



Aether Industries Limited IPO

<p>Issue Date: May 24 - May 26 Price Range: Rs 610 - Rs 642 Market Lot: 23 Face Value: 10</p>	<p>Sector: Speciality Chemicals Location: Surat Issue Size: Rs 808 Crore</p>
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Incorporated in 2013, Aether Industries Limited is a manufacturer of **speciality chemicals**. The company is the sole manufacturer in India of chemicals such as 4-(2-Methoxyethyl) Phenol (4MEP), 3-Methoxy-2-Methylbenzoyl Chloride (MMBC), Thiophene-2-Ethanol (T2E), Ortho Toly Benzo Nitrile (OTBN), N-Octyl-D-Glucamine, Delta-Valerolactone and Bifenthrin Alcohol.

The company has three business models: Large scale manufacturing of intermediates and speciality chemicals, CRAMS (contract research and manufacturing services) and Contract manufacturing.

Aether Industries has two manufacturing sites at Sachin in Surat, Gujarat. Manufacturing Facility 1 is a 3,500 square metre facility including R&D and Hydrogenation Facilities and Pilot Plant. Manufacturing Facility 2 encompasses roughly 10,500 square metres, with an installed capacity of 6,096 MT per year spread among three buildings and 16 production streams as of September 30, 2021.

As of March 31, 2022, Aether Industries Limited's product portfolio comprised over 25 products which were sold to over 34 global companies in 18 countries and to over 154 domestic companies. The company is the largest manufacturer of 4MEP, T2E, NODG and HEEP products in the world by volume.

Competitive Strengths

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

Objects of the Issue:

The company proposes to utilise the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Prepayment or repayment of all or a portion of certain outstanding borrowings availed by the Company.
2. Funding capital expenditure requirements for the manufacturing facility (Proposed Greenfield Project).
3. Funding working capital requirements of the Company.
4. General corporate purposes.

Company Financials:

Summary of financial Information (Restated Consolidated)

Particulars	For the year/period ended (₹ in Million)				
	31-Dec-21	31-Dec-20	31-Mar-21	31-Mar-20	31-Mar-19
Total Assets	7095.61	4000.95	4529.44	3004.67	2066.75
Total Revenue	4493.15	3373.41	4537.89	3037.81	2032.77
Profit After Tax	829.06	482.54	711.19	399.56	233.35

Our Rating: 18 (Good)

Rating Procedure

	Criteria for giving points	Points	Out Off
Business Risk	Lesser risk higher points	3	5
Financial Risk	Lesser risk higher points	3	5
Market Risk	Lesser risk higher points	3	5
Objective of IPO	Growth & expansion gets more points	3	5
Price	Fair price will get more points	6	10
Total		18	30

A	21 & Above 21	Best to apply	D	11 to 14	Poor
B	18 to 20	Good	E	10 & Below 10	Very Poor
C	15 to 17	Average			

Note: The issue is aggressively priced. So investors with long term view can subscribe Aether Industries Limited IPO.

You can apply through Capstocks website EIPO link: <https://kyc.capstocks.com/ipo>

You can also apply by ASBA internet banking of your bank account.

Contact: Anil Kumar 0471-4093333, 9847060019, email: helpdesk@capstocks.com

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