

September 23, 2022

Ref. No.: **AIL/SE/49/2022-23**

To,

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

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

Dear Madam / Sir,

Subject: Explanation on proposed Agenda at the Annual General Meeting

In accordance with Regulation 30 and 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we had submitted the Annual Report for the Fiscal Year 2021-22, including the Notice of the 10th Annual General Meeting (includes e-voting instructions) vide Ref. No. AIL/SE/45/2022-23, on September 5, 2022.

In connection in with Agenda No. 7 of the Notice of the AGM, we herewith submit the additional explanation as below:

Agenda No. 7

'To increase the limits under Section 186 of the Companies Act, 2013'

As the Company has recently raised funds through Initial Public Offer (IPO) in the month on June '22, Company will have the fund liquidity at current instance as the spending from the funds are in-line with the proposed objects of the IPO and funds are being utilized in gradual manner rather than full utilization at single instance.

Accordingly, with the motive of ideal utilization of available liquid funds from the IPO proceedings, the Company can have multiple investment options for the shorter tenure which can earn a reasonable return and ultimately will benefit the Company and its stakeholders.

Also, taking into consideration of any prospective opportunities / events of the fund-raising and internal accruals, the Company will be in a position to have ideal fund management and can earn a yield on that for the shorter period, (without deviating from its object), which otherwise could not be possible unless the proposed Resolution is not approved by the Shareholders.

Further, as the Company has recently incorporated a Wholly Owned Subsidiary (Wos) Company viz. 'M/s. Aether Speciality Chemicals Limited', the Company can further invest into

vide capital infusion / provide loans or advances to its WoS (The intimation about incorporation of WoS intimated on September 2, 2022 vide Ref. AIL/SE/43/2022-23).

In fact, the governing Section 186 of the Companies Act, 2013 has covered any loan given by the Company, any guarantee or security provided by the Company in connection with loan to any other body corporate or person and any acquisition made by the Company through subscription, purchase or otherwise the securities of other body corporates altogether.

Based on that, the proposed limit of Rs. 1,000 Cr. will cover all the above items cumulatively at any given point of time.

The above-mentioned explanation be read with the Explanatory Statement provided in the Notice of the Annual General Meeting for the proposed Agenda.

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

Thank you.

For Aether Industries Limited



Chitrarth Rajan Parghi
Company Secretary & Compliance Officer

