BIRJU S. SHAH & ASSOCIATES

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INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Aether Speciality Chemicals Limited,
Surat

I. Audit Report on the Financial Statements

1. Opinion

A. We have audited the accompanying Standalone Ind AS Financial Statements of AETHER SPECIALITY CHEMICALS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

BIRJU S. SHAH & ASSOCIATES CHARTERED ACCOUNTANTS M. No. 107086 SURAT.

4. Information Other than the Standalone Financial Statements and Auditor's Report Thereon

A. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

B. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

5. Management's Responsibility for the Financial Statements

A. The Company's management is responsible for preparation of these Financial Statements that give a true and fair view of the state of affairs, profit, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

B. In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

6. Auditor's Responsibilities for the Audit of the Financial Statements

A. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards of Auditing issued by the institute of chartered accountants of India, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or

M. No. 107086 SURAT. CHARTERED ACCOUNTANTS in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

B. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

i) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

v) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

C. Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in

i) planning the scope of our audit work and in evaluating the results of our work; and

ii) to evaluate the effect of any identified misstatements in the Financial Statements.

D. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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E. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

F. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

II. Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit

   B. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   C. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account

   D. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014

   E. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 3from being appointed as a director in terms of Section 164 (2) of the Act.

   F. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   G. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

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i. The companies forming part of the Group do not have any pending litigations which would impact the financial position of the Group as at 31 March 2023.

ii. The companies forming part of the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the companies forming part of the Group .

iv) (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, outside the Group, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The company has not declared or paid any dividend during the year in accordance with section 123 of the Companies Act 2013", Hence clause not applicable.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 1, 2023 to the Company

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and its subsidiaries, which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company included in the standalone financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

Our opinion is not modified in respect of this matter.

BIRJU S. SHAH & ASSOCIATES · CHARTERED ACCOUNTANTS
M. No. 107086 SURAT.

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

Proprietor
Membership No. 107086

Place: SURAT.
Date: 06.05.2023
UDIN: 23107086BGVKZL9465

ASCL) Standalone

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ANNEXURE-A TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of AETHER SPECIALITY CHEMICALS LTD for the year ended March 31, 2023.

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. (a) A. **whether the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;**

This particular clause is not applicable to the company for the audit period.

B. **whether the company is maintaining proper records showing full particulars of intangible assets;**

This particular clause is not applicable to the company for the audit period.

(b) **whether these Property, Plant and Equipment have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt within the books of account;**

This particular clause is not applicable to the company for the audit period.

(c) **Whether the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the company, If not, provide the details thereof in the format below:-**

This particular clause is not applicable to the company for the audit period.

(d) **Whether the Company has revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and, if so, whether the revaluation is based on the valuation by a Registered valuer; specify the amount of change, if change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets;**

This particular clause is not applicable to the company for the audit period.

(e) **Whether any proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions(Prohibition) Act, 1988 (45 of 1988) and rules made there under, if so, whether the Company has appropriately disclosed the details in its financial statements;**

No, there is no proceedings under the Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and rules made there under, if so, have been initiated or are pending against the company till the audit period.

2. (a) **whether physical verification of inventory has been conducted at reasonable intervals by the management and whether, in the opinion of the auditor, the coverage and**

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procedure of such verification by the management is appropriate; whether any discrepancies of 10% or more in the aggregate for each class of inventory were noticed and if so, whether they have been properly dealt with in the books of account;

This particular clause is not applicable to the company for the audit period.

(b) **whether during any point of time of the year, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; whether the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company, if not, give details;**

This particular clause is not applicable to the company for the audit period.

3. **whether during the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, if so,-**

No, during the audit period, the Company has not made any investment in, provided any guarantee or security or granted, secure or unsecured, to companies, firms, LLP or any other parties. The company has a policy to give short term loans to the employees and proper documentation as well as policy of the company has been followed.

(a) **whether during the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity [not applicable to companies whose principal business is to give loans], if so, indicate-**

A. **the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates;**

This particular clause is not applicable to the company for the audit period.

B. **the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates;**

This particular clause is not applicable to the company for the audit period.

(b) **whether the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;**

This particular clause is not applicable to the company for the audit period.

(c) **in respect of loans and advances in the nature of loans whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;**

This particular clause is not applicable to the company for the audit period.

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(d) **if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;**

This particular clause is not applicable to the company for the audit period.

(e) **whether any loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties, if so, specify the aggregate amount of such dues renewed or extended or settled by fresh loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year [not applicable to companies whose principal business is to give loans];**

This particular clause is not applicable to the company for the audit period.

(f) **whether the company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, if so, specify the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of Section 2 of the Companies Act, 2013;**

This particular clause is not applicable to the company for the audit period.

4. **in respect of loans, investments, guarantees, and security, whether provisions of Sections 185 and 186 of the Companies Act have been complied with, if not, provide the details thereof;**

This particular clause is not applicable to the company for the audit period.

5. **in respect of deposits accepted by the company or amounts which are deemed to be deposits, whether the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made there under, where applicable, have been complied with, if not, the nature of such contraventions be stated; if an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not;**

This particular clause is not applicable to the company for the audit period.

6. **whether maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act and whether such accounts and records have been so made and maintained;**

Yes, the company has maintained proper cost records within the premises.

7 (a) **whether the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a**

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period of more than six months from the date they became payable, shall be indicated;

Yes, all the statutory dues have been deposited at regular intervals well within the due dates, during the audit period.

(b) where statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned (a mere representation to the concerned Department shall not be treated as a dispute);

This particular clause is not applicable to the company for the audit period.

8. Whether any transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), if so, whether the previously unrecorded income has been properly recorded in the books of account during the year;

No such instances have been found.

9. (a) whether the company has defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, if yes, the period and the amount of default to be reported as per the format below: -

Nature of borrowing, including debt securities	*Name of lender**	*Amount not paid on due date*	*Whether principal or interest*	*No. of days delay or unpaid*	*Remarks, if any*
	**lender wise details to be provided in case of defaults to banks, financial institutions and Government*				
NA	*NA*	-	-	-	-

(b) whether the company is a declared willful defaulter by any bank or financial institution or other lender;

This particular clause is not applicable to the company for the audit period.

(c) whether term loans were applied for the purpose for which the loans were obtained; if not, the amount of loan so diverted and the purpose for which it is used may be reported;

This particular clause is not applicable to the company for the audit period.

(d) whether funds raised on short term basis have been utilised for long term purposes, if yes, the nature and amount to be indicated;

This particular clause is not applicable to the company for the audit period.

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(e) **whether the company has taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, if so, details thereof with nature of such transactions and the amount in each case;**

No, the company has not taken any fund for the stated purpose.

(f) **whether the company has raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, if so, give details thereof and also report if the company has defaulted in repayment of such loans raised;**

No. the company has not taken any fund for the stated purpose.

10. (a) **whether moneys raised by way of initial public offer or further public offer (including debt instruments) during the year were applied for the purposes for which those are raised, if not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;**

This particular clause is not applicable to the company for the audit period.

(b) **whether the company has made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and if so, whether the requirements of Section 42 and Section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised, if not, provide details in respect of amount involved and nature of non-compliance;**

This particular clause is not applicable to the company for the audit period.

11. (a) **whether any fraud by the company or any fraud on the company has been noticed or reported during the year, if yes, the nature and the amount involved is to be indicated;**

No any kind of such instances has been noticed during the course of audit.

(b) **whether any report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;**

No.

(c) **whether the auditor has considered whistle-blower complaints, if any, received during the year by the company;**

No, such kind of instances have not been noticed during the course of audit.

12. (a) **whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability;**

This particular clause is not applicable to the company for the audit period.

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(b) **Whether the Nidhi Company is maintaining ten percent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;**

This particular clause is not applicable to the company for the audit period.

(c) **whether there has been any default in payment of interest on deposits or repayment thereof for any period and if so, the details thereof;**

This particular clause is not applicable to the company for the audit period.

13. **whether all transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards;**

This particular clause is not applicable to the company for the audit period.

14. (a) **whether the company has an internal audit system commensurate with the size and nature of its business;**

This particular clause is not applicable to the company for the audit period.

(b) **whether the reports of the Internal Auditors for the period under audit were considered by the statutory auditor;**

This particular clause is not applicable to the company for the audit period.

15. **whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of Section 192 of Companies Act have been complied with;**

The company has not entered into any non-cash transactions with any directors or persons connected with them.

16. (a) **whether the company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and if so, whether the registration has been obtained;**

This particular clause is not applicable to the company for the audit period.

(b) **whether the company has conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;**

This particular clause is not applicable to the company for the audit period.

(c) **whether the company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, if so, whether it continues to fulfil the criteria of a CIC, and in case the company is an exempted or unregistered CIC, whether it continues to fulfil such criteria;**

This particular clause is not applicable to the company for the audit period.

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21. **Whether there have been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the financial statements, if yes, indicate the details of the companies and the paragraph numbers of the CARO Report containing the qualifications or adverse remarks.**

This particular clause is not applicable to the company for the audit period.

BIRJU S. SHAH & ASSOCIATES
M. No.
107086
SURAT.
CHARTERED ACCOUNTANTS

For, Birju S. Shah & Associates

Chartered Accountants

ICAI Firm Registration No. : 131554W

Place : Surat

Date : 06/05/2023

UDIN: **23107086BGVKZL9465**

Proprietor

Membership No. 107086

Ascl Standalone

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ANNEXURE - B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **AETHER SPECIALITY CHEMICALS LTD**. ("The Company") as of 31 March 2023 in conjunction with our audit of the financial statements of theCompany for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

M. No. 107086 SURAT.

BIRJU S. SHAH & ASSOCIATES
113, INTERNATIONAL BUSINESS CENTRE, NR. BIG BAZAR,
PIPLOD, SURAT – 395 007.
Phone : (M) 91 99784 44603, 91 98251 67067
Email: cabirjjushah@gmail.com, sarvam9@gmail.com

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

BIRJU S. SHAH & ASSOCIATES CHARTERED ACCOUNTANTS
M. No. 107086
SURAT.

For, Birju S. Shah & Associates

Chartered Accountants

ICAI Firm Registration No. : 131554W

Place : Surat

Date : 06/05/2023

Proprietor

UDIN:**23107086BGVKZL9465**

Membership No. 107086

AETHER SPECIALITY CHEMICALS LIMITED
Annexure I - Statement of Assets and Liabilities
(All amounts in Indian Rupees millions, unless otherwise stated)

	Note	As at 31 March 2023
ASSETS		
Non-current assets		
Property, plant and equipment	3	-
Capital work-in-progress	4	-
Right-of-use assets	5	-
Other intangible assets	6	-
Financial assets		
(i) Investments	7	-
(ii) Other financial assets	8	0.01
Other non-current assets	9	0.02
Total non-current assets		0.03
Current assets		
Inventories	10	-
Financial assets		
(i) Investments	11	-
(ii) Trade receivables	12	-
(iii) Cash and cash equivalents	13	0.44
(iv) Bank balances other than (iii) above	14	-
(v) Loans	15	-
(vi) Other financial assets	16	-
Other current assets	17	0.02
Total current assets		0.46
Total assets		0.49
EQUITY & LIABILITIES		
Equity		
Equity share capital	18	0.50
Other equity	19	(0.03)
Total equity		0.47
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	20	-
(ii) Lease liabilities	21	-
Deferred tax liabilities (net)	36 (d)	-
Total non-current liabilities		-
Current liabilities		
Financial liabilities		
(i) Borrowings	22	-
(ii) Lease liabilities	23	-
(iii) Trade payables	24	
a) total outstanding dues of micro enterprises and small enterprises		-
b) total outstanding dues of creditors other than micro enterprises and		-
(iv) Other financial liabilities	25	-
Other current liabilities	26	0.02
Provisions	27	-
Current tax liabilities (net)	36 (c)	-
Total current liabilities		0.02
Total liabilities		0.02
Total equity and liabilities		0.49

The above statement should be read with basis of preparation, significant accounting policies and notes forming part of the Financial Information appearing in Annexure V and Annexure VI as per our report attached.

3 to 45

As per our report of even date attached

For Birju S. Shah & Associates
Chartered Accountants
Firm Registration No: 131554W

Birju S. Shah
Proprietor
Membership No: 107086

Place: Surat
Date: May 6, 2023
ICAI UDIN: 23107086BGVKZL9465

BIRJU S. SHAH & ASSOCIATES CHARTERED ACCOUNTANTS M. No. 107086 SURAT.

For and on behalf of Board of Directors of
Aether Speciality Chemicals Limited
CIN: U24290GJ2022PLC135180

Ashwin Jayantilal Desai
Director
DIN: 00038386
Place: Surat
Date: May 6, 2023

Rohan Ashwin Desai
Director
DIN: 00038379
Place: Surat
Date: May 6, 2023

AETHER SPECIALITY CHEMICALS LIMITED SURAT

AETHER SPECIALITY CHEMICALS LIMITED
Annexure II - Statement of Profit and Loss
(All amounts in Indian Rupees millions, unless otherwise stated)

	Note	For the year ended 31 March 2023
Income		
Revenue from operations	28	-
Other Income	29	-
Total income		-
Expenses		
Cost of materials consumed operation and incidental cost	30	-
Changes in inventories of finished goods and work-in-progress	31	-
Employee benefits expense	32	-
Finance costs	33	-
Depreciation and amortisation expense	34	-
Other expenses	35	0.03
Total expenses		0.03
Profit before tax		(0.03)
Tax expense:	36	
Current tax		-
Deferred tax		-
Total Tax Expenses		-
Profit for the period (A)		(0.03)
Other comprehensive (loss) / income		
Items that will not be reclassified subsequently to profit or loss		
(i) Remeasurements of defined benefit liability / (asset)		-
(i) Income tax relating to remeasurements of defined benefit liability / (asset)		-
Other comprehensive (loss) / income (B)		-
Total comprehensive income for the period (A+ B)		(0.03)
Earnings per equity share		
[nominal value of Rs. 10]		
Basic	37	(0.64)
Diluted		(0.64)

The above statement should be read with basis of preparation, significant accounting policies and notes forming part of the Financial Information appearing in Annexure V and Annexure VI as per our report attached. 3 to 45

As per our report of even date attached

For Birju S. Shah & Associates
Chartered Accountants
Firm Registration No: 131554W

Birju S. Shah
Proprietor
Membership No: 107086

Place: Surat
Date: May 6, 2023
ICAI UDIN: 23107086BGVKZL9465

BIRJU S. SHAH & ASSOCIATES CHARTERED ACCOUNTANTS M. No. 107086 SURAT.

For and on behalf of the Board of Directors of
Aether Speciality Chemicals Limited
CIN: U24290GJ2022PLC135180

Ashwin Jayantilal Desai
Director
DIN: 00038386
Place: Surat
Date: May 6, 2023

Rohan Ashwin Desai
Director
DIN: 00038379
Place: Surat
Date: May 6, 2023

AETHER SPECIALITY CHEMICALS LIMITED SURAT

AETHER SPECIALITY CHEMICALS LIMITED

Annexure III - Statement of Changes in Equity

(All amounts in Indian Rupees millions, unless otherwise stated)

(a) Equity share capital

Particulars	As at 31 March 2023	
	Number of Shares	Amount
Balance at the beginning of the reporting period	-	-
Changes in equity share capital during the period	50,000	0.50
Balance at the end of the reporting period	50,000	0.50

For any subsequent event changes relating to share capital, refer note number 51(a).

(b) Other equity

Particulars	Reserves and surplus	Total other equity
	Retained earnings	
Balance at 1 April 2022	-	-
Total comprehensive income for the period ended 31 March 2023		
Profit for the period	(0.03)	(0.03)
Other movements for the period ended 31 March 2023		
Total movements	(0.03)	(0.03)
Balance at 31 March 2023	(0.03)	(0.03)

Nature and purpose of reserves

i) Retained earnings

Retained earnings comprises of undistributed earnings after taxes

The above statement should be read with basis of preparation, significant accounting policies and notes forming part of the Financial Information appearing in Annexure V and Annexure VI Notes to the financial statements

As per our report of even date attached.

For Birju S. Shah & Associates
Chartered Accountants
Firm Registration No: 131554W

Birju S. Shah
Proprietor
Membership No: 107086

BIRJU S. SHAH & ASSOCIATES CHARTERED ACCOUNTANTS M. No. 107086 SURAT.

AETHER SPECIALITY CHEMICALS LIMITED SURAT

For and on behalf of the Board of Directors of
Aether Speciality Chemicals Limited
CIN: U24290GJ2022PLC135180

Ashwin Jayantilal Desai
Director
DIN: 00038386
Place: Surat
Date: May 6, 2023

Rohan Ashwin Desai
Director
DIN: 00038379
Place: Surat
Date: May 6, 2023

Place: Surat
Date: May 6, 2023
ICAI UDIN: 23107086BGVKZL9465

AETHER SPECIALITY CHEMICALS LIMITED

Annexure IV - Statement of Cash Flows
(All amounts in Indian Rupees millions, unless otherwise stated)

Particulars	For the year ended 31 March 2023
A. Cash flow from operating activities	
Profit before tax	(0.03)
Adjustments to reconcile profit before tax to net cash flows:	
Operating profit before working capital changes	(0.03)
Movement in working capital:	
(Increase)/Decrease in other current assets	(0.04)
(Increase)/Decrease in other financial assets	(0.01)
Increase/(Decrease) in other current liabilities	0.02
Cash generated from operations	(0.06)
Net income tax (paid)	-
Net cash from operating activities (A)	(0.06)
B. Cash flows from investing activities	
Net cash used in investing activities (B)	-
C. Cash flows from financing activities	
Initial allotment of shares to Promoters	0.50
Net cash used in financing activities (C)	0.50
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	0.44
Effect of exchange differences on account of foreign currency Cash and cash equivalents	
Cash and cash equivalents at the beginning of the period / year	-
Cash and cash equivalents at the end of the period / year	0.44

Notes:-

1. Cash and cash equivalents include	
Cash on hand	-
Balances with bank	
- Current accounts	0.44
	0.44

The above cash flow statement has been prepared under the 'Indirect Method' set out in Ind AS 7 - on Statement of Cash Flows as notified under Companies (Accounts) Rules, 2015.

Significant non-cash movement in investing and financing activities

The above statement should be read with basis of preparation, significant accounting policies and notes forming part of the Financial Information appearing in Annexure V and Annexure VI as per our report attached.

As per our report attached of even date

For Birju S. Shah & Associates
Chartered Accountants
Firm Registration No: 131554W

Birju S. Shah
Proprietor
Membership No: 107086

Place: Surat
Date: May 6, 2023
ICAI UDIN: 23107086BGVKZL9465

BIRJU S. SHAH & ASSOCIATES CHARTERED ACCOUNTANTS M. No. 107086 SURAT.

For and on behalf of the Board of Directors of
Aether Speciality Chemicals Limited
CIN: U24290GJ2022PLC135180

Ashwin Desai
Director
DIN: 00038386
Place: Surat
Date: May 6, 2023

Rohan Desai
Director
DIN: 00038379
Place: Surat
Date: May 6, 2023

AETHER SPECIALITY CHEMICALS LIMITED SURAT

1 Reporting Entity

Aether Speciality Chemicals Limited (ASCL) was incorporated on September 02, 2022 as a Public Limited Company under the Companies Act, 2013. Aether Speciality Chemicals Limited is 100% Subsidiary of Aether Industries Limited. It is engaged in the business of Specialty Chemicals and Intermediates. The products of the Company find application in various sectors like Pharmaceuticals, Agrochemicals, Specialty, Electronic Chemicals, Material Sciences, High Performance Photography etc. The CIN of the Company is U24290GJ2022PLC135180.

2 Summary of Significant Accounting Policies

The Ind AS Financial Statements comprise of the Audited Statement of Assets and Liabilities as at March 31, 2023, the related Audited Ind AS Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, and the Statement of Cash Flows for the year ended March 31, 2023 respectively and the Significant Accounting Policies and Other Financial Information.

These Financial Statements have been prepared as required under the SEBI ICDR Regulations prepared in terms of the requirements of: (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act"); (b) relevant provisions of the SEBI ICDR Regulations; and (c) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

2.1 Basis of preparation and presentation of financial statements

Compliance with Ind AS:

The Standalone Financial Statements are prepared in accordance with Indian Accounting Standards ("Ind AS"), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

The holding company Aether Industries Limited is listed on NSE and BSE. So, the subsidiary has to follow the and publish the result by following the Ind AS.

A. Basis of Preparation:

(i) The Audited Ind AS Statement of Assets and Liabilities of the Company as at March 31, 2023 and March 31, 2022 respectively and the Audited Ind AS Statement of Profit and Loss, Audited Ind AS Statement of Changes in Equity and Audited Ind AS Statement of Cash Flows for the year ended March 31, 2023 and March 31, 2022 respectively (hereinafter collectively referred to as "Ind AS Financial Information") have been prepared as per the

(ii)The audited financial statements of the Company as at and for the year ended March 31, 2023 prepared in accordance with recognition and measurement principles under Indian Accounting Standard ('Ind AS') 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on May 6, 2023.

The Board of Directors approved the Financial Statements as per the Ind AS, for the year ended on March 31, 2023 along with Financial Statements for the year ended March 31, 2023 and authorised to issue the same vide resolution passed in the Board Meeting held on May 6, 2023.

B. Basis of measurement:

The Financial Statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013. The exceptions to the same are:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and

- net defined benefit (asset) / liability that are measured at fair value of plan assets less present value of define benefit obligations.

C. Current and non-current classification of assets and liabilities:

BIRJU S. SHAH & ASSOCIATES CHARTERED ACCOUNTANTS M. No. 107086 SURAT

The Assets and Liabilities and the Statement of Profit & Loss, including related notes, are prepared and presented as per the requirements of Schedule III (Division II) to the Companies Act, 2013. All assets and liabilities have been classified and disclosed as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III. Based on the nature of products and the time between the acquisition of assets for processing and their realization into cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current - non current classification of assets and liabilities.

D. Functional and presentation currency:

The functional and presentation currency in these Financial Statements is INR and all amounts are rounded to nearest millions, up to 2 decimal places, unless otherwise stated

E. Use of judgements, estimates and assumptions:

The preparation of Financial Statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities and the disclosure of the contingent liabilities on the date of the preparation of Financial Statements. Such estimates are on a reasonable and prudent basis considering all available information, however due to uncertainties about these judgements, estimates and assumptions, the actual results could differ from those estimates. Information about each of these estimates and judgements is included in relevant notes. Any revision to accounting estimates is recognised prospectively in current and future periods.

Judgements:

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the Financial Statements is included in the following notes:

Note Nos. 42 & 43- classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial assets are solely payments of principal and interest on the principal amount outstanding.

Assumptions and estimation uncertainties:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment, assumptions and estimation uncertainties are provided here, whereas the quantitative break-ups for the same are provided in the notes mentioned below:

- Note 3 and Note 6 - Useful life of depreciable assets, Property, Plant and Equipment and Other Intangible Assets.

- Note 38 - Recognition of contingencies, key assumptions about the likelihood and magnitude of outflow of resources.

- Note 36 - Recognition of tax expenses including deferred tax.
- Note 45 - Defined benefit obligation, key actuarial assumptions.
- Note 12 - Impairment of trade receivables.
- Note 10 - Valuation of Inventories.

Going concern assumption:

These Financial Statements have been prepared on a going concern basis. The management has, given the significant uncertainties arising out of the various situations, assessed the cash flow projections and available liquidity for a period of at least twelve months from the date of this Financial Statements. Based on this evaluation, management believes that the Company will be able to continue as a "going concern" in the foreseeable future and for a period of at least twelve months from the date of these Financial Statements based on the following:

- Expected future operating cash flows based on business projections, and
- Available credit facilities with its bankers

Based on the above factors, the management has concluded that the "going concern" assumption is appropriate. Accordingly, the Financial Statements do not include any adjustments regarding the recoverability and classification of the carrying amount of assets and classification of liabilities that might result, should the Company be unable to continue as a going concern.

Reclassification:

The company reclassifies comparative amounts, unless impracticable and whenever the company changes the presentation or classification of items in its financial statements materially. No such material reclassification has been made during the year.

M. No.
107086
SURAT.

2.2 Property, Plant And Equipment:

Recognition and measurement:

The Company has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognised as of transition date measured as per the Previous GAAP and use that carrying value as its deemed cost of the PPE as on the transition date.

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes purchase price (after deducting trade discount / rebate), non-refundable import duties and taxes, cost of replacing the component parts, borrowing costs and other directly attributable cost to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Spares parts procured along with the Plant and Equipment or subsequently having value of Rs. 50,000 or more individually which meets the recognition criteria of PPE are capitalized and added to the carrying amount of such items. The carrying amount of those spare parts that are replaced are derecognized when no future economic benefits are expected from their use or upon disposal. If the cost of the replaced part is not available, the estimated cost of similar new parts is used as an indication of what the cost of the existing part was when the item was acquired.

An item of PPE is derecognised on disposal or when no future economic benefits are expected from use. Any profit or loss arising on the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Subsequent costs:

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The cost of the day-to-day servicing the property, plant and equipment are recognised in the statement of profit and loss as incurred.

Disposal:

An item of property, plant and equipment is derecognised upon the disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income / expenses in the statement of profit and loss.

Depreciation:

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognised till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is derecognised.

The management has estimated the useful life of the Tangible Assets as mentioned below:

Asset Class	Years
Factory Building	30
Other Building	10
Plant & Machinery	20
Plant & Machinery (Pipelines)	15
Office Equipment	5
Factory Equipment	10
Computer Equipment (Servers & Networks)	6
Computer Equipment (Others)	3
Other Equipment	10
Furniture & Fixtures	10
Vehicle Equipment	8

Impairments of non-financial assets:

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. Indefinite life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining the fair value less costs of disposal, recent market transactions are considered.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount, Impairment losses are recognised in the statement of profit and loss.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.3 Intangible Assets:

Recognition and measurement:

Intangible assets are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Intangible assets acquired by the Company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually, either individually or at the cash-generating unit level.

Expenditure on Research activities is recognised in the statement of Profit and Loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to complete development and to use or sell the asset.

Intangible assets which comprise of the development expenditure incurred on new product and expenditure incurred on acquisition of user licenses for computer software are recorded at their acquisition price.

Subsequent measurement:

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation:

The useful lives of intangible sets are assessed as either finite of indefinite.

Intangible assets i. e., computer software is amortized on a straight-line basis over the period of expected future benefits commencing from the date the asset is available for its use.

The management has estimated the useful life of the Intangible Assets as mentioned below:

Asset Class	Years
Software & Licenses	6
Trade Marks	4
Other Assets	4

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Disposal:

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognized.

2.4 Financial Assets:

A. Fair Value Assessment:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of asset and liability if market participants would take those into consideration. Fair value for measurement and / or disclosure purposes in these Financial Statements is determined in such basis except for transactions in the scope of Ind AS 2, 17 and 36. Normally at initial recognition, the transaction price is the best evidence of fair value.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

DIVU S. SHAH & ASSOCIATES CHARTERED ACCOUNTANTS 107086 SURAT.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques those are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

B. Subsequent Measurement:

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

C. Financial assets measured at amortized cost:

Financial assets are measured at amortized cost if the financials asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financials assets are amortized using the effective interest rate ('EIR') method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit And Loss. The losses arising from impairment are recognized in the Statement of Profit And Loss.

D. Financial assets at fair value through OCI ('FVTOCI'):

Financial assets are measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognized in the other comprehensive income ('OCI'). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit And Loss. On derecognition of the financial asset other than equity instruments designated as FVTOCI, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss.

E. Financial assets at fair value through profit or loss ('FVTPL'):

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income is classified as financial assets at fair value through profit or loss. Further, financial assets at fair value through profit or loss also include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the Statement of Profit And Loss.

F. Derecognition:

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the financial asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

G. Impairment of Financial Assets:

The Company assesses impairment based on expected credit loss ('ECL') model on the following:

- Financial assets that are measured at amortised cost; and
- Financial assets measured at FVTOCI

ECL is measured through a loss allowance on a following basis:

- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

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2.5 Financial Liabilities:

The Company's financial liabilities include trade payable.

A. Initial recognition and measurement:

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities classified at amortized cost are recognized initially at fair value net of directly attributable transaction costs. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit And Loss .

B. Subsequent measurement:

The subsequent measurement of financial liabilities depends upon the classification as described below:-

a. Financial Liabilities classified as Amortised Cost:

Financial Liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Interest expense that is not capitalized as part of costs of assets is included as Finance costs in the Statement of Profit And Loss.

b. Financial Liabilities classified as Fair value through profit And loss (FVTPL):

Financial liabilities classified as FVTPL includes financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities designated upon initial recognition at FVTPL only if the criteria in Ind AS 109 is satisfied.

Exports benefits are accounted for in the year of exports based on the eligibility and when there is certainty of receiving the same.

C. Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged / cancelled / expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit And Loss.

D. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Other incomes, other then interest and dividend are recognized when the same are due to be received and right to receive such other income is established.

2.6 Share Capital and Share Premium:

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction net of tax from the proceeds. Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

2.7 Dividend Distribution to equity shareholders:

The Company recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in other equity along with any tax thereon.

2.8 Cash Flows and Cash and Cash Equivalents:

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant IND AS. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and book overdrafts. However, Book overdrafts are to be shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

The Company is banking with the below mentioned Banks for its Working Capital and Banking Requirements:
1. ICICI Bank Ltd.

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2.9 Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent Assets are not recognized, however, disclosed in financial statement when inflow of economic benefits is probable.

2.10 Revenue Recognition and Other Income:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from sale of goods is recognized, when the control is transferred to the buyer, as per the terms of the contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

Interest income or expense is recognised using the effective interest rate method. The "effective interest rate" is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

2.11 Leases:

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a sustentive substitution right, then the asset is not identified.

- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

the Company has the right to operate the asset; or

the Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Company as a lessee:

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets re determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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The lease liability is initially measured at the present value of the lase payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rates as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:
- fixed payments, including in-substance fixed payments.
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- amounts expected to e payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is change in future lease payments arising from a change n an index or rate, if there is change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

Leasehold land is amortised over the period of lease being 79 years remaining as on the date of purchase.

Short-term leases and leases of low-value assets:

The Company has elected not to recognise right-of-use assets and lease liability for the short-term leases that have lease term of 12 months of less and leases of low-value assets. The Company recognises the lease payments associated with such leases as an expense on a straight-line basis over the lease term.

2.12 Income Taxes:

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

Current Tax:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and the a tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax:

Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:
- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the
accounting profit nor taxable profit or loss,
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investments in subsidiaries, associates, and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses (including unabsorbed depreciation) can be utilised, except:
- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternate Tax (MAT):

Minimum Alternate Tax(MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

2.13 Current versus Non-Current classification:

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

a) An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

b) A liability is current when:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

c) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

d) The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

2.14 Employee benefits:

(i) Short term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Undiscounted value of benefits such as salaries, incentives, allowances and bonus are recognized in the period in which the employee renders the related service.

(ii) Long term benefits:

Defined Contribution Plans:

The Company contributes to the employee's approved provident fund scheme. The Company's contribution paid/payable under the scheme is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related services.

Defined Benefit Plans:

Gratuity Liability is a defined benefit obligation and is provided on the basis of an actuarial valuation model made at the end of the Financial Year. The Gratuity Liability is funded by the Company by maintaining the funds with a separate Asset Management Company, i. e., LIC of India. Contributions to such fund is charged to Profit & Loss Account. Actuarial Valuation of the Gratuity is done at the end of the Financial Year and accounted for accordingly.

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2.15 Trade Receivables:

Trade Receivables are stated after writing off debts considered as bad. Adequate provision is made for debts considered as doubtful.

2.16 Inventories:

(i) Raw Materials, Work in Progress, Finished Goods, Packing Materials, Stores, Spares and Consumables are carried at the lower of cost and net realisable value.

(ii) In determining the cost of Raw Materials, Packing Materials, Stores, Spares and Consumables, FIFO Method is used. Cost of Inventory comprises of all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

(iii) Cost of Finished Goods includes the cost of Raw Materials, Packing Materials, an appropriate share of fixed and variable production overheads, indirect taxes as applicable and other costs incurred in bringing the inventories to their present location and condition.

(iv) Cost of Stock in Trade procured for specific projects is assigned by specific identification of individual costs of each item.

2.17 Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset, that necessarily takes substantial period of time to get ready for its intended use or sale, are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost an other costs that an entity incurs in connection with the borrowings of the funds.

2.18 Earnings per share:

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements and stock split in equity shares issued during the year and excluding treasury shares. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares and stock split, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS adjust the figures used in the determination of basic EPS to consider.

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.19 Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company have been identified as being the Chief Operating Decision Maker by the management of the Company.

2.20 Foreign currency transactions:

Transactions in foreign currencies are translated into the respective functional currency of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monitory assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monitory items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the Statement of Profit and Loss.

2.21 Government grants and subsidies:

Grants / subsidies that compensate the Company for expenses incurred are recognised in the Statement of Profit and Loss as other operating income on a systematic basis in the periods in which such expenses are recognised.

Export Incentives:

Export incentives under various schemes notified by the government are recognised when no significant uncertainties as to the amount of consideration that would be derived and that the Company will comply with the conditions associated with the grant and ultimate collection exist.

2.22 Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Financial Statements is required to be disclosed.

AETHER SPECIALITY CHEMICALS LIMITED
Annexure VI - Notes to the financial information *(continued)*
(All amounts in Indian Rupees millions, unless otherwise stated)

3 **Property, plant and equipment**

Particulars	Gross Block				Depreciation				Net Block	
	As at 01 April 2022	Additions	Disposals during the period	As at 31 March 2023	As at 01 April 2022	Charge for the period	Disposals during the period	As at 31 March 2023	As at 01 April 2022	As at 31 March 2023
Total	-	-	-	-	-	-	-	-	-	-

4 **Capital work-in-progress**

Particulars	As at 01 April 2022	Additions	Capitalised during the period	As at 31 March 2023
Capital work-in-progress	-	-	-	-
Total	-	-	-	-

Additional disclosures as per Schedule -III requirement:

Amount in CWIP for a period of	Projects in Progress	
	As at 31 March 2023	As at 31 March 2022
Less than 1 Year	-	-
1-2 Years	-	-
2-3 Years	-	-
More than 3 Years	-	-
Total	-	-

5 **Right-of-use assets**

Particulars	Gross Block				Amortisation				Net Block	
	As at 01 April 2022	Additions	Disposals during the period	As at 31 March 2023	As at 01 April 2022	Charge for the period	Disposals during the period	As at 31 March 2023	As at 01 April 2022	As at 31 March 2023
Leasehold land	-	-	-	-	-	-	-	-	-	-
Properties (Land & Building)	-	-	-	-	-	-	-	-	-	-
Total Assets	-	-	-	-	-	-	-	-	-	-

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(All amounts in Indian Rupees millions, unless otherwise stated)

6 **Other intangibles assets**

Particulars	Gross Block				Amortisation				Net Block	
	As at 01 April 2022	Additions	Deletions during the period	As at 31 March 2023	As at 01 April 2022	Charge for the period	Deletions during the period	As at 31 March 2023	As at 01 April 2022	As at 31 March 2023
Computer Software	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

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(All amounts in Indian Rupees millions, unless otherwise stated)

	As at 31 March 2023
7 Investments	
	-
8 Others financial assets	
(Unsecured, considered good)	
National Security Depository Limited	0.01
	0.01
9 Other non-current assets	
(Unsecured, considered good)	
Pre-operative Exp.	0.02
	0.02
10 Inventories	
	-

	As at 31 March 2023
11 Investments	
	-
12 Trade receivables	
Trade Receivables considered good - Secured	
Trade Receivables considered good - Unsecured	
Trade Receivables which have significant increase in credit risk	-
Trade Receivables - credit impaired	-
Less: Allowance for doubtful receivables	-
Total trade receivables	-
The above amount includes :	
Receivable from related parties	-
Receivable from other than related parties	-
Total	-

As at 31 March 2023

Particulars	Less than 6 Months	6 Months-1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables - considered good	-	-	-		-	-
(ii) Undisputed Trade Receivables - which have significant increase in Credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in Credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-		
	-	-	-	-	-	-

	As at 31 March 2023
13 Cash and cash equivalents	
Cash in hand	-
Balances with banks	
Current accounts	0.44
EEFC accounts	-
Cash Credit accounts	-
	0.44

14 Bank balances other than cash and cash equivalents

Other bank balances	
Margin Money - Fixed Deposits	
Others - Fixed Deposits	
(with maturity of more than 3 months but less than 12 months)	
	-

15 Loans

	-
Breakup of security details	
Loans, considered good - secured	-
Loans, considered good - unsecured	-

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(All amounts in Indian Rupees millions, unless otherwise stated)

18 Share capital

Particulars	124,510,721.00	As at 31 March 2023
Authorised :		0.50
50,000 equity shares of Rs.10 each.		
TOTAL		0.50
Issued and subscribed and paid up:		
Equity share capital		0.50
50000 Equity Shares issued during the year		
TOTAL		0.50

Reconciliation of number of shares outstanding at the beginning and end of the year/period :

Equity share :	As at 31 March 2023
	Number of Shares
Outstanding at the beginning of the year/period	-
Add: Issued during the period	50,000
Outstanding at the end of the year/period	**50,000**

* Number of shares is presented as absolute number.

Terms / Rights attached to each classes of shares

Rights, preferences and restrictions attached to equity shares

Equity shares	
As to dividend	The Shareholders are entitled to receive dividend in proportion to the amount of paid up equity shares held by them. The Company has not declared any dividend during the year.
As to repayment of capital	In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining asset of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares
As to voting	The Company has one class of shares referred to as Equity Shares having par value of Rs. 10/-. Each holder of the equity share is

Shareholders holding more than 5% shares in the Company is set out below:

Equity shares of Rs 10 each fully paid	**As at 31 March 2023**	
	Number of Shares	**Number of Shares %**
Aethe Industries Limited	50,000	100.00%

Promotors Shareholding in the Company is set out below:

Equity shares of Rs 10 each fully paid	**As at 31 March 2023**		-
	Number of Shares	**Number of Shares %**	
Aethe Industries Limited	50,000	100.00%	

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19 Other equity

	-
Reserves and surplus	
A. Retained earnings	(0.03)
B. Securities premium	-
C. Employee Share Option Reserve	-
	(0.03)
	-

A. Retained earnings	
Opening balance	-
Profit for the period / year	(0.03)
Closing balance	(0.03)
	(0.03)

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(All amounts in Indian Rupees millions, unless otherwise stated)

Loans, considered doubtful / credit impaired	-
Total	-
Less: Loss allowance	-
Total loans receivables	-

16 Other financial assets

Interest receivable (from fixed deposits with banks)	
Gratuity asset (Refer note 45 for further disclosures)	
	-

17 Other current assets

Advances recoverable in cash	0.02
	0.02

20 Borrowings

	As at 31 March 2023
	-

21 Lease liabilities

	As at 31 March 2023
	-

22 Borrowings

	-

23 Lease liabilities

	-

24 Trade payables

	-

As at 31 March 2023

Particulars	Unbilled Dues	Outstanding for following periods Particulars from due date of payment: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	-				-	-
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
	-	-	-	-	-	-

25 Other financial liabilities

	As at 31 March 2023
	-

26 Other current liabilities

	As at 31 March 2023
Statutory dues payables	0.02
	0.02

27 Provisions

	-

BIRJU S. SHAH & ASSOCIATES CHARTERED ACCOUNTANTS M. No. 107086 SURAT.

(All amounts in Indian Rupees millions, unless otherwise stated)

	For the year ended 31 March 2023
28 Revenue from operations	
	-

Refer note no. 46 Revenue for further disclosures

29 Other income	
	-

30 Cost of materials consumed	
	-

31 Changes in inventories of finished goods and work-in-progress	For the year ended 31 March 2023
Total	-

32 Employee benefits expense	
	-

33 Finance costs	
	-

34 Depreciation and amortisation expense	
	-

35 Other expenses	For the year ended 31 March 2023
Payment to statutory auditors (Refer note below)	0.02
Other expenses	0.01
	0.03

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(a) Payment to auditors	
Statutory audit fee	0.02
	0.02

(All amounts in Indian Rupees millions, unless otherwise stated)

36 Taxes

(a) Statement of profit or loss

Particulars	For the year ended 31 March 2023
Current tax:	
Current income tax charge	-
Deferred tax	-
Income tax expense reported in the statement of profit or loss	-

(b) Other comprehensive income (OCI)
Taxes related to items recognised in OCI during in the period

Particulars	For the year ended 31 March 2023
Deferred tax	
Income tax recognised in OCI	-

(c) Balance sheet

Particulars	As at 31 March 2023
Non- current tax assets	-
Current tax assets	-
Total tax assets	-

Current tax liabilities

Particulars	As at 31 March 2023
Income tax (net of advance tax)	-
Total current tax liabilities	-

(d) Deferred tax liabilities / (assets)

Particulars	As at 31 March 2023
Net deferred tax liability/(asset)	-

(e) **Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate**

	For the year ended 31 March 2023
Accounting profit before tax	
Tax rate	
Tax as per IT Act on above	
Tax expenses (P&L)	
(i) Current tax	
(ii) Deferred tax	
(iii) Taxation in respect of earlier years	
Tax expenses (OCI)	
Difference	
Tax reconciliation	
Adjustments:	
	-

(f) **Movement in temporary differences:**

	1 April 2022	Recognised in profit or loss during the period / year	Recognised in OCI during the period/ year	31 March 2023
Deferred tax liabilities (DTL)				
Excess of depreciation/amortisation on property plant and equipment under income tax act	-	-	-	
Fair valuation of Mutual funds	-	-	-	-
Fair valuation of Security deposits	-	-	-	-
Amortization of processing fees on loan	-	-		-
Provision for employee benefits	-	-	-	-
Leases	-	-	-	-
Net deferred tax liability/(asset)	-	-	-	-

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37 Earnings Per Share

Particulars	For the year ended 31 March 2023
Profits attributable to equity shareholders	
Profit for basic earning per share of Rs. 10 each	
Profit for the period / year (in Rs.)	(0.03)
Basic Earnings Per Share	
Weighted average number of equity shares outstanding during the period / year	50,000
Basic EPS (Rs.)	(0.64)
Diluted Earnings Per Share	
Profit for diluted earning per share of Rs. 10 each	
Profit for the period / year (in Rs.)	(0.03)
Weighted average number of equity shares outstanding during the period / year	50,000
Diluted EPS (Rs.)	(0.64)

Weighted average number of equity shares for Basic Earnings Per Share	For the year ended 31 March 2023
Balance at the beginning and at the end of the period	-
Issued during the period	50,000
Weighted average number of equity shares outstanding during the period / year	50,000

Weighted average number of equity shares for Diluted Earnings Per Share	For the year ended 31 March 2023
Balance at the beginning and at the end of the period	-
Issued during the period	50,000
Weighted average number of equity shares outstanding during the period / year	50,000

38 Contingent liabilities, contingent assets and commitments :

Contingent liabilities

Particulars	Currency	As at 31 March 2023

39 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March 2023
Principal amount remaining unpaid to any supplier as at the end of the period/year	
Trade payables	-
Capital creditors	-
Interest due thereon remaining unpaid to any supplier as at the end of the period/year	
Trade payables	-
Capital creditors	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act 2006	-
The amount of payment made to micro and small supplier beyond the appointed day during each accounting year.	-
The amount of interest due and payable for period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act 2006.	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	-
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

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40 Related Party Disclosures

(a) List of Related Parties and description of relationship:

DIRECTORS OF THE COMPANY

Rohan Ashwin Desai
Ashwin Jayantilal Desai
Purnima Ashwin Desai
Aman Ashwinbhai Desai

HOLDING COMPANY

Aethe Industries Limited (Holding 100% of shares)

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41 Financial risk management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors is responsible for developing and monitoring the Company's risk management policies. The board regularly meets to decide its risk management activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board is also assisted by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Board of directors.

The Company has exposure to the following risks arising from financial instruments:
- credit risk - see note (a) below
- liquidity risk - see note (b) below
- market risk - see note (c) below

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess impairment loss or gain. The Company uses a matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and Company's historical experience for customers.

(i) The company has not made any provision on expected credit loss on trade receivables and other financials assets, based on the management estimates.

(ii) Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department within the Finance Department is responsible for liquidity and funding. In addition policies and procedures relating to such risks are overseen by the management.

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from the operations.

(All amounts in Indian Rupees millions, unless otherwise stated)

Particulars	As at 31 March 2023
Total current assets (A)	0.46
Total current liabilities (B)	0.02
Working capital (A-B)	**0.44**
Current Ratio:	**22.97**

Following is the Company's exposure to financial liabilities based on the contractual maturity as at reporting date.

	As at 31 March 2023			
	Contractual cash flows			
	Carrying value	Less than 1 year	More than 1 year	Total
Borrowings	-	-	-	-
Trade payables	-	-	-	-
Lease liabilities	-	-	-	-
Other liabilities	-	-	-	-

(c) Market risk

Market risk is the risk that changes with market prices – such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(1) Foreign currency risk :

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Company transacts business in its functional currency (INR) and in other foreign currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, where revenue or expense is denominated in a foreign currency.

(2) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company manages its interest rates by selection appropriate type of borrowings and by negotiation with the bankers.

42 Capital management

The Company's capital comprises equity share capital, surplus in the statement of profit and loss and other equity attributable to equity holders.

The Company's objectives when managing capital are to :

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital using debt-equity ratio, which is net debt divided by total equity. These ratios are illustrated

Particulars	**As at 31 March 2023**
Total liabilities	0.02
Less: cash and cash equivalents and bank balances	0.44
Net debt	(0.42)
Total equity	0.47
Debt-equity ratio	(0.90)

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43 **Fair value measurements**

(a) **Categories of financial instruments -**

Particulars	As at 31 March 2023				
	Carrying amount	Fair values			
		FVTPL	FVTPL	FVTOCI	Amortised cost
Category		Level 1	Level 3	Level 3	Level 2
Financial assets					
Cash and cash equivalents	0.44	-	-	-	0.44
Other financial assets	0.01	-	-	-	0.01
Total financial assets	**0.45**	-	-	-	**0.45**
Financial liabilities					
Total financial liabilities	-	-	-	-	-

(b) Fair value hierarchy:

As per Ind AS 107 "Financial Instrument: Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. As illustrated above, all financial instruments of the company which are carried at amortized cost approximates the fair value (except for which the fair values are mentioned).

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44 Ratios as per the Schedule III requirements

(a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	As at 31 March 2023
Current Assets	0.46
Current Liabilities	0.02
Current Ratio (Times)	22.97

(b) Debt Equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings

Particulars	As at 31 March 2023
Total Debt	-
Total Equity	0.47
Debt Equity Ratio (Times)	-

(c) Debt Service Coverage Ratio (DSCR) = Earnings available for debt services divided by Total interest and principal repayments

Particulars	As at 31 March 2023
Profit for the year	(0.03)
Add: Non cash operating expenses and finance cost	-
Depreciation and amortisation expense	-
Finance costs	-
Earnings available for debt services	(0.03)
Interest cost on borrowings	-
Principal repayments (including certain prepayments)	-
Total Interest and principal repayments	-
Debt Service Coverage Ratio (Times)	

(d) Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Equity

Particulars	As at 31 March 2023
Profit for the year	(0.03)
Total Equity	0.47
Return on Equity Ratio (%)	-6.88%

(e) Net profit ratio = Net profit after tax divided by Revenue from operations.

Particulars	As at 31 March 2023
Profit for the year	(0.03)
Revenue from operations	-
Ratio (Times)	
% Change from previous period / year	

(j) Return on Capital employed- pre cash (ROCE)=Earnings before interest and taxes(EBIT) divided by Capital Employed- pre cash

Particulars	As at 31 March 2023
Profit/(Loss) before tax* (A)	(0.03)
Finance Costs* (B)	-
Other income* (C)	-
EBIT (D) = (A)+(B)-(C)	**(0.03)**
Capital Employed- Pre Cash (K)=(E)+(F)+(G)-(H)-(I)-(J)	**0.03**
Total Equity (E)	0.47
Non-Current Borrowings (F)	-
Current Borrowings (G)	-
Current Investments (H)	-
Cash and Cash equivalents (I)	0.44
Bank balances other than cash and cash equivalents (J)	-
Ratio (D)/(K) (%)	**-114.32%**
% Change from previous period / year	