2025
Payment for ESOP option		
Dr. James W. Ringer	₹1.00	₹2.00
Faiz Arif Nagariya	₹0.81	₹0.37
Chitrarth Rajan Parghi	₹0.12	₹0.05
Total	₹1.92	₹2.42
Sitting Fees to Directors		
Amol Arvindrao Kulkarni	₹0.23	₹0.25
Arun Brijmohan Kanodiya	₹0.34	₹0.34
Ishita Surendra Manjrekar	₹0.22	₹0.22
Jeevanlal Nagori	₹0.28	₹0.26
Jitendra Popatlal Vakharia	₹0.28	₹0.28
Kamalvijay Ramchandra Tulsian	₹0.29	₹0.24
Leja Satish Hattiangadi	₹0.18	₹0.23
Rajkumar Mangilal Borana	₹0.15	₹0.17
Total	₹1.95	₹1.97
Unsecured Loan		
Aether Speciality Chemicals Limited - Loan given	₹1,228.00	₹382.00
Aether Speciality Chemicals Limited - Loan Paid back	₹1,405.00	₹110.00
Aether Speciality Chemicals Limited - Interest on unsecured loan	₹37.86	₹30.25
Aether Speciality Chemicals Limited - Loan converted into Equity	₹0.00	₹999.98
Total	₹2,670.86	₹1,522.23
	As at March 31,	
	2026	2025
(c) Balances outstanding at the end of the year		
Balances outstanding		
Purnima Ashwin Desai	₹0.04	₹0.00
Payal Desai	₹0.00	₹0.15
Sunanda Speciality Coatings Pvt. Ltd.	₹32.48	₹10.87
Globe Enviro Care Limited	₹4.52	₹7.21
Ashwin Desai	₹0.72	₹0.66
Purnima Desai	₹0.72	₹0.66
Rohan Desai	₹0.92	₹0.91
Aman Desai	₹0.97	₹0.86



Notes forming part of Standalone Financial Statements

Particulars	As at March 31,	
	2026	2025
Aether Speciality Chemicals Limited	₹201.87	₹344.79
Dr. James W. Ringer	₹0.94	₹0.73
Faiz Arif Nagariya	₹0.32	₹0.29
Chitrarth Rajan Parghi	₹0.09	₹0.07
Total	₹243.58	₹367.20

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.

44. 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. The Company uses expected credit loss model as per Ind AS 109 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.

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.

(i) The movement in the allowance for expected credit loss for trade receivables is as follows

Particulars	As at March 31,	
	2026	2025
Balance as at the beginning of the year	₹0.00	₹0.00
Amounts written off	₹0.00	₹0.00
Allowance for Expected Credit Loss provided during the year	₹6.65	₹0.00
Closing balance	₹6.65	₹0.00

(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 principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from the operations.



Notes forming part of Standalone Financial Statements

Particulars	As at March 31,	
	2026	2025
Total current assets (A)	₹10,310.55	₹11,101.22
Total current liabilities (B)	₹5,090.15	₹2,712.50
Working capital (A-B)	₹5,220.40	₹8,388.73
Current Ratio	2.03	4.09

Following is the Company's exposure to financial liabilities based on the contractual maturity as at reporting date

Particulars	As at March 31, 2026			
	Contractual cash flows			
	Carrying value	Less than 1 year	More than 1 year	Total
Borrowings	₹3,400.39	₹3,400.39	₹0.00	₹3,400.39
Trade payables	₹1,505.92	₹1,505.92	₹0.00	₹1,505.92
Lease liabilities	₹162.74	₹20.34	₹142.41	₹162.74
Other liabilities	₹79.84	₹79.84	₹0.00	₹79.84

Particulars	As at March 31, 2025			
	Contractual cash flows			
	Carrying value	Less than 1 year	More than 1 year	Total
Borrowings	₹1,197.31	₹1,197.31	₹0.00	₹1,197.31
Trade payables	₹1,141.43	₹1,141.43	₹0.00	₹1,141.43
Lease liabilities	₹173.41	₹25.32	₹148.09	₹173.41
Other liabilities	₹52.22	₹52.22	₹0.00	₹52.22

(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

Particulars	As at March 31, 2026		As at March 31, 2025	
	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
US Dollars (\$)				
Trade receivables	\$17.93	₹1,697.39	\$26.66	₹2,281.15
Balance with banks - in EEFC	\$0.54	₹51.51	\$0.89	₹76.12
EURO (€)				
Trade receivables	€0.55	₹60.04	€0.00	₹0.00
Total		₹1,808.93		₹2,357.27

(ii) Financial liabilities

Particulars	As at March 31, 2026		As at March 31, 2025	
	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
US Dollars (\$)				
Trade payables	\$0.43	₹40.57	\$1.36	₹116.14
Borrowings	\$0.53	₹49.69	\$4.05	₹346.82
EURO (€)				
Trade payables	€0.00	₹0.00	€0.00	₹0.00
Total		₹90.25		₹462.96

(iii) Currency wise net exposure (Financial assets - Financial liabilities)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
US Dollars (\$)	\$17.53	₹1,658.64	\$22.14	₹1,894.30
EURO (€)	€0.55	₹60.04	€0.00	₹0.00
Total		₹1,718.68		₹1,894.30



Notes forming part of Standalone Financial Statements

(iv) Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD/EUR against ₹ at March 31 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Sensitivity

The sensitivity of profit/(loss) and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on profit/equity (1% strengthening)	
	March 31, 2026	March 31, 2025
US Dollars (\$)	₹16.59	₹18.94
EURO (€)	₹0.60	₹0.00
Total	₹17.19	₹18.94

Particulars	Impact on profit/equity (1% weakening)	
	March 31, 2026	March 31, 2025
US Dollars (\$)	-₹16.59	-₹18.94
EURO (€)	-₹0.60	₹0.00
Total	-₹17.19	-₹18.94

(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 March 31,	
	2026	2025
Variable rate borrowings	₹3,400.39	₹1,197.31
Fixed rate borrowings	₹0.00	₹0.00
Total borrowings	₹3,400.39	₹1,197.31

Sensitivity analysis

Particulars	Impact on profit before tax /pre-tax equity	
	March 31, 2026	March 31, 2025
Increase by 50 basis points	-₹17.00	-₹5.99
Decrease by 50 basis points	₹17.00	₹5.99

45. 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 March 31,	
	2026	2025
Total liabilities	₹5,934.99	₹3,360.12
Less: cash and cash equivalents and bank balances	₹56.62	₹2,385.25
Net debt	₹5,878.36	₹974.87
Total equity	₹24,093.15	₹22,251.68
Net Debt-equity ratio	0.24	0.04



Notes forming part of Standalone Financial Statements

46. Fair value measurements

(a) Categories of financial instruments

Particulars	For the year ended March 31, 2026					For the year ended March 31, 2025				
	Carrying amount	Fair values				Carrying amount	Fair values			
		FVTPL	FVTPL	FVTOCI	Amortised Cost		FVTPL	FVTPL	FVTOCI	Amortised Cost
Category		Level 1	Level 3	Level 3	Level 2		Level 1	Level 3	Level 3	Level 2
Financial assets										
Trade receivables	₹3,060.60	₹0.00	₹0.00	₹0.00	₹3,060.60	₹2,640.16	₹0.00	₹0.00	₹0.00	₹2,640.16
Cash and cash equivalents	₹56.62	₹0.00	₹0.00	₹0.00	₹56.62	₹173.70	₹0.00	₹0.00	₹0.00	₹173.70
Other bank balances	₹0.00	₹0.00	₹0.00	₹0.00	₹0.00	₹2,211.55	₹0.00	₹0.00	₹0.00	₹2,211.55
Investments in equity shares- unquoted	₹1,002.58	₹0.00	₹0.00	₹0.00	₹1,002.58	₹1,002.58	₹0.00	₹0.00	₹0.00	₹1,002.58
Loans	₹221.86	₹0.00	₹0.00	₹0.00	₹221.86	₹361.64	₹0.00	₹0.00	₹0.00	₹361.64
Other financial assets	₹212.59	₹0.00	₹0.00	₹0.00	₹212.59	₹338.84	₹0.00	₹0.00	₹0.00	₹338.84
Total financial assets	₹4,554.25	₹0.00	₹0.00	₹0.00	₹4,554.25	₹6,728.47	₹0.00	₹0.00	₹0.00	₹6,728.47
Financial liabilities										
Borrowings	₹3,400.39	₹0.00	₹0.00	₹0.00	₹3,400.39	₹1,197.31	₹0.00	₹0.00	₹0.00	₹1,197.31
Trade payables	₹1,505.92	₹0.00	₹0.00	₹0.00	₹1,505.92	₹1,141.43	₹0.00	₹0.00	₹0.00	₹1,141.43
Lease Liabilities	₹162.75	₹0.00	₹0.00	₹0.00	₹162.75	₹173.41	₹0.00	₹0.00	₹0.00	₹173.41
Other financial liabilities	₹79.84	₹0.00	₹0.00	₹0.00	₹79.84	₹52.22	₹0.00	₹0.00	₹0.00	₹52.22
Total financial liabilities	₹5,148.90	₹0.00	₹0.00	₹0.00	₹5,148.90	₹2,564.37	₹0.00	₹0.00	₹0.00	₹2,564.37

(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).

47. Details of employee benefits as required by Ind-AS 19

(i) Defined contribution plan - Provident fund and other funds

The company has recognized following amounts in the profit & loss account for the year

Particulars	For the year ended March 31,	
	2026	2025
Provident Fund		
Employer's Contribution	₹21.81	₹19.28
Administration charges	₹0.87	₹0.77
Employer's Contribution to ESI (Employee State Insurance)	₹2.55	₹2.77
Employer's Contribution to Labour Welfare Fund	₹0.02	₹0.02
	₹25.25	₹22.85

(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 new labour code effective from 21 November 2025. (which supersedes the erstwhile 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 March 31,	
	2026	2025
Present Value of Benefit Obligation at the Beginning of the Year	₹64.16	₹47.79
Interest cost	₹5.00	₹3.43
Current service cost	₹13.66	₹10.08
Past service cost	₹11.57	₹0.00
Benefits paid	-₹1.00	-₹1.78
Actuarial (Gains)/Losses on Obligations		
- Due to Change in Demographic Assumptions	₹0.00	₹0.00
- Due to Change in Financial Assumptions	-₹6.78	₹3.32
- Due to Experience	-₹7.28	₹1.32
Present value of obligation at the end of the year	₹79.32	₹64.15



Notes forming part of Standalone Financial Statements

Changes in the fair value of plan assets are as follows

Particulars	As at March 31,	
	2026	2025
Fair value of plan assets at the beginning of the year	₹62.60	₹50.49
Interest income	₹4.34	₹3.62
Contributions	₹10.66	₹10.60
Mortality charges and taxes	₹0.00	₹0.00
Benefits paid	-₹1.00	-₹1.78
Return on plan assets, excluding amount recognized in Interest Income - Gain / (Loss)	-₹0.13	-₹0.34
Fair value of Plan assets at end of the year	₹76.47	₹62.60

Net interest cost for current period

Particulars	For the year ended March 31,	
	2026	2025
Present Value of Benefit Obligation at the Beginning of the Period	₹64.16	₹47.79
Fair Value of Plan Assets at the Beginning of the Period	-₹62.60	-₹50.49
Net Liability/(Asset) at the Beginning	₹1.56	-₹2.70
Interest Cost	₹5.00	₹3.43
Interest Income	-₹4.34	-₹3.62
Net Interest Cost for Current Period	₹0.66	-₹0.20

Net employee benefit expense on account of gratuity recognised in employee benefit expenses

Particulars	For the year ended March 31,	
	2026	2025
Current service cost	₹13.66	₹10.08
Past service cost	₹11.57	₹0.00
Net interest (Income)/ Expense	₹0.66	-₹0.20
Net benefit expense	₹25.89	₹9.89

Amount recognised in the statement of other comprehensive income

Particulars	For the year ended March 31,	
	2026	2025
Re-measurement for the year - obligation (gain) / loss	-₹14.07	₹4.63
Re-measurement for the year - plan assets (gain) / loss	₹0.13	₹0.34
Total re-measurements cost / (credit) for the year recognised in other comprehensive income	-₹13.94	₹4.97

Net Defined Benefit Liability/(Asset) for the year

Particulars	As at March 31,	
	2026	2025
Defined Benefit Obligation	₹79.31	₹64.16
Fair value of plan assets	₹76.47	₹62.60
Closing net defined benefit liability/(asset)	₹2.84	₹1.55

Particulars	As at March 31,	
	2026	2025
Current	₹2.84	₹1.55
Non-Current	₹0.00	₹0.00

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

Assumptions

Particulars	As at March 31,	
	2026	2025
	%	%
Mortality table	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Discount rate	7.48%	6.81%
Rate of increase in compensation levels	7.48%	8.00%
Expected rate of return on plan assets	8.00%	6.81%
Rate of Employee Turnover	5.00%	5.00%

A quantitative sensitivity analysis for significant assumption as at 31 March 2026 & 31 March 2025 is as shown below:

Particulars	Defined benefit obligation			
	As at March 31, 2026		As at March 31, 2025	
	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	-₹8.89	₹10.75	-₹7.65	₹9.33
Delta effect of 1% change in rate of salary increase	₹9.13	-₹8.11	₹8.44	-₹7.28
Delta effect of 1% change in rate of employee	-₹0.34	₹0.34	-₹1.06	₹1.19

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.



Notes forming part of Standalone Financial Statements

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	As at March 31,	
	2026	2025
1st Following Year	₹3.15	₹2.22
2nd Following Year	₹3.67	₹2.69
3rd Following Year	₹4.09	₹2.86
4th Following Year	₹4.44	₹3.13
5th Following Year	₹4.63	₹3.46
Sum of Years 6 To 10	₹25.41	₹18.53
Sum of Years 11 and above	₹211.54	₹162.93

48. Stock options scheme

Aether Industries Limited - Employee Stock Option Scheme - 2021 (AIL ESOS 2021):

The Company has instituted equity-settled Employee Stock Option Scheme - 2021 duly approved by the shareholders in the extra-ordinary general meeting of the Company held on 18 November 2021. The Company introduced the AIL ESOS 2021 primarily with a view to attract, retain and incentivise the existing and new employees of the Company and motivate them to contribute to the growth and profitability of the Company. The shareholders by way of special resolution have authorised the Nomination and Remuneration Committee to grant options not exceeding 11,00,000 to the eligible employees under the AIL ESOS 2021, in one or more tranches, with each such option conferring a right upon the Eligible employee to apply for one share of the Company.

As per AIL ESOS 2021, the Nomination and Remuneration Committee shall determine the eligibility criteria for employees to whom the options would be granted and shall approve the grant of options. The options granted on any date shall vest not earlier than 1 (one) year and not later than a maximum of 7 (seven) years from the date of grant of options. Vesting of options would be subject to continued employment with the Company. The exercise period shall be 7 (seven) years from the date of vesting of options. The vested options can be exercised by the employee any time within the exercise period, or such other shorter period as may be prescribed by the Nomination and Remuneration Committee from time to time and as set out in the Grant Letter.

The scheme was modified on 27 September 2022 and the revised terms are prospectively applicable to all grants under the scheme. The modified terms are defined as follows:
The vesting period is minimum 1 (one) year but not later than 15 (fifteen) years from the date of grant of options. Vesting of options would be subject to continued employment with the Company. The exercise period shall be 15 (fifteen) years from the date of vesting of options, subject to exceptional circumstances. The vested options can be exercised by the employee any time within the exercise period, or such other shorter period as may be prescribed by the Nomination and Remuneration Committee from time to time and as set out in the Grant Letter.

Under the said scheme Nomination and Remuneration Committee of the board of directors has granted following options to its eligible employees:

Grant Date	Tranche	No. Of options	Total no. Of
November 20, 2021	Trench 1	1,81,122	
November 20, 2022	Trench 2	12,461	
November 20, 2022	Trench 3	24,922	
November 20, 2022	Trench 4	3,181	
May 09, 2023	Trench 5	1,35,114	7,08,145
August 18, 2023	Trench 6	4,692	
July 18, 2024	Trench 7	11,805	
December 17, 2024	Trench 8	34,866	
October 16, 2025	Trench 9	2,99,982	

Reconciliation of outstanding employee stock options:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Weighted average exercise price per option (Rs.)	Number of options	Weighted average exercise price per option (Rs.)	Number of options
Opening Balance	₹622.40	2,73,549	₹597.39	2,79,232
Granted during the year	₹748.00	2,99,982	₹522.68	46,671
Exercised during the year	₹458.73	89,583	₹321.00	39,968
Forfeited / Lapsed during the year	₹703.74	6,099	₹655.38	12,386
Closing Balance	₹730.88	4,77,849	₹622.40	2,73,549
Options exercisable at the end of the period	₹0.00	0	₹0.00	0

Weighted average remaining contractual life of the options outstanding at the end of the period is 4.2 Years (Previous Year: 3.1 Year).

Fair value of the options granted

The fair value of the options granted is mentioned below as per vesting period. The fair value of the options is determined using Black-Scholes-Merton model which takes into account the exercise price, the term of the option (time to maturity), the share price as at the grant date and expected price volatility (standard deviation) of the underlying share, the expected dividend yield and risk-free interest rate for the term of the option.



Notes forming part of Standalone Financial Statements

Tranche 9			
Fair value and assumptions for the equity-settled grant made on October 16, 2025			
Grant: AIL ESOS 2021 (modified)	Vesting Dates		
Grant Date: October 16, 2025	October 20, 2027	October 20, 2028	
Input variables			
Stock Price per share (Rs.)	₹747.45	₹747.45	
Standard Deviation (Volatility)	30.54%	32.42%	
Risk-free Rate	5.98%	6.11%	
Exercise Price (Rs.)	₹748.00	₹748.00	
Time to Maturity (in years)	3.51	4.51	
Dividend yield	0.00%	0.00%	
Output			
Fair value of option (Rs.)	₹232.75	₹280.31	
Tranche 8			
Fair value and assumptions for the equity-settled grant made on December 17, 2024			
Grant: AIL ESOS 2021 (modified)	Vesting Date		
Grant Date: December 17, 2024	January 15, 2026		
Input variables			
Stock Price per share (Rs.)	₹877.30		
Standard Deviation (Volatility)	27.94%		
Risk-free Rate	6.67%		
Exercise Price (Rs.)	₹400.00		
Time to Maturity (in years)	2.00		
Dividend yield	0.00%		
Output			
Fair value of option (Rs.)	₹529.92		
Tranche 7			
Fair value and assumptions for the equity-settled grant made on July 18, 2024			
Grant: AIL ESOS 2021 (modified)	Vesting Dates		
Grant Date: July 18, 2024	July 18, 2025	July 18, 2026	July 18, 2027
Input variables			
Stock Price per share (Rs.)	₹890.10	₹890.10	₹890.10
Standard Deviation (Volatility)	31.22%	34.35%	36.47%
Risk-free Rate	6.88%	6.88%	6.91%
Exercise Price (Rs.)	₹885.00	₹885.00	₹885.00
Time to Maturity (in years)	2.00	3.00	4.00
Dividend yield	0.00%	0.00%	0.00%
Output			
Fair value of option (Rs.)	₹212.00	₹284.33	₹347.22
Tranche 6			
Fair value and assumptions for the equity-settled grant made on August 18, 2023			
Grant: AIL ESOS 2021 (modified)	Vesting Dates		
Grant Date: August 18, 2023	May 9, 2025	May 9, 2026	May 9, 2027
Input variables			
Stock Price per share (Rs.)	₹1,040.55	₹1,040.55	₹1,040.55
Standard Deviation (Volatility)	34.07%	38.42%	37.42%
Risk-free Rate	7.22%	7.22%	7.21%
Exercise Price (Rs.)	₹885.00	₹885.00	₹885.00
Time to Maturity (in years)	2.72	3.72	4.72
Dividend yield	0.00%	0.00%	0.00%
Output			
Fair value of option (Rs.)	₹389.24	₹468.17	₹513.85



Notes forming part of Standalone Financial Statements

Tranche 5

Fair value and assumptions for the equity-settled grant made on May 9, 2023

Grant: AIL ESOS 2021 (modified)

Grant Date: May 9, 2023	Vesting Dates		
	May 9, 2025	May 9, 2026	May 9, 2027

Input variables

Stock Price per share (Rs.)	₹931.90	₹931.90	₹931.90
Standard Deviation (Volatility)	44.72%	43.19%	43.10%
Risk-free Rate	6.99%	7.00%	7.03%
Exercise Price (Rs.)	₹885.00	₹885.00	₹885.00
Time to Maturity (in years)	3.00	4.00	5.00
Dividend yield	0.00%	0.00%	0.00%

Output

Fair value of option (Rs.)	₹400.29	₹443.53	₹487.97
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Tranche 4

Fair value and assumptions for the equity-settled grant made on November 20, 2022

Grant: AIL ESOS 2021

Grant Date: November 20, 2022	Vesting Date						
	November 20, 2024	November 20, 2025	November 20, 2026	November 20, 2027	November 20, 2028	November 20, 2029	November 20, 2030

Input variables

Stock Price per share (Rs.)	₹985.35	₹985.35	₹985.35	₹985.35	₹985.35	₹985.35	₹985.35
Standard Deviation (Volatility)	43.46%	42.33%	42.68%	42.17%	42.45%	42.42%	43.11%
Risk-free Rate	7.26%	7.34%	7.35%	7.35%	7.33%	7.36%	7.38%
Exercise Price (Rs.)	₹503.00	₹503.00	₹503.00	₹503.00	₹503.00	₹503.00	₹503.00
Time to Maturity (in years)	5.50	6.50	7.50	8.50	9.50	10.50	11.50
Dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Output

Fair value of option (Rs.)	₹688.80	₹713.27	₹738.17	₹758.11	₹777.93	₹795.74	₹813.86
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Tranche 3

Fair value and assumptions for the equity-settled grant made on November 20, 2022

Grant: AIL ESOS 2021

Grant Date: November 20, 2022	Vesting Dates			
	November 20, 2023	November 20, 2024	November 20, 2025	November 20, 2026

Input variables

Stock Price per share (Rs.)	₹985.35	₹985.35	₹985.35	₹985.35
Standard Deviation (Volatility)	46.81%	44.37%	44.20%	42.66%
Risk-free Rate	7.08%	7.12%	7.18%	7.31%
Exercise Price (Rs.)	₹321.00	₹321.00	₹321.00	₹321.00
Time to Maturity (in years)	3.00	4.00	5.00	6.00
Dividend yield	0.00%	0.00%	0.00%	0.00%

Output

Fair value of option (Rs.)	₹733.86	₹753.56	₹773.65	₹791.09
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Tranche 2

Fair value and assumptions for the equity-settled grant made on November 20, 2022

Grant: AIL ESOS 2021 (modified)

Grant Date: November 20, 2022	Vesting Dates		
	November 20, 2023	November 20, 2024	November 20, 2025

Input variables

Stock Price per share (Rs.)	₹985.35	₹985.35	₹985.35
Standard Deviation (Volatility)	44.39%	45.90%	44.84%
Risk-free Rate	7.03%	7.12%	7.16%
Exercise Price (Rs.)	₹321.00	₹321.00	₹321.00
Time to Maturity (in years)	2.50	3.50	4.50
Dividend yield	0.00%	0.00%	0.00%

Output

Fair value of option (Rs.)	₹720.47	₹744.50	₹764.60
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Notes forming part of Standalone Financial Statements

Tranche 1

Fair value and assumptions for the equity-settled grant made on November 20, 2021

Grant: AIL ESOS 2021

Vesting Date

Grant Date: November 20, 2021	November 20, 2022	November 20, 2023	November 20, 2024	November 20, 2025	November 20, 2026	November 20, 2027	November 20, 2028
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Input variables

Stock Price per share (Rs.)	₹411.81	₹411.81	₹411.81	₹411.81	₹411.81	₹411.81	₹411.81
Standard Deviation (Volatility)	41.64%	40.62%	41.21%	40.77%	41.31%	41.35%	41.89%
Risk-free Rate	5.72%	5.96%	6.19%	6.29%	6.36%	6.37%	6.48%
Exercise Price (Rs.)	₹321.00	₹321.00	₹321.00	₹321.00	₹321.00	₹321.00	₹321.00
Time to Maturity (in years)	4.50	5.50	6.50	7.50	8.50	9.50	10.50
Dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Output

Fair value of option (Rs.)	₹210.91	₹226.79	₹244.51	₹257.65	₹271.43	₹282.50	₹294.59
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Notes:

- Time to maturity of options is the period of time from the grant date to the date on which option is expected to be exercised. The minimum life of stock option is the minimum period before which the options cannot be exercised, and maximum life is the period after which the options cannot be exercised.
- The expected price volatility is based on the historic volatility, adjusted for any changes to future volatility due to publicly available information.

In respect of Options granted under the Employee Stock Option Plan, the accounting is done as per requirements of Ind AS 102.

Consequently, employee benefit expenses include Rs 53.84 million (31st March, 2025: Rs 33.27 million) being expenses on account of share based payments, after adjusting for reversals on account of options lapsed.

49. Revenue from contracts with customers

(a) Reconciliation of revenue recognised with the contracted price is as follows

Particulars	For the year ended March 31,	
	2026	2025
Gross Sales (Contracted Price)	₹9,121.47	₹7,889.01
Reductions towards variable consideration (Discount & Delayed Delivery Charges)	-₹0.01	-₹3.83
Revenue recognised	₹9,121.46	₹7,885.18

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 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. Refer note 51 for information about operating segment as per Ind AS 108.

(b) Revenue by Geographies / Regions

Country / Region	For the year ended March 31,	
	2026	2025
India	₹7,490.54	₹4,710.37
Rest of the World	₹1,630.92	₹3,174.81
Total revenue	₹9,121.46	₹7,885.18

(c) Number of external customers with whom the revenue earned exceeded 10% of the revenue from operation for the financial year ended March 31, 2026: 1 (Previous year: 1).

50. Leases

(a) For Right-of-use assets schedule - Please refer note 6

(b) Lease liabilities

Particulars	As at March 31,	
	2026	2025
Current	₹20.34	₹25.32
Non Current	₹142.41	₹148.09
Total	₹162.75	₹173.41



Notes forming part of Standalone Financial Statements

(c) Interest expenses on lease liabilities

Particulars	For the year ended March 31,	
	2026	2025
Interest on lease liabilities	₹14.85	₹14.10

(d) Expenses on short term leases / low value assets

Particulars	For the year ended March 31,	
	2026	2025
Short-term lease	₹4.03	₹5.44
Low value assets	₹0.02	₹0.00

(e) Amounts recognised in the statement of cash flow

Particulars	For the year ended March 31,	
	2026	2025
Total cash outflow for leases	₹25.52	₹25.28

(f) Maturity analysis – contractual un-discounted cash flows

Particulars	As at March 31,	
	2026	2025
Less than one year	₹20.43	₹25.27
One to five years	₹58.04	₹63.42
More than five years	₹297.63	₹313.35
Total undiscounted lease liabilities	₹376.10	₹402.04

51. Operating Segment

Particulars	For the year ended March 31,	
	2026	2025
Sale Value		
India	₹7,770.77	₹4,728.37
Rest of the World	₹1,630.92	₹3,174.81
	₹9,401.69	₹7,903.18

Particulars	For the year ended March 31,	
	2026	2025
Carrying value of non-current assets*		
India	₹18,692.82	₹13,476.25
Rest of the World	₹0.00	₹0.00
	₹18,692.82	₹13,476.25

*excluding Financial Assets, Investments and Tax Assets.

Additions to property, plant and equipment, right of use assets and intangible assets

India	₹4,743.84	₹2,840.51
	₹4,743.84	₹2,840.51

The operating segments have been reported in a manner consistent with the internal reporting provided to Managing Director, who is the Chief Operating Decision Maker(CODM) and responsible for allocating resources and assessing the performance of operating segments.

52. Corporate Social Responsibility

Expenditure incurred on Corporate Social Responsibility (CSR) under section 135 of the Companies Act, 2013 is as under:

(A) Gross amount required to be spent by the Company during the year is Rs. 32.89 million (March 31, 2025: Rs. 29.00 million)

(B) Amount spent during the year (other than ongoing projects):

Particulars	For the year ended March 31, 2026		
	In cash	Yet to be paid in cash	Total
(i) Construction/Acquisition of any assets	₹0.00	₹0.00	₹0.00
(ii) On purpose other than above	₹33.62	₹0.00	₹33.62
Total	₹33.62	₹0.00	₹33.62

Particulars	For the year ended March 31, 2025		
	In cash	Yet to be paid in cash	Total
(i) Construction/Acquisition of any assets	₹0.00	₹0.00	₹0.00
(ii) On purpose other than above	₹28.63	₹0.00	₹28.63
Total	₹28.63	₹0.00	₹28.63



Notes forming part of Standalone Financial Statements

(C) Details related to spent/unspent obligations

Particulars	For the year ended March 31,	
	2026	2025
Education	₹29.25	₹22.24
Healthcare	₹1.67	₹3.36
Sports	₹2.60	₹1.82
Sr. Citizen welfare	₹0.10	₹0.70
Animal Welfare	₹0.00	₹0.50
Total	₹33.62	₹28.63

(D) There is no provision in the current and previous year pertaining to corporate social responsibility.

(E) Details of other than ongoing project

Particulars	For the year ended March 31, 2026		
	With Company	in Separate CSR Unspent A/c	Total
Opening Balance	-₹0.17	₹0.00	-₹0.17
Amount required to be spent during the year	₹32.89	₹0.00	₹32.89
Transfer to Separate CSR Unspent Account	₹0.00	₹0.00	₹0.00
Amount spent during the year	-₹33.62	₹0.00	-₹33.62
Total	-₹0.90	₹0.00	-₹0.90

Particulars	For the year ended March 31, 2025		
	With Company	in Separate CSR Unspent A/c	Total
Opening Balance	-₹0.54	₹0.00	-₹0.54
Amount required to be spent during the year	₹29.00	₹0.00	₹29.00
Transfer to Separate CSR Unspent Account	₹0.00	₹0.00	₹0.00
Amount spent during the year	-₹28.63	₹0.00	-₹28.63
Total	-₹0.17	₹0.00	-₹0.17

53. Update on fire incidents

(a) Fire incident on November 29, 2023:

On 29 November 2023, an accidental fire occurred at the Company’s Manufacturing Facility–II located at Plot No. 8203, Road No. 8, GIDC Industrial Estate, Sachin, Surat, Gujarat.

Pursuant to the said incident, during the year ended March 31, 2026, the Company has assessed the damage to its property, plant and equipment (net of accumulated depreciation) amounting to Rs. 299.68 million. Pending final assessment and approval from the insurance company, the Company has received Rs. 210.00 million from the insurance company towards the claim for such loss. Considering that the insurance policy is based on reinstatement value, and also based on the management estimate and assessment carried out by the insurance surveyor, the Company expects to recover an amount higher than the carrying value of assets lost. Accordingly Management has adjusted the insurance receipt of Rs. 210.00 million against the assets loss of Rs. 299.68 million. The balance amount of Rs. 89.68 million has been recognized as receivable from the insurance company.

Further, during year ended March 31, 2026, the Company has received claim proceeds aggregating to Rs. 258.23 million towards loss of profit (FLOP).

During FY 2023-24, the Company written off inventories amounting to Rs. 138.97 million in the books of accounts against losses incurred due to the fire incident. Subsequently, during FY 2024-25, the Company received insurance claim proceeds amounting to Rs. 112.46 million towards inventory loss.

(b) Fire incident on March 11, 2026:

A fire incident occurred on March 11, 2026 at the Company’s external warehouse located at Hojiwala Industrial Estate, Sachin, Surat. Pursuant to a preliminary assessment of the damage, the Company has recognized a loss of inventory amounting to Rs. 70.00 millions in the Statement of Profit and Loss for the year ended March 31, 2026. The Company has lodged an insurance claim with the insurance company for the said loss. The assessment of the claim is currently in progress, and any recovery thereof will be recognized upon virtual certainty of receipt.

54. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)

Particulars	For the year ended March 31,	
	2026	2025
Capital Commitments		
Property, plant and equipment	₹3,292.79	₹2,617.23



Notes forming part of Standalone Financial Statements

55. Ratio analysis and its elements

Ratio	Numerator	Denominator	As at March 31,		Variance	Reason for Variance
			2026	2025	(%)	
Current Ratio	Current Assets	Current Liabilities	2.03	4.09	-50.51%	The variance is due to increase in current borrowings
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.14	0.05	162.30%	The variance is due to increase in current borrowings
Debt Service Coverage Ratio	Earnings available for debt service(1)	Debt service(2)	19.62	18.52	5.91%	-
Return on Equity Ratio	Net profit after taxes	Shareholder's Equity	7.21%	6.83%	5.43%	-
Inventory Turnover Ratio	Revenue from Operations	Average Inventory	2.06	2.17	-4.98%	-
Trade Receivable Turnover Ratio	Revenue from Operations	Average Receivables	3.2	3.19	0.23%	-
Trade Payable Turnover Ratio	Cost of goods sold	Average Trade Payables	3.44	3.98	-13.55%	-
Net Capital Turnover Ratio	Revenue from Operations	Average working capital	1.38	0.8	73.20%	Variance driven by reduced working capital, resulting from decreased current assets and increased short-term debt obligations.
Net Profit Ratio	Profit after tax	Revenue from Operations	18.47%	19.24%	-4.04%	-
Return on Capital Employed	Earnings Before Interest and Taxes	Capital employed(3)	8.23%	8.20%	0.37%	-
Return on Investment in WOS	Income generated from investments	Investment	31.58%	7.49%	321.37%	The variance is due to increase in profitability of wholly owned subsidiary

(1) Net profit after taxes + non-cash and non-operating expenses + Interest
(2) Interest + lease payments + principal repayments.
(3) Net-worth + net total debt including interest accrued - cash and cash equivalents

56. Additional Regulatory Information as required by Schedule III

- a. Registration of charges or satisfaction with Registrar of Companies (ROC):
The Company had registered / satisfied charges with the ROC within the statutory time period.
- b. Details of Benami Property held:
The Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, hence no proceedings initiated or pending against the Company under the said Act and Rules.
- c. Loans and advances granted to specified person
Except as stated in the notes to accounts and financial statements, there are no other loans or advances granted to specified persons namely the promoters, directors, KMPs and related parties.
- d. Utilisation of borrowed funds, share premium and other funds
The Company has not received any funds from any person or entity with the understanding that the Company would directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiary) or provided any guarantee or security or the like on behalf of the ultimate beneficiary,
- The Company has not advanced or loaned or invested to any other person(s), including foreign entities (Intermediaries) with the understanding that the intermediary shall:
- i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- e. Compliance with the number of layers of companies
The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- f. Details of Crypto Currency or Virtual Currency
The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- g. Undisclosed Income
There is no transaction, which has not been recorded in the books of accounts, that has been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961.
- h. Relationship with struck off companies
The Company has not have any transactions with companies, which are struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- i. Wilful defaulter
The Company has not been declared wilful defaulter by any bank or financial institution or any lender.
- j. Compliance with approved scheme(s) of arrangements
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.



56. Additional Regulatory Information as required by Schedule III

k. Valuation of PP&E, intangible asset and investment property
The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

57. Events subsequent to March 31, 2026

There are no subsequent events that occurred after the reporting date.

For Suresh I Surana & Associates, Chartered Accountants ICAI Firm Reg. No.: 121749W CA Shirish Shah, Partner Membership No.: 035742 Place: Surat Date: May 15, 2026	Ashwin Desai, Managing Director — DIN: 00038386 Rohan Desai, Whole Time Director — DIN: 00038379 Faiz Nagariya, Chief Financial Officer — Mem. No.: 125481 Chitrarth Parghi, Company Secretary — Mem. No.: F12563 Place: Surat Date: May 15, 2026
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Independent Auditor's Report - Consolidated Financial Statements

To,
The Members,
Aether Industries Limited
Surat

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Aether Industries Limited (“the Company” or “Holding Company” or “Parent’s Company”)** and its subsidiary (the Holding Company and its subsidiary together referred to as “the Group”) which comprises the consolidated balance sheet as at March 31, 2026 and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of change in equity and consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including summary of material accounting policies and other explanatory information. (hereinafter referred as “consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (‘Ind AS’) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, and consolidated total comprehensive income (comprising of profit and other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis of opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matters	Audit Procedures
1	Cut off risk in Revenue Recognition Due to the sales being under various contractual terms and across geographies, delivery to customers in different regions might take different time periods and may result in undelivered goods at the period end. We consider there to be a risk of misstatement of the financial statements related to transactions occurring close to the year end, as transactions could be recorded in the wrong financial period. Accordingly, cut-off risk in revenue recognition is a key audit matter.	• We have assessed the revenue recognition policies of the Company including accounting for sales returns and discounts for compliance with Ind AS. • The Group has manual and automated (information technology – IT) controls on recording revenue and accruals for sales returns and discounts. We tested the design, implementation and operating effectiveness of these controls. In respect of cut-off, we focused on controls around the timely and accurate recording of year-end sales transactions. • We have performed substantive testing by selecting samples of revenue transactions during specific periods before and after year end to ensure that the correct amount of revenue is recorded in the correct period. • We have verified the invoice's contractual terms and tested transit delivery times by reviewing supporting documentation, including contracts, sales invoices, and shipping dispatches.
2	Capital Expenditure in respect of property, plant and equipment and capital work in progress The Group has incurred significant expenditure on capital projects, as reflected by the total value of additions in property plant and equipment and capital work in progress in notes 4 and 5 of the consolidated financial statements. We considered capital expenditure as a Key audit matter due to: • Significance of amount incurred on such items during the year ended March 31, 2026.	• We have obtained an understanding of the Group's capitalization policy and assessed for compliance with the relevant accounting standards. • We have obtained understanding, evaluated the design and tested the operating effectiveness of controls related to capital expenditure and capitalization of assets. • We have performed substantive testing on a sample check basis for each element of capitalized costs including material issued to contractors for the purpose of these projects and physical verification performed by



Independent Auditor's Report - Consolidated Financial Statements

Sr. No.	Key Audit Matters	Audit Procedures
	- Judgement and estimate required by management in assessing assets meeting the capitalization criteria set out in Ind AS 16 Property, Plant and Equipment. - Judgement involved in determining the eligibility of costs including borrowing cost and other directly attributable costs for capitalization as per the criteria set out in Ind AS 16 Property, Plant and Equipment.	management along with reconciliation and directly attributable cost, including verification of underlying supporting evidence and understanding nature of the costs capitalized. We have obtained understanding on management assessment relating to progress of projects and their intention to bring the asset to its intended use.
3	Valuation, Accuracy, Completeness and disclosures pertaining to Inventories with reference to Ind AS 2 Inventories constitutes material component of consolidated financial statement. Correctness, Completeness and Valuation are critical for reflecting true and fair financial results of operations. Further due to continuous nature of plan operations and the raw materials which are basically chemicals, management has to exercise judgement in assessing stage of the product and its valuation. Also refer note 13 to the consolidated financial statement.	Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: - We have assessed the Group's process regarding maintenance of records, Valuation and accounting of transactions relating to Inventory as per the Indian Accounting Standard 2. - We have evaluated the design of Internal Controls relating to recording and valuation of Inventory. - We have carried out substantive audit procedures to verify the allocation of overheads to Inventory. - We attended the physical inventory counts conducted by management and performed independent test counts on a sample basis. We evaluated the management's controls over the counting process and tested the reconciliations between the physical count results and the underlying accounting records. - We have verified the consistency in respect of valuation process and methodology followed by the Group.

Information other than the Consolidated Financial Statements and Auditor's Report thereon
The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's

Report, Management Discussion and Analysis, Report on Corporate Governance, Business Responsibility and Sustainability Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulation.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements
The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibility for the Audit of Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a



Independent Auditor's Report - Consolidated Financial Statements

whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Emphasis Matters

- (a) We draw attention to Note 53 (a) of the consolidated financial statement, which describes the fire incident that occurred on November 29, 2023 at Holding Company's manufacturing facilities located in Sachin, Surat. As stated in the note, the Company has assessed the damage to its property, plant and equipment (net of accumulated depreciation) amounting to Rs. 299.68 million. Pending final assessment and approval from the insurance company, the Company has received Rs. 210.00 million from the insurance company towards the claim for such loss. Considering that the insurance policy is based on reinstatement value, and also based on the management estimate and assessment carried out by the insurance surveyor, the Company expects to recover an amount higher than the carrying value of assets lost. Accordingly, Management has adjusted the insurance receipt of Rs. 210.00 million against the asset loss of Rs. 299.68 million. The balance amount of Rs. 89.68 million has been recognized as receivable from the insurance company.
- (b) We draw attention to Note 53 (b) of the consolidated financial statement, which describes the fire incident that occurred on March 11, 2026 at the Holding company's external warehouse located at Hojiwala Industrial Estate, Sachin, Surat. As stated in the note, Pursuant to a preliminary assessment of the damage, the Company has recognized a loss of inventory amounting to Rs. 70.00 million in the Consolidated Statement of Profit and Loss for the year ended March 31, 2026. The Holding Company has lodged an insurance claim with the insurance company for the said loss. The assessment of the claim is currently in progress, and any recovery thereof will be recognized upon virtual certainty of receipt.

Our opinion is not modified in respect of above matters.

Other Matter

- (a) The accompanying consolidated financial statement includes the audited financial statement and other financial information, in respect of the subsidiary, whose financial statements include total assets of Rs. 3,304.37 million as at March 31, 2026, total revenues of Rs. 2,199.72 million, total net profit after tax of Rs. 496.39 million, total comprehensive income of Rs. 496.41 million for the year ended March 31, 2026, as considered in the consolidated financial statement which have been audited by the respective independent auditor. The independent auditor's report on the financial statements of the subsidiary have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the report of such auditor and the procedures performed by us as stated in paragraph above.
- (b) The consolidated financial statements of the Company for the previous year ended March 31, 2025 were audited by the predecessor auditor, Birju S. Shah & Associates, who expressed an unmodified opinion on those consolidated financial statements vide their audit report dated May 02, 2025.

Our opinion is not modified in respect of this matter.



Independent Auditor's Report - Consolidated Financial Statements

Report on Other Legal and Regulatory Requirements

1. As required by paragraph 3(xxi) of the Companies (Auditor’s Report) Order, 2020 (“CARO 2020”), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditor in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.
2. As required by Section 143(3) of the Act, Based on our audit and consideration of the reports, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books.
 - (c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of change in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”.
 - (g) The Holding Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
 - (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 41 to the standalone financial statements.
 - ii. The Group does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to Investor Education and protection fund by the Group.

- iv. (a) The respective Managements of the Company and its subsidiaries whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- iv. (b) The respective Managements of the Company and its subsidiaries whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries and associate company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- iv. (c) Based on audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material misstatement.
- iv. (d) Since the Holding Company has not declared or paid any dividend during the year, the question of commenting on whether dividend declared or paid is in accordance with Section 123 of the Companies Act, 2013 does not arise.
- v. Based on our examination which included test checks and that performed by the auditor of subsidiary, the Group has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Furthermore, the audit trail has been preserved by the Group as per the statutory requirements for record retention.

For Suresh I Surana & Associates
Chartered Accountants | ICAI Firm Reg. No.: 121749W

CA Shirish Shah - Partner
Membership No.: 035742 | UDIN: 26035742SCZDYN8252

Place: Surat | Date: May 15, 2026



Independent Auditor's Report - Consolidated Financial Statements

Annexure A to the Independent Auditor’s Report
(Referred to in paragraph 2(f) under the “Report on Other Legal and Regulatory Requirements” of our report to the Members of Aether Industries Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to consolidated financial statements of **Aether Industries Limited** (“the Holding Company”) and its subsidiary (the Holding Company and its subsidiary together referred to as “the Group”) as of March 31, 2026 in conjunction with our audit of consolidated financial statements of the Group for the year ended on that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls
The respective Board of Directors of the Holding company and its subsidiary, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding company and its subsidiary, considering the essential components of internal control stated in the Guidance Note on Audit of Internal financial controls over financial reporting (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective entity’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility for the Audit of the Internal Financial Controls
Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgements, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our

audit opinion on the internal financial control system with reference to financial statements of the Holding Company and its subsidiary.

Meaning of Internal Financial Controls over Financial Reporting
A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting
Because of the inherent limitations of internal financial controls over financial reporting including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to further periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion
In our opinion, the Holding Company and its subsidiary, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal control with reference to financial statements criteria established by the Holding Company and its subsidiaries which are incorporated in India, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Suresh I Surana & Associates
Chartered Accountants | ICAI Firm Reg. No.: 121749W

CA Shirish Shah - Partner
Membership No.: 035742 | UDIN: 26035742SCZDYN8252

Place: Surat | Date: May 15, 2026



Consolidated Balance Sheet

Assets	Notes	As at March 31,	
		2026	2025
Non-current assets			
Property, plant and equipment	4	₹12,361.95	₹9,439.04
Capital work-in-progress	5	₹5,061.08	₹3,553.73
Right-of-use assets	6	₹2,587.10	₹1,725.78
Intangible assets	7	₹11.49	₹7.71
Intangible assets under development	8	₹95.78	₹79.55
Financial assets			
(i) Investments	9	₹2.10	₹2.10
(ii) Loans	10	₹8.51	₹8.42
(ii) Other financial assets	11	₹17.86	₹25.89
Other non-current assets	12	₹153.67	₹194.78
Total non-current assets		₹20,299.54	₹15,037.00
Current assets			
Inventories	13	₹5,374.68	₹3,968.66
Financial assets			
(i) Trade receivables	14	₹3,900.50	₹2,886.20
(ii) Cash and cash equivalents	15	₹56.63	₹173.71
(iii) Bank balances other than (ii) above	16	-	₹2,211.55
(iv) Loans	17	₹11.55	₹8.45
(v) Other financial assets	18	₹199.88	₹319.05
Current tax asset (net)	19	₹326.22	₹292.37
Other current assets	20	₹1,845.26	₹1,545.20
Total current assets		₹11,714.72	₹11,405.19
Total assets		₹32,014.26	₹26,442.19

Summary of material accounting policies - Note 3. The accompanying notes are an integral part of these standalone financial statements.

For Suresh I Surana & Associates, Chartered Accountants
ICAI Firm Reg. No.: 121749W
CA Shirish Shah, Partner
Membership No.: 035742
Place: Surat | Date: May 15, 2026

Equity and Liabilities	Notes	As at March 31,	
		2026	2025
Equity			
Equity share capital	21	₹1,326.80	₹1,325.90
Other equity	22	₹23,232.08	₹20,932.96
Total equity		₹24,558.88	₹22,258.86
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	23	₹142.41	₹148.09
Deferred tax liabilities (net)	39 d)	₹739.60	₹528.22
Total non-current liabilities		₹882.01	₹676.31
Current liabilities			
Financial liabilities			
(i) Borrowings	24	₹4,416.62	₹1,825.29
(ii) Lease liabilities	25	₹20.34	₹25.32
(iii) Trade payables	26		
a) total outstanding dues of MSME		₹123.66	₹221.14
b) total outstanding dues of other than MSME		₹1,845.72	₹1,054.54
(iv) Other financial liabilities	27	₹80.44	₹52.68
Other current liabilities	28	₹15.23	₹265.59
Provisions	29	₹71.36	₹62.46
Total current liabilities		₹6,573.37	₹3,507.02
Total liabilities		₹7,455.38	₹4,183.33
Total equity and liabilities		₹32,014.26	₹26,442.19

As per our report of even date attached.

Ashwin Desai, Managing Director — DIN: 00038386
Rohan Desai, Whole Time Director — DIN: 00038379
Faiz Nagariya, Chief Financial Officer — Mem. No.: 125481
Chitrarth Parghi, Company Secretary — Mem. No.: F12563
Place: Surat | Date: May 15, 2026



Consolidated Statement of Profit and Loss

Particulars (INR in MM)	For the year ended March 31,		
	Note	2026	2025
Income			
Revenue from operations	30	₹11,601.41	₹8,405.48
Other income	31	₹209.27	₹397.64
Total income		₹11,810.68	₹8,803.12
Expenses			
Cost of materials consumed	32	₹6,822.37	₹5,072.03
Changes in inventories of finished goods and work-in-progress	33	-₹813.47	-₹606.19
Employee benefit expenses	34	₹627.33	₹462.12
Finance costs	35	₹180.87	₹129.33
Depreciation and amortisation expense	36	₹664.15	₹450.14
Other expenses	37	₹1,328.82	₹1,047.11
Total expenses		₹8,810.07	₹6,554.54
Profit before exceptional items and tax		₹3,000.61	₹2,248.58
Exceptional items	38	₹89.76	₹118.74
Profit before tax		₹2,910.85	₹2,129.84
Tax expense	39		
Current tax		₹508.35	₹380.16
Deferred tax		₹207.87	₹165.50
Total tax expense		₹716.22	₹545.66

Summary of material accounting policies - Note 3. The accompanying notes are an integral part of these standalone financial statements.

For Suresh I Surana & Associates, Chartered Accountants
ICAI Firm Reg. No.: 121749W
CA Shirish Shah, Partner
Membership No.: 035742
Place: Surat | Date: May 15, 2026

Particulars (INR in MM)	For the year ended March 31,		
	Note	2026	2025
Profit for the year (A)		₹2,194.63	₹1,584.18
Other comprehensive -loss / income			
Items that will not be classified subsequently to profit or loss			
(i) Remeasurement of defined benefit liability / -asset		₹13.94	-₹4.97
(ii) Income tax relating to remeasurement of defined benefit liability / -asset		-₹3.51	₹1.25
Other comprehensive -loss / income (B)		₹10.43	-₹3.72
Total comprehensive income for the year (A + B)		₹2,205.06	₹1,580.46
Earnings per equity share	40		
[nominal value of Rs. 10]			
Basic		₹16.55	₹11.95
Diluted		₹16.54	₹11.95

As per our report of even date attached.

Ashwin Desai, Managing Director — DIN: 00038386
Rohan Desai, Whole Time Director — DIN: 00038379
Faiz Nagariya, Chief Financial Officer — Mem. No.: 125481
Chitrarth Parghi, Company Secretary — Mem. No.: F12563
Place: Surat | Date: May 15, 2026



Consolidated Statement of Changes in Equity

Particulars (INR in MM)	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Value	No. of Shares	Value
(a) Equity share capital				
Balance at the beginning of the reporting period	13,25,90,241	₹1,325.90	13,25,50,273	₹1,325.50
Add: Exercise of employee stock option plan resulting in new issue of shares	89,583	₹0.90	39,968	₹0.40
Balance at the end of the reporting period	13,26,79,824	₹1,326.80	13,25,90,241	₹1,325.90
(b) Other equity	Reserves and surplus			
	Employee Share Option Reserve	Securities Premium	Retained Earnings	Total other Equity
Balance as at April 1, 2024	₹46.24	₹15,416.17	₹3,845.29	₹19,307.70
Total comprehensive income for the year ended March 31, 2025				
Profit for the period	-	-	₹1,584.18	₹1,584.18
Other comprehensive income (net of tax)	-	-	-₹3.72	-₹3.72
Total comprehensive income	₹46.24	₹15,416.17	₹5,425.75	₹20,888.16
Other movements for the year ended March 31, 2025				
Transfer upon exercise of employee stock option plan	-₹13.44	₹13.44	-	₹0.00
Employee stock compensation expense	₹33.27	-	-	₹33.27
Share issue Expenses	-	-₹0.90	-	-₹0.90
Allotment of Shares under exercise of ESOPs	-	₹12.43	-	₹12.43
Total movements	₹19.83	₹24.97	₹0.00	₹44.80
Balance as at March 31, 2026				
	₹66.07	₹15,441.13	₹5,425.75	₹20,932.96

(b) Other equity	Reserves and surplus			
	Employee Share Option Reserve	Securities Premium	Retained Earnings	Total other Equity
Balance as at April 1, 2025	₹66.07	₹15,441.13	₹5,425.75	₹20,932.96
Total comprehensive income for the year ended March 31, 2026				
Profit for the period	-	-	₹2,194.63	₹2,194.63
Other comprehensive income (net of tax)	-	-	₹10.45	₹10.45
Total comprehensive income	₹66.07	₹15,441.13	₹7,630.84	₹23,138.04
Other movements for the year ended March 31, 2026				
Transfer upon exercise of employee stock option plan	-₹42.92	₹42.92	-	₹0.00
Employee stock compensation expense	₹51.39	-	-	₹51.39
Allotment of Shares under exercise of ESOPs	-	₹40.20	-	₹40.20
Other movement	-	₹2.45	-	₹2.45
Balance as at March 31, 2026				
	₹74.54	₹15,526.70	₹7,630.84	₹23,232.08
Nature and purpose of reserves:				
i) Retained earnings				
Retained earnings comprises of undistributed earnings after taxes.				
i) Securities premium				
Securities premium is created when shares are issued at premium (net of issue expenses). The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.				
ii) Employee share option				
Employee Share Options Outstanding represents reserve in respect of equity settled share options granted to the Company's employees in pursuance of the Employee Stock Option Plan.				

Summary of material accounting policies - Note 3. The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached.

For Suresh I Surana & Associates, Chartered Accountants
ICAI Firm Reg. No.: 121749W
CA Shirish Shah, Partner
Membership No.: 035742
Place: Surat | Date: May 15, 2026

Ashwin Desai, Managing Director — DIN: 00038386
Rohan Desai, Whole Time Director — DIN: 00038379
Faiz Nagariya, Chief Financial Officer — Mem. No.: 125481
Chitrarth Parghi, Company Secretary — Mem. No.: F12563
Place: Surat | Date: May 15, 2026



Consolidated Statement of Cash Flows

Particulars (INR in MM)	For the year ended March 31,	
	2026	2025
A. Cash flow from operating activities		
Profit before tax	₹2,910.85	₹2,129.84
Adjustments to reconcile profit before tax to net cash flow:		
Net unrealised foreign exchange -gain / loss	-₹112.79	-₹14.27
Finance cost	₹180.87	₹129.33
Interest income on deposits	-₹42.58	-₹344.08
Depreciation and amortisation expenses	₹664.15	₹450.14
Provision for expected credit loss	₹8.28	₹0.00
Inventory written off due to fire	₹70.00	₹0.00
Profit on termination of lease	₹0.00	-₹3.21
Other Non-cash items	₹53.74	₹33.17
Operating profit before working capital changes	₹3,732.52	₹2,380.92
Movement in working capital:		
-Increase / decrease in trade receivables	-₹908.16	-₹551.15
-Increase / decrease in inventories	-₹1,476.02	-₹533.95
-Increase / decrease in other assets	-₹301.20	-₹326.43
-Increase / decrease in other financial assets	₹216.98	₹100.29
Increase / -decrease in trade payables	₹691.63	₹244.06
Increase / -decrease in other current liabilities	-₹40.36	₹236.87
Increase / -decrease in other financial liabilities	₹27.77	₹3.50
Increase / -decrease in provision	₹22.87	-₹9.42
Cash generated from operations	₹1,966.03	₹1,544.69
Net income tax paid	-₹542.22	-₹544.48
Net cash generated from operating activities (A)	₹1,423.82	₹1,000.21
B. Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	-₹3,838.74	-₹2,924.39
Purchase of leasehold land	-₹913.09	-₹119.71
Capital work in progress (including intangibles assets under development and capital advances)	-₹1,481.33	-₹1,478.98
Interest income on deposits	-₹3.19	-₹5.72

The accompanying notes are an integral part of these standalone financial statements.

For Suresh I Surana & Associates, Chartered Accountants
ICAI Firm Reg. No.: 121749W
CA Shirish Shah, Partner
Membership No.: 035742
Place: Surat | Date: May 15, 2026

Particulars (INR in MM)	For the year ended March 31,	
	2026	2025
Interest on loan to subsidiary	₹42.58	₹344.08
Net cash used in investing activities (B)	-₹6,193.77	-₹4,184.72
C. Cash flows from financing activities		
Proceeds / (repayment) from working capital facilities (net)	₹2,589.05	₹141.12
Proceeds from issue to shares towards Employee Stock Options	₹41.09	₹12.83
Share issue expenses	₹0.00	-₹0.90
Interest paid	-₹166.02	-₹115.23
Payment towards lease liability	-₹25.52	-₹25.28
Net cash generated from / (used in) financing activities (C)	₹2,438.60	₹12.54
Net cash generated from / (used in) financing activities (A+B+C)	-₹2,331.35	-₹3,171.97
Effect of exchange differences on account of foreign currency	₹2.72	₹0.69
Cash and cash equivalents		
Cash and cash equivalents at the beginning of the year	₹2,385.26	₹5,556.54
Cash and cash equivalents at the end of the year	₹56.63	₹2,385.26
Cash and cash equivalents comprises of:		
Cash on hand	₹2.17	₹1.04
Balances with banks		
- Current accounts	₹2.95	₹85.40
- EEFC accounts	₹51.51	₹76.12
- Cash credit accounts	₹0.00	₹11.14
Other bank balances	₹0.00	₹2,211.55
Total	₹56.63	₹2,385.26
Notes:-		
a) The above standalone statement of cash flows has been prepared in accordance with 'Indirect method' as set out in the Ind AS - 7 'Statement of Cash Flows', as notified under Section 133 of the Companies Act 2013, read with the relevant rules thereunder.		
b) Figures in bracket indicate cash outflow.		
c) The followings is Significant non-cash movement in investing and financing activities		
Particulars		
Acquisition of Right-of-use assets with corresponding impact to lease liabilities	₹0.26	₹28.02

As per our report of even date attached.

Ashwin Desai, Managing Director — DIN: 00038386
Rohan Desai, Whole Time Director — DIN: 00038379
Faiz Nagariya, Chief Financial Officer — Mem. No.: 125481
Chitrarth Parghi, Company Secretary — Mem. No.: F12563
Place: Surat | Date: May 15, 2026



Notes forming part of Consolidated Financial Statements

1. Corporate Information

The consolidated financial statements comprise financial statements of Aether Industries Limited (the ‘Parent Company’), and its subsidiary Aether Speciality Chemicals Limited (collectively ‘the Group’/‘the Company’).

The Parent Company is a public limited company which was incorporated on January 23, 2013, and having its registered office at Plot No. 8203, GIDC Sachin, Surat-394230, Gujarat, India. The Company’s equity shares are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”). The Company 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 Parent Company is L24100GJ2013PLC073434.

2. Basis of Preparation and Statement of Compliance

A. Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (“Ind AS”) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013(“Act”).

The consolidated financial statements have been prepared on going concern basis.

The consolidated financial statements were approved for issue by the Board of Directors of the Parent Company on May 15, 2026.

Details of the Company’s material accounting policies are disclosed in Note 3.

B. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Company’s functional currency. All amounts have been rounded to nearest millions, up to 2 decimal places, unless otherwise stated.

C. Basis of measurement

These consolidated financial statements have been prepared under the historical cost basis except certain financial assets, financial liabilities and plan asset , which are measured on an alternative basis on each reporting date. Refer Note 46 and 47.

D. Current and non-current classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

E. Use of judgements, estimates and assumptions

The preparation of Financial Statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-

current assets, current liabilities, non-current liabilities and the disclosure of the contingent liabilities on the date of the preparation of Financial Statements. Such estimates are on a reasonable and prudent basis considering all available information, however due to uncertainties about these judgements, estimates and assumptions, the actual results could differ from those estimates. Information about each of these estimates and judgements is included in relevant notes. Any revision to accounting estimates is recognised prospectively in current and future periods.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the Financial Statements is included in the following notes:

Note No. 46 - 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 4 and Note 7 - Useful life of depreciable assets, Property, Plant and Equipment and Other Intangible Assets.

Note 41 - Recognition of contingencies, key assumptions about the likelihood and magnitude of outflow of resources.

Note 39 - Recognition of tax expenses including deferred tax.

Note 47 - Defined benefit obligation, key actuarial assumptions.

Note 48 - fair value measurement of share based payment.

Note 14 - Impairment of trade receivables.

Note 13 - Valuation of Inventories.

Going concern assumption

These Financial Statements have been prepared on a going concern basis. The management has, given the significant uncertainties arising out of the various situations, assessed the cash flow projections and available liquidity for a period of at least twelve months from the date of this Financial Statements. Based on this evaluation, management believes that the Company will be able to continue as a "going concern" in the foreseeable future and for a period of at least twelve months from the date of these Financial Statements based on the following:

- Expected future operating cash flows based on business projections, and
- Available credit facilities from 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.



Notes forming part of Consolidated Financial Statements

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.

F. Basis of consolidation:

The company consolidates entities which it owns or controls. The Consolidated financial statements comprise the financial statements of the Company, its controlled subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

3. Material accounting policies

Material accounting policy information has been identified and disclosed based on the guidance provided under Ind AS 1. The material accounting policy information used in preparation of these standalone financial statements have been disclosed in the respective notes below.

3.1 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.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, directly attributable borrowing costs.

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

Depreciation is calculated on estimated useful life using the written down value method for Property, plant and equipment are provided on straight line method over the useful life of assets, at the rates and in the manner specified in Part C of Schedule II of the Act.

The estimated useful life, depreciation method and residual value are reviewed at the end of each annual reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the asset.

Freehold land is not depreciated. Leasehold land (includes development cost) is amortised on a straight-line basis over the period of respective lease, except land acquired on perpetual lease. Useful life and residual values are reviewed at each financial year end and adjusted, as appropriate. Leasehold improvements are amortised/depreciated over the remaining tenure of the contract.

The management has estimated the useful life of the Tangible Assets as mentioned below:

Asset Class	Estimated Useful Life
Factory Building	30 years
Other Building	10 years
Plant & Machinery	20 years
Plant & Machinery (Pipelines)	15 years
Office Equipment	5 years
Factory Equipment	10 years
Computer Equipment (Servers & Networks)	6 years
Computer Equipment (Others)	3 years
Other Equipment	10 years
Furniture & Fixtures	10 years
Vehicle Equipment	8 years
Vehicle Equipment (Others)	10 years

Residual value on property, plant and equipment has been estimated at 5% of the cost, specified in Schedule II of the Act.

The management believes that these estimated useful life and residual values are realistic and reflect fair approximation of the period over which the assets are likely to be used.



Notes forming part of Consolidated Financial Statements

Impairments of non-financial assets

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Capital work-in-progress

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

Capital advances

Advances paid towards the acquisition of property, plant and equipment, outstanding at each balance sheet date is classified as capital advances under “other non-current assets”.

3.2 Intangible Assets

Recognition and measurement

Intangible assets that are acquired are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of assets can be measured reliably. The intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and are carried at cost less accumulated amortisation and impairment losses, if any. There are no internally generated intangible assets.

Subsequent measurement

Subsequent costs are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure on intangible assets is recognised in the Standalone Statement of Profit and Loss, as incurred.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight- line method over their estimated useful lives and is generally recognised in depreciation and amortisation on pro rata basis expense in the Standalone Statement of Profit and Loss.

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

An item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Standalone Statement of Profit and Loss when the asset is derecognised.

3.3 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



Notes forming part of Consolidated Financial Statements

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)

3.4 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.

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



Notes forming part of Consolidated Financial Statements

and dividend are recognized when the same are due to be received and right to receive such other income is established.

3.5 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.

3.6 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.

3.7 Cash and Cash Equivalents

Cash and cash equivalents comprises of cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.8 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.

3.9 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.

3.10 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 substantive substitution right, then the asset is not identified.

the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

- the Company has the right to operate the asset; or
- the Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices

Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.



Notes forming part of Consolidated Financial Statements

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets re determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rates as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to e payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is change in future lease payments arising from a change n an index or rate, if there is change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

Leasehold land is amortised over the period of lease remaining as on the date of purchase.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liability for the short-term leases that have lease term of 12 months 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.

3.11 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.



Notes forming part of Consolidated Financial Statements

3.12 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.

3.13 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 employee benefits

Defined Contribution Plan

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 Plan

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the current in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and under other equity in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

In respect of funded post-employment defined benefit plans, amounts due for payment within 12 months to the fund may be treated as 'current'. Regarding unfunded post-employment benefit plans, settlement obligations which are due within 12 months in respect of employees who have resigned or expected to resign or are due for retirement within the next 12 months is 'current'. The remaining amount attributable to other employees, who are likely to continue in the services for more than a year, is classified as "non-current".

Company uses the work of an actuary in determining the current and non current liability for unfunded post employee benefit obligations.

3.14 Trade Receivables

Trade Receivables are stated after writing off debts considered as bad. Adequate provision is made for debts considered as doubtful.

3.15 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.



Notes forming part of Consolidated Financial Statements

(iv) Cost of Stock in Trade procured for specific projects is assigned by specific identification of individual costs of each item.

3.16 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.

3.17 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.

3.18 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.

3.19 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.

3.20 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.

3.21 Recent accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2026, MCA has notified following Amendment to Ind AS, applicable to the Company w.e.f. 1st April, 2025.

- Ind AS 21 - The Effects of Changes in Foreign Exchange Rates Lack of Exchangeability
- Ind AS 12 - Income Taxes relating to International Tax Reform – Pillar Two Model Rules – Exception to recognition and disclosure of deferred tax.
- Amendments to Ind AS 7 – Cash flow statement and Ind AS 107 – Financial Instrument Disclosures relating to supplier finance arrangements
- Ind AS 1 - Presentation of Financial Statements Classification of Liabilities as current or non- current and non- current liabilities with covenants.

The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its Standalone financial statements.



Notes forming part of Consolidated Financial Statements

4. Property, plant and equipment				
Particulars	Gross Carrying Amount			
	As at 01 April 2025	Add during the year	Disposals during year*	As at 31 March 2026
Freehold land	₹298.20	₹73.75	₹0.00	₹371.95
Factory building	₹1,049.08	₹311.69	-₹23.51	₹1,337.27
Other building	₹21.11	₹0.00	₹0.00	₹21.11
Plant and machinery	₹8,087.58	₹2,944.99	-₹357.04	₹10,675.53
Office equipment	₹83.76	₹21.14	₹0.00	₹104.90
Factory equipment (electric)	₹868.11	₹365.20	-₹34.59	₹1,198.72
Computer equipment	₹124.36	₹41.00	₹0.00	₹165.36
Other equipment (Lab)	₹231.69	₹61.79	₹0.00	₹293.48
Furniture and fixtures	₹79.18	₹8.32	-₹2.49	₹85.01
Vehicle equipment	₹23.91	₹5.11	₹0.00	₹29.02
Total	₹10,866.98	3,832.98	(417.63)	₹14,282.33

Particulars	Gross Carrying Amount			
	As at 01 April 2024	Add during the year	Disposals during year	As at 31 March 2025
Freehold Land	₹12.43	₹285.77	₹0.00	₹298.20
Factory building	₹907.32	₹141.76	₹0.00	₹1,049.08
Other building	₹21.11	-	₹0.00	₹21.11
Plant and machinery	₹5,867.78	₹2,219.79	₹0.00	₹8,087.58
Office equipment	₹71.76	₹12.00	₹0.00	₹83.76
Factory equipment (electric)	₹661.46	₹206.64	₹0.00	₹868.10
Computer equipment	₹104.23	₹20.13	₹0.00	₹124.37
Other equipment (Lab)	₹210.79	₹20.90	₹0.00	₹231.69
Furniture and fixtures	₹67.11	₹12.07	₹0.00	₹79.18
Vehicle equipment	₹22.07	₹1.84	₹0.00	₹23.91
Total	₹7,946.07	₹2,920.91	₹0.00	₹10,866.98

*Refer note 53.

	Accumulated Depreciation			Net Carrying Amount	
	As at 01 April 2025	Add during the year	Disposals during year	As at 31 March 2026	As at 31 March 2026
	₹0.00	₹0.00	₹0.00	₹0.00	₹298.20
	₹101.80	₹35.79	-₹6.89	₹130.70	₹947.28
	₹16.54	₹2.01	₹0.00	₹18.55	₹4.57
	₹921.49	₹415.56	-₹80.85	₹1,256.20	₹7,166.09
	₹36.89	₹14.02	₹0.00	₹50.91	₹46.87
	₹178.04	₹85.70	-₹28.02	₹235.73	₹690.07
	₹71.06	₹23.38	₹0.00	₹94.44	₹53.29
	₹70.46	₹22.85	₹0.00	₹93.31	₹161.23
	₹24.02	₹7.82	-₹2.19	₹29.65	₹55.16
	₹7.64	₹3.25	₹0.00	₹10.89	₹16.28
	₹1,427.94	₹610.38	-₹117.95	₹1,920.37	₹9,439.04

	Accumulated Depreciation			Net Carrying Amount	
	As at 01 April 2024	Add during the year	Disposals during year	As at 31 March 2025	As at 31 March 2025
	₹0.00	₹0.00	₹0.00	₹0.00	₹12.43
	₹73.85	₹27.96	₹0.00	₹101.80	₹833.47
	₹14.54	₹2.01	₹0.00	₹16.55	₹6.57
	₹657.48	₹264.01	₹0.00	₹921.49	₹5,210.30
	₹24.73	₹12.15	₹0.00	₹36.88	₹47.03
	₹118.55	₹59.49	₹0.00	₹178.04	₹542.91
	₹49.62	₹21.44	₹0.00	₹71.06	₹54.61
	₹51.98	₹18.48	₹0.00	₹70.45	₹158.81
	₹17.57	₹6.45	₹0.00	₹24.01	₹49.54
	₹5.08	₹2.56	₹0.00	₹7.64	₹16.99
	₹1,013.40	₹414.54	₹0.00	₹1,427.94	₹6,932.67



Notes forming part of Consolidated Financial Statements

5. Capital work-in-progress

Particulars	Particulars			
	As at 01 April 2025	Add during the year	Capitalised during year	As at 31 March 2026
Capital work-in-progress	₹3,553.73	₹5,413.20	-₹3,905.84	₹5,061.08
Total	₹3,553.73	₹5,413.20	-₹3,905.84	₹5,061.08

CWIP ageing schedule: Amount in CWIP for a period of	Projects in Progress		Projects temporarily suspended	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Less than 1 Year	₹3,804.80	₹2,202.86	₹0.00	₹0.00
1-2 Years	₹1,256.28	₹1,350.87	₹0.00	₹0.00
2-3 Years	₹0.00	₹0.00	₹0.00	₹0.00
More than 3 Years	₹0.00	₹0.00	₹0.00	₹0.00
Total	₹5,061.08	₹3,553.73	₹0.00	₹0.00

6. Right-of-use assets

Particulars	Gross Carrying Amount				
	As at 01 April 2025	Add during the year	Disposals during year	Adjustments	As at 31 March 2026
Leasehold Land	₹1,612.22	₹913.09	₹0.00	₹0.00	₹2,525.31
Properties (Land & Building)	₹200.14	₹0.00	₹0.00	₹0.26	₹200.40
Total Assets	₹1,812.35	₹913.09	₹0.00	₹0.26	₹2,725.71

Particulars	Gross Carrying Amount				
	As at 01 April 2024	Add during the year	Disposals during year	Adjustments	As at 31 March 2025
Leasehold Land	₹1,492.65	₹119.57	₹0.00	₹0.00	₹1,612.22
Properties (Land & Building)	₹172.12	₹57.96	-₹29.94	₹0.00	₹200.14
Total Assets	₹1,664.76	₹177.53	-₹29.94	₹0.00	₹1,812.35

Particulars	Particulars			
	As at 01 April 2024	Add during the year	Capitalised during year	As at 31 March 2025
Capital work-in-progress	₹2,261.38	₹4,147.84	-₹2,855.50	₹3,553.73
Total	₹2,261.38	₹4,147.84	-₹2,855.50	₹3,553.73

For CWIP, whose completion is overdue compared to its original plan the project wise details of when the project is expected to be completed is given below:

CWIP	To be completed in			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Panoli (Site - 5)	₹4,455.97	₹0.00	₹0.00	₹0.00

	Accumulated Amortisation				Net Carrying Amount	
	As at 01 April 2025	Add during the year	Disposals during year	Adjustments	As at 31 March 2026	As at 31 March 2026
	₹44.23	₹36.81	₹0.00	₹0.00	₹81.04	₹1,567.99
	₹42.34	₹14.97	₹0.00	₹0.26	₹57.57	₹157.80
	₹86.57	₹51.78	₹0.00	₹0.26	₹138.61	₹1,725.78

	Accumulated Amortisation				Net Carrying Amount	
	As at 01 April 2024	Add during the year	Disposals during year	Adjustments	As at 31 March 2025	As at 31 March 2025
	₹26.04	₹18.19	₹0.00	₹0.00	₹44.23	₹1,466.62
	₹42.34	₹15.94	-₹15.95	₹0.00	₹42.33	₹129.78
	₹68.37	₹34.14	-₹15.95	₹0.00	₹86.57	₹1,596.38



Notes forming part of Consolidated Financial Statements

7. Intangible assets

Particulars (INR in MM)	Gross Carrying Amount			
	As at 01 pril 2025	Add during the year	Disposals during year	As at 31 March 2026
Computer Software	₹19.33	₹5.77	₹0.00	₹25.10
Others	₹2.40	₹0.00	₹0.00	₹2.40
Total	₹21.72	₹5.77	₹0.00	₹27.50

Particulars (INR in MM)	Gross Carrying Amount			
	As at 01 April 2024	Add during the year	Disposals during year	As at 31 March 2025
Computer Software	₹15.86	₹3.48	₹0.00	₹19.34
Others	₹2.40	₹0.00	₹0.00	₹2.40
Total	₹18.25	₹3.48	₹0.00	₹21.73

8. Intangible assets under development

Particulars (INR in MM)	Gross Carrying Amount			
	As at 01 April 2025	Add during the year	Capitalised during year	As at 31 March 2026
Computer Software	₹79.55	₹18.41	-₹2.18	₹95.78
Total	₹79.55	₹18.41	-₹2.18	₹95.78

Intangible assets under development ageing schedule	Projects in Progress		Projects temporarily suspended	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Amount in Intangible assets under development for a period of				
Less than 1 Year	₹16.23	₹18.26	₹0.00	₹0.00
1-2 Years	₹18.26	₹61.29	₹0.00	₹0.00
2-3 Years	₹61.29	₹0.00	₹0.00	₹0.00
More than 3 Years	₹0.00	₹0.00	₹0.00	₹0.00
Total	₹95.78	₹79.55	₹0.00	₹0.00

Note: There are no projects as at reporting date which has exceeded cost as compare to its original approved plan.

	Accumulated Amortisation			Net Carrying Amount	
	As at 01 April 2025	Add during the year	Disposals during year	As at 31 March 2025	As at 31 March 2026
	₹11.95	₹1.79	₹0.00	₹7.38	₹11.35
	₹2.06	₹0.20	₹0.00	₹0.34	₹0.14
	₹14.02	₹1.99	₹0.00	₹7.71	₹11.49

	Accumulated Amortisation			Net Carrying Amount	
	As at 01 April 2024	Add during the year	Disposals during year	As at 31 March 2024	As at 31 March 2025
	₹10.75	₹1.21	₹0.00	₹5.11	₹7.38
	₹1.83	₹0.23	₹0.00	₹0.57	₹0.34
	₹12.57	₹1.44	₹0.00	₹5.68	₹7.71

Particulars (INR in MM)	Gross Carrying Amount			
	As at 01 April 2024	Add during the year	Capitalised during year	As at 31 March 2025
Computer Software	₹61.29	₹21.46	-₹3.20	₹79.55
Total	₹61.29	₹21.46	-₹3.20	₹79.55



Notes forming part of Consolidated Financial Statements

Particulars	As at March 31,	
	2026	2025
9. Investments		
Unquoted equity shares		
Other investments (measured at cost)		
9 (31 March 2025: 9) equity shares of Sachin Industrial Co. Op. Society Limited, of Rs.500 each fully paid-up	₹0.00	₹0.00
1,16,851 (31 March 2025: 1,16,851) equity shares of Globe Enviro Care Limited, of Rs.10 each fully paid-up	₹2.09	₹2.09
	₹2.10	₹2.10
Aggregate value of unquoted investments	₹2.10	₹2.10
Aggregate amount of impairment in value of investments	₹0.00	₹0.00
Notes:		
(1) Refer note 44 and 46 for financial instruments - risk measurement and fair values respectively.		
(2) The Company's interest in its subsidiaries, have been disclosed below in accordance with Ind AS 112 - Disclosure of Interests in Other Entities:		
10. Loan		
Loans to employees*	₹8.51	₹8.42
	₹8.51	₹8.42
Breakup of security details		
Loans, considered good - secured	₹0.00	₹0.00
Loans, considered good - unsecured	₹8.51	₹8.42
Loans, considered doubtful / credit impaired	₹0.00	₹0.00
Total	₹8.51	₹8.42
Less: Loss allowance	₹0.00	₹0.00
Total loans receivables	₹8.51	₹8.42
*Loan to employees does not include any loan given to promoters, directors, KMPs and any other related parties.		
11. Other financial assets		
(Unsecured, considered good)		
Security deposits	₹15.92	₹13.82
Fixed Deposit at Bank	₹1.03	₹0.91
Margin Money - Fixed Deposits	₹0.91	₹11.16
	₹17.86	₹25.89

Particulars	As at March 31,	
	2026	2025
12. Other non-current assets		
(Unsecured, considered good)		
Capital advances	₹151.92	₹194.18
Prepaid expenses	₹1.75	₹0.60
	₹153.68	₹194.78
13. Inventories (Valued at lower of cost or net realisable value)		
Raw material	₹1,542.19	₹931.10
Work in progress	₹2,663.40	₹2,014.84
Finished goods	₹877.75	₹642.84
Stores and spares	₹98.27	₹87.32
Others :		
Packing materials	₹19.57	₹31.67
Recoveries	₹243.50	₹260.88
Gross Inventory	₹5,444.68	₹3,968.66
Less: Stock Loss due to Fire (Refer note 53)	₹70.00	₹0.00
Net Inventory	₹5,374.68	₹3,968.66
Notes:		
(1) Inventories are pledge / hypothecated as primary security with the bankers (lenders) against the Working Capital Facilities availed by the Company. Also refer note 24.		
14. Trade receivables		
Loans, considered good - secured	₹53.01	₹40.57
Loans, considered good - unsecured	₹3,855.77	₹2,845.63
	₹3,908.78	₹2,886.20
Less: Allowance for expected credit loss	-₹8.28	₹0.00
	₹3,900.50	₹2,886.20
The above amount includes :		
Receivable from related parties	₹0.00	₹0.00
Receivable from other than related parties	₹3,908.78	₹2,886.20
	₹3,908.78	₹2,886.20
Notes:		
(1) Trade receivables are pledge / hypothecated as primary security with the bankers (lenders) against the Working Capital Facilities availed by the Company. Refer note 24.		
(2) For disclosures regarding credit risk and trade receivable impairments under the expected credit loss model, please refer to Note 44.		



Notes forming part of Consolidated Financial Statements

14. Trade receivables

Ageing of trade receivables as at 31 March 2026

Particulars	Outstanding for following periods from due date of Payment						Total
	Not Due	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - considered good	₹2,609.59	₹1,232.73	₹58.08	₹3.63	₹0.00	₹4.74	₹3,908.78
	₹2,609.59	₹1,232.73	₹58.08	₹3.63	₹0.00	₹4.74	₹3,908.78

Ageing of trade receivables as at 31 March 2025

Particulars	Outstanding for following periods from due date of Payment						Total
	Not Due	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - considered good	₹1,878.02	₹991.87	₹7.58	₹0.64	4.49	₹3.61	₹2,886.20
	₹1,878.02	₹991.87	₹7.58	₹0.64	₹4.49	₹3.61	₹2,886.20

Particulars	As at March 31,	
	2026	2025
15. Cash and cash equivalents		
Cash in hand	₹2.17	₹0.36
Cash in Hand (Foreign Currency)	₹0.00	₹0.69
Balances with banks in		
Current accounts	₹2.95	₹85.40
EEFC accounts	₹51.51	₹76.12
Cash Credit accounts	₹0.00	₹11.14
Total loans receivables	₹56.63	₹173.71
16. Bank balances other than cash and cash equivalents		
Other bank balances		
Fixed Deposits with Bank (with remaining maturity of less than 12 months)	₹0.00	₹2,211.55
	₹0.00	₹2,211.55

Particulars	As at March 31,	
	2026	2025
17. Loans		
Loans to employees	₹11.55	₹8.45
	₹11.56	₹8.45
Breakup of security details		
Loans, considered good - secured	₹0.00	₹0.00
Loans, considered good - unsecured	₹11.55	₹8.45
Loans, considered doubtful / credit impaired	₹0.00	₹0.00
Total	₹11.55	₹8.45
Less: Loss allowance	₹0.00	₹0.00
Total loans receivables	₹11.55	₹8.45

Notes:

(1) Loan to employees does not include any loan given to promoters, directors, KMPs and any other related parties.

18. Other financial assets

Margin Money - Fixed Deposits	₹12.22	₹0.58
Interest receivable (from fixed deposits with banks)	₹0.00	₹106.40
Insurance Claim Receivable	₹89.68	₹0.00
Unbilled Revenue	₹7.34	0
Security Deposits	₹90.63	₹212.07
	₹199.88	₹319.05

19. Current tax asset (net)

Advance Tax (net of Provision)	₹326.22	₹292.37
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20. Other current assets

Advance credit card payments	₹0.77	₹1.06
Advance to suppliers and others	₹175.87	₹234.55
Balances with government authorities	₹1,556.86	₹1,145.89
Prepaid expenses	₹95.40	₹131.79
Share issue expenses	₹0.00	₹12.56
Other Receivables	₹16.36	₹19.34
	₹1,845.26	₹1,545.20



Notes forming part of Consolidated Financial Statements

Particulars	As at March 31,	
	2026	2025
21. Share capital		
Authorised		
14,00,00,000 (31 March 2025: 14,00,00,000) equity shares of Rs.10 each.	₹1,400.00	₹1,400.00
Total	₹1,400.00	₹1,400.00
Issued, subscribed and paid up		
Equity share capital		
13,26,79,824 (31 March 2025: 13,25,90,241) equity shares of Rs.10 each fully paid-up	₹1,326.80	₹1,325.90
	₹1,326.80	₹1,325.90
Reconciliation of number of shares outstanding at the beginning and end of the year		
	Number of shares	Number of shares
Outstanding at the beginning of the year	13,25,90,241	13,25,50,273
Add: Issued during the year	89,583	39,968
Outstanding at the end of the year	13,26,79,824	13,25,90,241
Note: Number of shares is presented as absolute number.		
Terms / Rights attached to each classes of shares		
Rights, preferences and restrictions attached to Equity shares		
As to dividend	The Shareholders are entitled to receive dividend in proportion to the amount of paid up equity shares held by them. The Company has not declared any dividend during the year.	
As to repayment of capital	In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining asset of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.	
As to voting	The Company has one class of shares referred to as Equity Shares having par value of Rs. 10/-. Each holder of the equity share is entitled to one vote per share.	

Particulars	As at March 31,	
	2026	2025
Details of shareholders holding more than 5% shares in the Company		
Equity shares of Rs 10 each fully paid	Number of Shares % holding	Number of Shares % holding
Purnima Ashwin Desai	2,30,78,230 17.39%	3,20,57,403 24.18%
Ashwin Jayantilal Desai	67,20,417 5.07%	67,20,417 5.07%
AJD Family Trust	1,35,60,206 10.22%	1,35,60,206 10.23%
PAD Family Trust	1,35,60,206 10.22%	1,35,60,206 10.23%
RAD Family Trust	2,00,17,162 15.09%	2,00,17,162 15.10%
AAD Business Trust	2,00,17,162 15.09%	2,00,17,162 15.10%
Total	9,69,53,383 73.07%	10,59,32,556 79.89%
Promotors Shareholding in the Company is set out below		
Equity shares of Rs 10 each fully paid	Number of Shares % holding	Number of Shares % holding
Purnima Ashwin Desai	2,30,78,230 17.39%	3,20,57,403 24.18%
Ashwin Jayantilal Desai	67,20,417 5.07%	67,20,417 5.07%
Rohan Ashwin Desai	22,21,681 1.67%	22,21,681 1.68%
Aman Ashwin Desai	1,10,000 0.08%	1,10,000 0.08%
AJD Family Trust	1,35,60,206 10.22%	1,35,60,206 10.23%
PAD Family Trust	1,35,60,206 10.22%	1,35,60,206 10.23%
RAD Family Trust	2,00,17,162 15.09%	2,00,17,162 15.10%
AAD Business Trust	2,00,17,162 15.09%	2,00,17,162 15.10%
Ruchira Surendra Manjrekar	43,810 0.03%	43,810 0.03%
Surendra Keshav Manjrekar	43,810 0.03%	43,810 0.03%
Sourabh Manjrekar	29,210 0.02%	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%
Pramiladevi Kamalvijay Tulsian	32 0.00%	32 0.00%
Kamalvijay Tulsian (HUF)	32 0.00%	32 0.00%
Jayshree Dilip Shah	275 0.00%	275 0.00%
	9,94,37,293 74.95%	10,84,16,466 81.77%
22. Other equity		
A. Retained earnings	₹7,630.84	₹5,425.75



Notes forming part of Consolidated Financial Statements

Particulars	As at March 31,	
	2026	2025
B. Securities premium	₹15,526.70	₹15,441.13
C. Employee Share Option Reserve	₹74.54	₹66.07
	₹23,232.08	₹20,932.96
A. Retained earnings		
Opening balance	₹5,425.75	₹3,845.29
Profit for the year	₹2,194.63	₹1,584.18
Other comprehensive (loss)/ income		
-Remeasurements of defined benefit liability / (asset) (net of tax)	₹10.45	-₹3.72
Closing balance	₹7,630.84	₹5,425.75
B. Securities Premium		
Opening balance	₹15,441.13	₹15,416.17
Transfer upon exercise of employee stock option plan	₹42.92	₹13.44
Share issue expenses	₹0.00	-₹0.90
Allotment of Shares under exercise of ESOPs	₹40.20	₹12.43
Other movement	₹2.45	₹0.00
Closing balance	₹15,526.70	₹15,441.13
C. Employee Share Option Reserve		
Opening balance	₹66.07	₹46.24
Add: Additions during the year	₹51.39	₹33.27
Less: Transferred to Securities Premium on exercise of stock options	₹42.92	₹13.44
Closing balance	₹74.54	₹66.07
Total Reserve and surplus	₹23,232.08	₹20,932.96
Notes:		
(1) During the year, the Company has issued 39,190, 33,161 and 17,232 equity shares of the Face Value of Rs. 10/- each, at the exercise price of Rs. 321/-, Rs. 400/- and Rs. 885/- each including a premium of Rs. 311/-, Rs. 390/- and Rs. 875/- each respectively under Employee Stock Option Plan. During the previous year, Company had issued 39,968 equity shares of the Face Value of Rs. 10/- each, at the exercise price of Rs. 321/- including a premium of Rs. 311/- under Employee Stock Option Plan. Information relating to Employee Stock Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 48.		
(2) For the period of five years immediately preceding the Balance Sheet date, the Company has not allotted any Equity Shares as fully paid-up by way of bonus shares (Previous Year: NIL)		
23. Lease liabilities		
Lease liabilities (Refer note 50)	₹142.41	₹148.09
	₹142.41	₹148.09

24. Borrowings		
Working capital loan from bank		
Secured	₹3,302.19	₹1,825.29
Unsecured	₹1,114.43	₹0.00
	₹4,416.62	₹1,825.29
Notes:		
(1) The primary security for working capital loan is outstanding receivables and inventories.		
(2) The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.		
(3)During the financial year, the Parent Company has utilized short-term borrowing funds amounting to Rs.2,122.81 million for long-term purposes, primarily towards funding of capital expenditure. Consequently, borrowing costs of Rs. 104.86 million were capitalized in accordance with Ind AS 23. The same is also subject to reporting under Clause 3(xvii) of the Companies (Auditor's Report) Order, 2020. The Company is currently in the process of restructuring its debt profile and expects to substitute them with long-term financial arrangements in due course to align its asset-liability maturity profile.		
(4) Break-up of the Working capital loan		
i) Working Capital Limits with Axis Bank	₹430.00	₹0.00
Facilities includes sanctioned interchangeable combined fund-based and non fund based facility of Rs. 630.00 million (31 March 2025: Rs.0.00 million). It carries interest rates ranging from 7.00% p.a. to 8.50% p.a.)		
ii) Working Capital Limits with HDFC Bank	₹1,297.00	₹327.15
Facilities includes sanctioned interchangeable combined fund-based and non fund based facility of Rs. 1,860.00 million (31 March 2025: Rs. 460.00 million). It carries interest rates ranging from 7.00% p.a. to 8.50% p.a.)		
iii) Working Capital Limits with ICICI Bank	₹1,572.91	₹1,500.15
Facilities includes sanctioned interchangeable combined fund-based and non fund based facility of Rs. 2,500.00 million (31 March 2025: Rs. 2,000.00 million). It carries interest rates ranging from 7.00% p.a. to 8.50% p.a.)		
Total outstanding	₹3,299.91	₹1,827.30
Foreign exchange (gain)/ loss on PCFC loans	₹2.28	-₹2.01
Net outstanding	₹3,302.19	₹1,825.29
25. Lease liabilities		
Lease liabilities (Refer note 50)	₹20.34	₹25.32
	₹20.34	₹25.32
26. Trade payables		
Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note 42)	₹123.66	₹221.14
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	₹1,845.72	₹1,054.54
	₹1,969.38	₹1,275.68
Notes:		
(1)Refer note 43 - Related Party for related party disclosure		



Notes forming part of Consolidated Financial Statements

Ageing of trade payables as at 31 March 2026

Particulars	Outstanding for following periods from due date of Payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than	
(i) MSME	₹60.53	₹63.13	₹0.00	₹0.00	₹0.00	₹123.66
(ii) Others	₹962.42	₹812.55	₹2.06	₹1.69	₹0.00	₹1,778.72
(iii) Disputed dues - MSME	₹0.00	₹0.00	₹0.00	₹0.00	₹0.00	₹0.00
(iv) Disputed dues - Others	₹0.00	₹0.00	₹67.00	₹0.00	₹0.00	₹67.00
	₹1,022.95	₹875.69	₹69.06	₹1.69	₹0.00	₹1,969.38

Ageing of trade payables as at 31 March 2025

Particulars	Outstanding for following periods from due date of Payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than	
(i) MSME	₹120.28	₹100.85	₹0.00	₹0.00	₹0.00	₹221.14
(ii) Others	₹675.66	₹305.22	₹6.59	₹0.06	₹0.01	₹987.54
(iii) Disputed dues - MSME	₹0.00	₹0.00	₹0.00	₹0.00	₹0.00	₹0.00
(iv) Disputed dues - Others	₹0.00	₹67.00	₹0.00	₹0.00	₹0.00	₹67.00
	₹795.94	₹473.07	₹6.59	₹0.06	₹0.01	₹1,275.68

Particulars	As at March 31,	
	2026	2025
27. Other financial liabilities		
Employee benefit payables	₹66.22	₹52.68
Credit Card Dues	₹14.18	₹0.00
Refund of share application money	₹0.00	₹0.00
Insurance Claim Payable to Employees	₹0.05	₹0.00
	₹80.44	₹52.68
28. Other current liabilities		
Advance from customers	₹1.53	₹1.31
Statutory due payables	₹13.70	₹48.37
Insurance Claim Payable	₹0.00	₹215.91
	₹15.23	₹265.59
29. Provision		
Provision for employee benefits	₹28.80	₹22.69
Provision for expenses	₹42.56	₹39.77
Total loans receivables	₹71.36	₹62.46

Particulars	For the year ended March 31,	
	2026	2025
30. Revenue from Operation		
Revenue from contracts with customers		
Sale of products	₹8,511.65	₹7,209.58
Sale of services	₹2,806.50	₹1,181.15
Less : Rebate and discount	-₹0.01	-₹3.83
	₹11,318.14	₹8,386.90
Other operating revenue		
Export incentives	₹25.04	₹18.58
FLOP Claim (Refer note 53)	₹258.23	₹0.00
	₹283.27	₹18.58
Total revenue from operations	₹11,601.41	₹8,405.48

Refer note 49 for revenue from contract with customers as per Ind AS 115.
Refer note 51 for information about operating segment as per Ind AS 108.

31. Other income		
Interest		
Interest on fixed deposits	₹42.58	₹344.08
Others	₹3.01	₹2.28
Other non-operating income		
Foreign exchange fluctuation (net)	₹160.53	₹38.29
Interest on Income Tax Refund	₹0.02	₹8.94
Profit on Termination of Lease	₹0.00	₹3.21
Miscellaneous income	₹3.13	₹0.83
	₹209.27	₹397.64
32. Cost of materials consumed		
Raw Materials		
Opening	₹931.10	₹856.72
Add: Purchases	₹7,204.29	₹4,737.12
Add: Custom duty and clearing forwarding charges	₹98.51	₹56.26
Less: Discount on Purchase of Raw Material	₹194.58	₹41.91
	₹8,039.33	₹5,608.19
Less: Closing	₹1,542.19	₹931.10
	₹6,497.13	₹4,677.08



Notes forming part of Consolidated Financial Statements

Particulars	For the year ended March 31,	
	2026	2025
Packing Materials		
Opening	₹31.67	₹22.42
Add: Purchases	₹132.62	₹101.70
	₹164.29	₹124.12
Less: Closing	₹19.57	₹31.67
	₹144.72	₹92.45
Stores & Spares		
Opening	₹87.32	₹59.56
Add: Purchases	₹174.07	₹210.98
	₹261.40	₹270.54
Less: Closing	₹98.27	₹87.32
	₹163.13	₹183.21
Recoveries		
Opening	₹260.88	₹332.06
Add: Purchases	₹0.00	₹48.10
	₹260.88	₹380.15
Less: Closing	₹243.50	₹260.88
	₹17.38	₹119.27
Total cost of materials consumed	₹6,822.37	₹5,072.03
33. Changes in inventories of finished goods and work-in-progress		
Opening inventories		
Finished goods	₹642.84	₹493.14
Work-in-progress	₹2,014.84	₹1,670.81
Total (A)	₹2,657.68	₹2,163.96
Closing inventories		
Finished goods	₹877.75	₹642.84
Work-in-progress	₹2,663.40	₹2,014.84
Total (B)	₹3,541.15	₹2,657.68
Goods destroyed due to fire (C) (Refer note 53)	₹70.00	₹0.00
Claim settled against goods destroyed due to fire (D) (Refer note 53)	₹0.00	₹112.46
Total (A-B+C-D)	-₹813.47	-₹606.19

Particulars	For the year ended March 31,	
	2026	2025
34. Employee benefits expense		
Salaries, wages and bonus	₹489.77	₹363.50
Gratuity expense (Refer note 47(ii))	₹26.04	₹10.00
Contribution to provident and other fund (Refer note 47(i))	₹25.64	₹23.20
Share based payment expenses	₹53.84	₹33.27
Staff welfare and other employee benefit expenses	₹32.04	₹32.15
	₹627.33	₹462.12
35. Finance cost		
Interest expense on credit facilities	₹158.32	₹111.86
Interest expense on lease liabilities	₹14.85	₹14.10
Bank charges	₹7.70	₹3.37
	₹180.87	₹129.33
36. Depreciation and amortisation expense		
Depreciation of property, plant and equipment (Refer note 4)	₹610.38	₹414.57
Amortisation of right-of-use asset (refer note 6)	₹51.78	₹34.12
Amortisation of intangible assets (refer note 7)	₹1.99	₹1.45
	₹664.15	₹450.14
37. Other expenses		
Manufacturing service cost expenses		
Power and fuel	₹295.59	₹234.84
Water charges	₹11.82	₹11.85
Other manufacturing costs	₹492.90	₹384.87
Administrative and general expenses		
Telephone and postage	₹5.19	₹4.56
Printing and stationery	₹2.63	₹2.04
Rent (Refer note 50(d))	₹6.95	₹5.44
Rates and taxes	₹14.89	₹15.27
Payment to statutory auditors (Refer note below)	₹1.34	₹1.15
Directors' sitting fees (Refer note 43)	₹1.95	₹1.97
Repairs and maintenance expenses	₹76.94	₹45.16
Travelling expenses	₹26.06	₹15.52
Expected Credit Loss on Trade Receivables	₹8.28	₹0.00
Legal and professional expenses	₹67.01	₹59.54



Notes forming part of Consolidated Financial Statements

Particulars	For the year ended March 31,	
	2026	2025
Insurance expenses	₹62.21	₹59.68
Vehicle running expenses	₹8.45	₹7.37
Other administrative and general expenses	₹33.06	₹28.13
Selling and distribution expenses	₹146.58	₹125.64
Technical Testing of Analytical Services	₹6.43	₹8.18
CSR Expenses (Refer note 52)	₹34.42	₹28.63
Miscellaneous Freight & Forwarding Charges	₹13.75	₹3.44
Miscellaneous expenses	₹12.39	₹3.85
	₹1,328.82	₹1,047.11
(a) Payment to auditors		
Statutory audit fee (including previous auditor's fees)	₹1.34	₹1.15
Other matters	₹0.00	₹0.00
	₹1.34	₹1.15
38. Exceptional items		
Excess Insurance amount due to fire	₹86.27	₹107.12
Other incidental expenses	₹3.49	₹11.62
	₹89.76	₹118.74

Note: The exceptional items mentioned above are in the nature of excess Insurance Premium and other related expenses due to the Insurance Claim on account of fire accident.

39. Taxes

(a) Statement of profit or loss

Current tax		
Current income tax charge	₹508.35	₹380.16
Deferred tax	₹207.87	₹165.50
Income tax expense reported in the statement of profit or loss	₹716.22	₹545.66

(b) Other comprehensive income (OCI)

Taxes related to items recognised in OCI during the year

Deferred tax		
Remeasurements gains/(losses) on post employment benefits	₹3.52	-₹1.25
Income tax recognised in OCI	₹3.52	-₹1.25

Particulars	For the year ended March 31,	
	2026	2025
(c) Balance sheet		
Current tax assets	₹326.22	₹292.37
Total tax assets	₹326.22	₹292.37
(d) Deferred tax liabilities / (assets)		
Property, plant and equipment and Intangible Assets	₹753.94	₹572.26
Fair valuation of Security deposits	-₹0.02	-₹0.05
Prepaid Rent	₹0.02	₹0.04
Provision for Gratuity & Leave encashment	-₹7.25	-₹0.40
Lease liabilities	-₹40.96	-₹43.64
Right-of use assets	₹35.95	₹0.00
Allowance for expected credit losses	-₹2.08	₹0.00
Net deferred tax liability/(asset)	₹739.60	₹528.22
(e) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate		
Accounting profit before tax	₹2,910.85	₹2,129.84
Tax rate	25.17%	25.17%
Tax as per Income Tax Act on above	₹732.60	₹536.04
Tax expenses (P&L)		
(i) Current tax	₹508.35	₹380.16
(ii) Deferred tax	₹207.87	₹165.50
(iii) Taxation in respect of earlier years	₹0.00	₹0.00
	₹716.21	₹545.66
Difference	₹16.39	-₹9.62
Tax reconciliation		
Adjustments:		
Effect of permanent adjustments		
(i) Impact as a result of Tax Rate Change	₹0.00	₹0.00
(ii) Impact as a result of Capital Gains	₹0.00	₹0.00
(iii) Impact as a result of Different Tax rate in Subsidiary	₹0.00	₹0.00
(iv) Others	-₹47.96	-₹7.87
	₹31.57	₹17.49
	₹0.00	₹0.00



Notes forming part of Consolidated Financial Statements

Particulars	For the year ended March 31,			
	2025	2026	2025	2026
(f) Movement in temporary differences				
Deferred tax liabilities (DTL)				
Property, plant and equipment and Intangible Assets	₹572.26	₹181.68	₹0.00	₹753.94
Fair valuation of Security deposits	-₹0.05	₹0.02	₹0.00	-₹0.02
Prepaid Rent	₹0.04	-₹0.02	₹0.00	₹0.02
Provision for Gratuity & Leave encashment	-₹0.40	-₹10.37	₹3.52	-₹7.25
Lease liabilities	-₹43.64	₹2.68	₹0.00	-₹40.96
Right-of use assets	₹0.00	₹35.95	₹0.00	₹35.95
Allowance for expected credit losses	₹0.00	-₹2.08	₹0.00	-₹2.08
Net deferred tax liability/(asset)	₹528.22	₹207.87	₹3.52	₹739.60

Particulars	For the year ended March 31,			
	2024	2025	2024	2025
Deferred tax liabilities (DTL)				
Property, plant and equipment and Intangible Assets	₹399.49	₹172.78	₹0.00	₹572.26
Fair valuation of Security deposits	-₹0.07	₹0.02	₹0.00	-₹0.05
Prepaid Rent	₹0.07	-₹0.03	₹0.00	₹0.04
Provision for Gratuity & Leave encashment	₹0.68	₹0.17	-₹1.25	-₹0.40
Lease liabilities	-₹36.20	-₹7.44	₹0.00	-₹43.64
Net deferred tax liability/(asset)	₹363.97	₹165.50	-₹1.25	₹528.22

Particulars	For the year ended March 31,	
	2025	2024
40. Earnings per share		
Basic Earnings Per Share		
Profit for the year	₹2,194.63	₹1,584.18
Weighted average number of equity shares outstanding during the year	13,26,10,173	13,25,64,881
Basic EPS (Rs.)	₹16.55	₹11.95

Particulars	For the year ended March 31,	
	2026	2025
Diluted Earnings Per Share		
Profit for the year	₹2,194.63	₹1,584.18
Weighted average number of equity shares outstanding during the year	13,27,26,476	13,26,27,995
Diluted EPS (Rs.)	₹16.54	₹11.95
Weighted average number of equity shares for Basic Earnings Per Share		
Balance at the beginning and at the end of the period	13,25,90,241	13,25,50,273
Weighted Average number of equity shares issued during the year	19,932	14,608
Weighted average number of equity shares outstanding during the year	13,26,10,173	13,25,64,881
Weighted average number of equity shares for Diluted Earnings Per Share		
Balance at the beginning and at the end of the period	13,25,90,241	13,25,50,273
Adjustment for calculation of diluted earnings per share	1,36,235	77,722
Weighted average number of equity shares outstanding during the year	13,27,26,476	13,26,27,995

Particulars	As at March 31,	
	2026	2025
41. Contingent liabilities		
Bank Guarantees Issued for		
Customs	₹6.44	₹8.89
Gujarat Gas Ltd.	₹20.92	₹27.31
DGVCL	₹116.83	₹100.46
NHI	₹0.25	₹0.25
GPCB	₹0.00	₹0.75
Income Tax Demand		
AY 2020-21 (PY: 2019-20)	₹1.32	₹1.32
TDS Demand		
AY 2024-25 (PY: 2023-24)	₹0.01	₹0.01



Notes forming part of Consolidated Financial Statements

Particulars	As at March 31,	
	2026	2025
GST Demand		
FY 2021-22	₹6.12	₹0.00
FY 2022-23	₹36.49	₹0.00
FY 2023-24	₹0.01	₹0.00
Notes:		
(1) Management believes that its position on the aforesaid Income tax and GST matters against the Company will likely to be upheld in the Appeals / appellate process and accordingly no provision has been made in the consolidated financial statements for such demands.		
(2) Fixed Deposits amounting to Rs.13.40 millions (Previous year: Rs.11.97 millions) has been provided to bank for above bank guarantees.		
(3) The Company received a demand cum show Cause Notice from the CGST & Central GST Surat Commissionerate alleging an ineligible / excess availing of Input Tax Credit (ITC) amounting to ₹42.62 million (Previous Year: Nil) with respect to expenses incurred on the launching of its Initial Public Offer (IPO).		
The Company has preferred an appeal before the appropriate Appellate Authorities against the said demand. Management, based on internal assessments and independent legal advice, is of the firm opinion that the said ITC is eligible under the provisions of the CGST Act, 2017. As the company expects a favourable outcome and believes that the probability of an ultimate outflow of economic resources is remote, no provision has been recognized in the financial statements for the year ended March 31, 2026.		
42. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		
The amount due to micro and small enterprises (MSME) as defined in the “The Micro, Small and Medium Enterprises Development Act, 2006” (hereinafter referred to as "MSMED Act") has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to micro enterprises and small enterprises is as below		
Particulars	As at March 31,	
	2026	2025
Principal amount remaining unpaid (less than 45 days) to any supplier as at the end of the year		
Trade payables	₹62.63	₹188.46
Capital creditors	₹61.03	₹32.67
Principal amount remaining unpaid (more than 45 days) to any supplier as at the end of the year		
Trade payables	₹0.00	₹0.00
Capital creditors	₹0.00	₹0.00
Interest due thereon remaining unpaid to any supplier as at the end of the year		
Trade payables	₹0.00	₹0.00
Capital creditors	₹0.00	₹0.00
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act 2006.	₹0.00	₹0.00

Particulars	As at March 31,	
	2026	2025
The amount of payment made to micro and small supplier beyond the appointed day during each accounting year.	₹0.00	₹0.00
The amount of interest due and payable for period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act 2006.	₹0.00	₹0.00
The amount of interest accrued and remaining unpaid at the end of the accounting year.	₹0.00	₹0.00
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	₹0.00	₹0.00
43. Related Party Disclosures		
(a) List of Related Parties and description of relationship		
Subsidiary company		
Aether Speciality Chemicals Limited		
Entities where Directors are interested		
Ashwin Jayantilal Desai (Managing Director)		
Aether Foundation		
Aether Speciality Chemicals Limited		
Globe Enviro Care Limited		
Purnima Ashwin Desai (Whole Time Director)		
Aether Foundation		
Aether Speciality Chemicals Limited		
Rohan Ashwin Desai (Whole Time Director)		
Aether Foundation		
Aether Speciality Chemicals Limited		
Aman Ashwin Desai (Whole Time Director)		
Aether Speciality Chemicals Limited		



Notes forming part of Consolidated Financial Statements

Ishita Surendra Manjrekar (Director)
Sunanda Speciality Coatings Pvt. Ltd.

Jeevanlal Nagori (Trustee)
Kajorimal Basantilal Nagori Charitable Trust

Key Management Personnel (KMP)	
Name	Designation
Ashwin Jayantilal Desai	Managing Director
Purnima Ashwin Desai	Whole Time Director
Rohan Ashwin Desai	Whole Time Director
Aman Ashwin Desai	Whole Time Director
Dr. James W. Ringer	Chief Technology Officer
Faiz Arif Nagariya	Chief Financial Officer
Chitrarth Rajan Parghi	Company Secretary & Compliance Officer

Relative of Key Management Personnel	
Name	Relation
Payal Rohan Desai	Spouse of Rohan Ashwin Desai
Kamalvijay Ramchandra HUF	HUF of Director - Kamalvijay Ramchandra Tulsian
Pramilaben Kamalvijay Tulsian	Spouse of Kamalvijay Tulsian

Other Directors on Board	
Name	Designation
Kamalvijay Ramchandra Tulsian	Chairperson Non-Executive Director
Ishita Surendra Manjrekar	Non-Executive Director
Amol Arvindrao Kulkarni	Independent Director
Arun Brijmohan Kanodiya	Independent Director
Jeevanlal Nagori	Independent Director
Jitendra Popatlal Vakharia	Independent Director
Leja Satish Hattiangadi	Independent Director
Rajkumar Mangilal Borana	Independent Director

Particulars	For the year ended March 31,	
	2026	2025
(b) Disclosure in respect of transactions with related parties during the year:		
Rent paid		
Purnima Ashwin Desai	₹0.04	₹0.00
Payal Rohan Desai	₹1.80	₹1.80
Kamalvijay Ramchandra HUF	₹0.00	₹1.89
Pramilaben Kamalvijay Tulsian	₹0.00	₹1.89
Total	₹1.84	₹5.58
Purchase of Land		
Kamalvijay Ramchandra HUF	₹0.00	₹54.72
Pramilaben Kamalvijay Tulsian	₹0.00	₹54.72
Total	₹0.00	₹109.44
Managerial Remuneration		
Ashwin Desai	₹13.65	₹13.65
Purnima Desai	₹13.65	₹13.65
Rohan Desai	₹19.47	₹19.47
Aman Desai	₹20.48	₹20.48
Total	₹67.25	₹67.25
Transactions with Companies Controlled by Directors / Relatives		
Sunanda Speciality Coatings Pvt. Ltd. (Consumables)	₹3.18	₹4.75
Sunanda Speciality Coatings Pvt. Ltd. (Building & Structure)	₹62.00	₹34.83
Globe Enviro Care Limited (Effluent Treatment Expenses)	₹106.11	₹77.32
Aether Foundation (CSR Expenses)	₹0.00	₹1.47
Kajorimal Basantilal Nagori Charitable Trust (CSR Expenses)	₹1.50	₹0.50
Total	₹172.79	₹118.87
Salary paid		
Dr. James W. Ringer	₹18.09	₹17.63
Faiz Arif Nagariya	₹7.85	₹6.83
Chitrarth Rajan Parghi	₹1.15	₹0.92
	₹27.09	₹25.38



Notes forming part of Consolidated Financial Statements

Particulars	For the year ended March 31,	
	2026	2025
Payment for ESOP option		
Dr. James W. Ringer	₹1.00	₹2.00
Faiz Arif Nagariya	₹0.81	₹0.37
Chitrarth Rajan Parghi	₹0.12	₹0.05
Total	₹1.92	₹2.42
Sitting Fees to Directors		
Amol Arvindrao Kulkarni	₹0.23	₹0.25
Arun Brijmohan Kanodiya	₹0.34	₹0.34
Ishita Surendra Manjrekar	₹0.22	₹0.22
Jeevanlal Nagori	₹0.28	₹0.26
Jitendra Popatlal Vakharia	₹0.28	₹0.28
Kamalvijay Ramchandra Tulsian	₹0.29	₹0.24
Leja Satish Hattiangadi	₹0.18	₹0.23
Rajkumar Mangilal Borana	₹0.15	₹0.17
Total	₹1.95	₹1.97
Purchase of Building		
Tripoor Complex (Partnership Firm)	₹0.00	₹80.00

	As at March 31,	
	2026	2025
(c) Balances outstanding at the end of the year		
Balances outstanding		
Purnima Ashwin Desai	₹0.04	₹0.00
Payal Desai	₹0.00	₹0.15
Sunanda Speciality Coatings Pvt. Ltd.	₹32.97	₹11.36
Globe Enviro Care Limited	₹4.52	₹7.21
Ashwin Desai	₹0.72	₹0.66
Purnima Desai	₹0.72	₹0.66
Rohan Desai	₹0.92	₹0.91
Aman Desai	₹0.97	₹0.86
Dr. James W. Ringer	₹0.94	₹0.73
Faiz Arif Nagariya	₹0.32	₹0.29
Chitrarth Rajan Parghi	₹0.09	₹0.07
Total	₹48.67	₹22.90

	As at March 31,	
Particulars	2026	2025

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.

44. 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.



Notes forming part of Consolidated Financial Statements

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. The Company uses expected credit loss model as per Ind AS 109 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.

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.

(i) The movement in the allowance for expected credit loss for trade receivables is as follows

Particulars	As at March 31,	
	2026	2025
Balance as at the beginning of the year	₹0.00	₹0.00
Amounts written off	₹0.00	₹0.00
Allowance for Expected Credit Loss provided during the year	₹8.28	₹0.00
Closing balance	₹8.28	₹0.00

(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 principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from the operations.

Particulars	As at March 31,	
	2026	2025
Total current assets (A)	₹11,714.72	₹11,405.19
Total current liabilities (B)	₹6,573.37	₹3,507.02
Working capital (A-B)	₹5,141.35	₹7,898.18
Current Ratio	1.78	3.25

Following is the Company's exposure to financial liabilities based on the contractual maturity as at reporting date

Particulars	As at March 31, 2026			
	Contractual cash flows			
	Carrying value	Less than 1 year	More than 1 year	Total
Borrowings	₹4,416.62	₹4,416.62	₹0.00	₹4,416.62
Trade payables	₹1,969.38	₹1,969.38	₹0.00	₹1,969.38
Lease liabilities	₹162.74	₹20.34	₹142.41	₹162.74
Other liabilities	₹80.44	₹80.44	₹0.00	₹80.44

Particulars	As at March 31, 2025			
	Contractual cash flows			
	Carrying value	Less than 1 year	More than 1 year	Total
Borrowings	₹1,825.29	₹1,825.29	₹0.00	₹1,825.29
Trade payables	₹1,275.68	₹1,275.68	₹0.00	₹1,275.68
Lease liabilities	₹173.41	₹25.32	₹148.09	₹173.41
Other liabilities	₹52.68	₹52.68	₹0.00	₹52.68

(c) Market risk

Market risk is the risk that changes with market prices – such as foreign exchange rates and interest rates, will affect the Company’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.



Notes forming part of Consolidated Financial Statements

(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

Particulars	As at March 31, 2026		As at March 31, 2025	
	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
US Dollars (\$)				
Trade receivables	\$24.06	₹2,277.08	\$27.69	₹2,369.75
Balance with banks - in EEFC	\$0.54	₹51.51	\$0.89	₹76.12
EURO (€)				
Trade receivables	€0.55	₹60.04	€0.00	₹0.00
Total		₹2,388.63		₹2,445.87

(ii) Financial liabilities

Particulars	As at March 31, 2026		As at March 31, 2025	
	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
US Dollars (\$)				
Trade payables	\$0.67	₹63.82	\$1.87	₹160.44
Borrowings	\$0.53	₹49.69	\$4.05	₹346.82
EURO (€)				
Trade payables	€0.00	₹0.00	€0.00	₹0.00
Total		₹113.51		₹507.26

(iii) Currency wise net exposure (Financial assets - Financial liabilities)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
US Dollars (\$)	\$23.40	₹2,215.08	\$22.66	₹1,938.61
EURO (€)	€0.55	₹60.04	€0.00	₹0.00
Total		₹2,275.12		₹1,938.61

(iv) Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD/EUR against ₹ at March 31 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Sensitivity

The sensitivity of profit/(loss) and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on profit/equity (1% strengthening)	
	March 31, 2026	March 31, 2025
US Dollars (\$)	₹22.15	₹19.39
EURO (€)	₹0.60	₹0.00
Total	₹22.75	₹19.39

Particulars	Impact on profit/equity (1% weakening)	
	March 31, 2026	March 31, 2025
US Dollars (\$)	-₹22.15	-₹19.39
EURO (€)	-₹0.60	₹0.00
Total	-₹22.75	-₹19.39

(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 March 31,	
	2026	2025
Variable rate borrowings	₹4,416.62	₹1,825.29
Fixed rate borrowings	₹0.00	₹0.00
Total borrowings	₹4,416.62	₹1,825.29



Notes forming part of Consolidated Financial Statements

Sensitivity analysis

Particulars	Impact on profit before tax /pre-tax equity	
	March 31, 2026	March 31, 2025
Increase by 50 basis points	-₹22.08	-₹9.13
Decrease by 50 basis points	₹17.00	₹5.99

45. 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 March 31,	
	2026	2025
Total liabilities	₹7,455.38	₹4,183.33
Less: cash and cash equivalents and bank balances	₹56.63	₹2,385.26
Net debt	₹7,398.75	₹1,798.07
Total equity	₹24,558.88	₹22,258.86
Net Debt-equity ratio	0.30	0.08

46. Fair value measurements

(a) Categories of financial instruments

Particulars	For the year ended March 31, 2026					For the year ended March 31, 2025				
	Carrying amount	Fair values				Carrying amount	Fair values			
		FVTPL	FVTPL	FVTOCI	Amortised Cost		FVTPL	FVTPL	FVTOCI	Amortised Cost
Category	Level 1	Level 3	Level 3	Level 2		Level 1	Level 3	Level 3	Level 2	
Financial assets										
Trade receivables	₹3,900.50	₹0.00	₹0.00	₹0.00	₹3,900.50	₹2,886.20	₹0.00	₹0.00	₹0.00	₹2,886.20
Cash and cash equivalents	₹56.63	₹0.00	₹0.00	₹0.00	₹56.63	₹173.71	₹0.00	₹0.00	₹0.00	₹173.71
Other bank balances	₹0.00	₹0.00	₹0.00	₹0.00	₹0.00	₹2,211.55	₹0.00	₹0.00	₹0.00	₹2,211.55
Investments in equity shares- unquoted	₹2.10	₹0.00	₹0.00	₹0.00	₹2.10	₹2.10	₹0.00	₹0.00	₹0.00	₹2.10
Loans	₹20.06	₹0.00	₹0.00	₹0.00	₹20.06	₹16.87	₹0.00	₹0.00	₹0.00	₹16.87
Other financial assets	₹217.74	₹0.00	₹0.00	₹0.00	₹217.74	₹344.94	₹0.00	₹0.00	₹0.00	₹344.94
Total financial assets	₹4,197.03	₹0.00	₹0.00	₹0.00	₹4,197.03	₹5,635.37	₹0.00	₹0.00	₹0.00	₹5,635.37
Financial liabilities										
Borrowings	₹4,416.62	₹0.00	₹0.00	₹0.00	₹4,416.62	₹1,825.29	₹0.00	₹0.00	₹0.00	₹1,825.29
Trade payables	₹1,969.38	₹0.00	₹0.00	₹0.00	₹1,969.38	₹1,275.68	₹0.00	₹0.00	₹0.00	₹1,275.68
Lease Liabilities	₹162.74	₹0.00	₹0.00	₹0.00	₹162.74	₹173.41	₹0.00	₹0.00	₹0.00	₹173.41
Other financial liabilities	₹80.44	₹0.00	₹0.00	₹0.00	₹80.44	₹52.68	₹0.00	₹0.00	₹0.00	₹52.68
Total financial liabilities	₹6,629.18	₹0.00	₹0.00	₹0.00	₹6,629.18	₹3,327.06	₹0.00	₹0.00	₹0.00	₹3,327.06

(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).



Notes forming part of Consolidated Financial Statements

47. Details of employee benefits as required by Ind-AS 19

(i) Defined contribution plan - Provident fund and other funds

The company has recognized following amounts in the profit & loss account for the year

Particulars	For the year ended March 31,	
	2026	2025
Provident Fund		
Employer's Contribution	₹22.14	₹19.59
Administration charges	₹0.89	₹0.78
Employer's Contribution to ESI (Employee State Insurance)	₹2.59	₹2.80
Employer's Contribution to Labour Welfare Fund	₹0.02	₹0.02
	₹25.64	₹23.20

(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 new labour code effective from 21 November 2025. (which supersedes the erstwhile 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 March 31,	
	2026	2025
Present Value of Benefit Obligation at the Beginning of the Year	₹64.26	₹47.79
Interest cost	₹5.01	₹3.43
Current service cost	₹13.78	₹10.19
Past service cost	₹11.59	₹0.00
Benefits paid	-₹1.00	-₹1.78
Actuarial (Gains)/Losses on Obligations		
- Due to Change in Demographic Assumptions	₹0.00	₹0.00
- Due to Change in Financial Assumptions	-₹6.82	₹3.32
- Due to Experience	-₹7.28	₹1.32
Present value of obligation at the end of the year	₹79.55	₹64.26

Changes in the fair value of plan assets are as follows

Particulars	As at March 31,	
	2026	2025
Fair value of plan assets at the beginning of the year	₹62.67	₹50.49
Interest income	₹4.34	₹3.62
Contributions	₹10.72	₹10.67
Mortality charges and taxes	₹0.00	₹0.00
Benefits paid	-₹1.00	-₹1.78
Return on plan assets, excluding amount recognized in Interest Income - Gain / (Loss)	-₹0.13	-₹0.34
Fair value of Plan assets at end of the year	₹76.61	₹62.67

Net interest cost for current period

Particulars	For the year ended March 31,	
	2026	2025
Present Value of Benefit Obligation at the Beginning of the Period	₹64.26	₹47.79
Fair Value of Plan Assets at the Beginning of the Period	-₹62.67	-₹50.49
Net Liability/(Asset) at the Beginning	₹1.59	-₹2.70
Interest Cost	₹5.01	₹3.43
Interest Income	-₹4.34	-₹3.62
Net Interest Cost for Current Period	₹0.67	-₹0.20

Net employee benefit expense on account of gratuity recognised in employee benefit expenses

Particulars	For the year ended March 31,	
	2026	2025
Current service cost	₹13.78	₹10.19
Past service cost	₹11.59	₹0.00
Net interest (Income)/ Expense	₹0.67	-₹0.20
Net benefit expense	₹26.04	₹10.00

Amount recognised in the statement of other comprehensive income

Particulars	For the year ended March 31,	
	2026	2025
Re-measurement for the year - obligation (gain) / loss	-₹14.09	₹4.63
Re-measurement for the year - plan assets (gain) / loss	₹0.13	₹0.34
Total re-measurements cost / (credit) for the year recognised in other comprehensive income	-₹13.96	₹4.97



Notes forming part of Consolidated Financial Statements

Net Defined Benefit Liability/(Asset) for the year

Particulars	As at March 31,	
	2026	2025
Defined Benefit Obligation	₹79.55	₹64.26
Fair value of plan assets	₹76.61	₹62.67
Closing net defined benefit liability/(asset)	₹2.94	₹1.58

Particulars	As at March 31,	
	2026	2025
Current	₹2.94	₹1.59
Non-Current	₹0.00	₹0.00

The principal assumptions used in determining gratuity obligations for the Company’s plan are shown below:

Assumptions

Particulars	As at March 31,	
	2026	2025
	%	%
Mortality table	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Discount rate	7.48%	6.81%
Rate of increase in compensation levels	7.48%	8.00%
Expected rate of return on plan assets	8.00%	6.81%
Rate of Employee Turnover	5.00%	5.00%

A quantitative sensitivity analysis for significant assumption as at 31 March 2026 & 31 March 2025 is as shown below:

Particulars	Defined benefit obligation			
	As at March 31, 2026		As at March 31, 2025	
	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	-₹8.92	₹10.79	-₹7.67	₹9.35
Delta effect of 1% change in rate of salary increase	₹9.17	-₹8.14	₹8.46	-₹7.30
Delta effect of 1% change in rate of employee	-₹0.35	₹0.35	-₹1.07	₹1.20

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	As at March 31,	
	2026	2025
1st Following Year	₹3.15	₹2.22
2nd Following Year	₹3.67	₹2.69
3rd Following Year	₹4.09	₹2.86
4th Following Year	₹4.45	₹3.13
5th Following Year	₹4.64	₹3.47
Sum of Years 6 To 10	₹25.48	₹18.56
Sum of Years 11 and above	₹212.50	₹163.35

48. Stock options scheme

Aether Industries Limited - Employee Stock Option Scheme - 2021 (AIL ESOS 2021):

The Company has instituted equity-settled Employee Stock Option Scheme - 2021 duly approved by the shareholders in the extra-ordinary general meeting of the Company held on 18 November 2021. The Company introduced the AIL ESOS 2021 primarily with a view to attract, retain and incentivise the existing and new employees of the Company and motivate them to contribute to the growth and profitability of the Company. The shareholders by way of special resolution have authorised the Nomination and Remuneration Committee to grant options not exceeding 11,00,000 to the eligible employees under the AIL ESOS 2021, in one or more tranches, with each such option conferring a right upon the Eligible employee to apply for one share of the Company.

As per AIL ESOS 2021, the Nomination and Remuneration Committee shall determine the eligibility criteria for employees to whom the options would be granted and shall approve the grant of options. The options granted on any date shall vest not earlier than 1 (one) year and not later than a maximum of 7 (seven) years from the date of grant of options. Vesting of options would be subject to continued employment with the Company. The exercise period shall be 7 (seven) years from the date of vesting of options. The vested options can be exercised by the employee any time within the exercise period, or such other shorter period as may be prescribed by the Nomination and Remuneration Committee from time to time and as set out in the Grant Letter.

The scheme was modified on 27 September 2022 and the revised terms are prospectively applicable to all grants under the scheme. The modified terms are defined as follows: The vesting period is minimum 1 (one) year but not later than 15 (fifteen) years from the date of grant of options. Vesting of options would be subject to continued employment with the Company. The exercise period shall be 15 (fifteen) years from the date of vesting of options, subject to exceptional circumstances. The vested options can be exercised by the employee any time within the exercise period, or such other shorter period as may be prescribed by the Nomination and Remuneration Committee from time to time and as set out in the Grant Letter.



Notes forming part of Consolidated Financial Statements

Under the said scheme Nomination and Remuneration Committee of the board of directors has granted following options to its eligible employees:

Grant Date	Tranche	No. Of options	Total no. Of
November 20, 2021	Trench 1	1,81,122	
November 20, 2022	Trench 2	12,461	
November 20, 2022	Trench 3	24,922	
November 20, 2022	Trench 4	3,181	
May 09, 2023	Trench 5	1,35,114	7,08,145
August 18, 2023	Trench 6	4,692	
July 18, 2024	Trench 7	11,805	
December 17, 2024	Trench 8	34,866	
October 16, 2025	Trench 9	2,99,982	

Reconciliation of outstanding employee stock options:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Weighted average exercise price per option (Rs.)	Number of options	Weighted average exercise price per option (Rs.)	Number of options
Opening Balance	₹622.40	2,73,549	₹597.39	2,79,232
Granted during the year	₹748.00	2,99,982	₹522.68	46,671
Exercised during the year	₹458.73	89,583	₹321.00	39,968
Forfeited / Lapsed during the year	₹703.74	6,099	₹655.38	12,386
Closing Balance	₹730.88	4,77,849	₹622.40	2,73,549
Options exercisable at the end of the period	₹0.00	0	₹0.00	0

Weighted average remaining contractual life of the options outstanding at the end of the period is 4.2 Years (Previous Year: 3.1 Year).

Fair value of the options granted

The fair value of the options granted is mentioned below as per vesting period. The fair value of the options is determined using Black-Scholes-Merton model which takes into account the exercise price, the term of the option (time to maturity), the share price as at the grant date and expected price volatility (standard deviation) of the underlying share, the expected dividend yield and risk-free interest rate for the term of the option.

Tranche 9

Fair value and assumptions for the equity-settled grant made on October 16, 2025

Grant: AIL ESOS 2021 (modified)	Vesting Dates	
Grant Date: October 16, 2025	October 20, 2027	October 20, 2028
Input variables		
Stock Price per share (Rs.)	₹747.45	₹747.45
Standard Deviation (Volatility)	30.54%	32.42%
Risk-free Rate	5.98%	6.11%
Exercise Price (Rs.)	₹748.00	₹748.00
Time to Maturity (in years)	3.51	4.51
Dividend yield	0.00%	0.00%
Output		
Fair value of option (Rs.)	₹232.75	₹280.31

Tranche 8

Fair value and assumptions for the equity-settled grant made on December 17, 2024

Grant: AIL ESOS 2021 (modified)	Vesting Date
Grant Date: December 17, 2024	January 15, 2026
Input variables	
Stock Price per share (Rs.)	₹877.30
Standard Deviation (Volatility)	27.94%
Risk-free Rate	6.67%
Exercise Price (Rs.)	₹400.00
Time to Maturity (in years)	2.00
Dividend yield	0.00%
Output	
Fair value of option (Rs.)	₹529.92



Notes forming part of Consolidated Financial Statements

Tranche 7

Fair value and assumptions for the equity-settled grant made on July 18, 2024			
Grant: AIL ESOS 2021 (modified)	Vesting Dates		
Grant Date: July 18, 2024	July 18, 2025	July 18, 2026	July 18, 2027
Input variables			
Stock Price per share (Rs.)	₹890.10	₹890.10	₹890.10
Standard Deviation (Volatility)	31.22%	34.35%	36.47%
Risk-free Rate	6.88%	6.88%	6.91%
Exercise Price (Rs.)	₹885.00	₹885.00	₹885.00
Time to Maturity (in years)	2.00	3.00	4.00
Dividend yield	0.00%	0.00%	0.00%
Output			
Fair value of option (Rs.)	₹212.00	₹284.33	₹347.22

Tranche 6

Fair value and assumptions for the equity-settled grant made on August 18, 2023			
Grant: AIL ESOS 2021 (modified)	Vesting Dates		
Grant Date: August 18, 2023	May 9, 2025	May 9, 2026	May 9, 2027
Input variables			
Stock Price per share (Rs.)	₹1,040.55	₹1,040.55	₹1,040.55
Standard Deviation (Volatility)	34.07%	38.42%	37.42%
Risk-free Rate	7.22%	7.22%	7.21%
Exercise Price (Rs.)	₹885.00	₹885.00	₹885.00
Time to Maturity (in years)	2.72	3.72	4.72
Dividend yield	0.00%	0.00%	0.00%
Output			
Fair value of option (Rs.)	₹389.24	₹468.17	₹513.85

Tranche 5

Fair value and assumptions for the equity-settled grant made on May 9, 2023			
Grant: AIL ESOS 2021 (modified)	Vesting Dates		
Grant Date: May 9, 2023	May 9, 2025	May 9, 2026	May 9, 2027
Input variables			
Stock Price per share (Rs.)	₹931.90	₹931.90	₹931.90
Standard Deviation (Volatility)	44.72%	43.19%	43.10%
Risk-free Rate	6.99%	7.00%	7.03%
Exercise Price (Rs.)	₹885.00	₹885.00	₹885.00
Time to Maturity (in years)	3.00	4.00	5.00
Dividend yield	0.00%	0.00%	0.00%
Output			
Fair value of option (Rs.)	₹400.29	₹443.53	₹487.97

Tranche 4

Fair value and assumptions for the equity-settled grant made on November 20, 2022							
Grant: AIL ESOS 2021 (modified)	Vesting Date						
Grant Date: November 20, 2022	November 20, 2024	November 20, 2025	November 20, 2026	November 20, 2027	November 20, 2028	November 20, 2029	November 20, 2030
Input variables							
Stock Price per share (Rs.)	₹985.35	₹985.35	₹985.35	₹985.35	₹985.35	₹985.35	₹985.35
Standard Deviation (Volatility)	43.46%	42.33%	42.68%	42.17%	42.45%	42.42%	43.11%
Risk-free Rate	7.26%	7.34%	7.35%	7.35%	7.33%	7.36%	7.38%
Exercise Price (Rs.)	₹503.00	₹503.00	₹503.00	₹503.00	₹503.00	₹503.00	₹503.00
Time to Maturity (in years)	5.50	6.50	7.50	8.50	9.50	10.50	11.50
Dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Output							
Fair value of option (Rs.)	₹688.80	₹713.27	₹738.17	₹758.11	₹777.93	₹795.74	₹813.86



Notes forming part of Consolidated Financial Statements

Tranche 3

Fair value and assumptions for the equity-settled grant made on November 20, 2022

Grant: AIL ESOS 2021

(modified)

Grant Date: November 20, 2022	Vesting Dates			
	November 20, 2023	November 20, 2024	November 20, 2025	November 20, 2026
Input variables				
Stock Price per share (Rs.)	₹985.35	₹985.35	₹985.35	₹985.35
Standard Deviation (Volatility)	46.81%	44.37%	44.20%	42.66%
Risk-free Rate	7.08%	7.12%	7.18%	7.31%
Exercise Price (Rs.)	₹321.00	₹321.00	₹321.00	₹321.00
Time to Maturity (in years)	3.00	4.00	5.00	6.00
Dividend yield	0.00%	0.00%	0.00%	0.00%
Output				
Fair value of option (Rs.)	₹733.86	₹753.56	₹773.65	₹791.09

Tranche 2

Fair value and assumptions for the equity-settled grant made on November 20, 2022

Grant: AIL ESOS 2021 (modified)

Grant Date: November 20, 2022	Vesting Dates		
	November 20, 2023	November 20, 2024	November 20, 2025
Input variables			
Stock Price per share (Rs.)	₹985.35	₹985.35	₹985.35
Standard Deviation (Volatility)	44.39%	45.90%	44.84%
Risk-free Rate	7.03%	7.12%	7.16%
Exercise Price (Rs.)	₹321.00	₹321.00	₹321.00
Time to Maturity (in years)	2.50	3.50	4.50
Dividend yield	0.00%	0.00%	0.00%
Output			
Fair value of option (Rs.)	₹720.47	₹744.50	₹764.60

Tranche 1

Fair value and assumptions for the equity-settled grant made on November 20, 2021

Grant: AIL ESOS 2021

(modified)

Grant Date: November 20, 2021	Vesting Date						
	November 20, 2022	November 20, 2023	November 20, 2024	November 20, 2025	November 20, 2026	November 20, 2027	November 20, 2028
Input variables							
Stock Price per share (Rs.)	₹411.81	₹411.81	₹411.81	₹411.81	₹411.81	₹411.81	₹411.81
Standard Deviation (Volatility)	41.64%	40.62%	41.21%	40.77%	41.31%	41.35%	41.89%
Risk-free Rate	5.72%	5.96%	6.19%	6.29%	6.36%	6.37%	6.48%
Exercise Price (Rs.)	₹321.00	₹321.00	₹321.00	₹321.00	₹321.00	₹321.00	₹321.00
Time to Maturity (in years)	4.50	5.50	6.50	7.50	8.50	9.50	10.50
Dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Output							
Fair value of option (Rs.)	₹210.91	₹226.79	₹244.51	₹257.65	₹271.43	₹282.50	₹294.59

Notes:

- Time to maturity of options is the period of time from the grant date to the date on which option is expected to be exercised. The minimum life of stock option is the minimum period before which the options cannot be exercised, and maximum life is the period after which the options cannot be exercised.
- The expected price volatility is based on the historic volatility, adjusted for any changes to future volatility due to publicly available information.

In respect of Options granted under the Employee Stock Option Plan, the accounting is done as per requirements of Ind AS 102.

Consequently, employee benefit expenses include Rs 53.84 million (31st March, 2025: Rs 33.27 million) being expenses on account of share based payments, after adjusting for reversals on account of options lapsed.



Notes forming part of Consolidated Financial Statements

49. Revenue from contracts with customers

(a) Reconciliation of revenue recognised with the contracted price is as follows

Particulars	For the year ended March 31,	
	2026	2025
Gross Sales (Contracted Price)	₹11,318.15	₹8,390.73
Reductions towards variable consideration (Discount & Delayed Delivery Charges)	-₹0.01	-₹3.83
Revenue recognised	₹11,318.14	₹8,386.90

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 major product lines. The disclosure of revenue by product line is consistent with the revenue information that is disclosed for each reportable segment under Ind AS 108.

(b) Revenue by Geographies / Regions

Country / Region	For the year ended March 31,	
	2026	2025
India	₹8,920.81	₹5,077.02
Rest of the World	₹2,397.33	₹3,309.88
Total revenue	₹11,318.14	₹8,386.90

(c) Number of external customers with whom the revenue earned exceeded 10% of the revenue from operation for the financial year ended March 31, 2026: 1 (Previous year: 1).

50. Leases

(a) For Right-of-use assets schedule - Please refer note 6

(b) Lease liabilities

Particulars	As at March 31,	
	2026	2025
Current	₹20.34	₹25.32
Non Current	₹142.41	₹148.09
Total	₹162.75	₹173.41

(c) Interest expenses on lease liabilities

Particulars	For the year ended March 31,	
	2026	2025
Interest on lease liabilities	₹14.85	₹14.10

(d) Expenses on short term leases / low value assets

Particulars	For the year ended March 31,	
	2026	2025
Short-term lease	₹6.93	₹5.44
Low value assets	₹0.02	₹0.00

(e) Amounts recognised in the statement of cash flow

Particulars	For the year ended March 31,	
	2026	2025
Total cash outflow for leases	₹25.52	₹25.28

(f) Maturity analysis – contractual un-discounted cash flows

Particulars	As at March 31,	
	2026	2025
Less than one year	₹20.43	₹25.27
One to five years	₹58.04	₹63.42
More than five years	₹297.63	₹313.35
Total undiscounted lease liabilities	₹376.10	₹402.04

51. Operating Segment

Particulars	For the year ended March 31,	
	2026	2025
Sale Value		
India	₹9,204.07	₹5,095.60
Rest of the World	₹2,397.34	₹3,309.88
	₹11,601.41	₹8,405.48



Notes forming part of Consolidated Financial Statements

Particulars	For the year ended March 31,	
	2026	2025
Carrying value of non-current assets*		
India	₹20,271.07	₹15,000.59
Rest of the World	₹0.00	₹0.00
	₹20,271.07	₹15,000.59

*excluding Financial Assets, Investments and Tax Assets.

Additions to property, plant and equipment, right of use assets and intangible assets		
India	₹4,751.84	₹3,043.96
	₹4,751.84	₹3,043.96

The operating segments have been reported in a manner consistent with the internal reporting provided to Managing Director, who is the Chief Operating Decision Maker(CODM) and responsible for allocating resources and assessing the performance of operating segments.

52. Corporate social responsibility

Expenditure incurred on Corporate Social Responsibility (CSR) under section 135 of the Companies Act, 2013 is as under:

(A) Gross amount required to be spent by the Company during the year is Rs. 33.58 million (March 31, 2025: Rs. 29.00 million)

(B) Amount spent during the year (other than ongoing projects):

Particulars	For the year ended March 31, 2026		
	In cash	Yet to be paid in cash	Total
(i) Construction/Acquisition of any assets	₹0.00	₹0.00	₹0.00
(ii) On purpose other than above	₹34.42	₹0.00	₹34.42
Total	₹34.42	₹0.00	₹34.42

Particulars	For the year ended March 31, 2025		
	In cash	Yet to be paid in cash	Total
(i) Construction/Acquisition of any assets	₹0.00	₹0.00	₹0.00
(ii) On purpose other than above	₹28.63	₹0.00	₹28.63
Total	₹28.63	₹0.00	₹28.63

(C) Details related to spent/unspent obligations

Particulars	For the year ended March 31,	
	2026	2025
Education	₹29.35	₹22.24
Healthcare	₹2.37	₹3.36
Sports	₹2.60	₹1.82
Sr. Citizen welfare	₹0.10	₹0.70
Animal Welfare	₹0.00	₹0.50
Total	₹34.42	₹28.63

(D) There is no provision in the current and previous year pertaining to corporate social responsibility.

(E) Details of other than ongoing project

Particulars	For the year ended March 31, 2026		
	With Company	in Separate CSR Unspent A/c	Total
Opening Balance	-₹0.17	₹0.00	-₹0.17
Amount required to be spent during the year	₹33.58	₹0.00	₹33.58
Transfer to Separate CSR Unspent Account	₹0.00	₹0.00	₹0.00
Amount spent during the year	-₹34.42	₹0.00	-₹34.42
Total	-₹1.01	₹0.00	-₹1.01

Particulars	For the year ended March 31, 2025		
	With Company	in Separate CSR Unspent A/c	Total
Opening Balance	-₹0.54	₹0.00	-₹0.54
Amount required to be spent during the year	₹29.00	₹0.00	₹29.00
Transfer to Separate CSR Unspent Account	₹0.00	₹0.00	₹0.00
Amount spent during the year	-₹28.63	₹0.00	-₹28.63
Total	-₹0.17	₹0.00	-₹0.17



Notes forming part of Consolidated Financial Statements

53. Update on fire incidents

(a) Fire incident on November 29, 2023

On 29 November 2023, an accidental fire occurred at the Company’s Manufacturing Facility–II located at Plot No. 8203, Road No. 8, GIDC Industrial Estate, Sachin, Surat, Gujarat.

Pursuant to the said incident, during the year ended March 31, 2026, the Company has assessed the damage to its property, plant and equipment (net of accumulated depreciation) amounting to Rs. 299.68 million. Pending final assessment and approval from the insurance company, the Company has received Rs. 210.00 million from the insurance company towards the claim for such loss. Considering that the insurance policy is based on reinstatement value, and also based on the management estimate and assessment carried out by the insurance surveyor, the Company expects to recover an amount higher than the carrying value of assets lost. Accordingly Management has adjusted the insurance receipt of Rs. 210.00 million against the assets loss of Rs. 299.68 million. The balance amount of Rs. 89.68 million has been recognized as receivable from the insurance company.

Further, during year ended March 31, 2026, the Company has received claim proceeds aggregating to Rs. 258.23 million towards loss of profit (FLOP).

During FY 2023-24, the Company written off inventories amounting to Rs. 138.97 million in the books of accounts against losses incurred due to the fire incident. Subsequently, during FY 2024-25, the Company received insurance claim proceeds amounting to Rs. 112.46 million towards inventory loss.

(b) Fire incident on March 11, 2026

A fire incident occurred on March 11, 2026 at the Company’s external warehouse located at Hojiwala Industrial Estate, Sachin, Surat. Pursuant to a preliminary assessment of the damage, the Company has recognized a loss of inventory amounting to Rs. 70.00 millions in the Statement of Profit and Loss for the year ended March 31, 2026. The Company has lodged an insurance claim with the insurance company for the said loss. The assessment of the claim is currently in progress, and any recovery thereof will be recognized upon virtual certainty of receipt.

54. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)

Particulars	For the year ended March 31,	
	2026	2025
Capital Commitments		
Property, plant and equipment	₹3,347.77	₹2,635.73

55. Ratio analysis and its elements

Ratio	Numerator	Denominator	As at March 31,		Variance	Reason for Variance
			2026	2025	(%)	
Current Ratio	Current Assets	Current Liabilities	1.78	3.25	-45.20%	The variance is due to increase in current borrowings
Debt-Equity Ratio	Total Debt	Shareholder’s Equity	0.18	0.08	119.31%	The variance is due to increase in current borrowings
Debt Service Coverage Ratio	Earnings available for debt service(1)	Debt service(2)	16.53	15.66	5.62%	-
Return on Equity Ratio	Net profit after taxes	Shareholder’s Equity	8.94%	7.12%	25.56%	The variance is due to increase in profits
Inventory Turnover Ratio	Revenue from Operations	Average Inventory	2.42	2.27	6.93%	-
Trade Receivable Turnover Ratio	Revenue from Operations	Average Receivables	3.34	3.22	3.70%	-
Trade Payable Turnover Ratio	Cost of goods sold	Average Trade Payables	3.7	3.86	-4.18%	-
Net Capital Turnover Ratio	Revenue from Operations	Average working capital	1.78	0.93	90.89%	Variance driven by reduced working capital, resulting from decreased current assets and increased short-term debt obligations.
Net Profit Ratio	Profit after tax	Revenue from Operations	18.92%	18.85%	0.37%	-
Return on Capital Employed	Earnings Before Interest and Taxes	Capital employed(3)	9.97%	8.58%	16.18%	-

(1) Net profit after taxes + non-cash and non-operating expenses + Interest
(2) Interest + lease payments + principal repayments.
(3) Net-worth + net total debt including interest accrued - cash and cash equivalents



Notes forming part of Consolidated Financial Statements

56. Group Information

The Consolidated financial statement of the Group includes subsidiaries mentioned below :-

As at March 31, 2026 / For the year ended March 31, 2026

Name of entity	Dom icile	Prop. of owner ship	Net Assets	As a % of Cons. net assets	Net Profit/ (Loss)	As a % of Cons. net profit/ (loss)	OCI	As a % of Cons. OCI	TCI	As a % of Cons. TCI
Parent										
Aether Industries Limited	India		₹24,093.15	98.10%	₹1,736.10	79.11%	₹10.43	99.78%	₹1,746.53	79.20%
Subsidiary										
Aether Speciality chemicals Ltd.	India	100%	₹1,572.01	6.40%	₹496.39	22.62%	₹0.02	0.22%	₹496.41	22.51%
Inter-Company eliminations			-₹1,106.28	-4.50%	-₹37.86	-1.72%	₹0.00	0.00%	-₹37.86	-1.72%
Total			₹24,558.88	100%	₹2,194.63	100%	₹10.45	100%	₹2,205.08	100%

As at March 31, 2025 / For the year ended March 31, 2025

Name of entity	Dom icile	Prop. of owner ship	Net Assets	As a % of Consol net assets	Net Profit/ (Loss)	As a % of Consol net profit/ (loss)	OCI	As a % of Cons ol OCI	TCI	As a % of Conso l TCI
Parent										
Aether Industries Limited	India		₹22,251.68	99.97%	₹1,520.89	96.00%	-₹3.72	100.10%	₹1,517.17	96.00%
Subsidiary										
Aether Speciality chemicals Ltd.	India	100%	₹1,075.60	4.83%	₹80.60	5.09%	₹0.00	-0.10%	₹80.60	5.10%
Inter-Company eliminations			-₹1,068.42	-4.80%	-₹17.31	-1.09%	-	0.00%	-₹17.31	-1.10%
Total			₹22,258.86	100%	₹1,584.18	100%	-₹3.72	100%	₹1,580.46	100%

57. Additional Regulatory Information as required by Schedule III

- a. Registration of charges or satisfaction with Registrar of Companies (ROC):
The Company had registered / satisfied charges with the ROC within the statutory time period.
- b. Details of Benami Property held:
The Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, hence no proceedings initiated or pending against the Company under the said Act and Rules.
- c. Loans and advances granted to specified person
Except as stated in the notes to accounts and financial statements, there are no other loans or advances granted to specified persons namely the promoters, directors, KMPs and related parties.
- d. Utilisation of borrowed funds, share premium and other funds
The Company has not received any funds from any person or entity with the understanding that the Company would directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiary) or provided any guarantee or security or the like on behalf of the ultimate beneficiary,
- The Company has not advanced or loaned or invested to any other person(s), including foreign entities (Intermediaries) with the understanding that the intermediary shall:
- i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- e. Compliance with the number of layers of companies
The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- f. Details of Crypto Currency or Virtual Currency
The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- g. Undisclosed Income
There is no transaction, which has not been recorded in the books of accounts, that has been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961.
- h. Relationship with struck off companies
The Company has not have any transactions with companies, which are struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- i. Wilful defaulter
The Company has not been declared wilful defaulter by any bank or financial institution or any lender.
- j. Compliance with approved scheme(s) of arrangements
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.



57. Additional Regulatory Information as required by Schedule III

k. Valuation of PP&E, intangible asset and investment property
The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

58. Events subsequent to March 31, 2026

There are no subsequent events that occurred after the reporting date.

For Suresh I Surana & Associates, Chartered Accountants ICAI Firm Reg. No.: 121749W CA Shirish Shah, Partner Membership No.: 035742 Place: Surat Date: May 15, 2026	Ashwin Desai, Managing Director — DIN: 00038386 Rohan Desai, Whole Time Director — DIN: 00038379 Faiz Nagariya, Chief Financial Officer — Mem. No.: 125481 Chitrarth Parghi, Company Secretary — Mem. No.: F12563 Place: Surat Date: May 15, 2026
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Notice of the Annual General Meeting

Notice is hereby given that the **14th Annual General Meeting** (Meeting No. AGM-2026/27) of the Aether Industries Limited will be held on **Friday, September 11, 2026**, through Video Conference / Other Audio-Video Means at **11:00 Hrs. (IST)** to transact the following businesses:

Ordinary Businesses

Following Business transactions be considered as ‘Ordinary Business’

- (A) To receive, consider and adopt the audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026, and the Report of the Board and the Auditors thereon.
- (B) To appoint a Director in place of Mr. Kamalvijay Ramchandra Tulsian (DIN: 00190840), who retires by rotation and being eligible, offers himself for re-appointment as Non-Executive Director.
- (C) To appoint a Director in place of Ms. Ishita Surendra Manjrekar (DIN: 06731016), who retires by rotation and being eligible, offers herself for re-appointment as Non-Executive Director.

Special Businesses

Following Business transactions be considered as ‘Special Business’

- (D) **To ratify the remuneration payable to the Cost Auditor for the FY 2026-27**
To consider and, if thought fit, to pass the following Resolution as an ‘Ordinary Resolution’

“RESOLVED THAT pursuant to the Section 148(3) of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the annual remuneration of ₹ 1,20,000 (Rupees One Lakh Twenty Thousand) plus applicable taxes and reimbursement of out-of-pocket expenses for the Financial Year 2026-27, as recommended by the

Audit Committee and approved by the Board of Directors of the Company in their Meeting held on July 31, 2026, to be paid to M/s. PAAA & Associates.”

“RESOLVED FURTHER THAT the Board or any duly constituted Committee of the Board, be and is hereby authorised to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing Resolution.”

- (E) **To re-appoint Mr. Ashwin Jayantilal Desai as a Managing Director of the Company**

To consider and, if thought fit, to pass the following Resolution as an ‘Ordinary Resolution’

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and the approval of board and in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 with the Rules made thereunder, the consent of the members be and is hereby accorded to re-appoint Mr. Ashwin Jayantilal Desai, as the Managing Director of the Company for a period of 5 (five) years, commencing from 01.10.2026 to 30.09.2031, who shall be eligible to re-appoint, at an annual remuneration of Rs. 12,07,500 (Twelve Lakh Seven Thousand Five Hundred) per month, as and at mutually agreed terms and conditions between the Appointee and the Board (which shall also include the Nomination and Remuneration Committee of the Company), with the liberty to revise / alter / modify / amend / change the terms and conditions in-line with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable from time to time.

The proposed re-appointment shall be according to the following terms and conditions:

The re-appointment shall remain valid for a period of 5 (five) years, from 01.10.2026 to 30.09.2031,

and shall be subject to re-appointment upon completion of the term.

Remuneration:

The annual remuneration payable to Mr. Ashwin Jayantilal Desai shall be Rs. 12,07,500 (Twelve Lakh Seven Thousand Five Hundred) per month, (inclusive of annual bonus), in accordance with Section 197 and Schedule V of the Companies Act, 2013. The Managing Director shall be entitled to periodical increments from time to time, with the approval of the Board.

Mr. Ashwin Jayantilal Desai shall be eligible to reimburse all out-of-pocket expenses occurred towards the business purposes.

Insurance:

Mr. Ashwin Jayantilal Desai shall be entitled to medical insurance, as per the Company’s insurance plan for all employees. Also, he shall be covered in Company’s Directors and Officers (D&O) Insurance, to safeguard his financial interests against losses or reimbursement of defence costs, in case of any legal action is brought against him, extending to criminal and regulatory investigations or trial processes against him and in Keyman insurance to protect a company from financial disruption caused by losing a critical employee. The insurance premium shall not be treated as part of his remuneration.

“RESOLVED FURTHER THAT in case of no profits / inadequate profit of the Company during the said tenure, the Board may revise the remuneration accordingly.”

“RESOLVED FURTHER THAT necessary communication of the above be made before the concerned Authority(s) / Regulatory(s) in the manner prescribed within the due time period.”

- (F) **To re-appoint Ms. Purnima Ashwin Desai as a Whole-Time Director of the Company**

To consider and, if thought fit, to pass the following Resolution as an ‘Ordinary Resolution’

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and the approval of board and in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 with the Rules made thereunder, the consent of the members be and is hereby accorded to re-appoint Ms. Purnima Ashwin Desai, as the Whole-Time Director of the Company for a period of 5 (five) years, commencing from 01.10.2026 to 30.09.2031, who shall be eligible to re-appoint, at an annual remuneration of Rs. 12,07,500 (Twelve Lakh Seven Thousand Five Hundred Only) per month, as and at mutually agreed terms and conditions between the Appointee and the Board (which shall also include the Nomination and Remuneration Committee of the Company), with the liberty to revise / alter / modify / amend / change the terms and conditions in-line with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable from time to time.

The proposed re-appointment shall be according to the following terms and conditions:

The re-appointment shall remain valid for a period of 5 (five) years, from 01.10.2026 to 30.09.2031, and shall be subject to re-appointment upon completion of the term.

Remuneration:

The annual remuneration payable to Ms. Purnima Ashwin Desai shall be Rs. 12,07,500 (Twelve Lakh Seven Thousand Five Hundred) per month, (inclusive of annual bonus), in accordance with Section 197 and Schedule V of the Companies Act, 2013. The Whole-Time Director shall be entitled to periodical increments from time to time, with the approval of the Board.



Notice of the Annual General Meeting

Ms. Purnima Ashwin Desai shall be eligible to reimburse all out-of-pocket expenses occurred towards the business purposes. Insurance: Ms. Purnima Ashwin Desai shall be entitled to medical insurance, as per the Company’s insurance plan for all employees. Also, she shall be covered in Company’s Directors and Officers (D&O) Insurance, to safeguard her financial interests against losses or reimbursement of defence costs, in case of any legal action is brought against her, extending to criminal and regulatory investigations or trial processes against her. The insurance premium shall not be treated as part of her remuneration. “RESOLVED FURTHER THAT in case of no profits / inadequate profit of the Company during the said tenure, the Board may revise the remuneration accordingly.” “RESOLVED FURTHER THAT necessary communication of the above be made before the concerned Authority(s) / Regulatory(s) in the manner prescribed within the due time period.” (G) To re-appoint Mr. Rohan Ashwin Desai as a Whole-Time Director of the Company To consider and, if thought fit, to pass the following Resolution as an ‘Ordinary Resolution’ “RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and the approval of board and in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 with the Rules made thereunder, the consent of the members be and is hereby accorded to re-appoint Mr. Rohan Ashwin Desai, as the Whole-Time Director of the Company for a period of 5 (five) years, commencing from 01.10.2026 to 30.09.2031, who shall be eligible to re-appoint, at an annual remuneration of Rs. 16,61,250 (Sixteen Lakh Sixty One Thousand Two Hundred Fifty) per month, as and at mutually agreed	terms and conditions between the Appointee and the Board (which shall also include the Nomination and Remuneration Committee of the Company), with the liberty to revise / alter / modify / amend / change the terms and conditions in-line with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable from time to time.” The proposed re-appointment shall be according to the following terms and conditions: The re-appointment shall remain valid for a period of 5 (five) years, from 01.10.2026 to 30.09.2031, and shall be subject to re-appointment upon completion of the term. Remuneration: The annual remuneration payable to Mr. Rohan Ashwin Desai shall be Rs. 16,61,250 (Sixteen Lakh Sixty One Thousand Two Hundred Fifty) per month, (inclusive of annual bonus), in accordance with Section 197 and Schedule V of the Companies Act, 2013. The Whole-Time Director shall be entitled to periodical increments from time to time, with the approval of the Board. Mr. Rohan Ashwin Desai shall be eligible to reimburse all out-of-pocket expenses occurred towards the business purposes. Insurance: Mr. Rohan Ashwin Desai shall be entitled to medical insurance, as per the Company’s insurance plan for all employees. Also, he shall be covered in Company’s Directors and Officers (D&O) Insurance, to safeguard his financial interests against losses or reimbursement of defence costs, in case of any legal action is brought against him, extending to criminal and regulatory investigations or trial processes against him. The insurance premium shall not be treated as part of his remuneration. “RESOLVED FURTHER THAT in case of no profits / inadequate profit of the Company during the said tenure, the Board may revise the remuneration accordingly.”	“RESOLVED FURTHER THAT necessary communication of the above be made before the concerned Authority(s) / Regulatory(s) in the manner prescribed within the due time period.” (H) To re-appoint Dr. Aman Ashwinbhai Desai as a Whole-Time Director of the Company To consider and, if thought fit, to pass the following Resolution as an ‘Ordinary Resolution’ “RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and the approval of board and in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 with the Rules made thereunder, the consent of the members be and is hereby accorded to re-appoint Dr. Aman Ashwinbhai Desai, as the Whole-Time Director of the Company for a period of 5 (five) years, commencing from 01.10.2026 to 30.09.2031, who shall be eligible to re-appoint, at an annual remuneration of Rs. 18,11,250 (Eighteen Lakh Eleven Thousand Two Hundred And Fifty) per month, as and at mutually agreed terms and conditions between the Appointee and the Board (which shall also include the Nomination and Remuneration Committee of the Company), with the liberty to revise / alter / modify / amend / change the terms and conditions in-line with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable from time to time.” The proposed re-appointment shall be according to the following terms and conditions: The re-appointment shall remain valid for a period of 5 (five) years, from 01.10.2026 to 30.09.2031, and shall be subject to re-appointment upon completion of the term. Remuneration: The annual remuneration payable to Dr. Aman Ashwinbhai Desai shall be Rs. 18,11,250 (Eighteen Lakh Eleven Thousand Two Hundred And Fifty) per month, (inclusive of annual bonus), in	accordance with Section 197 and Schedule V of the Companies Act, 2013. The Whole-Time Director shall be entitled to periodical increments from time to time, with the approval of the Board. Dr. Aman Ashwinbhai Desai shall be eligible to reimburse all out-of-pocket expenses occurred towards the business purposes. Insurance: Dr. Aman Ashwinbhai Desai shall be entitled to medical insurance, as per the Company’s insurance plan for all employees. Also, he shall be covered in Company’s Directors and Officers (D&O) Insurance, to safeguard his financial interests against losses or reimbursement of defence costs, in case of any legal action is brought against him, extending to criminal and regulatory investigations or trial processes against him. The insurance premium shall not be treated as part of his remuneration. “RESOLVED FURTHER THAT in case of no profits / inadequate profit of the Company during the said tenure, the Board may revise the remuneration accordingly.” “RESOLVED FURTHER THAT necessary communication of the above be made before the concerned Authority(s) / Regulatory(s) in the manner prescribed within the due time period.” For Aether Industries Limited CS Chitrarth Parghi Company Secretary & Compliance Officer August 19, 2026 Registered Office: Aether Industries Limited CIN: L24100GJ2013PLC073434 Plot No. 8203, GIDC Sachin, Surat-394230, GJ. Surat August 19 2026
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Notice of the Annual General Meeting

Notes

- (a) In view of the continuing CoVID-19 pandemic, the Ministry of Corporate Affairs, vide its General Circular Nos. 14/2020, 17/2020, 22/2020, 33/2020, 39/2020, 10/2021, 20/2021, 21/2021, 02/2022, 10/2022, 09/2023, 09/2024 and 03/2025 dated 8th April, 2020, 13th April, 2020, 15th June, 2020, 28th September, 2020, 31st December, 2020, 23rd June, 2021, 8th December, 2021, 14th December, 2021, 5th May, 2022, 28th December, 2022, September 25, 2023, September 19, 2024 and September 22, 2025 respectively and Securities and Exchange Board of India, vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, read with Circular number SEBI/HO/DDHS/P/CIR/2022/0063 dated 13th May, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023, along with SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024, allowed the Companies to conduct the AGM through Video Conferencing (VC) / Other Audio Visual Means (OAVM) whose AGMs are due in year 2026. The procedure for participating in the meeting through VC/OAVM is explained in the notes below and is also available on the website of the Company at www.aether.co.in and at the website of Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com. For the purpose of proceedings, the AGM will be deemed to be convened at Registered Office of the Company at Plot No. 8203, GIDC Sachin, Surat-394230, GJ. and Members are requested to join the Meeting through their places through VC mode.
- (b) Since the Annual General Meeting (AGM) is being held through Video Conferencing (VC) / Other Audio Visual Means (OAVM), physical attendance of the members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence, the Proxy Form, Attendance Slip and route map of the AGM venue are not annexed to this Notice. However, a member may appoint a representative as per applicable provisions of the Companies Act, 2013 to attend and / or vote.
- (c) The Financial Statements (including the Report of Board of Directors, Auditor's Report or other documents required to be attached herewith), including the Notice of the Annual General Meeting are

being sent only in electronic mode to Members whose e-mail address is registered with the Company / Registrar & Share Transfer Agent or Depository Participants (DP). Printed copies of the Annual Report (including the Notice) are not being sent to members in view of the circular.

- (d) Members may note that the Notice of the Annual General Meeting and the Annual Report for the Fiscal Year 2025-26 will also be available on the website of the Company at www.aether.co.in, which can be downloaded.
- (e) The electronic copies of the documents that are referred to this Notice but not attached to it will be made available for inspection. For inspection, members can send an e-mail on compliance@aether.co.in with their Depository Participant and Client ID or Folio number. Electronic copies of the Register of Directors and Key Managerial Personnel and their shareholding maintained under Companies Act, 2013 will be available for inspection by sending a request on the above given e-mail.
- (f) The voting rights of the Equity Shareholders shall be in the same proportion to the paid-up share capital of the Company.
- (g) The members desiring any information relating to the accounts or having any questions are requested to write to the Company on compliance@aether.co.in at least seven days before the date of the Annual General Meeting (AGM) so as to enable the Management to keep the responses ready and expeditiously provide them at the AGM, as required.
- (h) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India)

Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

- (i) The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available to at-least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- (j) The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013 and the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC / OAVM and cast their votes through e-voting.

E-voting instructions for Shareholders

The voting period begins on September 8, 2026 from 09:00 Hrs. and ends on September 10, 2026 at 17:00 Hrs. During this period Shareholders of the Company, holding shares as on the cut-off date of September 5, 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Access through Depositories e-Voting system in case of individual shareholders holding shares in demat mode

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders

are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below;

Type of Shareholder	Log-in method
Individual Shareholders holding securities in Demat mode with CDSL Depository	(a) Users who have opted for CDSL Myeasi facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to the e-voting are https://web.cdslindia.com/myeasinew/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. (b) After successful login, the Myeasi user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual Meeting & voting during the Meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL, so that the user can visit the e-Voting service providers' website directly. (c) If the user is not registered for Myeasi, option to register is



Notice of the Annual General Meeting

Individual Shareholders holding securities in Demat mode with CDSL Depository	available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration (d) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from a e-Voting link available on www.cdslindia.com home page. (e) The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the eVoting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Type of Shareholder	Log-in method
Individual Shareholders holding securities in Demat mode with NSDL Depository	(a) If the user is not registered for IDeAS e Services, option to register is available at https://eservices.nsdl.com . Select “Register Online for IDeAS “Portal or click at: https://eservices.nsdl.com SecureWeb/IdeasDirectReg.jsp (b) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section. A new screen will open. You will have to enter your User ID (i.e. your 16 (sixteen) digit demat account number hold with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e Voting service provider website for casting your vote during the remote e-Voting period or joining virtual Meeting & voting during the Meeting of all e-Voting Service Providers.
Type of Shareholder	Log-in method
Individual Shareholders holding securities in Demat mode with NSDL Depository	(a) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e Voting services. Click on “Access to e Voting” under e-Voting services and you will be able to see e Voting page. Click on company name or e-Voting service provider name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e Voting period or joining virtual meeting & voting during the Meeting .
Type of Shareholder	Log-in method
Individual Shareholders holding securities in Demat mode with CDSL Depository	login through their Depository Participants (DP) After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual Meeting & voting during the Meeting. Important Note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at above mentioned websites. Help-desk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL:
Login type	Help-desk details
Individual Shareholders holding securities in Demat mode with CDSL	CDSL Helpdesk: helpdesk@cdslindia.com 1800-22-55-33.
Individual Shareholders holding securities in Demat mode with NSDL	NSDL Helpdesk: evoting@nsdl.co.in 1800-1020-990 / 1800-22-44-30
Type of Shareholder	Log-in method
Individual Shareholders holding securities in Demat mode with NSDL Depository	Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form. The shareholders should log on to the e-voting website https://web.cdslindia.com/myeasinew/home/ login. Click on “Shareholders” module. Now enter your User ID For CDSL: a. 16 digits beneficiary ID, b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID, c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company Next enter the Image Verification as displayed and Click on Login If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used. If you are a first-time user follow the steps given below: For Physical shareholders and other than individual shareholders holding shares in Demat PAN Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA. After entering these details appropriately, click on “SUBMIT” tab. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password



Notice of the Annual General Meeting

in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

Click on the EVSN for the relevant 'Aether Industries Limited' on which you choose to vote.

On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that your assent to the Resolution and option NO implies that you dissent to the Resolution.

Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Additional Facility for Non-Individual Shareholders and Custodians (For Remote Voting only):

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

d. The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.

e. It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

Instructions for Shareholders attending the AGM through VC/OAVM & e-voting during Meeting are as under

The procedure for attending Meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.

The link for VC/OAVM to attend Meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

Shareholders who have voted through Remote e-Voting will be eligible to attend the Meeting.

However, they will not be eligible to vote at the AGM.

Shareholders are encouraged to join the Meeting through Laptops / Tablets for better experience.

Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

Shareholders who would like to express their views / ask questions during the Meeting may register themselves as a speaker by sending their request in advance at least seven days prior to Meeting mentioning their name, demat account number / Folio number, Email id, Mobile number at compliance@aether.co.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance seven days prior to Meeting mentioning their Name, Demat account

number / Folio number, Email id, Mobile number at compliance@aether.co.in. These queries will be replied to by the company suitably by email.

Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the Meeting.

Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC / OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-Voting during the Meeting is available only to the shareholders attending the Meeting.

Process for those Shareholders whose Email / Mobile No. are not registered with the Company / Depositories

For Physical shareholders: Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company / RTA email id. At current instance, there is no physical shareholder.

For Demat shareholders: Please update your Email id & Mobile no. with your respective Depository Participant (DP).

For Individual Demat shareholders: Please update your Email id & Mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual Meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Compound, N M Joshi Marg, Lower Parel (East),

Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

M/s. Dhirren R. Dave & Company, Company Secretaries has been appointed as the Scrutiniser to scrutinise the remote e-voting and the voting process at the AGM in a fair and transparent manner.

The Scrutiniser will within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutiniser's Report of the votes cast in favour or against, if any, and forward it to the Chairman of the Company.

The results will be declared at or after the AGM. The results declared along with the Scrutiniser's Report will be placed at: <https://aether.co.in/investor-relations/>, the website of the Company and on www.evotingindia.com the website of CDSL within two days of passing of the Resolutions at the AGM and also will be communicated to the BSE Ltd. and the National Stock Exchange of India Ltd.

A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.



Notice of the Annual General Meeting

Additional information pursuant to the SS-2 on General Meetings and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

None of the below Directors are debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other Authority.

Particulars	Mr. Ashwin Jayantilal Desai	Ms. Purnima Ashwin Desai
Age	74 Years	71 Years
Date of Birth	September 18, 1951	January 24, 1954
Date of first appointment	January 23, 2013 (Since inception)	January 23, 2013 (Since inception)
Director Identification Number (DIN)	00038386	00038399
Qualification	Bachelor's degree in Chemical Engineering from Institute of Chemical Technology (ICT)	Bachelor of Commerce from the University of Delhi
Brief Resume and Experience	Ashwin Desai is the founding Promoter and Managing Director of our Company. Prior to incorporation of our Company, he was the	Purnima Ashwin Desai is a Promoter of the Company and Whole-time Director of the Company. With multiple decades of experience in

Particulars	Mr. Ashwin Jayantilal Desai	Ms. Purnima Ashwin Desai
	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.	the speciality chemical industry, she leads the overall accounting and finance operations of our Company. She has over four decades of experience in the field of accounting, commerce and administration.
Experience in specific functional areas	Commercial, Financial, Sales, Marketing, Strategic Procurement, Domain industry,	Commercial, Financial, Management, Administration

Particulars	Mr. Ashwin Jayantilal Desai	Ms. Purnima Ashwin Desai
Disclosure of relationships between Directors inter-se	Spouse of Ms. Purnima Ashwin Desai, Whole-Time Director Father of Mr. Rohan Ashwin Desai and Dr. Aman Ashwin Desai, Whole-Time Directors Father-in-law of Ms. Ishita Surendra Manjrekar, Non-Executive Director	Spouse of Mr. Ashwin Jayantilal Desai, Managing Director Mother of Mr. Rohan Ashwin Desai and Dr. Aman Ashwin Desai, Whole-Time Directors Mother-in-law of Ms. Ishita Surendra Manjrekar, Non-Executive Director
Terms of appointment	Remains unchanged	Remains unchanged
Board Meeting attended	4 out of 4	4 out of 4
Shares held	67,20,417	2,30,78,230
Last drawn remuneration	Rs. 13.65 MM per annum	Rs. 13.65 MM per annum

Particulars	Mr. Rohan Ashwin Desai	Dr. Aman Ashwin Desai
Age	46 Years	43 Years
Date of Birth	September 16, 1979	March 30, 1983
Date of first appointment	January 13, 2013 (Since inception)	August 25, 2014
Director Identification Number (DIN)	00038379	00043633
Qualification	Bachelor of Commerce from Veer Narmad South Gujarat University	PhD, Organic Chemistry from Michigan State University, USA. Bachelor of Technology (B. Tech.) Branch III: Intermediates and Dye stuff Technology) from University Institute of Chemical Technology, University
Brief Resume and Experience	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	Dr. Aman Ashwinbhai 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



Notice of the Annual General Meeting

Particulars	Mr. Rohan Ashwin Desai	Dr. Aman Ashwin Desai	Particulars	Mr. Rohan Ashwin Desai	Dr. Aman Ashwin Desai	Particulars	Mr. Kamalvijay Ramchandra Tulsian	Ms. Ishita Surendra Manjrekar	Particulars	Mr. Kamalvijay Ramchandra Tulsian	Ms. Ishita Surendra Manjrekar
	(including sales, finance, strategic procurements, human resources and systems) of our Company.	business development, and has over 10 years of experience in the speciality chemical industry. 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 was then a Project Leader in the Process Development group in Core R&D Headquarters at the Dow Chemical Company in Michigan (USA).	Disclosure of relationships between Directors inter-se	Son of Mr. Ashwin Jayantilal Desai, Managing Director and Ms. Purnima Ashwin Desai, Whole-Time Director	Son of Mr. Ashwin Jayantilal Desai, Managing Director and Ms. Purnima Ashwin Desai, Whole-Time Director	Age	75 Years	42 Years			
				Brother of Dr. Aman Ashwin Desai, Whole-Time Director	Director	Date of Birth	February 17, 1951	September 22, 1984	the textile and chemical industry.		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.
				Son-in-law of Mr. Kamalvijay Ramchandra Tulsian, Chairman Non-Executive Director	Spouse of Ms. Ishita Surendra Manjrekar, Non-Executive Director	Date of first appointment	May 22, 2018	June 20, 2018			
				Brother-in-law of Ms. Ishita Surendra Manjrekar, Non-Executive Director		Director Identification Number (DIN)	00190840	06731016			
						Qualification	Diploma in Electrical Engineering and a Diploma in Mechanical Engineering, both from the Maharaja Sayajirao University of Baroda	Bachelor's degree in Chemical Engineering from the Institute of Chemical Technology (ICT, formerly known as the University Department of Chemical Technology, UDCT, Mumbai) and a Master's degree in Chemical Engineering from Rensselaer Polytechnic Institute (RPI, USA)			
Experience in specific functional areas	Commercial, Financial, Sales, Marketing, Human Resource, Strategic Procurement, Human Resource, Legal and Corporate Governance	Science & Technology, Commercial	Terms of appointment	Remains unchanged	Remains unchanged	Brief Resume and Experience	Kamalvijay Ramchandra Tulsian is the Chairperson Non-Executive Director of our Company. He has multiple decades of experience in	Ishita Surendra Manjrekar is a Non-Executive Director of our Company. She is currently serving as Director (Technology) in Sunanda Speciality	Experience in specific functional areas	Management, Administration	Science & Technology, Commercial
			Board Meeting attended	4 out of 4	3 out of 4				Disclosure of relationships between Directors inter-se	Father-in-law of Mr. Rohan Ashwin Jayantilal Desai, Whole-Time Director	Spouse of Dr. Aman Ashwinbhai Desai, Whole-Time Director
			Shares held	22,21,681	1,10,000						Daughter-in-law of Mr. Ashwin Jayantilal Desai, Managing Director and Ms.
			Last drawn remuneration	Rs. 19.47 MM per annum	Rs. 20.48 MM per annum						



Notice of the Annual General Meeting

Particulars	Mr. Kamalvijay Ramchandra Tulsian	Ms. Ishita Surendra Manjrekar	Auditor had certified that they are eligible for appointment as Cost Auditors in terms of Section 141 read with Section 148 of the Companies Act, 2013.	Companies Act, 2013 and Schedule V. The above amount of remuneration will include the yearly bonus. However, he shall be entitle to receive any incentive as may be approved by the Company. In case of no profits / inadequate profit of the Company during the said tenure, the Board may revise the remuneration accordingly.	The remuneration payable to Ms. Purnima Ashwin Desai will be Rs. 12,07,500 (Twelve Lakh Seven Thousand Five Hundred) per month, and shall be entitle to receive the annual increment as the Board may determine. Though, the remuneration shall be within the limit stipulated under Section 197 of the Companies Act, 2013 and Schedule V. The above amount of remuneration will include the yearly bonus. However, she shall be entitle to receive any incentive as may be approved by the Company. In case of no profits / inadequate profit of the Company during the said tenure, the Board may revise the remuneration accordingly.
		Ms. Purnima Ashwin Desai, Whole-Time Director	The Board seeks ratification of the aforesaid remuneration by the Members by way of passing an Ordinary Resolution.		
		Sister-in-law of Mr. Rohan Ashwin Desai, Whole-Time Director	None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said Resolution.	The Board of Directors has recommended to the members to approve his re-appointment on the aforesaid designation vide passing the Ordinary Resolution.	
Terms of appointment	Remains unchanged	Remains unchanged	Item No. E The members of the Company are being hereby informed that Mr. Ashwin Jayantilal Desai (DIN: 00038386), was appointed as Managing Director of the Company in the 9th Annual General Meeting held on September 18, 2021 by the shareholders for a period of 5 consecutive years which is due to expire on September 30, 2026.	Except Mr. Ashwin Jayantilal Desai, Ms. Purnima Ashwin Desai, Mr. Rohan Ashwin Desai, Dr. Aman Ashwinbhai Desai and Ms. Ishita Surendra Manjrekar, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said Resolution.	The Board of Directors has recommended to the members to approve her re-appointment on the aforesaid designation vide passing the Ordinary Resolution.
Board Meeting attended	4 out of 4	4 out of 4			Except Mr. Ashwin Jayantilal Desai, Ms. Purnima Ashwin Desai, Mr. Rohan Ashwin Desai, Dr. Aman Ashwinbhai Desai and Ms. Ishita Surendra Manjrekar, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said Resolution.
Shares held	11,690	Nil		Item No. F The members of the Company are being hereby informed that Ms. Purnima Ashwin Desai (DIN: 00038399), was appointed as Whole-Time Director of the Company in the 9th Annual General Meeting held on September 18, 2021 by the shareholders for a period of 5 consecutive years which is due to expire on September 30, 2026.	
Last drawn remuneration	Sitting Fee of Rs. 0.29 MM	Sitting Fee of Rs. 0.22 MM	Since his term as Managing Director will be expiring September 30, 2026, the Board of Directors of the Company in its meeting held on July 31, 2026 and on the basis of recommendation received from the Nomination and Remuneration Committee of the Company, has approved the re-appointment of Mr. Ashwin Jayantilal Desai as Managing Director of the Company for a further period of 5 (five) consecutive years, subject to the approval of the shareholders in the upcoming General Meeting of the Company.	Since her term as Whole-Time Director will be expiring September 30, 2026, the Board of Directors of the Company in its meeting held on July 31, 2026 and on the basis of recommendation received from the Nomination and Remuneration Committee of the Company, has approved the re-appointment of Ms. Purnima Ashwin Desai as Whole-Time Director of the Company for a further period of 5 (five) consecutive years, subject to the approval of the shareholders in the upcoming General Meeting of the Company.	
Explanatory Statement	Explanatory Statements under Section 102 of the Companies Act, 2013 for Item No. D, E, F, G and H, being Special Businesses to be transacted are as below :		In the opinion of the Board, Mr. Ashwin Jayantilal Desai fulfils the conditions as specified under Section 196(3), Part I of Schedule V and other applicable provisions of the Companies Act, 2013 for such reappointment and is not disqualified or debarred from being appointed as a Managing Director in terms of Section 164 of the Companies Act, 2013.	In the opinion of the Board, Ms. Purnima Ashwin Desai fulfils the conditions as specified under Section 196(3), Part I of Schedule V and other applicable provisions of the Companies Act, 2013 for such reappointment and is not disqualified or debarred from being appointed as a Whole-Time Director in terms of Section 164 of the Companies Act, 2013.	Item No. G The members of the Company are being hereby informed that Mr. Rohan Ashwin Desai (DIN: 00038379), was appointed as Whole-Time Director of the Company in the 9th Annual General Meeting held on September 18, 2021 by the shareholders for a period of 5 consecutive years which is due to expire on September 30, 2026.
	Item No. D Pursuant to the provisions of Section 148(3) of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of M/s. PAAA & Associates, Cost and Management Accountants), Cost Auditor of ₹ 1,20,000/- (Rupees One Lakh Twenty Thousand only) for the Fiscal Year 2026-27, as recommended by the Audit Committee and approved by the Board in their Meeting held on July 31, 2026, is proposed before the Members to be ratified. The		The remuneration payable to Mr. Ashwin Jayantilal Desai will be Rs. 12,07,500 (Twelve Lakh Seven Thousand Five Hundred) per month, and shall be entitle to receive the annual increment as the Board may determine. Though, the remuneration shall be within the limit stipulated under Section 197 of the		Since his term as Whole-Time Director will be expiring September 30, 2026, the Board of Directors of the Company in its meeting held on July 31, 2026 and on the basis of recommendation received from the Nomination and Remuneration Committee of the Company, has approved the re-appointment of Mr. Rohan Ashwin Desai as Whole-Time Director of the Company for a further period of 5 (five) consecutive years, subject to the approval of the shareholders in the upcoming General Meeting of the Company.
					In the opinion of the Board, Mr. Rohan Ashwin Desai fulfils the conditions as specified under Section 196(3),



Notice of the Annual General Meeting

the Companies Act, 2013 for such reappointment and is not disqualified or debarred from being appointed as a Whole-Time Director in terms of Section 164 of the Companies Act, 2013.

The remuneration payable to Mr. Rohan Ashwin Desai will be Rs. 16,61,250 (Sixteen Lakh Sixty One Thousand Two Hundred And Fifty) per month, and shall be entitle to receive the annual increment as the Board may determine. Though, the remuneration shall be within the limit stipulated under Section 197 of the Companies Act, 2013 and Schedule V. The above amount of remuneration will include the yearly bonus. However, he shall be entitle to receive any incentive as may be approved by the Company. In case of no profits / inadequate profit of the Company during the said tenure, the Board may revise the remuneration accordingly.

The Board of Directors has recommended to the members to approve his re-appointment on the aforesaid designation vide passing the Ordinary Resolution.

Except Mr. Ashwin Jayantilal Desai, Ms. Purnima Ashwin Desai, Mr. Rohan Ashwin Desai, Dr. Aman Ashwinbhai Desai and Ms. Ishita Surendra Manjrekar, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said Resolution.

Item No. H
The members of the Company are being hereby informed that Dr. Aman Ashwinbhai Desai (DIN: 00043633), was appointed as Whole-Time Director of the Company in the 9th Annual General Meeting held on September 18, 2021 by the shareholders for a period of 5 consecutive years which is due to expire on September 30, 2026.

Since his term as Whole-Time Director will be expiring September 30, 2026, the Board of Directors of the Company in its meeting held on July 31, 2026 and on the basis of recommendation received from the Nomination and Remuneration Committee of the Company, has approved the re-appointment of Dr. Aman Ashwinbhai Desai as Whole-Time Director of the Company for a further period of 5 (five) consecutive years, subject to the approval of the

shareholders in the upcoming General Meeting of the Company.

In the opinion of the Board, Dr. Aman Ashwinbhai Desai fulfils the conditions as specified under Section 196(3), Part I of Schedule V and other applicable provisions of the Companies Act, 2013 for such reappointment and is not disqualified or debarred from being appointed as a Whole-Time Director in terms of Section 164 of the Companies Act, 2013.

The remuneration payable to Dr. Aman Ashwinbhai Desai will be Rs. 18,11,250 (Eighteen Lakh Eleven Thousand Two Hundred And Fifty) per month, and shall be entitle to receive the annual increment as the Board may determine. Though, the remuneration shall be within the limit stipulated under Section 197 of the Companies Act, 2013 and Schedule V. The above amount of remuneration will include the yearly bonus. However, he shall be entitle to receive any incentive as may be approved by the Company. In case of no profits / inadequate profit of the Company during the said tenure, the Board may revise the remuneration accordingly.

The Board of Directors has recommended to the members to approve his re-appointment on the aforesaid designation vide passing the Ordinary Resolution.

Except Mr. Ashwin Jayantilal Desai, Ms. Purnima Ashwin Desai, Mr. Rohan Ashwin Desai, Dr. Aman Ashwinbhai Desai and Ms. Ishita Surendra Manjrekar, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said Resolution.

For Aether Industries Limited
CS Chitrarth Parghi
Company Secretary & Compliance Officer

August 19, 2026

Registered Office:
Aether Industries Limited
CIN: L24100GJ2013PLC073434

Plot No. 8203, GIDC Sachin,
Surat-394230, GJ.

Surat | August 19 2026





**Conceptualised & Designed by
Aether Creative Team**

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