



INDIA NON JUDICIAL
Government of Gujarat
Certificate of Stamp Duty

Certificate No. : IN-GJ56971014342133U
Certificate Issued Date : 12-May-2022 02:06 PM
Account Reference : IMPACC (AC)/ gj13228511/ SURAT/ GJ-SU
Unique Doc. Reference : SUBIN-GJGJ1322851145689654509422U
Purchased by : AETHER INDUSTRIES LIMITED
Description of Document : Article 5(h) Agreement (not otherwise provided for)
Description : MONITORING AGENCY AGREEMENT
Consideration Price (Rs.) : 0
(Zero)
First Party : AETHER INDUSTRIES LIMITED
Second Party : HDFC BANK LIMITED
Stamp Duty Paid By : AETHER INDUSTRIES LIMITED
Stamp Duty Amount(Rs.) : 300
(Three Hundred only)



IKC 0035120339

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Important Alert:

1. The authenticity of this Stamp certificate should be verified at www.shallerstamp.com or through the mobile app.
2. Any discrepancy in the details on this Certificate and as available on the website / mobile app, shall be treated as void.
3. In case of creating the duplicate, it is on the users of the certificate.
4. For more information, please visit the concerned authority.



INDIA NON JUDICIAL
Government of Gujarat
Certificate of Stamp Duty

Certificate No. : IN-GJ56973690432982U
Certificate Issued Date : 12-May-2022 02:10 PM
Account Reference : IMPACC (AC)/ gj13228511/ SURAT/ GJ-SU
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1. The authenticity of this Stamp Certificate should be verified at www.stampcertificates.gujarat.gov.in. Any discrepancy in the details on this Certificate should be available on the website. Please.
2. The usage of stamping this Certificate is on the user's behalf. If the conditions of stamping are not met, please contact the competent authority.

MONITORING AGENCY AGREEMENT

DATED MAY 16, 2022

BETWEEN

AETHER INDUSTRIES LIMITED

AND

HDFC BANK LIMITED

MONITORING AGENCY AGREEMENT

This Monitoring Agency Agreement (“**Agreement**”) made at Mumbai on May 16, 2022, by and between:

AETHER INDUSTRIES LIMITED, a company incorporated under the laws of India and whose registered office is situated at Plot No. 8203, GIDC, Sachin, Surat- 394230, Gujarat, India (the “**Company**”, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of the **FIRST PART**;

AND

HDFC BANK LIMITED, a company incorporated under the laws of India and Companies Act, 1956, licensed as a bank under the Banking Regulation Act, 1949 and having its registered office at HDFC Bank House, Lower Parel, Senapati Bapat Marg, Mumbai-400013, India and acting through its branch, situated at HDFC Bank Ltd, Lodha - I Think Techno Campus, O-3 Level, Next to Kanjurmarg Railway Station, Kanjurmarg (East), Mumbai - 400042., in the capacity of monitoring agency appointed in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “**SEBI ICDR Regulations**”) (“**HDFC**”, which expression shall, unless it is repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of the **SECOND PART**.

The Company and HDFC shall be referred to individually as the “**Party**” and together as the “**Parties**”.

WHEREAS:

- A. The Company and the Promoter Selling Shareholder propose to undertake an initial public offering of equity shares of face value of INR 10 each of the Company (the “**Equity Shares**”), comprising a fresh issue of such number of Equity Shares by the Company aggregating up to ₹ 6,270 million (the “**Fresh Issue**”) and an offer for sale of up to 2,820,000 Equity Shares held by the Promoter Selling Shareholder, (such offer for sale, the “**Offer for Sale**”) (the Fresh Issue together with the Offer for Sale, the “**Offer**”) in accordance with the Companies Act (as defined herein), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “**SEBI ICDR Regulations**”) and other Applicable Law (as defined herein), at such price as may be determined through the book building process under the SEBI ICDR Regulations and agreed to by the Company, in consultation with the Promoter Selling Shareholder and the BRLMs (the “**Offer Price**”). The Offer may include allocation of Equity Shares to certain Anchor Investors by the Company and the Promoter Selling Shareholder, in consultation with the BRLMs, on a discretionary basis, in accordance with the SEBI ICDR Regulations. The Offer includes a reservation of equity shares for subscription by eligible employees and is an offer (i) within India, to Indian institutional, non-institutional and retail investors in compliance with the SEBI ICDR Regulations and in reliance on Regulation S (“**Regulation S**”) under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) and (ii) outside India and the United States, to institutional investors in “offshore transactions” as defined in and in reliance on Regulation S and in each case, in compliance with the applicable laws of the jurisdictions where offers and sales are made.
- B. The Company, in consultation with the BRLMs, has undertaken a further issue of Equity Shares through a preferential offer in accordance with Applicable Law, aggregating up to ₹ 1,300 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC (“**Pre-IPO Placement**”). The Fresh Issue size has been reduced to the extent of such Pre-IPO Placement, and the Net Offer constitutes at least 10.00% of the post-Offer paid up equity share capital of the Company.
- C. The board of directors of the Company, pursuant to a resolution dated December 4, 2021, and the shareholders of the Company, pursuant to a special resolution dated December 4, 2021, in

accordance with Section 62(1)(c) of the Companies Act, 2013, have approved and authorized the Offer.

- D. The Company has filed a draft red herring prospectus dated December 28, 2021 (the “**Draft Red Herring Prospectus**”) with the Securities and Exchange Board of India (“**SEBI**”), for review and comments in accordance with the SEBI ICDR Regulations. After incorporating the comments and observations of SEBI, as applicable, the Company proposes to file the red herring prospectus (“**Red Herring Prospectus**”) with the Registrar of Companies, Gujarat at Ahmedabad (the “**RoC**”), the National Stock Exchange of India Limited (“**NSE**”), BSE Limited (“**BSE**”) (hereinafter, collectively referred to as the “**Stock Exchanges**”) and SEBI and a prospectus in accordance with the Companies Act (the “**Prospectus**”).
- E. At the request of the Company, HDFC has agreed *vide* its letter dated March 24, 2022, to act as the monitoring agency (the “**Monitoring Agency**”) for the purposes of the monitoring the use of proceeds from the Fresh Issue and Pre-IPO Placement.
- F. This Agreement is being executed and delivered to define the obligations of the Company to deposit the Net Proceeds (as defined hereinafter) in the Monitoring Agency Account (as defined hereinafter) and the role of the Monitoring Agency to monitor the flow of the Net Proceeds deposited in the Monitoring Agency Account as per the schedule of utilization of proceeds of the Offer mentioned in the Prospectus.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. DEFINITIONS

- 1.1 In this Agreement, unless repugnant to the context thereof, the following words, wherever used, shall have the following meaning:

“**Applicable Law**” shall mean any applicable law, bye-law, rule, regulation, guideline, circular, order, notification, regulatory policy (including any requirement under, or notice of, any regulatory body), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, compulsory guidance, rule, order or decree of any court or tribunal or any arbitral authority, or directive, delegated or subordinate legislation in any applicable jurisdiction, inside or outside India, including any applicable securities law in any relevant jurisdiction, including the SEBI Act, the SCRA, the SCRR, the Companies Act, the Indian Trusts Act, 1882, the SEBI ICDR Regulations, the Foreign Exchange Management Act, 1999 and rules and regulations thereunder, and the guidelines, instructions, rules, communications, circulars and regulations issued by any governmental authority, including any statutory or monitoring bodies in relation to the business activities of the Company (and similar rules, regulations, orders and directions in force in other jurisdictions which may apply to the Offer).

“**Agreement**” shall mean this monitoring agency agreement including the schedule and annexure hereto, as of the date hereof and include any amendment hereto made in accordance with the provisions hereof.

“**Companies Act**” shall mean the Companies Act, 2013 and the rules made thereunder and include any statutory modification thereto or re-enactment or replacement thereof.

“**Draft Red Herring Prospectus**” shall have its meaning ascribed to it in the Recital in this Agreement.

“**Equity Share**” shall have its meaning ascribed to it in the Recital in this Agreement.

“**Gross Proceeds**” shall mean the proceeds of the Fresh Issue and the proceeds of the Pre-IPO Placement that are available to the Company.

“**Monitoring Agency**” shall mean the HDFC Bank Limited.

“**Net Proceeds**” shall mean the Gross Proceeds less the Offer related expenses applicable to the Fresh Issue.

“**Prospectus**” shall mean the prospectus to be filed by the Company with the Registrar of Companies, Gujarat at Ahmedabad in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto

“**Red Herring Prospectus**” shall mean the red herring prospectus to be issued by the Company in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer including any addenda or corrigenda thereto;

“**SEBI**” shall mean the Securities and Exchange Board of India.

“**SEBI ICDR Regulations**” shall mean the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

“**Working Days**” shall mean all days on which commercial banks in Mumbai, India are open for business.

1.2 Capitalised terms not defined herein shall have the meaning ascribed to them in the Prospectus, unless the context specifies otherwise.

1.3 In case of any inconsistency with this Agreement *vis-a-vis* the Prospectus, then the terms of the Prospectus will prevail over this Agreement.

2. USE OF NET PROCEEDS

2.1 The Company intends to utilise the Net Proceeds for the following purposes as set out in the Prospectus:

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

(Collectively, referred to herein as the “*Objects of the Offer*”).

2.2 The Company shall ensure that Net Proceeds are utilized for the purposes as are set out in the Prospectus and Clause 2.1 above.

3. MONITORING AGENCY APPOINTMENT AND REMOVAL

3.1 Appointment

- (a) The Company hereby appoints HDFC Bank Limited as the monitoring agency for the purposes of monitoring the use of the Net Proceeds of the Company in accordance with the Objects of the Offer and the SEBI ICDR Regulations. HDFC agrees to act as the monitoring agency in accordance with the terms and conditions of this Agreement and in accordance with the SEBI ICDR Regulations and Applicable Law.
- (b) The Company will establish with the Monitoring Agency an account to be designated and maintained by the Monitoring Agency in which the Net Proceeds from: (i) the fresh Issue shall be deposited from the Company's account, opened in terms of the Escrow and Sponsor Bank Agreement entered in relation to the Offer, after the receipt of listing and trading approvals by the Company with respect to the Offer; (ii) the Pre-IPO Placement shall be deposited from the relevant bank account opened for the Pre-IPO Placement in accordance with Applicable Law (the "**Monitoring Agency Account**"). While such Net Proceeds deposited in the Monitoring Agency Account will be utilized by the Company towards Objects of the Offer, the Monitoring Agency shall be liable to monitor Net Proceeds in terms of this Agreement and in accordance with the Applicable Law.
- (b) HDFC in its capacity as the monitoring agency shall fulfil such duties and obligations as may be required to be fulfilled by it in such capacity under the SEBI ICDR Regulations, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement), Regulation, 2015, as amended and Applicable Law, including the following:
 - (i) Delivering the monitoring agency report ("**Monitoring Agency Report**"), containing details of utilization in accordance with the Objects of the Offer set out under the Prospectus, to the Company in the format prescribed in the Annexure to this Agreement (in accordance with the format prescribed in Schedule XI of the SEBI ICDR Regulations) on a quarterly basis till at least 100% (hundred percent) of the Net Proceeds, have been utilized;
 - (ii) Taking such action and doing such other acts, deeds or things as may be required under the provisions of the SEBI ICDR Regulations / or as required by the BSE, NSE or the SEBI and in accordance with this Agreement to discharge its responsibilities as the Monitoring Agency; and
 - (iii) Reviewing the information/ documents/ statements received from the Company with regard to the use of the Net Proceeds, including the status of implementation of the activities proposed to be funded out of the Net Proceeds as stated in the Prospectus.
- (c) The Monitoring Agency agrees to comply with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended with respect to the Company.
- (d) The Monitoring Agency confirms that:
 - a. It shall perform its duties with the highest standards of integrity and fairness and shall act in an ethical manner in all dealings with Company
 - b. It shall act with due diligence, care and skill while discharging the work assigned to it in relation to the Net Proceeds
 - c. It shall carry out its duties/responsibilities under this Agreement and complete all the formalities required to be completed by it, in its capacity as a monitoring agency under this Agreement, within the specified time limits as required under law,

including with respect to relevant statutes, guidelines issued by SEBI, stock exchange regulations, etc

3.2 Retirement and Removal of Monitoring Agency

- (a) The Monitoring Agency may retire at any time without assigning any reason provided that it shall have given prior notice of at least one month in writing to the Company in that behalf, provided however, that the termination of appointment of the Monitoring Agency shall take effect only from the date of appointment of the new monitoring agency in terms of sub-clause (d) below.
- (b) The Company may remove the Monitoring Agency at any time without assigning any reason after payment to the Monitoring Agency of all expenses in connection with this Agreement till the date of such removal and the accrued fee on a pro-rata basis and provided that the Company has given at least one month prior notice in writing to the Monitoring Agency in this behalf, provided however, that the termination of appointment of the Monitoring Agency shall take effect only from the date of appointment of the new monitoring agency in terms of sub-clause (d) below.
- (c) The Company has the right to terminate the appointment of the Monitoring Agency with an immediate effect, without giving the one month prior notice in writing as stated above, on grounds of negligence or wilful misconduct or fraud unless proven in court of law. The Company shall ensure that the appointment of the new monitoring agency takes place immediately upon the issue of such notice of immediate termination by the Company and the Monitoring Agency will transfer all relevant details and information in terms of sub-clause (e) below at the earliest without delay.
- (d) On the retirement or removal of the Monitoring Agency, the Company shall appoint such other credit rating agency registered with SEBI (as permitted under the SEBI ICDR Regulations) as the new monitoring agency for the purposes of monitoring the use of Net Proceeds and on such terms and conditions as may be agreed to between the Company and the new monitoring agency. The Monitoring Agency agrees that until the new monitoring agency is appointed, the Monitoring Agency shall continue to discharge its function under the terms of this Agreement.
- (e) On the appointment of a new monitoring agency, the Monitoring Agency shall extend all such support as may be required by the Company or the newly appointed monitoring agency towards taking over duties and responsibilities as the monitoring agency and shall hand over all relevant details and information as it may have in relation to the use of the Net Proceeds by the Company to the new monitoring agency or an Independent Chartered Accountant. Subject to the receipt of certificate from the Auditors or an Independent Chartered Accountant in accordance with the Schedule I, the Monitoring Agency shall be required to submit the certificate for the period commencing from the date of its appointment, or the period covered in last certificate, whichever is later, till the date of resignation or removal within 10 (ten) Working Days from the date of the resignation or removal becoming effective. Further, on the appointment of a new monitoring agency, the Monitoring Agency shall extend all such support as may be required by newly appointed monitoring agency towards taking over duties and responsibilities as the monitoring agency and shall handover all documents and information in its possession arising out of / connected with this Agreement and in relation to the use of the Net Proceeds, and shall transfer the Net Proceeds from the Monitoring Agency Account to a new account of the successor monitoring agency.
- (f) The Parties agree that if this Agreement is terminated by the Monitoring Agency pursuant to Clause 3.2 (a), then the Monitoring Agency shall within thirty (30) Working

Days refund the Monitoring Agency fees to the Company after retaining the agreed fees payable to the Monitoring Agency.

4. MONITORING THE USE OF NET PROCEEDS

- 4.1 The Company shall deposit the Net Proceeds in the Monitoring Agency Account i.e. a separate bank account called "AETHER INDUSTRIES LIMITED - IPO MONITORING AGENCY ACCOUNT". Pending utilization of the Net Proceeds for purposes as set out in the chapter titled '*Objects of the Offer*' in the Prospectus, the Company may deposit the Net Proceeds with one or more scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934, for a necessary duration, as may be approved by the Board of Directors, or such other instruments as may be permitted by Applicable Law. The Company shall have the flexibility to deploy the Net Proceeds in accordance with SEBI ICDR Regulations, the Red Herring Prospectus and the Prospectus.
- 4.2 The Company recognises that compliance by the Monitoring Agency with the terms of the SEBI ICDR Regulations is dependent upon its furnishing to the Monitoring Agency, the requisite information/documents as and when required by the Monitoring Agency.
- 4.3 The Company shall notify and inform the Monitoring Agency in writing as to the use of the Net Proceeds and shall be obliged to furnish such documents, papers and information as may be required for enabling the Monitoring Agency to effectively monitor the utilisation of the Net Proceeds including bank statement for the account mentioned in clause 4.1. The Company will arrange for a certificate from its auditors or an independent chartered accountant on quarterly basis as to utilisation of Net Proceeds for the purposes as mentioned in the chapter titled "*Object of the Offer*" in the Prospectus, consistent with the format specified in **Schedule 1** hereunder, and upon receipt of such certificate, the Monitoring Agency will issue their Monitoring Agency Report as per SEBI ICDR Regulations. The Monitoring Agency shall have full power to request documents and information from the Company in relation to utilisation of Net Proceeds and determine all questions and doubts arising in connection thereto for the purpose of issuing the Monitoring Agency Report as per SEBI ICDR Regulations. Every such determination made by the Monitoring Agency shall be conclusive and binding upon the Company. The Monitoring Agency undertakes to carry out its obligations hereunder diligently and in good faith and strictly in compliance with applicable law.
- 4.4 The Company shall promptly inform the Monitoring Agency if there is any deviation in the utilisation of Net Proceeds. The Company shall provide the Monitoring Agency with a copy of the Shareholders resolution to this effect and such deviation shall be reported by the Monitoring Agency in their report.
- 4.5 Immediately upon opening of the separate bank account for monitoring funds the Company will submit to the Monitoring Agency an 'Expected Disbursement Schedule' detailing the proposed utilisation of funds and also certifying that the same is for purposes as mentioned in the chapter titled '*Objects of the Offer*' of the Prospectus.
- 4.6 The Monitoring Agency shall have the right to inspect all records, registers and accounts of the Company as may be necessary for the purposes of carrying out its duties in accordance with the provisions hereof, provided that the Monitoring Agency has given at least 72 hours prior notice in writing to the Company in this behalf. The Monitoring Agency also reserves the right to appoint an independent auditor for carrying out the above activities.
- 4.7 The Monitoring Agency reserves the right to attach the account or disclose the information pertaining to the account or the transactions therein, on receipt of instructions from the statutory/regulatory authorities or court orders.

- 4.8 In addition to the above, the Company shall at its cost (including but not limited to cost of travel, boarding and lodging of the officials of the Monitoring Agency) provide all necessary assistance and infrastructure that may be required by the Monitoring Agency in connection with the performance of its duties pursuant to the SEBI ICDR Regulations and this Agreement.
- 4.9 The Company shall ensure that the Monitoring Agency Report is placed before their Board of Directors for their comments as per Regulation 41(3) of SEBI ICDR Regulations.
- 4.10 The Company shall, as required under Regulation 41(4) of the SEBI ICDR Regulations, ensure that within forty five days from the end of each quarter, the report of the Monitoring Agency is publicly disseminated by uploading it on its website as well as submitting the same to the stock exchanges.

5. REPRESENTATIONS, WARRANTIES AND COVENANTS

- 5.1. As of the date of this Agreement, the Monitoring Agency represents and warrants to the Company that (which representations shall continue to be true and correct on each day during the currency of this Agreement) :
- (a) This Agreement constitutes a valid, legal and binding obligations on the Monitoring Agency and is enforceable against the Monitoring Agency in accordance with the terms hereof.
 - (b) The execution and delivery of this Agreement by the Monitoring Agency has been duly authorised and will not contravene any provisions of, or constitute a default under any other agreement or instrument by which the Monitoring Agency is bound.
 - (c) it will not take up any activities as a monitoring agency under this Agreement which are likely to be contrary to the directions issued by SEBI or any other Applicable Laws;
 - (d) it has due authority and valid registration as required under Applicable Law to act as the monitoring agency for the Offer and it is not prohibited from acting as a monitoring agency by any judicial, regulatory or administrative body.

6. EVENTS OF DEFAULT AND TERMINATION

- 6.1. In the event of the Company not complying with any of its obligations under this Agreement, the Monitoring Agency shall intimate the Company of the same in writing (“Default Notice”), and the Company will cure the default within a period of 30 days or such shorter period if necessitated pursuant to the SEBI ICDR Regulations of receipt of the Default Notice.
- 6.2. In the event of the Monitoring Agency not complying with any of the terms and conditions of this Agreement, despite compliance by the Company of all its obligations under Clause 4, the Company shall have the right to immediately terminate this Agreement.
- 6.3. This Agreement shall automatically terminate immediately upon all the Net Proceeds being utilised (except for general corporate purposes) by the Company in accordance with the provisions of the Prospectus and/ or as per the terms of the Companies Act and/or Applicable Law hereof and the Parties shall jointly inform SEBI of such termination, and take such action as may be required under the SEBI ICDR Regulations provided that in the event that the Agreement is terminated any time before such event, the Company shall pay the fees for the services performed by Monitoring Agency up to the date of such termination. Further, upon full utilisation of the Net Proceeds, the Monitoring Agency shall issue a final report including completed details of utilisations of Net Proceeds and deviations, if any, in accordance with Schedule XI of SEBI ICDR Regulations.

7. LIMITATION OF LIABILITIES OF MONITORING AGENCY

- 7.1. The Monitoring Agency shall be at liberty to accept a certificate signed by one of the directors of the Company as to any fact or matter prima facie within the knowledge of the Company as sufficient evidence thereof and the Monitoring Agency shall not be in any way bound in any case to call for further evidence or be responsible for any loss that may be occasioned by their failing to do so.
- 7.2. In the event the Monitoring Agency is required to or is directed by the Company to rely on the opinion or advice of or any information obtained from any solicitor, counsel, advocates, valuers, auctioneer, qualified accountant or other expert appointed at the Company's cost, the Monitoring Agency shall not be responsible for any loss or damages directly occasioned by acting so.
- 7.3. Monitoring Agency shall have no responsibility to verify the authenticity of any order of a competent body, court or tribunal or any ruling of any arbitrator/s in proceedings between or concerning the other Parties and may rely, in good faith and without any liability, upon the contents thereof;
- 7.4. Subject to Clause 9 (*Indemnity*), the Monitoring Agency shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or indemnity satisfactory to it against such risk or liability is not reasonably assured to it.

8. MONITORING AGENCY FEES

- 8.1. Simultaneously with the execution hereof, the Company shall pay to the Monitoring Agency remuneration and reimbursement of expenses for its services as a monitoring agency in connection with the Offer, as per the terms mutually agreed in writing between the Company and the Monitoring Agency. All payments by the Company to the Monitoring Agency under the agreement shall be made on receipt of suitable invoices for accounting and statutory purposes. Such invoices shall also be valid and in compliance with all the statutory rules or guidelines in relation to tax laws and / or other regulatory requirements for the time being in force.
- 8.2. Tax deducted at source ("TDS") as per the provisions of the Income-tax Act, 1961 shall be deducted on all payments made to the Monitoring Agency and the Company will promptly submit the TDS certificate to Monitoring Agency for such deduction.
- 8.3. The Company shall reimburse the Monitoring Agency for all costs, charges and expenses incurred by it in relation to the services provided by it under this Agreement, which will be billed separately as incurred.
- 8.4. Notwithstanding anything to the contrary contained hereinabove, the Monitoring Agency shall not incur any out of pocket costs, expenses and/or charges without the prior written consent of the Company.

9. INDEMNITY

The Monitoring Agency shall fully indemnify and hold harmless the Company and its officers, directors, officers, employees, affiliates and agents (each, an "**Indemnified Person**"), and keep them fully indemnified against any and all costs, claims, losses, expenses, damages (including, without limitation, legal fees) and liabilities, including any third party claims and/or any claims for any taxes payable by the Company which the Indemnified Person shall suffer directly or indirectly as a consequence of breach of the covenants, obligations and duties by the Monitoring Agency under this Agreement or in accordance with the SEBI ICDR Regulations, provided further that the Monitoring Agency shall not be liable for any losses suffered by the Indemnified

Person solely arising out of wilful misconduct or gross negligence on the part of the of the Indemnified Person as maybe finally determined by a court of competent jurisdiction.

It is hereby agreed that the liability of the Monitoring Agency under this Clause shall be restricted to the fees charged by it, provided that this cap on indemnity shall not be applicable where the costs, losses or damages are caused on account of the negligence or wilful default or fraud of the Monitoring Agency as maybe finally determined by a court of competent jurisdiction.

The Company agrees to indemnify the Monitoring Agency against all direct costs, losses and damages that the Monitoring Agency may incur owing to any material breach of its obligations by the Company to the Monitoring Agency under this Agreement. Provided that, any indemnity to the Monitoring Agency shall not extend to costs, losses or damages arising to the Monitoring Agency on account of the negligence or wilful default or fraud of the Monitoring Agency as maybe finally determined by a court of competent jurisdiction.

This clause shall survive the termination of this Agreement and/or resignation of the Monitoring Agency.

10. WAIVER

Notwithstanding anything stated in this Agreement, the Monitoring Agency may, from time to time, or at any time at its sole discretion waive such terms and conditions of this Agreement without prejudice to the rights of the Monitoring Agency in respect of any subsequent breach thereof so long as the same is not in contravention of the terms of the SEBI ICDR Regulations.

11. NOTICES

Any notice or other communication given pursuant to this Agreement must be in writing and (i) delivered personally, (ii) sent by registered mail, postage prepaid, to the address of the Party specified below, or (iii) sent by email to the address mentioned below. All notices and other communications required or permitted under this Agreement that are addressed as provided in this Clause 11 will (i) if delivered personally or by overnight courier, be deemed given upon delivery; (ii) if delivered by email, be deemed given when electronically confirmed; and (iii) if sent by registered mail, be deemed given when received:

- i) in the case of a notice to the Company at:

Aether Industries Limited

Plot No. 8203, GIDC, Sachin,

Surat- 394230, Gujarat, India

Email: compliance@aether.co.in

Contact person: Chitrarth Rajan Parghi, Company Secretary and Compliance Officer

- ii) in the case of a notice to the Monitoring Agency at:

FIG - OPS Department,

HDFC Bank Limited

Lodha - I Think Techno Campus, O-3 Level,

Next to Kanjurmarg Railway Station,

Kanjurmarg (East), Mumbai - 400042

Contact Person - Neerav Desai/ Eric Bacha/Siddharth Jadhav / Sachin Gawade / Tushar Gavankar

Phone: +91 022-30752914 / 28 / 29

Email ID - siddharth.jadhav@hdfcbank.com, sachin.gawade@hdfcbank.com,
neerav.desai@hdfcbank.com, eric.bacha@hdfcbank.com, tushar.gavankar@hdfcbank.com

12. CONFIDENTIALITY

The Monitoring Agency shall not make public and / or disclose any information received by it from the Company to any other party except to SEBI or other statutory authority, to the extent it is required to perform its obligations under SEBI ICDR Regulations.

13. JURISDICTION

Each of the Parties hereto agrees that the courts and/or tribunals located in Mumbai, India shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Agreement.

14. GOVERNING LAW AND DISPUTE RESOLUTION

- 14.1. This Agreement shall in all respects be governed by and construed in accordance with the laws of India.
- 14.2. In the event a dispute arises out of or in relation to or in connection with the interpretation or implementation of this Agreement, the Parties (“Disputing Parties”) shall attempt in the first instance to resolve such dispute through consultations between the Disputing Parties. If the dispute is not resolved through consultations within seven (7) Working Days after commencement of discussions (or such longer period as the Disputing Parties may agree to in writing) then either of the Disputing Parties may by notice in writing to each other refer the dispute through arbitration.
- 14.3. Arbitration shall be conducted as follows:
- (a) all claims, disputes and differences between the Disputing Parties arising out of or in connection with this Agreement shall be referred to or submitted for arbitration in Mumbai, which shall be the seat of arbitration;
 - (b) the arbitral tribunal shall comprise of three arbitrators. The Company shall within 15 may days from the date of receipt of the arbitration notice given in accordance with Clause 14.2 above, appoint one arbitrator and the Monitoring Agency within 15 days from the date of receipt of the arbitration notice given in accordance with Clause 14.2 above, appoint one arbitrator and the two arbitrators shall appoint the third or presiding arbitrators within a further period of 15 days such that all three arbitrators are appointed within 30 days. In the event that the Company or the Monitoring Agency fail to appoint an arbitrator or the arbitrators fail to appoint the third arbitrator as provided herein, such arbitrator(s) shall be appointed in accordance with the Arbitration and Conciliation Act, 1996;
 - (c) the arbitrators shall have the power to award interest on any sums awarded;
 - (d) notwithstanding the power of the arbitrators to grant interim relief, the Disputing Parties shall have the power to seek appropriate interim relief from the courts of India;
 - (e) the arbitration award shall be final and binding on the Disputing Parties and the Disputing Parties agree to be bound thereby and to act accordingly;
 - (f) the arbitrators may award to a Disputing Party that substantially prevails on the merits, its costs and actual expenses (including actual fees of its counsel);

- (g) the Parties shall bear their respective costs incurred in the arbitration unless otherwise awarded or fixed by the arbitral tribunal; and
- (h) the Disputing Parties shall co-operate in good faith to expedite, to the maximum extent practicable, the conduct of any arbitral proceedings commenced pursuant to this Agreement.

15. ASSIGNMENT

The Parties shall not assign their respective rights or obligations under this Agreement to any person without the prior written consent of all the Parties.

16. EFFECTIVENESS OF AGREEMENT

This Agreement shall be effective on and from the date first hereinabove written as the date of execution and shall be in force till the Net Proceeds (except Net Proceeds being used for general corporate purposes) are utilized in accordance with this Agreement and the Prospectus or sooner determination in terms of Clauses 3 and 6 of this Agreement.

[Remainder of this page has been intentionally left blank]

This signature page forms an integral part of the Monitoring Agency Agreement entered into between Aether Industries Limited and HDFC Bank Limited.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties or their duly authorized signatories the day and year first above written.

SIGNED ON BEHALF OF AETHER INDUSTRIES LIMITED

~~_____~~
Authorized Signatory

Name: **ROHAN ASHWIN DESAI**

Designation: **WHOLE-TIME DIRECTOR**

This signature page forms an integral part of the Monitoring Agency Agreement entered into between Aether Industries Limited and HDFC Bank Limited.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties or their duly authorized signatories the day and year first above written.

SIGNED ON BEHALF OF HDFC BANK LIMITED

T. Gav.
Siddharth Jadhav

Authorised Signatory
Name: Tushar Gavankar / Siddharth Jadhav
Designation: DVP/ AVP



SCHEDULE 1

CERTIFICATE BY THE AUDITOR OR INDEPENDENT CHARTERED ACCOUNTANT

To,
Board of Directors
Aether Industries Limited

Dear Sir,

1. We have verified the unaudited books of account and other relevant records of Aether Industries Limited (“Company”), as at [insert date] in connection with its initial public offer vide its Prospectus and utilization of the Net Proceeds as per the objects of the Offer given in the said Prospectus.
2. We have verified the details of the utilization of the Net Proceeds submitted by the Company and are as per Annexure to this certificate, initialled by us for identification purposes only, based on the un/audited books of account and relevant records referred to in paragraph 1 above. We have agreed the amounts included in the Annexure with the un/audited books of account and relevant records of the Company as at [insert date]. We have verified the accuracy of the Annexure. Our responsibility is to verify the factual accuracy of the facts stated in the Annexure.
3. We conducted our procedures in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India.
4. We have performed necessary audit so as to ensure the accuracy of figures mentioned in the Annexure. We also confirm that the utilization of the Net Proceeds is in line with the chapter titled ‘Objects of the Offer’ mentioned in the Prospectus of the Company.
5. On the basis of the unaudited books of account and relevant records, information and explanations provided to us and representation from the management of the Company, we certify the utilization of the Net Proceeds more particularly as described in the Red Herring Prospectus and the Prospectus as given in the accompanying Annexure.
6. I/We hereby declare that this report is based on the format as prescribed by Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. I/We further declare that this report provides true and fair view of the utilization of issue proceeds.
7. I/We declare that we do not have any direct / indirect interest in or relationship with the issuer/promoters/directors/management and also confirm that we do not perceive any conflict of interest in such relationship / interest while monitoring and reporting the utilization of the Net Proceeds by the Company.
8. This certificate is furnished solely for submission to [●] Bank Limited (the Monitoring Agency) regarding the utilization of the Net Proceeds in terms of paragraph __ of section __ of the Monitoring Agency Agreement dated _____ between the Company and [●] Bank, (“Monitoring Agency Agreement”), and is not to be used for any other purpose or to be distributed to any other parties without our prior written consent.

Capitalized terms not defined herein shall have the meaning ascribed to them in the Monitoring Agency Agreement.

For [●]

Chartered Accountants
ICAI Firm's Registration No: [●]

[●]
[●]
Membership No. [●]
UDIN: [●]
Date: [●]

ANNEXURE

Format of the Monitoring Agency Report to be submitted

Front Page:

Report of the Monitoring Agency
Name of the Issuer: For quarter ended: Name of the Monitoring Agency:
(a) Deviation from the objects: – Utilization different from Objects stated in the offer document but in line with change of objects approved by shareholders' resolution; or – Utilization neither in line with Objects stated in the offer document nor approved by shareholders' resolution – In case of no deviation, the fact would be stated.
(b) Range of Deviation*: <i>Indicate range of percentage deviation from the amount of issue proceeds earmarked for objects. For example, up to 10%, 10 - 25%, 25-50%, 50-75%, 75-100%, not ascertainable etc.</i> <i>* Range of Deviation may be computed by taking weighted average of financial deviation of each object in the ratio of issue proceeds allocated for it. Non-financial deviation may be indicated separately by way of notes.</i>
Declaration: <i>I/We hereby declare that this report is based on the format as prescribed by SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. I/We further declare that this report provides true and fair view of the utilization of issue proceeds.</i> <i>I/We declare that we do not have any direct / indirect interest in or relationship with the issuer/promoters/directors/management and also confirm that we do not perceive any conflict of interest in such relationship / interest while monitoring and reporting the utilization of issue proceeds by the issuer.</i>
Signature: Name of the Authorized Person/Signing Authority: Designation of Authorized person/Signing Authority: Seal of the Monitoring Agency: Date:

Subsequent Pages:

1) Issuer Details: Name of the issuer: The names of the promoters of the issuer: Industry/sector to which it belongs:
2) Issue Details: Issue Period: Type of issue (public/rights): Type of specified securities: Grading: Issue size (₹ in Crores):

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

(Give item by item description for all the objects stated in offer document separately in following format)

Particulars	Reply	Comments of Monitoring Agency	Comments of Board of Directors
Whether all the utilization is as per disclosure in Offer Document?	Yes/No		
Whether Shareholder approval is obtained in case of material deviations# from expenditures disclosed in Offer Document?	Yes/No		
Whether means of finance for disclosed objects of the Issue has changed?	Yes/No		
Any major deviation observed over the earlier monitoring agency reports?	Yes/No		
Whether all Government / Statutory approvals related to the object(s) obtained?	Yes/No		
Whether all arrangements pertaining to technical assistance/collaboration in operation?	Yes/No		
Any favorable events improving object(s) viability	Yes/No		
Any unfavorable events affecting object(s) viability	Yes/No		
Any other relevant information that may materially affect the decision making of the investors	Yes/No		

Where material deviation may be defined to mean:

a) Deviation in the objects or purposes for which the funds have been raised

b) Deviation in the amount of fund actually utilized by more than 10% of the amount projected in the offer documents.

4) Details of object(s) to be monitored:

(i) Cost of object(s):

(Give item by item description for all the objects stated in Offer Document separately in following format)

Sl. No	Item Head	Original Cost (as per Offer Document)	Revised Cost	Comments of Monitoring Agency	Comments of Board of Directors		
					Reason of cost revision	Proposed financing option	Particulars of firm arrangements made

(ii) Progress in the object(s):

(Give item by item description for all the objects stated in Offer Document separately in following format)

Sl. No	Item Head \$	Amount as proposed in Offer Document	Amount utilized			Total unutilized Amount	Comments of Monitoring Agency	Comments of Board of Directors	
			As at Beginning of the quarter	at the end of the quarter	During the quarter			Reason of idle funds	Proposed Course of Action

\$ Provide following details under Item Head:

(a) Name of the object(s):

(b) Brief description of the object(s):

(c) Location of the object(s) (if applicable):

(iii) Deployment of unutilized proceeds:

Sl. No	Type of instrument where amount invested*	Amount invested	Maturity date	Earnings	Return on Investment (ROI %)	Market Value as at the end of quarter**

* Also indicate name of the party/company in which amounts have been invested

** Where market value is not practical to find, provide NAV/NRV/Book Value of the same

(iv) Delay in implementation of the object(s):

Object(s) Name	Completion Date		Delay (No. of days/ months)	Comments of Board of Directors	
	As per Offer Document	Actual*		Reason of delay	Proposed Course of Action

* In case of continuing object(s) please specify latest/revised estimate of completion date.