



AETHER INDUSTRIES LIMITED

Aether Industries Limited ("Company") was incorporated on January 23, 2013, at Surat, Gujarat, India as a public limited company under the Companies Act, 1956 and received the certificate for commencement of business from RoC on March 18, 2013. For details of the change in the registered office of our Company, please see the section entitled "History and Certain Corporate Matters" on page 189 of the red herring prospectus dated May 16, 2022 ("RHP" or "Red Herring Prospectus").

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

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

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

*OUR COMPANY, IN CONSULTATION WITH THE BRLMS, HAS UNDERTAKEN A PRIVATE PLACEMENT OF 2,024,921 EQUITY SHARES AT ₹ 642 PER EQUITY SHARE AGGREGATING TO ₹ 1,300.00 MILLION ("PRE-IPO PLACEMENT"). THE SIZE OF THE FRESH ISSUE OF EQUITY SHARES HAS BEEN ADJUSTED PURSUANT TO THE PRE-IPO PLACEMENT.

QIB Category: Not more than 50% of the Net Offer | Retail Category: Not less than 35% of the Net Offer

Non-Institutional Category: Not less than 15% of the Net Offer

Employee Reservation Portion: [●] Equity Shares Aggregating Up To ₹ 71.50 Million

**PRICE BAND: ₹ 610 TO ₹ 642 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH
THE FLOOR PRICE IS 61.00 TIMES THE FACE VALUE OF THE EQUITY SHARES AND
THE CAP PRICE IS 64.20 TIMES THE FACE VALUE OF THE EQUITY SHARES
BIDS CAN BE MADE FOR A MINIMUM OF 23 EQUITY SHARES AND
IN MULTIPLES OF 23 EQUITY SHARES THEREAFTER**

Risks to Investors:

1. The weighted average cost of acquisition of all shares transacted in last one year, three years and eighteen months preceding the date of the Red Herring Prospectus is as follows:

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

2. The average cost of acquisition per Equity Share for the Promoter Selling Shareholder is ₹ 2.08 and the Offer Price at upper end of the price band is ₹ 642 per Equity Share.

3. The price/earnings ratio based on diluted EPS for Fiscal 2021 for the Company at upper end of the Price Band is 87.23 as compared to the average industry peer group PE ratio of 81.12 (market price of equity shares as on May 4, 2022) and may not be indicative of the market price of our Company on listing of the Equity Shares or thereafter.

4. In Fiscal 2021, our top 20 customers accounted for 73.50% of revenue from operations and any loss of key customer base may have a material adverse effect on the financial conditions, cash flows and results of operations

5. The Company operates through two manufacturing facilities located in Surat, Gujarat which subjects us to various operating risks including regulatory and other geography specific risks including labour unrests, occurrence of natural/man-made disasters

6. In Fiscal 2021, 88.22% of our revenue from operations were from pharmaceuticals and agrochemicals customer segments. Our reliance on such industries for a significant portion of our sales could have an adverse effect on our business

7. In Fiscal 2021, our cost of materials consumed accounted for 51.28% of our revenue from operations. Such raw materials are primarily sourced from third party suppliers globally and in India. Any increase in the cost of, or a shortfall in the availability or quality of such raw materials could have an adverse effect on our business, financial condition and results of operations

8. The details of issues handled by BRLMs which closed below the offer price on the listing date in the current and past two Fiscal Years, are as below:

Name of the BRLM	Total number of issues	Issues closed below IPO price on listing date
HDFC [^]	3	3
Kotak [^]	23	7
Issues handled jointly by the BRLMs	5	1
Total	31	11

[^] Issues which were not jointly handled by the BRLMs

BID/ OFFER PROGRAMME

BID/OFFER OPENS ON TUESDAY, MAY 24, 2022⁽¹⁾

BID/OFFER CLOSING ON THURSDAY, MAY 26, 2022*

⁽¹⁾ Our Company and the Promoter Selling Shareholder may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI/ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.
*UPI Mandate end time and date shall be at 12:00 pm on Friday, May 27, 2022

BASIS FOR OFFER PRICE

The Price Band, Floor Price and Offer Price will be determined by our Company and the Promoter Selling Shareholder in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Offer Price is 61.00 times the face value at the lower end of the Price Band and 64.20 times the face value at the higher end of the Price Band. Investors should also see the sections entitled "Our Business", "Risk Factors" and "Financial Information" on pages 153, 25, and 219 of the RHP, respectively, to have an informed view before making an investment decision.

Qualitative Factors

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

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

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

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

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

Quantitative Factors

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

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

1. Basic and Diluted Earnings per Share

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

^{^A} Not Annualized

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

Notes: a) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights. b) Basic EPS = Net Profit after tax, as restated, attributable to owners of the Company, as restated weighted average no. of equity shares outstanding during the year as adjusted for bonus issue. c) Diluted EPS = Net Profit after tax, as restated, attributable to owners of the Company, as restated weighted average no. of equity shares outstanding during the year as adjusted for bonus issue. d) Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 'Earnings per share'. e) The figures disclosed above are based on the Restated Financial Statements of our Company.

2. Price/Earning ("P/E") Ratio in relation to the Price Band of ₹ 61.00 to ₹ 64.20 per Equity Share:

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

Industry Peer Group P/E ratio

Particulars	P/E ratio
Highest	112.10
Lowest	55.62
Average	83.35

Notes: (1) The highest and lowest industry P/E shown above is based on the peer set provided below under "Comparison with listed industry peers". The industry average has been calculated as the arithmetic average P/E of the peer set provided below. For further details, see "Comparison with listed industry peers" hereunder. (2) P/E figures for the peer are computed based on closing market price as on May 4, 2022 on NSE, divided by diluted EPS for the Financial Year 2021. (3) In the Net Worth, the Redeemable / Convertible Preference Share Capital of ₹ 250.00 million is also considered.

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

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

^{^A} Not annualized

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

Notes: i) Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights. ii) Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Restated net worth at the end of the year/period. iii) Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on December 31, 2021, March 31, 2019, 2020 and 2021 in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. In the Net Worth, the Redeemable / Convertible Preference Share Capital of ₹ 250.00 million is also considered.

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

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

For further details, please see the chapter titled "BASIS FOR OFFER PRICE" beginning on page 106 of the RHP.

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

Notes: a) Net Asset Value per Equity Share = Net worth as per the Restated Financial Statements / Number of equity shares outstanding as at the end of year/period as adjusted for bonus issue. b) Net worth under Ind-As: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on March 31, 2019, 2020 and 2021 in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. c) NAV after Offer has been calculated by adjusting NAV as on December 31, 2021 for the Offer.

5. Comparison of accounting ratios with listed industry peers

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

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

Notes: a) With respect to our Company, the information above is based on the Restated Financial Statements for the year ended March 31, 2021. b) Financial information for listed industry peers mentioned above is for the year ended March 31, 2021 as based on disclosures/submissions made by these companies to the stock exchanges/financial hosted on their website. c) Diluted EPS refers to the diluted earnings per share of the respective company. d) NAV is computed as the net worth at the end of the year divided by the closing outstanding number of equity shares. e) P/E Ratio has been computed based on the closing market price of the equity shares (Source: NSE) on May 4, 2022, divided by the diluted EPS. f) RoNW is computed as net profit attributable to owners of the company divided by net worth at the end of the year. g) Net worth is share capital and other equity.

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

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

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

Justification for Basis of Offer Price:

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

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

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

CAGR% (FY19-FY21) of EBITDA:

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

ROE:

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

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

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

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

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

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

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

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

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

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

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

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding a total of 10 Working Days. In case of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Banks, as applicable.

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

Bidders/Applicants should ensure that DP ID, PAN and the Client ID and UPI ID (for Rills bidding through UPI mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AS REGARDS ITS OBJECTS: For information on the main objects of our Company, investors are requested to see "History and Certain Corporate Matters" on page 189 of the RHP and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Offer. For further details, see "Material Contracts and Documents for Inspection" on page 380 of the RHP.

LIABILITY OF THE MEMBERS OF OUR COMPANY: Limited by shares.

AMOUNT OF SHARE CAPITAL OF OUR COMPANY AND CAPITAL STRUCTURE: As on the date of the RHP, the authorised share capital of our Company is ₹ 1,400,000,000 divided into 140,000,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up Equity share capital of our Company is ₹ 1,147,163,180 divided into 114,716,318 equity shares of ₹ 10 each. For details of the capital structure, see "Capital Structure" beginning on page 75 of the RHP.

NAMES OF THE INITIAL SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: The initial signatories to the Memorandum of Association are as follows 10,000 Equity Shares were allotted to Rohan Ashwin Desai, 10,000 Equity Shares were allotted to Dr. Aman Ashvin Desai, 15,000 Equity Shares were allotted to Ashwin Jayantilal Desai, 15,000 Equity Shares were allotted to Purnima Ashwin Desai, 10,000 Equity Shares were allotted to Payal Rohan Desai, 100 Equity Shares were allotted to Swati Abhishek Chaudhary and 100 Equity Shares were allotted to Manju Sushil Kumar Chaudhary bearing a face value of ₹ 10 each. For details of the share capital history and capital structure of our Company see "Capital Structure" beginning on page 75 of the RHP.

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

DISCLAIMER CLAUSE OF SEBI: SEBI only gives its observations on the offer documents and this does not constitute approval of either the Offer or the specified securities stated in the Issue Document. The investors are advised to refer to page 330-331 of the RHP for the full text of the Disclaimer Clause of SEBI.

DISCLAIMER CLAUSE OF BSE (The Designated Stock Exchange): It is to be distinctly understood that the permission given by BSE Limited should not in any way be deemed or construed that the RHP has been cleared or approved by BSE Limited nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to the page 332 of the RHP for the full text of the Disclaimer clause of the BSE Limited.

DISCLAIMER CLAUSE OF NSE: It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 333 of the RHP for the full text of the Disclaimer Clause of NSE.

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

ASBA * Simple, Safe, Smart way of Application!!!

*Applications Supported by Blocked Amount ("ASBA") is a better way of applying to offers by simply blocking the fund in the bank account. For further details, check section on ASBA below.

Mandatory in public issues. No cheque will be accepted.

UPI-Now available in ASBA for individual investors.**

****UPI-Now available in ASBA for all individual investors applying in public issues where the application amount is up to ₹ 500,000, applying through Registered Brokers, Syndicate, DPs & RTAs. Retail Individual Bidders, Non Institutional Bidders and Eligible Employees also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account.**

^{^A}ASBA has to be availed by all the investors except Anchor Investors (as defined in the RHP). UPI may be availed by RIBs.

For details on the ASBA and UPI process, please refer to the details given in ASBA Form and abridged prospectus and also please refer to the section "Offer Procedure" beginning on page 349 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("AIBI"), the websites of BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), and together with BSE, the "Stock Exchanges") and in the General Information Document. ASBA/bid-cum application forms can be downloaded from the websites of Stock Exchanges and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in.

**List of banks supporting UPI is also available on the website of SEBI at www.sebi.gov.in. For the list of UPI Apps and Banks live on IPO, please refer to the link: www.sebi.gov.in. RIBs Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFp=yes&intml=34) and (https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFp=yes&intml=40) respectively, as updated from time to time. Axis Bank Limited, HDFC Bank Limited and Kotak Mahindra Bank Limited have been appointed as Sponsor Banks for the Offer. For Offer related grievance or UPI related queries, investors may contact the BRLMs and Registrar to the Offer on their respective email IDs as mentioned below. For UPI related queries, investors can contact NPICI at the toll free number: 18001201740 and E-mail id: ipo.upi@npci.org.in; Axis Bank Limited at Tel: +91 90993 13601 and E-mail: Sachin.branchhead@axisbank.com; HDFC Bank Limited at Tel: +91 22 3075 2927 / +91 22 3075 2928 / +91 22 3075 2914 and E-mail: Tushar.Gavankar@hdfcbank.com, Siddharth.Jadhav@hdfcbank.com, Prasanna.Uchi@hdfcbank.com, Neerav.Desai@hdfcbank.com and Kotak Mahindra Bank Limited at Tel: +91 22 6605 6588 and E-mail: cmsipo@kotak.com and the Registrar to the Offer at Tel: +91 22 4918 6200 and E-mail: aether.ipo@linkintime.co.in

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