

May 6, 2023

Ref. No.: **AIL/SE/13/2023-24**

To,

**BSE Limited**

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

Scrip Code: **543534**

**National Stock Exchange of India Limited**

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

Symbol: **AETHER**

Dear Madam / Sir,

**Subject: Presentation on Financial Results**

In accordance with Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the presentation on Financial Results of Fourth Quarter and Financial year ended on March 31, 2023, is enclosed herewith.

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

Thank you.

**For Aether Industries Limited**



**Chitrarth Rajan Parghi**

Company Secretary & Compliance Officer

Mem. No.: F12563



Encl.: As attached

An aerial, high-angle photograph of a city street grid. The image is in grayscale and has a dark, moody atmosphere. A central building is under construction, with its internal structure and scaffolding visible. The surrounding buildings are mostly multi-story structures with flat roofs. The street below the central building is visible, showing lane markings and some vehicles. The overall scene depicts a dense urban environment in the middle of a development project.

# Q4 2023

06 May, 2023

AETHER.NS  
543534



# WHY AETHER?

## The True Story

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[8 x 8] Matrix of chemistry/technology competencies developed in-house, from scratch, which caters to various segments of chemical industry

## Rich Infrastructure

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Extensively expanded R&D, pilot plant, and manufacturing (2 new greenfield projects, 1 brownfield project all fully DCS automated) capabilities

## R&D Driven Approach

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Deep-rooted R&D-led product development team comprising 233 highly qualified people including 111 scientists (with PhDs or M. Sc. / B. Sc. degrees) and 122 engineers (MARCH-23)

## Unique Team

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Techno-commercial excellence in promoter group, expert global technology and BD team, average age of 880+ staff is 31 years (MARCH-23)

## Growth Engines

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Successfully launched 3 business models in 5 years into commercialisation:

1. Large scale manufacturing
2. CRAMS
3. Contract / Exclusive manufacturing

## Marquee Customers

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275+ International and domestic customers, customer base includes top innovator MNC companies across industry spectrum

## 1st Time In India

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Most of our advanced intermediates and specialty chemicals manufactured for the first time in India

## Fastest Growing

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We are one of the fastest growing specialty chemical companies in India, growing at a CAGR of nearly 44% between Fiscal 2018 and Fiscal 2023



# HIGHLIGHTS

## New Countries

We have started business in 4 new countries in FY23, which earmarks the growth of Aether geographically

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## New Customers

We have started business with 13 new customers during the quarter across all business models

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## Site 3

Commencement of operations at Greenfield Manufacturing Site 3 and launch of 3 products in LSM business model

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## Site 5

Brick laying ceremony at Site 5 along with blood donation camp, where by 706 units of blood were collected

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## Team Members

More than 80 new team members joined Aether in Q4 FY23 across all departments

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## Customer Audits

Successfully concluded 8 customer audits and certification audits in Q4 FY23

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## Otsuka

Entered into the contract with Otsuka Japan for supplying 2 products as exclusive supplier

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## Saudi Aramco

Entered into LOI for long term contract with Saudi Aramco for Converge Polyols.

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# SITE 3

**Located diagonally opposite** to the current Manufacturing Facility 2 in GIDC, Sachin, Surat, Gujarat, India



**January 2023**  
facility operational

## Production of 3 Products

Commenced



**Additional 3500 MT**  
capacities approximately per annum  
added



## OTSUKA | ARAMCO



Aether Industries Limited, executed a long-term for initially 10 years' supply and sales agreement with Otsuka Chemicals Co., Ltd., Japan, along with Chori Co., Ltd., Japan (being the Agent of Otsuka Chemical Co., Ltd.), thereby adding more business for two of its market leading products.

The revenue targets at maturity within three years for Aether, through this agreement is Rs. 510 million per year by supplying 300 MT (combined for both the products) per year, in the Large Scale Manufacturing business model of the Company.



Aether Industries Limited has executed a letter of intent with Saudi Aramco Technologies Company, Saudi Arabia.

The Letter of Intent captures the preliminary terms of a detailed licensing agreement towards the manufacturing and commercialization at Aether of the Converge<sup>®</sup> polyols technology and product series, the manufacturing process for which has been previously jointly developed and validated at pre-commercial scale by Aramco and Aether.



## ADDITION IN LEADERSHIP TEAM



**Dr. Ron Valente**

Business Development Leader  
(Specialty Polyols)

- PhD Organic Chemistry – University of Rochester
- >20 years Eastman Kodak – Worldwide Director of Process Development & Manufacturing
- 7 years Senior VP Novomer, Inc.; CO<sub>2</sub> Polyol Technology acquired by Saudi Aramco 2016
- 7 years with Saudi Aramco; President & CEO Aramco Performance Materials



# SITE 5 INAUGURATION - BLOOD DONATION CAMP



Inauguration of Manufacturing Site 5 (Panoli GIDC, Bharuch, Gujarat) was done by brick laying rituals and conducting a blood donation camp, where in various corporates in Panoli, Panoli Industries Association, Kumarpal Blood Bank and Rotary Club of Ankleshwar were part of it to make this a grand success.



# 706

Bottles of blood collected



# SNAPSHOT

## Q-o-Q

Q-o-Q is comparison of Q4 FY23 with Q3 FY23

(INR MM)

|        | Revenue | EBITDA | PAT  |
|--------|---------|--------|------|
| Q4FY23 | 1,844   | 602    | 376  |
|        | ↑ 10%   | ↑ 19%  | ↑ 7% |
| Q3FY23 | 1,705   | 507    | 350  |

## Y-o-Y

Y-o-Y is comparison of Q4 FY23 with Q4 FY22

|        |       |       |       |
|--------|-------|-------|-------|
| Q4FY23 | 1,844 | 602   | 376   |
|        | ↑ 25% | ↑ 42% | ↑ 44% |
| Q4FY22 | 1,477 | 423   | 260   |

# SNAPSHOT

## FY-o-FY

FY-o-FY is comparison of FY23 with FY22

(INR MM)

|        | Revenue        | EBITDA         | PAT            |
|--------|----------------|----------------|----------------|
| Q4FY23 | 6,676<br>↑ 12% | 2,028<br>↑ 16% | 1,304<br>↑ 20% |
| Q3FY23 | 5,970          | 1,751          | 1,089          |



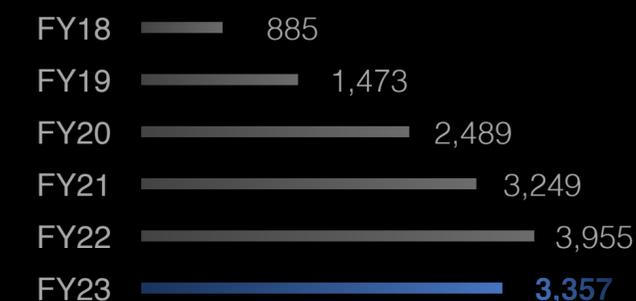
# BUSINESS SEGMENTS

52%

## Large Scale Manufacturing

Advanced intermediates and speciality chemicals with application across the industry spectrum

(INR MM)



13%

## Contract Research and Manufacturing Services - CRAMS

Contract research, scale-up services, technology development, low volume high value contract manufacturing



34%

## Contract / Exclusive Manufacturing

Manufacture under contractual supply agreements with MNCs



# AETHER TODAY

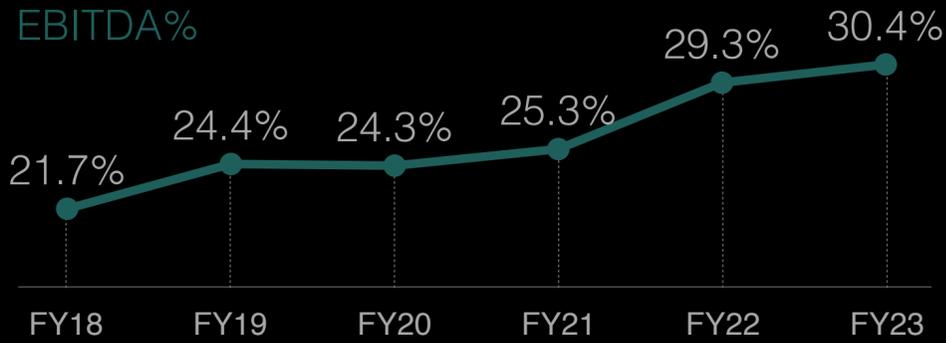
## GROSS REVENUE

(INR MM)

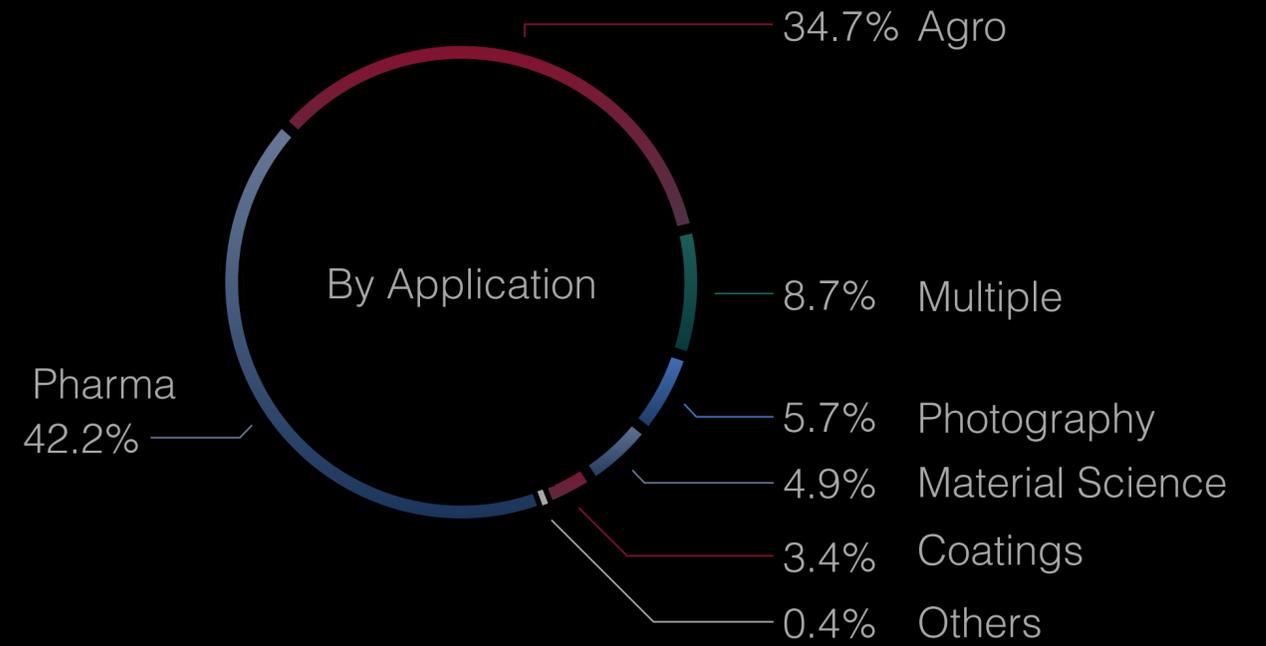
CAGR 44%



## EBITDA%



## PAT%



## FY23



# RESEARCH AND DEVELOPMENT

R&D has been critical to success and a differentiating factor vis-à-vis competitors

## Experts at helm of R&D / CRAMS

MARCH-22

164

Highly qualified employees,  
including

92

Scientists with  
PhD / M. Sc and B. Sc

72

Engineers

MARCH-23

233

Highly qualified employees,  
including

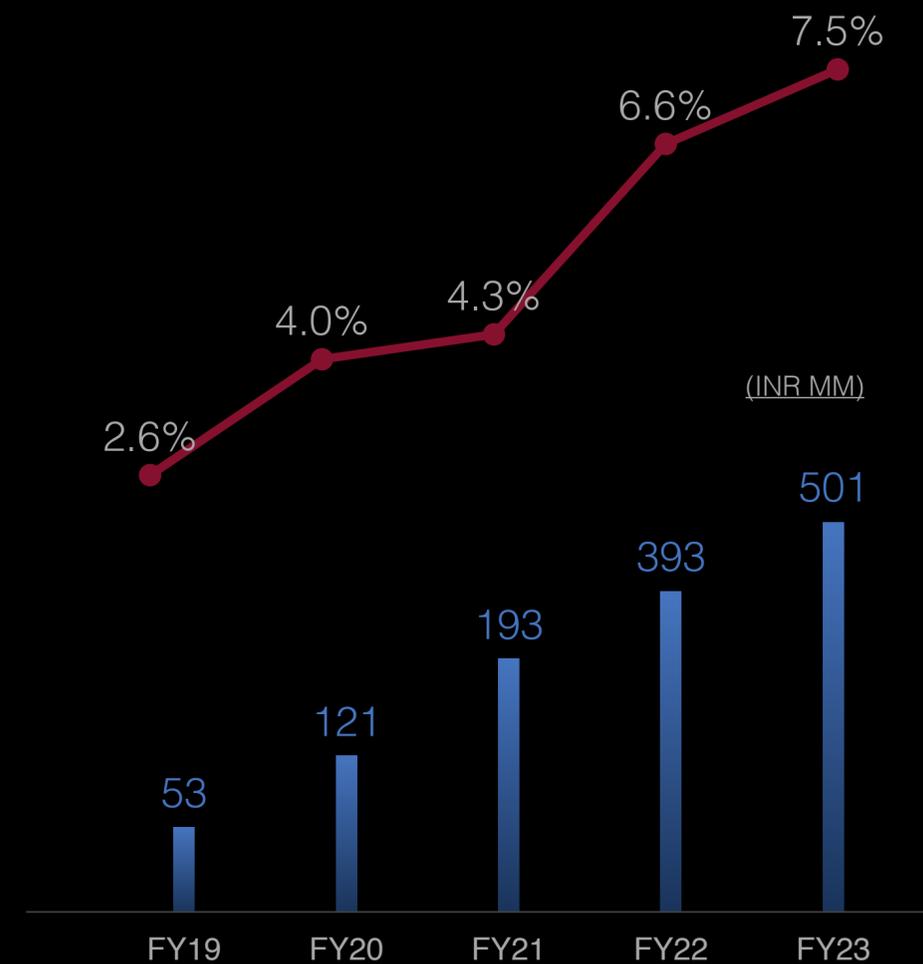
111

Scientists with  
PhD / M. Sc and B. Sc

122

Engineers

## Consistently rising R&D expenditure



# IPO FUND UTILISATION

1. Capital expenditure was done towards the Manufacturing Site 3, which has been operational from January 2023.
2. Working Capital cycle of the company being monitored well for reducing it upto desired levels
3. Aether is a debt free company as all the term loans are fully paid off and working capital limits zeroed down
4. General Corporate Purpose funds utilised for various expansions in R&D, Pilot Plant and Panoli (Site 5)

(INR MM)

| Objects of issue   | Amount as per the Offer Document (A) | *Amount Withdrawn from Monitoring Agency (B) | % Amount Withdrawn (C) | Amount Pending to be withdrawn from Monitoring Agency (D = A - B) |
|--|--------------------------------------|--|------------------------|---|
| Funding capital expenditure requirements for the proposed Greenfield project                         | 1,630                                | 1,630  | 100.00%                | 0   |
| Funding working capital requirements of the Company  | 1,650                                | 1,650  | 100.00%                | 0   |
| Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company | 1,379                                | 1,379  | 100.00%                | 0   |
| General Corporate Purposes   | 1,276                                | 1,276  | 100.00%                | 0   |
| <b>Total</b>   | <b>5,935</b>                         | <b>5,935</b>                                 | <b>100.00%</b>         | <b>0</b>  |



# Financial Results for Q4 FY23 and FY23

(INR MM)

| Particulars                         | Q4FY23       | Q3FY23       | Q4FY22       | FY23         | FY22         |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|
|                                     | Audited      | Unaudited    | Audited      | Audited      | Audited      |
| Revenue from operations             | 1,838        | 1,671        | 1,475        | 6,511        | 5,900        |
| Other income                        | 6            | 34           | 2            | 165          | 70           |
| <b>Total income</b>                 | <b>1,844</b> | <b>1,705</b> | <b>1,477</b> | <b>6,676</b> | <b>5,970</b> |
| Cost of goods sold #                | 871          | 790          | 731          | 3,173        | 2,880        |
| Employee benefits expense           | 90           | 93           | 58           | 345          | 270          |
| Other expenses                      | 281          | 315          | 265          | 1,130        | 1,069        |
| <b>EBITDA</b>                       | <b>602</b>   | <b>507</b>   | <b>423</b>   | <b>2,028</b> | <b>1,751</b> |
| Depreciation & amortization expense | 69           | 64           | 41           | 232          | 155          |
| <b>EBIT</b>                         | <b>533</b>   | <b>443</b>   | <b>382</b>   | <b>1,796</b> | <b>1,596</b> |
| Finance cost                        | 12           | 4            | 31           | 51           | 131          |
| <b>Profit before tax</b>            | <b>521</b>   | <b>439</b>   | <b>351</b>   | <b>1,745</b> | <b>1,465</b> |
| Tax expenses (Current + Deferred)   | 146          | 88           | 91           | 441          | 375          |
| <b>Profit after tax</b>             | <b>375</b>   | <b>351</b>   | <b>260</b>   | <b>1,304</b> | <b>1,090</b> |



# Cost of goods sold = Cost of materials consumed in operation and incidental cost + Changes in inventories of finished goods and work-in-progress



# Balance Sheet

| INR MM                               | FY20         | FY21         | FY22         | FY23          |
|--------------------------------------|--------------|--------------|--------------|---------------|
| <b>ASSETS</b>                        |              |              |              |               |
| <b>Non-Current Assets</b>            |              |              |              |               |
| Property, plant and equipment        | 1,206        | 2,065        | 2,355        | 5,333         |
| Capital work-in-progress             | 172          | 2            | 577          | 372           |
| Investments + Other Financial Assets | 22           | 17           | 25           | 30            |
| Intangible Assets                    | 6            | 6            | 4            | 6             |
| Right-of-Use Assets                  | 82           | 92           | 211          | 1,122         |
| Other non-current assets             | 39           | 12           | 427          | 185           |
| <b>Total non-current assets</b>      | <b>1,527</b> | <b>2,194</b> | <b>3,600</b> | <b>7,048</b>  |
| <b>CURRENT ASSETS</b>                |              |              |              |               |
| Inventories                          | 719          | 847          | 1,627        | 2,488         |
| Trade receivables                    | 630          | 1,082        | 1,635        | 2,590         |
| Cash and bank balances               | 36           | 56           | 180          | 1,022         |
| Loans + Other Financial Assets       | 8            | 235          | 181          | 25            |
| Other current assets                 | 85           | 115          | 474          | 626           |
| <b>Total current assets</b>          | <b>1,478</b> | <b>2,335</b> | <b>4,098</b> | <b>6,751</b>  |
| <b>Total Assets</b>                  | <b>3,005</b> | <b>4,529</b> | <b>7,698</b> | <b>13,799</b> |

| INR MM                               | FY20         | FY21         | FY22         | FY23          |
|--------------------------------------|--------------|--------------|--------------|---------------|
| <b>EQUITY AND LIABILITIES</b>        |              |              |              |               |
| <b>Equity</b>                        |              |              |              |               |
| Equity share capital                 | 86           | 101          | 1,127        | 1,245         |
| Other equity                         | 697          | 1,642        | 2,742        | 11,201        |
| <b>Total equity</b>                  | <b>783</b>   | <b>1,743</b> | <b>3,869</b> | <b>12,446</b> |
| <b>Non-current Liabilities</b>       |              |              |              |               |
| Borrowings                           | 951          | 1,038        | 1,218        | 0             |
| Lease liabilities                    | 16           | 27           | 51           | 145           |
| Deferred tax liabilities (net)       | 76           | 102          | 139          | 268           |
| <b>Total non-current liabilities</b> | <b>1,043</b> | <b>1,167</b> | <b>1,408</b> | <b>413</b>    |
| <b>Current Liabilities</b>           |              |              |              |               |
| Borrowings                           | 754          | 1,044        | 1,633        | 1             |
| Lease liabilities                    | 3            | 4            | 6            | 11            |
| Trade payables                       | 384          | 478          | 699          | 815           |
| Other current liabilities#           | 39           | 94           | 85           | 113           |
| <b>Total current liabilities</b>     | <b>1,179</b> | <b>1,619</b> | <b>2,422</b> | <b>940</b>    |
| <b>Total equity and liabilities</b>  | <b>3,005</b> | <b>4,529</b> | <b>7,698</b> | <b>13,799</b> |

# includes Other Financial Liabilities, Other Current Liabilities, Provisions and Current Tax Liabilities (Net)



# Cash Flow Statement

| INR MM   | FY20  | FY21  | FY22    | FY23    |
|--|-------|-------|---------|---------|
| Cash generated from operations                           | 309   | 432   | 284     | 253     |
| Net cash from operating activities                       | 177   | 232   | (54)    | (66)    |
| Net cash (used in) investing activities                  | (480) | (766) | (1,509) | (3,484) |
| Cash flow from financing activities                      |       |       |         |         |
| Net cash used in financing activities                    | 326   | 554   | 1,688   | 4,392   |
| Net increase / (decrease) in cash and cash equivalents   | 23    | 20    | 125     | 842     |
| Cash and cash equivalents at the beginning of the period | 13    | 36    | 56      | 180     |
| Cash and cash equivalents at the end of the period       | 36    | 56    | 180     | 1,022   |



Figures in ( ) represent negative numbers

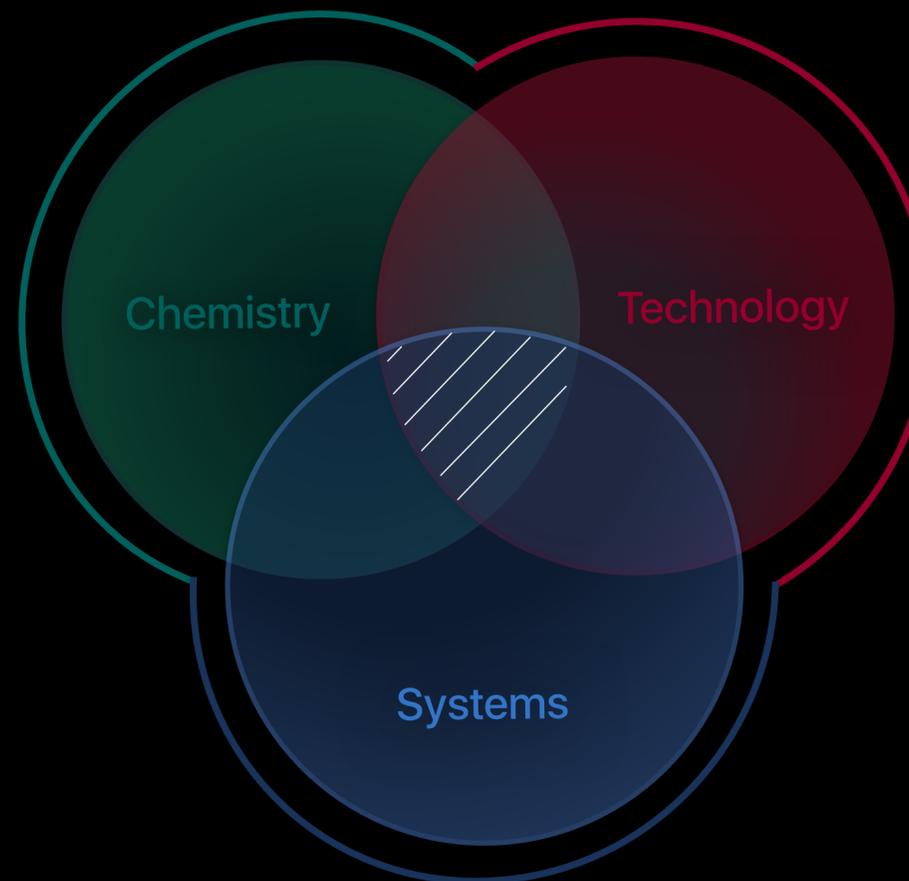


# CORE COMPETENCIES

**8x8** Matrix

## Chemistry

Grignards and Organolithiations  
Ethylene Oxide Chemistry  
- Tandem Grignard / Ethylene Oxide  
Isobutylene Chemistry  
Hydrogenation  
- Asymmetric Hydrogenation  
Heterogeneous Catalysis  
Exothermic Chemistry  
Cross Coupling Chemistry  
Olefin Metathesis / Polymerisation



## Technology

Continuous Reaction  
Batch Reaction  
High Pressure Reaction  
Fixed Bed Reaction  
Cryogenic Reaction  
High Vacuum Distillation  
Wiped Film Distillation  
Process Automation

## Systems

SAP, AIRIS, AES  
Multiple Certifications  
(DCS) Automation



# PRODUCT SELECTION

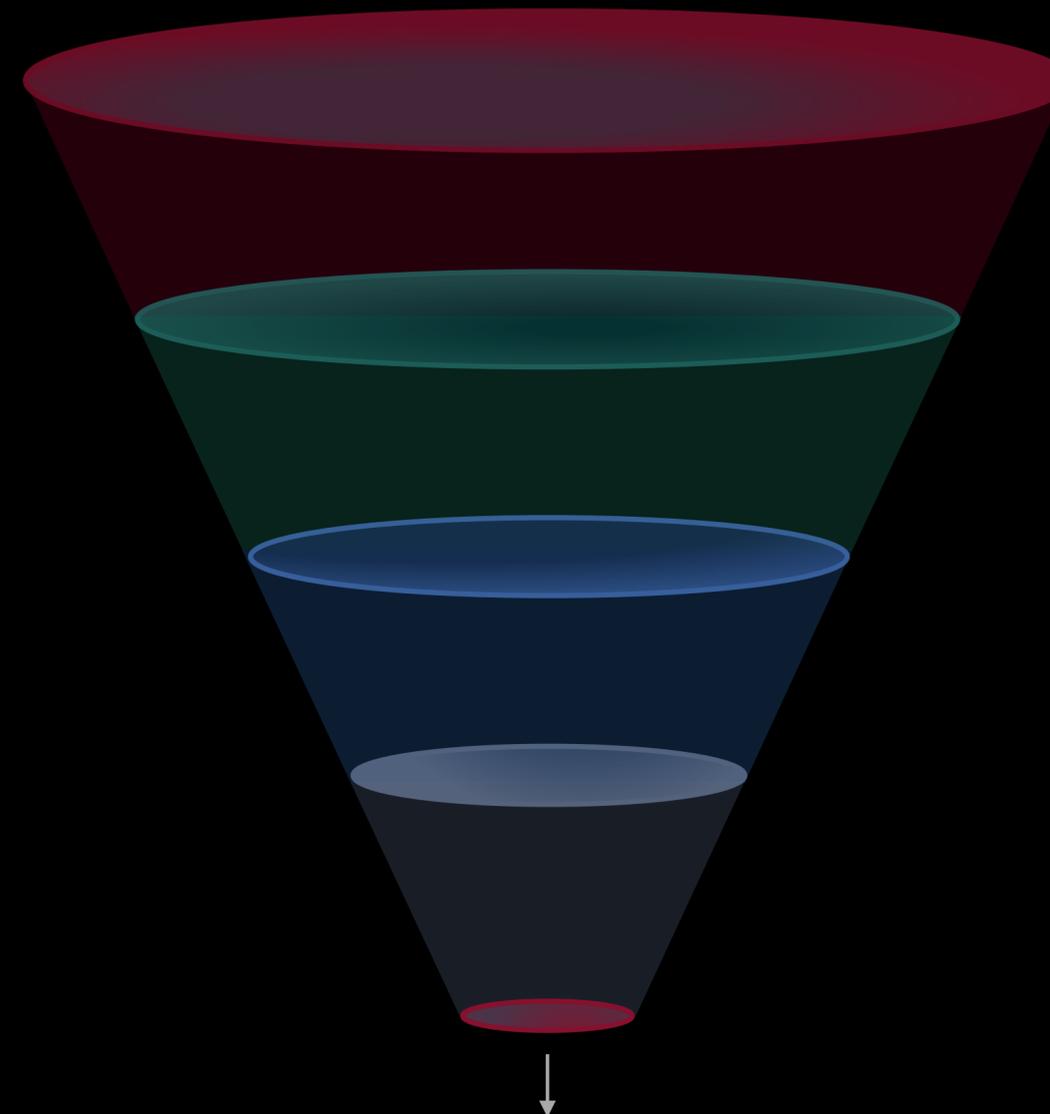
Core competencies of chemistry, technology and systems

No active manufacturer in India, made for 1<sup>st</sup> time in India

Minimum 4 step sequences of manufacturing and infrastructure oriented

Generate adequate revenue at maturity

Market leading position at product maturity

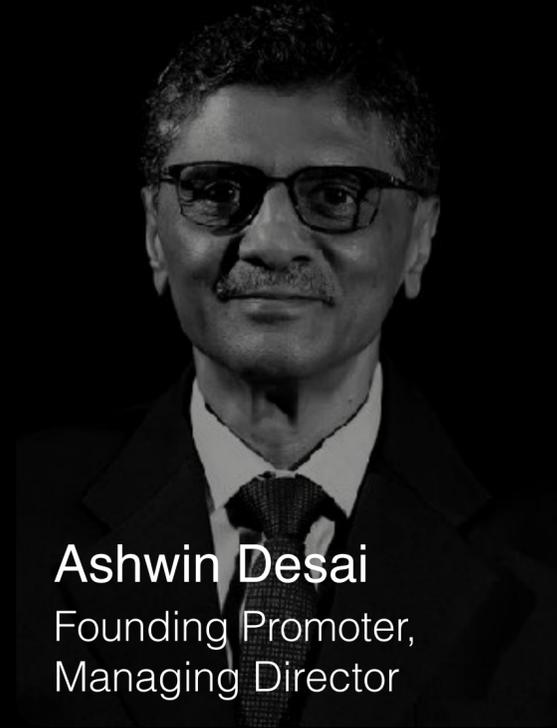


Product selection leading to differentiated portfolio

Sweet Spot



# KEY PILLARS



**Ashwin Desai**  
Founding Promoter,  
Managing Director

- Bachelor of Chemical Engineering from Institute of Chemical Technology (UDCT, 1974)
- Distinguished Alumni Award by UDCT (2010)
- Prior to Aether, Founder / Chairman / MD of Anupam Rasayan (India) Limited (till 2013)
- Spearheading the continuous (flow) technology core competency
- Aether's visionary, multiple decades of experience in speciality chemicals



**Dr. Aman Desai**  
Promoter,  
Whole Time Director

- Bachelor of Chemical Technology - ICT (UDCT, 2005), PhD in Organic Chemistry from Michigan State University (USA, 2010)
- Prior to Aether, project leader in Process Development group in Core R&D HQ of The Dow Chemical Company (USA, 2010-2012)
- Co-author of 25 publications, 4 patents in USA and published worldwide
- Distinguished Alumni Award by UDCT (2018)
- 10+ years of experience in speciality chemicals



**Rohan Desai**  
Promoter,  
Whole Time Director

- Bachelor of Commerce from VNSG University of Commerce, Surat
- Prior to Aether, Director at Anupam Rasayan (India) Limited (till 2013)
- Handles commercial portfolio including sales, finance, strategic procurement, human resources and systems
- Extensive experience in speciality chemicals

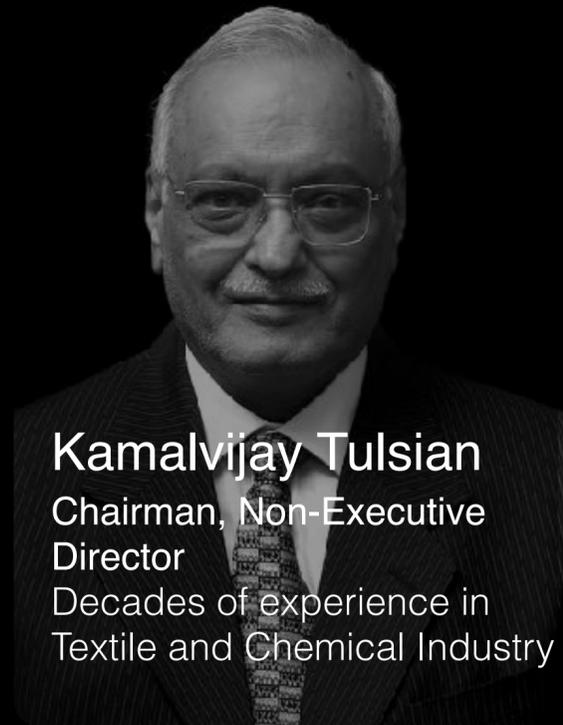


**Purnima Desai**  
Promoter,  
Whole Time Director

- Bachelor of Commerce from University of Delhi (1975)
- Prior to Aether, Director at Anupam Rasayan (India) Limited (till 2013)
- Leads overall finance and accounting operations
- Multiple decades of experience in speciality chemicals



# EXPERIENCED BOARD



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



**Jeevan Lal Nagori**  
Non-Executive Independent  
Director  
Experience 34 years in  
Chemical Industries



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



**Dr. Amol Kulkarni**  
Non-Executive  
Independent Director  
Experience 34 years as a  
Scientist



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



**Arun Kanodiya**  
Non-Executive  
Independent Director  
15+ years of experience in  
Chartered Accountancy  
and Finance



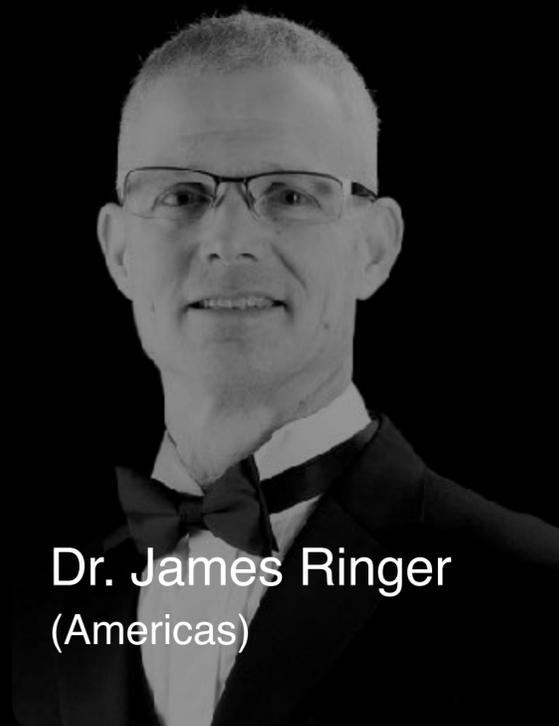
**Jitendra Vakharia**  
Non-Executive Independent  
Director  
Decades of experience in  
Chemical and Textile  
Industry



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



## BUSINESS DEVELOPMENT LEADERS | SMP AND KMP



**Dr. James Ringer**  
(Americas)

- Bachelor's Science (Purdue Univ. USA) and PhD Organic Chemistry (Univ. Wisconsin, USA)
- > 30 years at The Dow Chemical Company (and subsidiaries) at various positions - Leader R&D Director
- Co-inventor on 22 USA patents, published worldwide



**Dr. Norbert Flüggen**  
(Europe)

- Diploma Physics and Doctorate of Natural Sciences (PhD), Univ. Hannover (Germany)
- Decades of experience in Chemical Industry
- Previously at ALTANA AG (Germany)



**Raymond Roach**  
(Americas)

- Bachelor's Science and Master's Chem. Engg., Univ. of Pittsburgh (USA)
- Decades of experience in Chemical Industry
- Previously at the Dow Chemical Company (USA)
- Co-inventor of 7 USA patents, published worldwide



**Faiz Nagariya**  
Chief Financial Officer

- B. Comm. (Mumbai University), FCA (ICAI)
- 25+ years experience
- Previously at Ala Metals LLC (Dubai)



# SELECT MARQUEE CUSTOMER BASE | DOMESTIC AND GLOBAL

## Pharmaceutical



Dr.Reddy's



## Agrochemical



## Oil and Gas



High performance photography



Material Science | Coatings



## Other Sectors



## Textiles



# QEHS

## Health and Safety

- Undertaking hazard and operability studies before commencing commercial production of new products
- Dedicated team of safety personnel
- Mobile application for safety and emergencies
- Modern fire-fighting and safety systems
- DCS automation system to control safety systems and processes
- Combined fire hydrant water reserve of over 2,000 m3 capacity
- Occupational Health and Safety Hazard Prevention
- Incident Management
- Health and Safety Permits
- Emergency Prevention, Preparedness, and Response
- Working and Living Conditions
- Training and Communication

## ISO 9001

For Quality

## ISO 45001

for Occupational Safety

## ISO 14001

of workforce as Environment Team

## ISO 27001

of Information Security Management

## TFS

Audited Sites for Together for Sustainability

## INDIAN GMP

for Manufacturing

## UN GLOBAL COMPACT

Annual Corporate Member

## SILVER ECOVADIS MEDAL

among the top 25 percent of companies

**5.4%\***

of workforce as  
QC/QA/ADL Team

**4.3%\***

of workforce as  
Safety Team

**5.2%\***

of workforce as  
Environment  
Team

\* as on March 31, 2023



# QEHS

## Quality

High standards of quality for products

To cover

Manufacturing

Supply Chain

Product Delivery

To ensure

Consistent Quality

Efficiency

Safety of Products

In FY 23

27

Times, our facilities have been audited by

24

Customers or their external auditors

## Environment

Vibrant infrastructure installed for environment and sustainability efforts

- 100 KLPD in-house zero liquid discharge (ZLD) plant
- Triple stage multiple effect evaporator (MEE)
- Mechanical vapour recompression (MVR) plant
- Agitated thin film evaporator (ATFE)
- Reverse osmosis (RO) plant
- Soil biotechnology (SBT) platform with ozonation
- Employing cleaner chemistries, semi-continuous or continuous reaction technologies, and automation in the process



# ENVIRONMENTAL SOCIAL GOVERNANCE

## Environmental

- Adoption of the green chemistries or more accurately sustainable chemistry since inception.
- Principles of energy saving and conservation, atom economy
- 4R strategy (reduce / recover / recycle / reuse)
- Undertaking hazard and operability studies.

## Social

- Focused on:
  - Education ( especially for girls )
  - Skill development
  - Healthcare
- Total spent of Rs. 20 MM towards CSR in FY23 (entire year compliance fulfilled)

## Governance

- Technically sound and extensively experienced Board members
- Transparency and accountability at each level
- Adequate corporate governance helps:
  - Improved capital flow
  - Risk mitigation
  - Reputation boost
  - Effective decision making
  - focus on compliance
  - Higher staff retention
  - Limitation of conflicts of interests





Certain statements and opinions with respect to the anticipated future performance of the company in the presentation ("forward - looking statements"), which reflect various assumptions concerning the strategies, objectives and anticipated results may or may not prove to be correct. Such forward -looking statements involve a number of risks, uncertainties and assumptions which could cause actual results or events to differ materially from those expressed or implied by the forward - looking statements. These include, among other factors, changes in economic, political, regulatory, business or other market conditions. Such forward - looking-statements only speak as at the date the presentation is provided to the recipient and the company is not under any obligation to update or revise such forward -looking statements to reflect new events or circumstances. No representation or warranty (whether express or implied) is given in respect of any information in this presentation or that this presentation is suitable for the recipient's purposes. The delivery of this presentation does not imply that the information herein is correct as at any time subsequent to the date hereof and the company has no obligation whatsoever to update any of the information or the conclusions contained herein or to correct any inaccuracies which may become apparent subsequent to the date hereof.

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**Mr. Chitrarth Parghi** - CS and Compliance Officer | Direct No : +91 (261) - 6603360 | Email: [chitrarth@aether.co.in](mailto:chitrarth@aether.co.in)