



Gem Aromatics Pvt. Ltd.

Manufacturer & Exporters of Essential Oils & Aromatic Chemicals

Registered Office : A/410, Kailash Complex, Park Site, Vikhroli - Powai Link Road,
Vikhroli (W), Mumbai - 400 079. Tel.: 2518 5231 / 5931 / 0531 CIN : U24246MH1997PTC111057

NOTICE TO MEMBERS

Notice is hereby given for Twenty Fourth Annual General Meeting of the Members of Gem Aromatics Private Limited shall be held on Tuesday 03rs August, 2022 at 9.00 AM (IST) / 9.30 PM (MST-02nd August, 2022) through Video Conferencing / other Audio Visual Means at the Registered Office: A/410, Kailas Complex, Vikhroli Powai Link Road, Park Site, Vikhroli (W), Mumbai-400079 To transact the following business.

Ordinary Business

Item No 01

A. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDING 31ST MARCH, 2022 AND THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS' THEREON

To consider and, if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

"**RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2022, and the reports of the Board of Directors and Auditors thereon as circulated to the shareholders and laid before the meeting be and are hereby considered and adopted."

Facility 1 : Plot No. 2, Survey No. 16/4/2, Near Alok Industries (P) Ltd., Village Rakholi, Silvassa - (D & NH) Pin # 396230

Facility 2 : Khasra No. 8,9,10 & 126, Village Gathona, Ujhani Budaun Road, District: Budaun, UP, India, PIN # 243639

E-mail: vparekh@gemaromatics.in **Web:** www.gemaromatics.com



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**B. THE AUDITED CONSOLIDATED FINANCIAL STATEMENT OF THE
COMPANY FOR THE FINANCIAL YEAR ENDED 31ST MARCH,2022
AND THE REPORTS OF THE BOARD OF DIRECTOR AND THE
AUDITORS**

“RESOLVED THAT the audited consolidated financial statements of the Company for the financial year ended on March 31, 2022, and the reports of the Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

C. To declare dividend for the Financial Year ended 31st March,2022 if any

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SPECIAL BUSINESS:

ITEM No. 2

TO RE-APPOINT M/S Y.R. DOSHI & ASSOCIATES, COST ACCOUNTANTS MEMBERSHIP NO, ICWA 000286) AS THE COST AUDITOR OF THE COMPANY:

To consider and, if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration as approved by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending on 31st March 2023, amounting to Rs. 1,75,000/- (Rupees One Lakh Seventy-Five Thousand) plus all applicable taxes and reimbursement of actual out of pocket expenses, as may be incurred by the Cost Auditor in this behalf, be and is hereby ratified and confirmed."



By the order of the Board
Mrs. Kaksha Vipul Parekh
Director
DIN:00235998

PLACE: MUMBAI

DATE: 22.06.2022

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NOTES: -

1. In view of the continuing restrictions on the movement of people at several places in the country, due to outbreak of COVID-19, social distancing is a norm to be followed and pursuant to the Ministry of Corporate Affairs ("MCA") General Circular No. 20/2020 dated 5th May 2020; General Circular No. 14/2020 dated 8th April 2020; General Circular No.17/2020 dated 13th April 2020; General circular No. 22/2021 dated 14th December 2021; General circular No. 02/2021 dated 13th January 2021 and General Circular No. 2/2022 dated 5th May 2022, MCA has permitted the holding of the Annual General Meeting through VC / OAVM, without physical presence of the Members at a common venue. In compliance with the Companies Act, 2013 and the above-mentioned MCA Circulars, Annual General Meeting of the Company is being held through VC / OAVM on 03rd August ,2022 at 9:00 a.m.(IST)/ 9:30 p.m. (MST)
2. As the meeting is held through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), no proxies are allowed.
3. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, is annexed for the matter relating to Special Business to be transacted at the Meeting.
4. Copies of profit and loss account, balance sheet, schedules and notes along with directors' and auditors' report thereon are available at the registered office of the company during working hours of on the date of annual general meeting.
5. Corporate members are required to send to the company a certified copy of the board resolution, pursuant to section 113 of the Companies act, 2013, authorising their representatives to attend and vote at the AGM.
6. Members are required to email their admission slip before the AGM to the email id -n.bhandi@gemaromatics.in
7. As the meeting is held through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), no map is required to be annexed for the venue of the meeting.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Agenda Item No.2

The Board has approved in its held on 22nd June ,2022 the appointment of M/s M/S. Y R Doshi & Associates, Cost Accountants (Membership No. FRN 000286), at the remuneration of Rs 175000/- (Rupees One Lakhs Seventy Five Thousand) excluding applicable taxes to conduct the audit of the cost records of the Company for the financial year ending on 31st March 2023, In accordance with the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14 of Companies (Audit & Auditor Rules), 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company.

None of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the Ordinary Resolution for your approval.

for GEMS AROMATICS PRIVATE LIMITED

KAKSHA VIPUL PAREKH

DIRECTOR

DIN: 00235998

Place: Mumbai

Date: 22nd June ,2022



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ATTENDANCE SLIP

Regd. Folio No.: _____

DP ID: _____

Client ID/Ben. A/C: _____

No. of shares held: _____

Name of the Shareholder: _____

I certify that I am a registered shareholder for the Shareholder Meeting of the Company and hereby record my presence at the 25th Annual General Meeting of the Company on 03rd August, 2022 at 9:00 A.M. (IST) / 9:30 P.M. (Mst) through video conferencing or audio visual means.

Name and Signature of the Shareholder

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E INVITE INSTRUCTIONS

Respected Members/Directors/Auditors/Invitees,

We are conducting the Annual General Meeting through Audio-Visual (AV) means. All the members / invitees/participants will be attending this meeting virtually from their respective residence/home.

Accordingly, kindly note the **following instructions** for the smooth flow of the meeting.

- Please join the meeting at least **10 minutes in advance** to complete all testing and logistic issues.
- The participants are requested to attend the **meeting in official attire/outfit only**.
- At the **meeting**, please keep **your video on** so that we can **complete the roll call**.
- The Company Secretary will undertake roll call to seek a **confirmation on the presence of all the participants and receipt of requisite papers**. The participants may please confirm the same in affirmative.
- The Notice of the meeting will be uploaded/shared on the screen and the control of the screen will be with Mr. Dinesh Maheshwari .
- All the participants shall be on **mute by default at the start of the meeting** and the respective participants/members can **unmute themselves at the time of presentation / speaking**.
- Every participant/presenter shall **identify himself/herself at the time of making presenting/speaking** on any item of agenda.
- To ensure smooth and orderly flow of the meeting, it is recommended that **all questions/comments** may be raised **after the completion** of particular agenda item.
- All the presenter are advised to strictly follow the **sequence of agenda presentation** and flow as indicated in the timesheet to ensure timely completion of the meeting.
- Please ensure the WIFI/Dongle/hotspot/Router etc. is up and **running with good speed** during the whole duration of the meeting to enable you to participate efficiently.
- In case of any loss of signal/drop out due to any technical glitch **please re-join and confirm your presence** at the earliest.
- In case of any eventuality at our end, Mr. Nikhil Tale (Contact: +918483859999) or Mr. Rakesh Sawant (+ 91 8080040108) will take control and run the meeting only for the technical matters.
- Please ensure that **no person other than the invited participants** should have access to this e-meeting.

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- Please **do not forward this invite** to any other person. If any additional team members are to be invited, kindly inform Mr. Rahul Vaidyanathan and in his absence Mr. Nikhil Tale (Contact: +918483859999) or Rakesh Sawant (+ 91 8080040108) (IT Persons) who will send the invite.
- The meeting will be **recorded**.
- We encourage you to **download the Zoom App/Microsoft team app** and **test the link in advance** before the start of the meeting. We recommend do not use / join through web-version because it may have voice and video quality issue.
- If you are unable to download the **Zoom App/ Microsoft team app**, please reach out our IT Person Mr. Nikhil Tale (Contact: +918483859999) or Mr. Rakesh Sawant (+ 91 8080040108) for assistance at the earliest.

If you need any assistance during the meeting you can reach out to Mr. Nikhil Tale (Contact: +918483859999) or Mr. Rakesh Sawant (+ 91 8080040108)

Since all the participants would be joining virtually from their respective residence/home, in case of any eventuality/ technical glitch, please do co-operate and support, and allow us time to recoup the system to have the meeting up and running again smoothly.

Instructions for joining the meeting through Microsoft team/ Zoom App

- In the email sent separately, there is an option to **Join Microsoft Teams Meeting/ Zoom App**. Click on the said link
- Download the Zoom App/ Microsoft team app on your PC/tablet/Phone (if not done earlier) and keep it ready.
- In case, you have **Zoom App/ Microsoft team app** on your system/device, it will direct you to **Zoom App/ Microsoft team app** to connect the meeting. Thereafter, click **Join now** tab to join the meeting.

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- In you do not have/fail to configure Zoom App/ Microsoft team app on your system/device by any chance, then you can join through web page instead. Kindly click on **Join on the web**. Thereafter, a new web page will open, wherein you need to write your name and click on **Join now** tab and wait therein, we will accept and allow you to join the meeting.

We seek your co-operation for successful conduct and completion of this e-meeting.

For GEMS AROMATICS PRIVATE LIMITED

KAKSHA VIPUL PAREKH
DIRECTOR
DIN: 00235998



Place: Mumbai

Date: 22.06.2022

INDEPENDENT AUDITORS' REPORT

To The Members of
GEM AROMATICS PRIVATE LIMITED

Report on the Standalone Financial Statements

Opinion

1. We have audited the standalone financial statements of **GEM AROMATICS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at **March 31, 2022**, and the Statement of Profit and Loss, Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit and its cash flows for the year ended on that date.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

3. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report, but

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does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

4. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

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. Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the audit of the Financial Statements

5. 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.

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However, future events or conditions may cause the Company to cease to continue as a going concern.

- 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.

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.

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.

Report on Other Legal and Regulatory Requirements

6. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure I** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
7. As required by section 143 (3) of the Act, 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 purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e. On the basis of written representations received from the directors as on March 31, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II".
- g. In accordance with the requirements of section 197(16) of the Act, as amended: As per notification number G.S.R. 463 (E) dated June 5, 2015 issued by Ministry of Corporate Affairs, Section 197 of the Act as regards the managerial remuneration is not applicable to the Company, since it is a private company.
- h. With respect to the other matters to be included in the Auditor's 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;
 - i. The Company has disclosed impact of pending litigations on its financial position in its Financial Statements - Refer Note 27.1 to the financial statement.
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. there were no amounts which were required to be to be transferred to the Investor Education and Protection Fund by the company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds 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 to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether,

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; and

(c) In our opinion and based on the audit procedures, we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has neither declared nor paid any dividend during the year.

Place: Mumbai
Date: 22nd June, 2022

For CHHAJED & DOSHI
Chartered Accountants
[FRN 101794W]



CA M.P. Chhajed
Partner

M. No. 049357

UDIN: 22049357AOA75B4179

Annexure I to the Independent Auditors' Report
(Referred to in our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The Company has a program for physical verification of its property, plant and equipment once in a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and based on verification of records provided to us, we report that, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year.
- (e) As per the information and explanation provided to us no 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 thereunder.
- (ii) (a) In our opinion and according to the information and explanations given to us, the inventory has been physically verified during the year by the management at reasonable intervals and no discrepancies of 10% or more in the aggregate for each class of Inventory were noticed.
- (b) 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; the quarterly returns or statements filed by the company with such banks and financial institutions are in agreement with the books of account of the Company except for the differences noted in Inventory amounting to Rs. 940.61 lakh for the quarter ended December 2021 (amount reported Rs. 10,569.01 lakh vs. amount as per unaudited books of account Rs. 9,628.40 lakh); Rs. 339.03 lakh for the quarter ended

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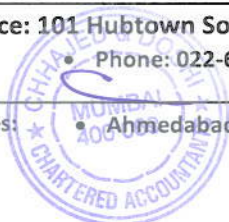
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March 2022 (amount reported Rs. 8,443.84 lakh vs amount as per audited books of account Rs. 8,782.87 lakh) and differences noted in trade payable amounting to Rs. 106.55 lakh for the quarter ended March 2022 (amount reported Rs. 1,271.64 lakh vs. amount as per audited books of account Rs. 1,165.09 lakh).

- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has granted loans to subsidiary Company. The details of the same are given below:

(Amt. in INR lakhs)

Particulars	Loan Amount
Aggregate amount during the year	
- Subsidiaries	1,031.59
- Associates	-
- Others	-
Balance outstanding as at Balance Sheet date	
- Subsidiaries	995.16
- Associates	-
- Others	-

- (b) In our opinion, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in nature of loans and guarantees provided are not prejudicial to the company's interest.
- (c) The schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and payment of interest are regular.
- (d) There is no overdue amount in respect of loans granted to such companies or other parties.
- (e) There is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 & 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities.
- (v) The Company has not accepted deposits from public hence directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under and hence reporting under clause (v) of the said Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records applicable to the company under sub section (1) of Section 148 of the Companies Act, 2013 and hence reporting under clause (vi) of the said Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods & Services tax, Customs duty and other material statutory dues as applicable to the company, have generally been regularly deposited during the year by the Company with the appropriate authorities.

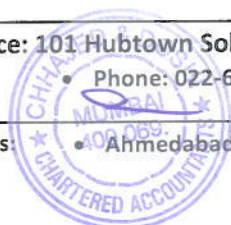
According to the information and explanations given to us and on the basis of our examination of the records, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods & Services tax, Customs duty, Excise duty and other material statutory dues were in arrears as at 31st March, 2021 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and the records of the Company, there have been no dues in respect of Sales Tax, Income Tax, Value Added Tax, Custom Duty, Excise Duty, Goods & Services tax and Service Tax etc. which have not been deposited on account of any dispute except as under:

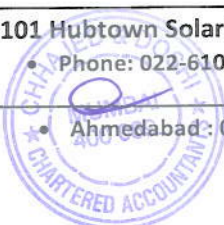


Name of Statute	Nature of dues	Amount Rs.	Period which relates to it	Forum where dispute is pending
Customs Act, 1962	Customs Duty	12,14,775	AY 2011-12 & AY 2013-14	Commissioner, Customs
		1,53,51,448	AY 2010-11 to AY 2015-16	Tribunal
		27,17,25,850	AY 2010-11 to AY 2015-16	Tribunal
Income Tax Act, 1961	Income Tax	21,78,231	AY 2012-13	Commissioner of Income Tax (Appeals)
GST Law	Goods and Services Tax	2,87,41,269	AY 2019-20	Allahabad High Court
		23,24,077	AY 2020-21	Allahabad High Court
Indian Stamp Act, 1899	Stamp Duty	17,08,000	AY 2015-16	Appellate Authority upto Commissioner

- (viii) As per the information and explanation provided to us and as represented to us, there were no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) The Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
- (c) The Company has not taken any term loans during the year and there are no unutilized term loans at the beginning of the year and hence reporting under clause (ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion the funds raised on short term basis have, prima facie, not been utilised during the year for long term purposes by the Company.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.



- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partially or optionally) during the year and hence reporting under clause (x)(b) of Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year. We have not been informed of any such case by the management.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
- (c) According to information and explanation given to us by the management, no whistle blower complains were received during the year by the Company.
- (xii) The company is not a Nidhi Company, thus reporting requirement under clause (xii) of the said Order is not applicable.
- (xiii) According to the information and explanations given to us and in our opinion, all the transactions with the related parties as defined under the Act are in compliance with provisions of sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.



- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding or subsidiary companies or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under Clause 3(xvi) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year without a valid Certificate of Registration (CoR) from the RBI as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC, and therefore reporting under clause (xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects, requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act, and hence reporting under clause (xx)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects, requiring a transfer to a special account in compliance with provisions of sub-section (6) of Section 135 of the said Act, and hence reporting under clause (xx)(b) of the Order is not applicable to the Company.

Place: Mumbai
Date: 22nd June 2022

For CHHAJED & DOSHI
Chartered Accountants
[FRN 101794W]



CA M.P. Chhajed
Partner

M. No. 049357

UDIN: 22049357A0A75B4179

Annexure II to the Independent Auditors' Report
(Referred to in our report of even date)

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

1. We have audited the internal financial controls over financial reporting of **GEM AROMATICS PRIVATE LIMITED** ("the Company") as at 31st March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 Control 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.

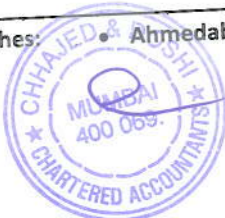
Auditors' Responsibility

3. 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 ICAI. 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.

Page 1 of 3

Head Office: 101 Hubtown Solaris, Near East West Flyover, N. S. Phadke Marg, Andheri (E), Mumbai – 400 069
• Phone: 022-61037878 • Fax: 022-61037879 • E mail: info@cndindia.com

Branches: • Ahmedabad : 079-2646 4413 • Delhi: 011-4611 3950 • Dombivli: 0251-286 0936



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.

Meaning of Internal Financial Controls over Financial Reporting

4. 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.

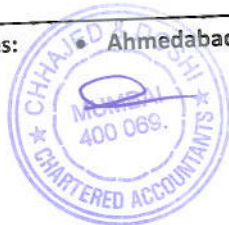
Inherent Limitations of Internal Financial Controls over Financial Reporting

5. 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.

Page 2 of 3

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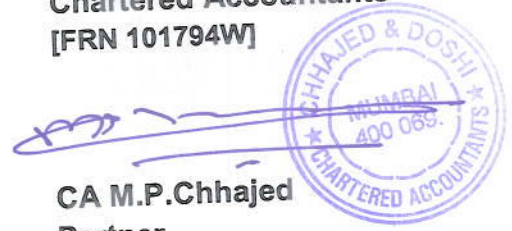
Branches: Ahmedabad : 079-2646 4413 • Delhi: 011-4611 3950 • Dombivli: 0251-286 0936



Opinion

6. 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 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Control over Financial Reporting issued by the ICAI.

For CHHAJED & DOSHI
Chartered Accountants
[FRN 101794W]



Place: Mumbai
Date: 22nd June, 2022

CA M.P. Chhajed
Partner

M. No. 049357

UDIN: 22049357AOA7SB4179

GEM AROMATICS PRIVATE LIMITED

BALANCE SHEET AS AT 31-03-2022

(All figures in INR lakhs unless otherwise stated)

Particulars	Note No.	As at 31-03-2022	As at 31-03-2021
I EQUITY AND LIABILITIES			
1 Shareholders' funds			
a Share capital	3	178.49	178.49
b Reserves and surplus	4	14,664.89	10,946.98
		<u>14,843.38</u>	<u>11,125.47</u>
2 Non-current liabilities			
a Deferred tax liabilities (Net)	38	21.83	26.10
b Long-term provisions	5	4.20	14.85
		<u>26.03</u>	<u>40.95</u>
3 Current liabilities			
a Short-term borrowings	6	7,686.26	5,540.28
b Trade payables	7		
A) Total Outstanding dues of Micro Enterprises & small enterprises		497.56	217.35
B) Total Outstanding dues of Creditors other than Micro Enterprises & small enterprises		929.71	1,331.99
c Other current liabilities	8	495.71	352.37
d Short-term provisions	9	299.07	56.64
		<u>9,908.31</u>	<u>7,498.63</u>
TOTAL		<u>24,777.72</u>	<u>18,665.05</u>
II ASSETS			
1 Non-current assets			
a Property, Plant and Equipment and Intangible assets	10		
i) Property, Plant and Equipment		2,622.16	2,411.00
ii) Intangible assets		2.30	3.71
iii) Capital work-in-progress		128.70	215.17
		<u>2,753.16</u>	<u>2,629.88</u>
b Non-current investments	11	41.14	38.01
c Long-term loans and advances	12	995.16	-
d Other non-current assets	13	33.21	32.78
		<u>3,822.67</u>	<u>2,700.67</u>
2 Current assets			
a Inventories	14	8,782.88	6,828.71
b Trade receivables	15	9,732.79	6,968.27
c Cash and cash equivalents	16	421.93	565.12
d Short-term loans and advances	17	261.66	18.40
e Other current assets	18	1,755.79	1,583.88
		<u>20,955.05</u>	<u>15,964.38</u>
TOTAL		<u>24,777.72</u>	<u>18,665.05</u>

Statement of Significant Accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

FOR CHHAJED & DOSHI
CHARTERED ACCOUNTANTS
 [Firm Reg No: 101794W]



CA M.P. Chhajed
 Partner
 M. No.: 049357
 Place: Mumbai
 Date: 22-06-2022

For and on behalf of the Board of Directors

Vipul N. Parekh
 DIN: 00235974

Yash V. Parekh
 DIN: 03514313

Place: Budaun, Uttar Pradesh
 Date: 22-06-2022

GEM AROMATICS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31-03-2022

(All figures in INR lakhs unless otherwise stated)

Particulars	Note No.	2021-22	2020-21
I Revenue from operations	19	33,933.88	31,987.18
II Other income	20	329.12	445.98
III Total Income (I + II)		34,263.00	32,433.16
IV Expenses:			
Cost of materials consumed	21	27,276.39	27,484.31
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	22	(1,432.25)	(1,014.24)
Employee benefits expense	23	930.72	695.20
Finance costs	24	298.92	211.45
Depreciation and amortization expense	10	387.60	327.36
Other expenses	25	1,765.79	1,716.11
Total expenses		29,227.17	29,420.19
V Profit before tax (III- IV)		5,035.83	3,012.97
VI Tax expense:			
i. Current tax		1,325.00	785.00
ii. Short/ (Excess) for earlier years		(4.09)	(25.95)
iii. Deferred tax	38	(4.28)	(95.57)
		1,316.63	663.48
VII Profit (Loss) for the period (V-VI)		3,719.20	2,349.49
VIII Earnings per equity share:			
(1) Basic / Diluted (In Rs.)		208.38	131.63
(2) Face Value (In Rs.)		10	10

Statement of Significant Accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

FOR CHHAJED & DOSHI
CHARTERED ACCOUNTANTS
[Firm Reg No: 101794W]



CA M.P. Chhajed
Partner
M. No.: 049357
Place: Mumbai
Date: 22-06-2022

For and on behalf of the Board of Directors


Vipul N. Parekh
DIN: 00235974




Yash V. Parekh
DIN: 03514313

Place: Budaun, Uttar Pradesh
Date: 22-06-2022

GEM AROMATICS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2022

(All figures in INR lakhs unless otherwise stated)

Particulars	2021-22	2020-21
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	5,035.83	3,012.97
Adjustments for :		
Depreciation	383.77	327.36
W/off & loss on fixed assets	2.83	0.75
Interest income	(71.76)	(10.35)
Finance costs	298.92	211.45
Foreign Exchange losses/(gains) (Net)	(243.92)	(434.18)
	369.84	95.03
Operating Profit before Working Capital Changes	5,405.67	3,108.00
Long-term provisions	(10.65)	(6.27)
Trade receivables	(2,764.52)	(2,731.02)
Advances	(243.26)	430.16
Inventories	(1,954.17)	(257.29)
Other current assets	(171.76)	(546.23)
Trade payables & Other current liabilities	(35.43)	383.32
	(5,179.79)	(2,727.33)
CASH GENERATED FROM THE OPERATIONS	225.88	380.67
Income taxes paid (Net)	(1,021.80)	(702.07)
Net Cash from Operating Activities	(795.92)	(321.40)
B CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Property, Plant and Equipment	(520.60)	(539.91)
Sale of Property, Plant and Equipment	9.30	7.04
Interest income	71.76	10.35
Investments sold/(purchased)	(3.56)	-
Net Cash from Investment activities	(443.10)	(522.52)
C CASH FLOW FROM FINANCING ACTIVITIES		
Finance costs	(298.92)	(211.45)
Foreign Exchange losses/(gains) (Net)	243.92	434.18
Net proceeds from borrowings	1,150.82	586.70
Net Cash from Financing activities	1,095.82	809.43
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(143.22)	(34.49)
Closing Cash and Cash equivalent	421.93	565.12
Opening Cash and Cash equivalent	565.12	599.62
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(143.19)	(34.50)
Breakup of Cash and Cash Equivalent		
Cash in hand	10.00	9.20
Cash at bank	306.96	139.41
Fixed deposit (Maturity less than three month)	26.08	5.61
Cash credit account	78.89	410.89
	421.93	565.11

Note: Figure in brackets denote outflows.

Statement of Significant Accounting policies

The accompanying notes are an integral part of the financial statements.

2

FOR CHHAJED & DOSHI
 CHARTERED ACCOUNTANTS
 [Firm Reg No: 101794W]



CA M.P. Chhajed
 Partner
 M. No.: 049357
 Place: Mumbai
 Date: 22-06-2022



For and on behalf of the Board of Directors


 Vipul N. Parekh
 DIN: 00235974




 Yash V. Parekh
 DIN: 03514313

Place: Budaun, Uttar Pradesh
 Date: 22-06-2022

GEM AROMATICS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

Note No. 1:

CORPORATE INFORMATION

Gem Aromatics Private Limited is a Private Limited Company incorporated in India under the provisions of the erstwhile Companies Act 1956. The registered office of the company is situated in the state of Maharashtra. The company carries on business as manufacturers, importer, exporters of essential oils viz. Peppermint Oil, Spearmint Oil, Co-products and other related products. It carries on manufacturing operations at the plants located at Silvassa, Dadra & Nagar Haveli & Daman & Diu and Badaun, UP.

Note No. 2:

STATEMENT OF ACCOUNTING POLICIES AND PRACTICES

A Basis of Preparation of Financial Statements:

The financial statements of the Company are prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 (Act) read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention.

All Assets and Liabilities have been classified as Current and Non-Current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act. Based on the realization, the Company has ascertained its operating cycle as 12 months for the purpose of Current - Non-Current classification of Assets and Liabilities.

B Use of estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known or materialise.

C Revenue Recognition:

Sale of Goods

Revenue from sale of goods is recognised, net of returns and trade discounts, deductions claimed and / or allowed on account of price difference, quantity discount and claims for shortages etc., if any, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods. Sales excludes Goods & Services Tax (GST). When there is uncertainty about the ultimate collectability, the revenue recognition is postponed until such uncertainty is resolved.

Other Income

Revenue in respect of interest on overdue receivables, insurance claims, etc. is recognised to the extent the Company is reasonably certain of its ultimate realisation.

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive is established. Interest from customers on delayed payments are recognised when there is a certainty of realisation.

Export incentives are recognised when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.



GEM AROMATICS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

D Property, Plant & Equipment and Intangible Assets

i. Tangible Assets

Assets are stated at cost of acquisition less accumulated depreciation / amortisation. Expenditure which are of capital in nature are capitalized at cost which comprises of purchase price (net of rebates, discounts, taxes where ever input credit is available), import duties, levies, exchange rate difference and all other expenditure directly attributable to cost of bringing the assets to its working condition for its intended use.

Borrowing cost relating to the acquisition of Property, Plant and Equipments are included to the extent they relate to the period till such assets.

Subsequent expenditure on assets after its purchase/ completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

ii. Intangible Assets

Intangible assets are recognised only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

iii. Capital Work In Progress

Cost of assets not ready for intended use, as on the balance sheet date, are shown as capital work in progress.

E Depreciation & Amortisation

i. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible assets has been provided on the written down value taking the useful life prescribed in Schedule II to the Companies Act, 2013 as the base for applying the rate of depreciation on the asset.

ii. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

iii. Assets costing less than Rs. 5,000/- are fully depreciated in the year of purchase.

iv. The Management estimates the Residual life for the assets at 5%.

v. Impairment of Assets

The company assesses at each balance sheet date whether there is an indication that an asset or group of asset (cash generating unit) may be impaired. If such indication exist, the company estimates recoverable amount of asset or group of assets and the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and recognised in statement of profit & loss.



F Borrowing Cost:

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forward exchange con

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income on



GEM AROMATICS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

K Employee Benefits:

- i. Defined Contribution Plan - Employee benefits include Provident Fund, Employee State Insurance Scheme & Gratuity Fund. The Company's contribution to Provident Fund and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by employees.
- ii. Define Contribution plan- Gratuity is considered to be defined benefit plan in accordance with applicable Indian laws. The company provides for Gratuity covering all its employees except Whole Time Directors. The Gratuity Plan provides a lumpsum payment to vested employees, at retirement or termination of employment, an amount based on the employee's last drawn salary and the terms of the employment with the company. Liability with regard to Gratuity Plan is recognised on the basis of actuarial valuation at the Balance Sheet date done by an independent actuary.

The Cost of providing benefits is determined using the Projected Unit Credit (PUC) method, with actuarial valuations being carried out at each Balance Sheet date, to assess the Plan's liabilities, including those related to death-in-service benefits. Under the PUC method, a 'projected accrued benefit' is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the plan. The 'projected accrued benefit' is based on the Plan's accrual formula and upon the service as at the beginning or end of the year, but using a member's final compensation, projected to the age at which the employee is assumed to leave active service. The Plan Liability is the actuarial present value of the 'projected accrued benefits' as at the end of the year for the Plan's active members.

L Taxes on Income:

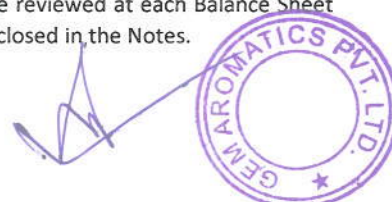
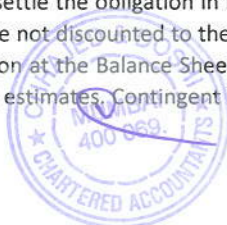
- i. Tax expense comprises of current and deferred Tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.
- ii. Deferred income taxes reflects the impact of current year/period timing differences between taxable income and accounting income for the year/period and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet 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 tax assets and the deferred tax liabilities related to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.
- iii. At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognises unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

M Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares be considered as potentially dilutive.

N Commitments and Contingencies Liabilities:

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.



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GEM AROMATICS PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

(All figures in INR lakhs unless otherwise stated)

Note No.	Particulars	As at 31-03-2022		As at 31-03-2021	
		No. of shares	Amount	No. of shares	Amount
3	Share capital				
(a)	Authorised				
	Equity shares of Rs. 10/- each.	18,50,000	185.00	18,50,000	185.00
(b)	Issued, Subscribed and Fully paid up				
	Equity shares of Rs. 10/- each.	17,84,858	178.49	17,84,858	178.49
	Total	17,84,858	178.49	17,84,858	178.49

Refer Notes (i) to (v) below

Notes:

- (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting
- | Particulars | Opening Balance | Fresh issue | Bonus | Closing Balance |
|-----------------------|-----------------|-------------|-------|-----------------|
| Equity shares | - | - | - | - |
| Year ended 31-03-2022 | | | | - |
| - Number of shares | 1,78,48,580 | | | 1,78,48,580 |
| - Amount in Rupees | 1,784.86 | | | 1,784.86 |
| Year ended 31-03-2021 | | | | - |
| - Number of shares | 1,78,48,580 | | | 1,78,48,580 |
| - Amount in Rupees | 1,784.86 | | | 1,784.86 |
- (ii) The Company has only one class of share capital namely Equity Shares having face value of Rs. 10 each.
- a) In respect of every equity share (whether fully paid or partly paid), voting right shall be in the same proportion as the capital paid up on such equity share bears to the total paid up equity capital of the company.
- b) In the event of liquidation, the shareholders of equity shares are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their share holdings.
- c) The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.
- (iii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: NIL

- (iv) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31-03-2022		As at 31-03-2021	
	No. of shares	% holding	No. of shares	% holding
Equity shares with voting rights:				
Vipul N Parekh	6,49,580	36.39%	6,49,580	36.39%
Doterra Enterprises, SARL	4,46,215	25.00%	4,46,215	25.00%
Yash V Parekh	3,47,650	19.48%	3,29,104	18.44%
Kaksha V Parekh	3,41,413	19.13%	3,05,748	17.13%

- (v) Details of shares held by promoters

Promoter Name	As at 31-03-2022		As at 31-03-2021	
	No. of shares	% holding	No. of shares	% holding
Vipul N Parekh	6,49,580	36.39%	6,49,580	36.39%
Doterra Enterprises, SARL	4,46,215	25.00%	4,46,215	25.00%
Yash V Parekh	3,47,650	19.48%	3,29,104	18.44%
Kaksha V Parekh	3,41,413	19.13%	3,05,748	17.13%
Vipul N Parekh HUF	-	0.00%	54,211	3.04%
Total	17,84,858	100.00%	17,84,858	100.00%



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GEM AROMATICS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

(All figures in INR lakhs unless otherwise stated)

Note No.	Particulars	As at 31-03-2022	As at 31-03-2021
4	<u>Reserves and surplus</u>		
(a)	<u>General Reserves</u>		
	Opening Balance	3.17	3.17
	Add /(Less): During the year	-	-
		<u>3.17</u>	<u>3.17</u>
(b)	<u>Securities Premium</u>		
	Opening Balance	4,778.37	4,778.37
	Add /(Less): During the year	-	-
		<u>4,778.37</u>	<u>4,778.37</u>
(c)	<u>Revaluation Reserve</u>		
	Opening Balance	39.03	40.39
	Add /(Less): During the year	(1.30)	(1.36)
		<u>37.73</u>	<u>39.03</u>
(d)	<u>Surplus in Statement of Profit & Loss</u>		
	Balance as per Last Balance Sheet	6,126.41	3,776.92
	Add: Profit / (Loss) for the year	3,719.20	2,349.49
		<u>9,845.61</u>	<u>6,126.41</u>
	Total	14,664.89	10,946.98



GEM AROMATICS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

Note No.	Particulars	(All figures in INR lakhs unless otherwise stated)	
		As at 31-03-2022	As at 31-03-2021
5 Long-term provisions			
(a) Provision for Gratuity		4.20	14.85
Total		4.20	14.85
6 Short-term borrowings			
(a) Loans repayable on demand			
(i) from banks		7,686.26	5,510.24
(b) Current maturities of long -term debt		-	30.04
Total		7,686.26	5,540.28
Notes:			
(i) Details of Secured Short-Term Borrowings :-			
Packing Credit			
(i) Export Packing Credit from Scheduled Bank		4,772.32	3,820.48
(ii) Post-Shipment Packing Credit from Schedule Bank		2,078.97	1,689.76
Cash Credit/ Bank Overdraft			
(i) Cash Credit/ Overdraft from Scheduled Bank		228.51	-
(ii) Working Capital Demand Loan from Bank		606.46	-
		7,686.26	5,510.24
(Secured against Hypothecation of Stock, Book Debts, Factory Land & Building at Silvassa & Badaun, Personal Guarantee of Director)			
(ii) Details of Interest on Loan :-			
Export Packing Credit from Schedule Bank		Rate*	
<i>In Rupees</i>			
Standard Chartered Bank		8.95%	
DBS Bank		8.45%	
Citi Bank		8.50%	
Axis		7.50%	
<i>In Foreign Currency</i>			
Standard Chartered Bank		LIBOR + 1.75%	
DBS Bank		LIBOR + 2%	
Citi Bank		LIBOR + 1.75%	
Axis		LIBOR + 2%	
* The above rates of interest does not consider the interest subvention of 3% available to the Company			
(iii) Annual disclosure for reporting of assets hypothecated against Working Capital			
Assets pledged as collateral/security against borrowings		As at March 31, 2022	As at March 31, 2021
Inventory		8,782.87	8,443.84
Trade Receivables		9,732.79	9,767.65
Trade Creditors		(1,165.09)	(1,271.64)
Total		17,350.57	16,939.85
Quarterly returns or statements filed by the company for working capital limits with such banks and financial institutions are in agreement with books of account except for the differences noted in Inventory amounting to Rs. 940.61 lakh for the quarter ended December 2021 (amount reported Rs. 10,569.01 lakh vs. amount as per books of account Rs. 9,628.40 lakh); Rs. 339.03 lakh for the quarter ended March 2022 (amount reported Rs. 8,443.84 lakh vs amount as per books of account Rs. 8,782.87 lakh) and differences noted in trade payable amounting to Rs. 106.55 lakh for the quarter ended March 2022 (amount reported Rs. 1,271.64 lakh vs. amount as per books of account Rs. 1,165.09 lakh).			
7 Trade payables			
(a) Outstanding dues of Micro Enterprises & small enterprises (Refer Note 39)		497.56	217.35
(b) Outstanding dues of Creditors other than Micro Enterprises & small enterprises		929.71	1,331.99
Total		1,427.27	1,549.34
i) Outstanding for following periods from due date of payment			
Undisputed		MSME	Others
Not Due		78.98	30.76
Less than 1 year		418.54	186.59
1-2 years		0.04	3.53
Total		497.56	217.35
8 Other current liabilities			
(a) Interest accrued but not due on borrowings		5.80	4.57
(b) Statutory Dues		19.41	44.43
(c) Advances from customers		28.79	42.83
(d) Salary & Incentive Payable		240.40	119.52
(e) Others Expenses Payable		201.31	141.02
Total		495.71	352.37
9 Short-term provisions			
(a) Provision for Taxation (Net of Advance Tax)		299.07	56.64
Total		299.07	56.64

GEM AROMATICS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

(All figures in INR lakhs unless otherwise stated)

Note 10 : Property, Plant & Equipment and Intangible Assets

(i) Tangible Assets											
Sr No	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		As on 01.04.2021	Addition	(Deletions)	As on 31.03.2022	Upto 01.04.2021	For the Year	Deletions for the year	Upto 31.03.2022	As on 31.03.2022	As on 01.04.2021
(a)	Land	390.83	-	-	390.83	-	-	-	-	390.83	390.83
(b)	Building	872.91	142.55	-	1,015.46	335.51	54.59	-	390.10	625.36	537.40
(c)	Vehicles	214.18	36.16	44.69	205.65	148.00	25.16	42.13	131.03	74.62	66.18
(d)	Furniture & Fixtures	66.90	2.85	8.93	60.82	47.46	5.08	5.47	47.07	13.75	19.44
(e)	Plant & Machinery & Equipment	2,015.96	384.15	14.46	2,385.65	733.23	254.62	9.32	978.53	1,407.12	1,282.73
(f)	Computers & Systems	43.49	24.41	1.79	66.11	32.10	12.39	1.41	43.08	23.03	11.39
(g)	Office Equipment	33.56	15.20	-	48.76	22.88	7.45	-	30.33	18.43	10.68
(h)	Lab Equipments	115.52	-	12.06	103.46	70.74	11.91	11.46	71.19	32.27	44.78
(i)	Electrical Installation	117.14	1.75	-	118.89	69.57	12.57	-	82.14	36.75	47.57
TOTAL		3,870.49	607.07	81.93	4,395.63	1,459.49	383.77	69.79	1,773.47	2,622.16	2,411.00
Previous year			(377.32)	(40.13)			(323.89)	(32.24)			

(ii) Intangible Assets		GROSS BLOCK			AMORTISATION			NET BLOCK			
Sr No	Particulars	As on 01.04.2021	Addition	(Deletions)	As on 31.03.2022	Upto 01.04.2021	For the Year	Deletions for the year	Upto 31.03.2022	As on 31.03.2022	As on 01.04.2021
(a)	Softwares	17.72	3.75	-	21.47	14.02	5.14	-	19.16	2.30	3.71
	TOTAL	17.72	3.75	-	21.47	14.02	5.14	-	19.16	2.30	3.71
	Previous year		-				(4.83)				

(iii) CAPITAL WORK IN PROGRESS

Sr No	Particulars	As on 01.04.2021	Addition	(Deletions)	As on 31.03.2022
1	Capital Work in Progress	215.17	520.59	607.06	128.70
	TOTAL	215.17	520.59	607.06	128.70
	Previous Year		(539.91)	(377.32)	

Note

(a) CWIP Aging Schedule - March 2022		Total amount in CWIP for a period of		CWIP which is overdue or has exceeded its cost - to be completed in	
Particulars	Less than 1 year	1-2 years	2-3 years	Total	Total
Projects in progress	67.23	61.47	-	128.70	-
Projects temporarily suspended	-	-	-	-	-

(b) CWIP Aging Schedule - March 2021		Total amount in CWIP for a period of		CWIP which is overdue or has exceeded its cost - to be completed in	
Particulars	Less than 1 year	1-2 years	2-3 years	Total	Total
Projects in progress	162.58	52.59	-	215.17	-
Projects temporarily suspended	-	-	-	-	-

Notes :-

11.1 - Depreciation for the year includes depreciation of Rs. 1.30 lakhs on revolved assets (Previous Year Rs. 1.36 lakhs).

11.2 - Vehicles includes 4 (P.Y. 4) Motor Cars registered in the personal name of the directors held by them in trust on behalf of the company.

11.3 - Previous year figures have been regrouped / rearranged to match with the current year.



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GEM AROMATICS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022
(All figures in INR lakhs unless otherwise stated)

Note No.	Particulars	As at 31-03-2022		As at 31-03-2021	
11	<u>Non-current investments</u>	Qty	Amount	Qty	Amount
(i)	<u>Unquoted</u>				
(a)	Investments in Equity Instruments of Subsidiaries				
	Gem Aromatics LLC (US\$ 10 each fully paid)	5,000	37.99	5,000	37.99
	Krystal Ingredients Private Limited (Rs 10 each fully paid)	10,000	1.00	-	-
	Gem Aromatics FZ LLC (AED 1000 each fully paid)	10	2.13	-	-
(b)	Investments in Government or trust securities		0.02		0.02
	Total		41.14		38.01
12	<u>Long-term loans and advances</u>				
	<u>Unsecured, considered good</u>				
(a)	Loans & Advances to related parties		995.16		-
	Total		995.16		-
	Note: Loans include debts due from Related parties:				
	Private companies in which any director is a director or member		995.16		-
13	<u>Other non-current assets</u>				
(a)	Fixed Deposits		1.00		-
(b)	Other Loans & advances (Security Deposits)		32.21		32.78
	Total		33.21		32.78



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GEM AROMATICS PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

(All figures in INR lakhs unless otherwise stated)

Note No.	Particulars	As at 31-03-2022	As at 31-03-2021
14	<u>Inventories</u>		
	(Valued at lower of cost and net realizable value)		
(a)	Raw materials	2,105.54	1,637.30
(b)	Work-in-progress	5,931.27	4,538.85
(c)	Finished goods	506.60	258.10
(d)	Stores and spares	111.51	57.83
(e)	Finished Goods in Transit	127.96	336.63
	Total	8,782.88	6,828.71
15	<u>Trade Receivables</u>		
	Trade Receivables considered good - Unsecured	9,732.79	6,968.27
	Less: Provision for Doubtful Debts	-	-
		9,732.79	6,968.27
	Total	9,732.79	6,968.27
	Note:		
i)	Outstanding for following periods from due date of payment		
	<u>Undisputed</u>		
	Not Due	7,562.02	4,288.09
	Less than 6 Months	1,577.18	2,457.83
	6 Months - 1 year	388.47	222.35
	1-2 years	205.12	-
	Total	9,732.79	6,968.27



GEM AROMATICS PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

(All figures in INR lakhs unless otherwise stated)

Note No.	Particulars	As at 31-03-2022	As at 31-03-2021
16	<u>Cash and cash equivalents</u>		
(a)	Balances with Banks	385.85	550.31
(b)	Cash on hand	10.00	9.20
(c)	Others (Fixed Deposits)*	26.08	5.61
	Total	421.93	565.12
*Fixed Deposits amounting to Rs. 22.78 lakhs has been marked lien towards LC facility availed			
17	<u>Short-term loans and advances</u>		
	<u>Unsecured, considered good</u>		
(a)	Other Loans & advances (Advances to Suppliers)	253.31	14.83
(b)	Other Loans & advances (Loan to Employees)	8.35	3.57
	Total	261.66	18.40
18	<u>Other current assets</u>		
(a)	Interest accrued on Fixed Deposits	0.35	0.16
(b)	Security Deposits	-	26.38
(c)	Balance with Statutory / Government Authorities	953.51	688.39
(d)	MEIS Licence Stock	229.91	3.19
(e)	Prepaid Expenses	26.00	68.34
(f)	Export Incentives Receivable	428.79	475.67
(g)	Advances receivable in Cash or in kind	117.23	320.74
	Total	1,755.79	1,583.88



GEM AROMATICS PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

(All figures in INR lakhs unless otherwise stated)

Note No.	Particulars	For the year ended 31-03-2022	For the year ended 31-03-2021
19	<u>Revenue from operations</u>		
(a)	Sale of Finished Goods (Processed Aromatic Oils)		
	Export Sales	20,342.60	19,742.81
	Domestic Sales	13,050.27	11,655.77
(b)	Other operating revenues		
	Export Incentives	207.52	453.27
	Duty Drawback	106.63	128.27
	Job work charges	15.22	-
	Others	211.64	7.06
	Total	33,933.88	31,987.18
20	<u>Other Income</u>		
(a)	Interest Income		
	Interest on Deposit with Bank	0.38	10.35
	Interest from others	71.39	-
(b)	Net gain/loss (Foreign Currency)	243.92	434.18
(c)	Other non-operating income		
	Sundry balances written back	12.18	-
	Miscellaneous Income	1.25	1.45
	Total	329.12	445.98



GEM AROMATICS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

(All figures in INR lakhs unless otherwise stated)

Note No.	Particulars	For the year ended 31-03-2022	For the year ended 31-03-2021
21	<u>Cost of materials consumed</u>		
	Opening Stock of Raw Material	1,637.30	2,404.40
	Add : Purchases of Raw material	27,744.63	26,717.21
	Less : Closing Stock of Raw Material	2,105.54	1,637.30
	Cost of Material Consumed	27,276.39	27,484.31
22	<u>Changes in inventories of stock-in-trade</u>		
	<u>Inventories at the beginning of the year</u>		
	Finished Goods	258.10	99.55
	Work - in - Progress	4,538.85	4,010.79
	Finished Goods in Transit	336.63	-
	<u>Inventories at the end of the year</u>		
	Finished Goods	506.60	258.10
	Work - in - Progress	5,931.27	4,538.85
	Finished Goods in Transit	127.96	336.63
	(Net increase) / decrease	(1,432.25)	(1,014.24)
23	<u>Employee benefits expense</u>		
(a)	Salaries, Wages & Other Benefits	902.06	676.79
(b)	Contribution to Provident Fund and Other Funds	23.32	13.57
(c)	Staff Welfare Expenses	5.34	4.84
	Total	930.72	695.20
24	<u>Finance Costs</u>		
(a)	Interest	254.20	187.69
(b)	Other borrowing costs (Processing Fee & Stamp Duty)	44.72	23.76
	Total	298.92	211.45



GEM AROMATICS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

(All figures in INR lakhs unless otherwise stated)

Note No.	Particulars	For the year ended 31-03-2022	For the year ended 31-03-2021
25 Other Expenses			
	Export Shipment & other charges	535.90	434.66
	COGS-Packing Material and Stores & Spare parts	384.49	269.21
	COGS-Power and Fuel	312.70	205.84
	Deposits W/off	-	289.94
	Freight Outward	67.25	61.66
	Travelling and Conveyance	24.08	30.07
	Selling & Distribution Expense	40.87	31.81
	Repairs & Maintenance - Factory	11.01	18.48
	Repairs & Maintenance - Others	35.40	27.61
	Insurance Premium	60.36	37.47
	Auditors Remuneration (Refer Note 25.1 below)	17.40	15.00
	Legal and Professional fees	76.51	71.39
	Postage & Telephone Expenses	21.59	9.51
	Rent Expense	43.94	41.35
	R & D Expenses	4.47	13.69
	Bank Charges	9.12	10.91
	Motor Car Expenses	9.87	7.15
	Electricity Charges	2.48	2.03
	Security Charges	21.40	22.41
	CSR Expenditure (Refer Note 25.2 below)	26.81	59.78
	License and Registration Fees	20.54	5.74
	Loss on Sale of Fixed Assets / written off	2.83	0.75
	Bad Debts	1.48	1.11
	Miscellaneous expenses	35.29	48.54
	Total	1,765.79	1,716.11
25.1 Auditors' Remuneration			
(i)	Audit fees	9.00	9.00
(ii)	Tax Audit	3.00	3.00
(iii)	Other Services	5.40	3.00
		17.40	15.00
25.2 Corporate Social Responsibilities			
(i)	Amount required to be spent by the company during the year	48.54	32.19
(ii)	Amount of expenditure incurred	26.81	59.78
(iii)	Shortfall/ (Excess) at the end of the year (after adjusting PY excess balance)	(5.87)	(27.59)
(iv)	The Company has incurred CSR Expenditure during the year towards promotion of healthcare, education and eradication of hunger.		



GEM AROMATICS PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

Note 26 - Annexure I - Ratios

Sr. No.	Name of Ratios (no. of times except where specifically stated)	Formula	Ratio %		Change % (Current year less previous year)	Remarks (if change is more than 25%)
			Current Year	Previous Year		
(a)	Current Ratio	Current Assets / Current Liabilities	2.11	2.13	-0.66%	-
(b)	Debt-Equity Ratio	Total Debt / Shareholder's Equity	0.52	0.50	3.98%	-
(c)	Debt Service Coverage Ratio	Earnings available for Debt Service (Net Profit before taxes + Non-cash operating expenses + Interest + Other non-cash adjustments) / Debt service (Interest and lease payments + Principal Repayments)	0.72	0.62	16.25%	-
(d)	Return on Equity Ratio	Net Profits after taxes / Average Shareholder's Equity	0.29	0.24	21.29%	-
(e)	Inventory Turnover Ratio	Sales / Average Inventory	4.35	4.77	-8.94%	-
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	4.06	5.71	-28.82%	Since Sales were high during the period end compared to last year
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	18.64	19.85	-6.11%	-
(h)	Net Capital Turnover Ratio	Net Sales / Average Working Capital	3.07	3.78	-18.70%	-
(i)	Net Profit Ratio	Profit after Tax / Revenue from operations	0.11	0.07	49.22%	Profit for the year has increased due to reduction in raw material prices and sale of high margin products
(j)	Return on Capital Employed (%)	Earning before interest and taxes / Capital employed (Net Worth + Total Debt + Deferred Tax Liabilities)	23.66%	19.32%	22.46%	-
(k)	Return on Investment	Income generated from Invested Funds / Average Invested Funds in Treasury Investments	NA	NA	NA	-



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GEM AROMATICS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022
(All figures in INR lakhs unless otherwise stated)

Note No.	PARTICULARS	As at 31st March 2022	As at 31st March 2021
27	CONTINGENT LIABILITIES & COMMITMENTS		
27.1	Claims against the company not acknowledged as debt :		
	Under Customs ⁽ⁱ⁾	2,882.92	1,489.80
	Under Income Tax Act	21.78	43.05
	Under GST Act (Disallowance of ITC availed) ⁽ⁱⁱ⁾	364.48	-
	Under Stamp Duty Act ⁽ⁱⁱⁱ⁾	17.08	17.08
		3,286.26	1,549.93
<p>⁽ⁱ⁾ Out of the three cases initiated by Customs Investigation Unit, appeals for two are with the Appellate authority and the company has entirely paid off all the dues. However, the Company has initiated an appeal in the appellate tribunal. As for the third case, the order for the same is yet to be received despite multiple hearings, the initial demand raised in the said case is at Rs. 12,14,775.</p> <p>Further, the Company had received two show cause notices and order from Commissioner Of Customs regarding the investigation conducted by DRI with respect to advance authorisation scheme. The order has been challenged by the company in CESTAT, Mumbai and are awaiting the hearing. The Directorate General of Foreign Trade has acquitted the company of all the charges accused by the commissioner of Customs /Directorate of Revenue Intelligence vide order no. DGFT O-I-O No: 03/02/001/JDGFT/DRI/AZU/ZU-Misc/001/AM16 dated 13.12.2019. Also, all the advance Licenses under the Order / appeal are redeemed by DGFT. The company further seeks to place reliance on Supreme Court ruling in Titan Medical Systems Pvt. Ltd.'s case (case ref no.: 2003 (151) E.L.T. 254 (S.C.)) wherein the Hon'ble Supreme Court has observed that "the licensing authority have not claimed that there was any misrepresentation. Once an advance licence was issued and not questioned by the licensing authority, the Customs authorities cannot refuse exemption on an allegation that there was misrepresentation. If there was any misrepresentation, it was for the licensing authority to take steps in that behalf".</p> <p>⁽ⁱⁱ⁾ The Company received GST demand for FY 2018-19 and FY 2019-20 disallowing input tax credit availed by the Company even though the same was paid by the supplier to the department in case of one of its' supplier due to some procedural lapses at the end of supplier. The Company has filed an appeal against the said demand in the Allahabad High Court relying on various judgements in favour of the Company. Hence, the Company does not expect any cash outflow in this regard.</p> <p>⁽ⁱⁱⁱ⁾ The company received an order by District Magistrate for recovery of short payment of Stamp duty on purchase of Land at Budaun, Uttar Pradesh, which the Company is of the opinion that it does not pertain to them to the tune of Rs. 17.08 lakhs. The Company presented an order from Mandal Commissioner, in favour of the Company, to the District Magistrate and the Company does not expect any cash outflow in this regard.</p>			
27.2	Bank Guarantees:		
	With Customs Authorities	47.27	47.27
		47.27	47.27
28	CIF VALUE OF IMPORTS		
	Raw Materials	4,595.68	5,166.01
29	EARNINGS IN FOREIGN EXCHANGE		
	FOB Value of Exports	19,673.23	19,308.15
30	EXPENDITURE IN FOREIGN CURRENCY		
	Travelling	0.03	8.14
	Others	0.44	8.84
		0.47	16.98



GEM AROMATICS PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

(All figures in INR lakhs unless otherwise stated)

Note No. PARTICULARS

31 DETAILS ON DERIVATIVES INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURES

I. The following derivative positions are open as at 31 March, 2022. These transactions have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets and may / may not qualify or be designated as hedging instruments.

(a) Forward exchange contracts and options [being derivative instruments], which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

Outstanding forward exchange contracts entered into by the Company as on 31 March, 2022:

Amount in INR	Foreign Currency	Buy / Sell	Cross currency
7727.24 (11185.13)	USD (USD)	Sell (Sell)	Rupees (Rupees)
706.65 (1579.73)	Yuan (Yuan)	Sell (-)	Rupees (-)

Note: Figures in brackets relate to the previous year

Exposures in Foreign Currency :

I. Assets	Foreign Currency	Exchange Rate	Amount in Foreign currency	Amount
Receivables (trade & other)	USD	75.81 (73.50)	86.20 (55.89)	6,534.82 (4,108.04)
Receivables (trade & other)	YUAN	11.94 (11.29)	99.05 (86.24)	1,182.43 (973.96)
Total Receivables (A)	USD	75.81 (73.50)	86.20 (55.89)	6,534.82 (4,108.04)
Total Receivables (A)	YUAN	11.94 (11.29)	99.05 (86.24)	1,182.43 (973.96)
Hedges by derivative contracts (B)	USD	- (-)	86.20 (55.89)	6,534.82 (4,108.04)
Hedges by derivative contracts (B)	YUAN	- (-)	99.05 (86.24)	1,182.43 (973.96)
II. Liabilities	Foreign Currency	Exchange Rate	Amount in Foreign currency	Amount
Payables (trade & other)	USD	75.81 (73.50)	0.98 (5.41)	74.12 (397.98)
Borrowings (ECB and Others)	USD	75.81 (-)	(90.79) (-)	(6,882.44) (-)
Total Payables (D)	USD	78.11 (73.50)	(95.23) (5.41)	(7,206.30) (397.98)

Note:

(i) Figures in brackets relate to the previous year

(ii) The Foreign Currency exposure in the Payables, disclosed as 'not hedged', is covered by the natural hedge of Foreign Currency Exposure in corresponding assets.



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GEM AROMATICS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022
(All figures in INR lakhs unless otherwise stated)

Note No.	PARTICULARS	As at 31st March 2022	As at 31st March 2021
32	Leases		
	Operating leases payable:		
	Within one year from the balance sheet date	43.94	41.35
	Due in a period between one year and five years	68.20	91.11
	Note : All the lease expenses during the year were operating lease expenses & such lease payments (excluding costs for services such as insurance and maintenance) are recognised as an expense in the statement of profit and loss on a straight line basis.		
33	EARNINGS PER SHARE		
	Net Profit for the year	3,719.20	2,349.49
	Number of equity shares of Rs.10 each at the beginning of the year	17,84,858	17,84,858
	Number of equity shares of Rs.10 each at the end of the year	17,84,858	17,84,858
	Weighted Average No. of Shares	17,84,858	17,84,858
	Earnings per Share (Basic and Diluted) (In Rs.)	208.38	131.63
	Face Value per Share (In Rs.)	10	10

34. SEGMENT REPORTING:

As the Company's business activity falls within a single business segment viz. Essential oils, the financial statements are reflective of the information required by Accounting Standard 17 on Segment Reporting.

35. DETAILS OF RAW MATERIAL CONSUMED

Particulars	For the year ended 31st March 2022		For the year ended 31st March 2021	
	₹	%	₹	%
Raw Materials				
Indigenous	22,680.72	83.15	22,318.30	81.20
Imported	4,595.68	16.85	5,166.01	18.80
Total	27,276.39	100.00	27,484.31	100.00



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GEM AROMATICS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

Note No.	PARTICULARS	For the year ended 31st March 2022	For the year ended 31st March 2021
36	EMPLOYEE BENEFIT PLANS		
36.1	Defined benefit Plans		
	Gratuity: Unfunded Plan		
	As the plan is unfunded, the fair value of plan assets is not applicable and thus any actuarial gains/losses that may arise do not contribute to employer expense.		
	Disclosures for the year ended March 31, 2022. The amounts recognised in the Balance Sheet are as follows:		
	Table 1: Reconciliation of Defined Benefit Obligation (DBO)		
	Present value of DBO at start of year	29.65	23.15
	Current Service Cost	5.84	4.77
	Interest Cost	1.81	1.46
	Benefit Paid	-	(0.78)
	Actuarial Loss/(Gain)	(1.38)	1.05
	Present value of (DBO) at the year end	35.92	29.65
	Table 2: Expenses recognised in the Profit & Loss Account		
	Current Service Cost	5.84	4.77
	Interest Cost	1.81	1.46
	Expected Return on Plan Assets	(1.38)	(0.32)
	Actuarial Loss/(Gain)	(1.17)	(3.21)
	Employer Expenses	5.10	2.70
	Table 3: Net Liability / (Asset) recognised in the Balance Sheet		
	Present Value of (DBO)	35.92	29.65
	Fair Value of Plan Assets	31.72	14.80
	Net Liability / (Asset)	4.20	14.85
	Less: Unrecognised Past Service Cost	-	-
	Liability / (Asset) recognised in the Balance Sheet	4.20	14.85
	Of which, Short term Provision		
	Table 4: Actuarial Assumptions		
	Salary Growth Rate	5% p.a.	5% p.a.
	Discount Rate	6.5% p.a.	6.1% p.a.
	Expected Rate Return on Plan Assets	6.1% p.a.	6.3% p.a.
	Withdrawal/Attrition Rate	10% p.a.	10% p.a.
	Mortality Rate	IALM 2012-14(Ult)	IALM 2012-14(Ult)
	Expected weighted average remaining working years of employees	6 years	6 years
	Table 5: Experience Adjustments		
	Defined Benefits Obligation	35.92	29.65
	Fair Value of Plan Assets	31.72	14.80
	Surplus / (Deficit)	(4.20)	(14.85)
	Experience Adjustment on Plan Liabilities:(Gain)/Loss	(0.42)	0.44
	Experience Adjustment on Plan Assets: (Gain)/Loss	(0.25)	NA
	(+ Being the first actuarial valuation)		
36.2	Defined Contribution Plan:		
	Employees' Pension & Provident Fund Scheme	23.32	13.57



GEM AROMATICS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

(All figures in INR lakhs unless otherwise stated)

Note No. PARTICULARS

37 RELATED PARTY DISCLOSURES

(A) NAME OF THE RELATED PARTIES AND RELATIONSHIP

Description of relationship	Names of related parties
Subsidiaries	Gem Aromatics LLC Krystal Ingredients Private Limited (w.e.f. 22-04-2021) Gem Aromatics FZ LLC (w.e.f. 22-04-2021)
Entities in which Directors are Interested	Doterra Enterprises, SARL ("Doterra Group") Doterra GH Ireland Limited ("Doterra Group") Lee River Holdings Limited ("Doterra Group")
Key Management Personnel (KMP) (Director)	Kaksha V Parekh Vipul N Parekh Yash V Parekh
Relatives of KMP (where transactions have taken place)	Vruta Y Parekh

(B) TRANSACTIONS (IN AGGREGATE) WITH RELATED PARTIES

Sr No.	Particulars	Subsidiaries	Entities in which Directors are Interested	KMP	Relative of KMP	Total
1)	Salary / Remuneration	-	-	483.64	2.50	486.14
		-	-	(347.33)	(1.25)	(348.58)
2)	Interest	71.03	-	-	-	71.03
		-	-	-	-	-
3)	Loans & Advances	1,031.59	-	-	-	1,031.59
		-	-	-	-	-
4)	Advance Given for Purchase of Property	-	-	147.00	-	147.00
		-	-	-	-	-
5)	Investments	3.13	-	-	-	3.13
		-	-	-	-	-
6)	Sales	2,890.57	5,859.93	-	-	8,750.50
		(3,134.12)	(4,960.75)	-	-	(8,094.87)
7)	Rent	-	-	43.94	-	43.94
		-	-	(41.35)	-	(41.35)
8)	Reimbursement paid	-	-	-	-	-
		(10.18)	-	-	-	(10.18)
9)	Reimbursement Received	-	-	-	-	-
		(10.37)	-	-	-	(10.37)

(C) BALANCES OUTSTANDING WITH RELATED PARTY AT THE END OF THE YEAR:

Sr No.	Particulars	Subsidiaries	Entities in which Directors are Interested	KMP	Relative of KMP	Total
1)	Salary / Remuneration	-	-	209.21	-	209.21
		-	-	(94.16)	(0.25)	(94.41)
2)	Trade receivables	2,955.14	1,809.15	-	-	4,764.29
		(1,969.11)	(1,020.36)	-	-	(2,989.48)
3)	Guarantees and collaterals	-	-	7,686.26	-	7,686.26
		-	-	(5,510.24)	-	(5,510.24)
4)	Investments	41.14	-	-	-	41.14
		(38.01)	-	-	-	(38.01)

Note : Figures in the brackets pertain to the previous year







GEM AROMATICS PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

(All figures in INR lakhs unless otherwise stated)

Note No.	PARTICULARS	For the year ended 31st March 2022	For the year ended 31st March 2021
38	DEFERRED TAX (LIABILITY) / ASSET		
	Tax effect of items constituting deferred tax (Liability) / Asset		
	On difference between book balance and tax balance of Property, Plant, & Equipment	(22.88)	(29.84)
	Provision for Gratuity	1.07	3.74
	Net Closing Deferred Tax Asset \ (Liability) (a)	(21.81)	(26.10)
	Net Opening Deferred Tax Asset \ (Liability) (b)	(26.10)	(121.67)
	Amount Debited \ (Credited) to P&L for the Year (b - a)	(4.29)	(95.57)

39 DISCLOSURES REQUIRED UNDER SECTION 22 OF MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Sr. No.	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
1	Principal remaining unpaid to any supplier as at the end of accounting year	496.22	217.35
2	Interest due thereon remaining unpaid to any supplier as at the end of accounting year	1.34	-
3	The amount of interest paid along with the amounts of payment made to the supplier beyond the appointed date	-	-
4	The amount of interest due and payable for the year	1.34	-
5	The amount of interest accrued and remaining unpaid at the end of accounting year	1.34	-
6	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

40 Additional Disclosure Requirements

(i) Relationship With Struck off Companies

The Company has not entered into any transactions with strike off companies.

(ii) Registration of Charges or Satisfaction With Registrar of Companies (ROC)

There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.

(iii) Compliance With Number of Layers of Companies

The Company is in compliance with clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

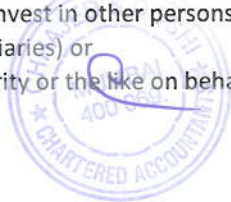
(iv) Utilization of Borrowed Funds and Share Premium

(A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (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 (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company 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.



GEM AROMATICS PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

(All figures in INR lakhs unless otherwise stated)

(v) **Undisclosed Income**

The Company has disclosed all its Income appropriately and in the ongoing Tax Assessments as well there has not been any such undisclosed income recognised by the relevant tax authorities.

(vi) **Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vii) **Disclosure of Benami Property**

The Company does not possess any benami property under the Benami Transactions (Prohibition) Act, 1985 and rules made thereunder.

(viii) **Disclosure of Borrowings**

The Company has utilised the borrowings from banks and financial institutions for the specific purpose for which it was taken as at March 31, 2022.

(ix) **Wilful Defaulter**

The Company has not been declared as Wilful Defaulter by any Bank or Financial Institution or other Lender.

(x) **Title Deeds Of Immovable Properties Not Held In Name Of The Company**

Title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.

(xi) **Disclosure on Loans and Advances**

The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person.

41 Previous year figures have been regrouped, rearranged and reclassified , wherever necessary to correspond with the current year's classification.

As per our report of even date

FOR CHHAJED & DOSHI
CHARTERED ACCOUNTANTS

[Firm Reg No: 101794W]



CA M.P. Chhajed

Partner

M. No.: 049357

Place: Mumbai

Date: 22-06-2022

For and on behalf of the Board of Directors



Vipul N. Parekh

DIN: 00235974

Yash V. Parekh

DIN: 03514313

Place: Budaun, Uttar Pradesh

Date: 22-06-2022



Gem Aromatics Pvt. Ltd.

Manufacturer & Exporters of Essential Oils & Aromatic Chemicals

Registered Office : A/410, Kailash Complex, Park Site, Vikhroli- Powai Link Road,
Vikhroli (W), Mumbai - 400 079. Tel.: 2518 5231 / 5931 / 0531 CIN: U24246MH1997PTC111057

DIRECTORS' REPORT

To,
The Members,
Of Gem Aromatics Private Limited

Your Directors have pleasure in presenting their Silver Jubilee (25th) Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2022.

1. FINANCIAL HIGHLIGHTS:

	Standalone (Rupees in Lakhs)	Standalone (Rupees in Lakhs)	Consolidated (Rupees in Lakhs)
Particulars	Financial Year 2020-21 Amount	Financial Year 2021-22 Amount	Financial Year 2021-22 Amount
Total Income	32,433.17	34,262.99	34,460.82
Profit / (Loss) before Tax	3,012.98	5,039.81	5,238.36
Less: Current Tax	785.00	1325.00	1,325.22
Less: Short/(Excess) Earlier Year provision for Tax	-25.95	-4.09	-4.09
Less: Deferred Tax	-95.57	-4.27	-23.78
Profit after Tax	2,349.50	3719.17	3,941.01

Facility 1 : Plot No. 2, Survey No.16/4/2, Near Alok Industries (P) Ltd., Village Rakholi, Silvassa - (D & NH) Pin # 396230

Facility 2 : Khasra No. 8,9,10 & 126, Village Gathona, Ujhani Budaun Road, District : Budaun, UP, India Pin # 243 639.

Email : vparekh@gemaromatics.in Web : www.gemaromatics.com

2. DIVIDEND

The management has decided to plough back the profits into the business for its further expansion and growth and thus the Company does not recommend to declare any dividend for this year.

3. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR

The highlights of the Company's performance are as under: -

Standalone:

- i. Expenses of the Company for the year are Rs. 29,227.17 Lakh as compared to previous year's expenses of Rs. 29,420.19 Lakhs.
- ii. Profit after Tax for the year is Rs. 3,719.20 Lakhs as compared to previous year's profit of Rs. 2,349.49 Lakhs.
- iii. Earnings per share (EPS) for the current year 208.38/- as compared to Previous year's Earnings per share (EPS) of Rs. 131.63/-.

Consolidated:

At consolidated level, Our Company reported a total income of Rs.34,460.82 Lakhs during the financial year as compared to Rs. 31,038.36 Lakhs during the previous year. The Company earned a profit of Rs. 3,965.72 Lakhs as compared to that of the previous year being Rs. 2,319.24 Lakhs.

4. CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there has been no change in the nature of business of the company.

5. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes have occurred subsequent to the close of Financial Year 2020-21 till date of this report.

6. SHARE CAPITAL

As on 31st March 2022, the Authorized share capital of the Company is Rs. 1,85,00,000/- (divided in to 18,50,000 equity shares of Rs. 10 each). The paid-up capital of the Company is Rs. 1,78,48,580/- (divided in to 17,84,858 equity shares of Rs. 10 each). There has been no change in the Share Capital during the year under review.

7. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are following orders passed by the Regulators / Courts / Tribunal which would not impact the going concern status of the Company and its future operations. They are as follows:

Claims against the company not acknowledged as debt:

Claims against the company not acknowledged as debt : (Rs. In Lakhs)		
Under Customs (i)	2,882.92	1,489.80
Under Income Tax Act	21.78	43.05
Under GST Act (Disallowance of ITC availed) (ii)	364.48	0.00
Under Stamp Duty Act (iii)	17.08	17.08
TOTAL	3,286.26	1,549.93

- i) Out of the three cases initiated by Customs Investigation Unit, appeals for two are with the Appellate authority and the company has entirely paid off. As for the third case, the order for the same is yet to be received despite multiple hearings, the initial demand raised in the said case is at Rs. 12,14,775/-. Further, the Company had received two show cause notices and order from Commissioner Of Customs regarding the investigation conducted by DRI with respect to advance authorisation scheme. The order has been challenged by the company in CESTAT, Mumbai and are awaiting the hearing. The Directorate General of Foreign Trade has acquitted the company of all the charges accused by the commissioner of Customs /Directorate of Revenue Intelligence vide order no. DGFT O-I-O No: 03/02/001/JDGFT/DRI/AZU/ZU-Misc/001/AM16 dated 13.12.2019. Also, all the advance Licenses under the Order / appeal are redeemed by DGFT. The company further seeks to place reliance on Supreme Court ruling in Titan Medical Systems Pvt. Ltd.'s case (case ref no.: 2003 (151) E.L.T. 254 (S.C.)) wherein the Hon'ble Supreme Court has observed that "the licensing authority have not claimed that there was any misrepresentation. Once an advance licence was issued and not questioned by the licensing authority, the Customs authorities cannot refuse exemption on an allegation that there was misrepresentation. If there was any misrepresentation, it was for the licensing authority to take steps in that behalf".
- ii) The Company received GST demand for FY 2018-19 and FY 2019-20 disallowing input tax credit availed by the Company even though the same was paid by the supplier to the department in case of one of its' supplier due to some procedural lapses at the end of supplier. The Company has filed an appeal against the said demand in the Allahabad High Court relying on various judgements in favour of the Company. Hence, the Company does not expect any cash outflow in this regard.
- iii) The company received an order by District Magistrate for recovery of short payment of Stamp duty on purchase of Land at Budaun, Uttar Pradesh, which the Company is of the opinion that it does not pertain to them to the tune of Rs. 17.08 lakhs. The Company presented an order from Mandal Commissioner, in favour of the Company, to the District Magistrate and the Company does not expect any cash outflow in this regard.

8. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company has wholly owned subsidiary named Gem Aromatics LLC, Krystal Ingredients Pvt. Ltd, Gem Aromatics FZ LLC and step-down subsidiary of Gem Aromatics FZ LLC named Gem Aromatics Ethiopia Chemical Manufacturing PLC as at March 31, 2022. There are no associate or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). Form AOC 1 pertaining to Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures are enclosed as Annexure 1.

9. DEPOSITS

The Board states that no disclosure or reporting was required in respect of the details relating to deposits covered under Chapter V of the Act as there were no deposits during the financial year 2021-22.

10. STATUTORY AUDITORS

M/s Chhajed & Doshi, Chartered Accountants having registration number (Firm Registration No. 101794W) were re-appointed in AGM held in calendar year 2020 as Statutory Auditor for period of 5 years of the Company to hold office until the conclusion of Annual General Meeting of the Company, to be held in the calendar year 2025.

11. AUDITORS' REPORT

The Auditor's Report to the Members on the Accounts of the Company for the financial year ended March 31, 2022 does not contain any qualification, reservation or adverse remark.

12. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.

There is no fraud in the Company during the Financial Year ended March 31, 2022. This is also being supported by the report of the auditors of the Company as no fraud has been reported in their audit report for the Financial Year ended March 31, 2022.

13. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB SECTION (6) OF SECTION 149

The Company being a private Limited Company, same is not applicable to the Company.

14. COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

As the Company is not covered under sub-section (1) of section 178, company's policy on Directors' appointment and remuneration including criteria for determining

qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 are not applicable to the Company.

15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The details of contracts or arrangements entered into by the company with related parties referred to in sub – section (1) of section 188 of the companies Act, 2013, in the prescribed form AOC 2, is appended as Annexure II to the Board report.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars of Conservation of Energy, Technology Absorption and foreign exchange earnings and outgo in terms of Section 134(3) (m) of the Companies Act, 2013 read with the Rule 8(3) Companies (Accounts) Rules, 2014 forming part of the Directors' Report for the year ended March 31, 2021 are as under

i.	The steps taken or impact on conservation of energy	Company's business does not consume significant amount of energy.
ii.	The steps taken by the company for utilizing alternate sources of energy	Solar System installed in Badaun factory
iii.	The capital investment on energy conservation equipment	Rs. 114.87 Lakhs

Technology absorption-

i.	The efforts made towards technology absorption	Nil
ii.	The benefits derived like product improvement, cost reduction, product development or import substitution	NA
iii.	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- Nil	
	a. The details of technology imported	NIL
	b. The year of import	NIL
	c. Whether the technology been fully absorbed	NA
	d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NA
iv.	The expenditure incurred on Research and Development	Rs.4.47 Lakhs

Foreign exchange earnings and Outgoing -

i.	Foreign Exchange earned in terms of actual inflows during the year	Rs.19,673.23 Lakhs
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ii.	Foreign Exchange outgo during the year in terms of actual outflows	Rs.4,596.15 Lakhs
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17. COMPLIANCE UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company is committed to provide a safe and conducive work environment to all its employees. The Company has constituted an Internal Committee to consider and resolve all sexual harassment complaints reported by women. The constitution of the committee as per the above-mentioned Act. The Company did not receive any complaint during the period ended 31st March 2022.

18. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Ms. Kaksha Vipul Parekh, Mr. Yash Vipul Parekh, Mr. Vipul Nathalal Parekh, Mr. Sean Poynter and Mr. Corey Bart Lindley are the Directors of company. In view of the applicable provisions of the Companies Act, 2013, the provision relating of appointment of KMP are not applicable to the Company.

The provisions of Section 178 (1) of the Companies Act, 2013 relating to constitution of Nomination and Remuneration Committee are not applicable to the Company.

19. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the year, Board Meetings were convened on 06.04.2021, 26.08.2021, 07.12.2021 and 21.03.2022 The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The 24th Annual General Meeting (AGM) was held on 27/08/2021.

Attendance at the meeting of Board of Directors were as follows.

Name of Directors	No. of Board meeting attended / Total Meetings held during the F Y. 2021-22
Vipul Parekh	4/4
Kaksha Parekh	4/4
Yash Parekh	4/4
Sean Poynter	3/4
Corey Bart Lindley	1/4

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the reporting period, no investments were made or guarantees were given. The Company obtained a short term loan repayable on demand for availing packing credits. During the financial year 2021-22, the Company incorporated two whole-owned

subsidiaries namely Krystal Ingredients Private Limited and Gem Aromatics FZ LLC., with an investment to subscribe to 10,000 and 10 Equity Shares respectively.

21. PARTICULARS OF EMPLOYEES

As required under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, there is no such employee drawing remuneration exceeding the limit specified as mentioned in the rules.

22. DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 134(3)(c) OF THE COMPANIES ACT, 2013

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- a. In the preparation of the annual accounts for the year ended March 31, 2022, the Company has followed the applicable accounting standards and there are no material departures from the same.
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit and loss of the Company for that period;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The Directors have prepared the annual accounts on a 'going concern' basis;
- e. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively;
- f. The directors have maintained internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

23. RISK MANAGEMENT

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities.

A comprehensive Risk Assessment and Minimization Procedure shall be reviewed to ensure that executive management controls risk through means of a properly defined framework.

24. CORPORATE SOCIAL RESPONSIBILITY

The Board has constituted a Corporate Social Responsibility (CSR) Committee as per the provisions of Section 135 of the Companies Act, 2013 and the Rules framed there under. The Board has approved the policy in the Board meeting CSR Policy contains the CSR activities to be carried out, governance structure, implementation process, composition of the Committee, etc.

The composition of the Corporate Social Responsibility (CSR) Committee is provided in Annexure III. As part of initiatives under Corporate Social Responsibility (CSR), the Company has undertaken projects in accordance with Schedule VII of the Companies Act, 2013.

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is at Annexure III.

25. ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS HAS BEEN MADE:

As the Company is the Private Company the provisions of annual evaluation of Board are not applicable to Company.

26. SECRETARIAL STANDARDS

The Company complies with all applicable secretarial standards issued by the Institute of Company Secretaries of India (ICSI).

27. COST RECORDS

The Board appointed M/s Y.R. Doshi & Associates Cost Accountants (Membership No. ICWA 000286), for audit of Cost Records maintained by the Company in respect of 'Organic and inorganic chemical products' Pursuant to Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, appropriate resolutions seeking your ratification to the remuneration of the aforesaid Cost Auditors are appearing in the Notice convening the 25th AGM of the Company. The Company maintains necessary cost records as specified by Central Government under sub-section 1 of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

28. ADEQUACY OF INTERNAL FINANCIAL CONTROL

The Directors have maintained internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

29. WEB LINK OF ANNUAL RETURN:

As per the Notification dated 28th August 2020- The MGT 9 extract shall be now not required and the Form MGT7 shall be put up on the website of the Company on the date of the Annual General Meeting of the Company.

In accordance with the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, the annual return in the prescribed format shall be made available at <http://www.gemaromatics.in/>

30. ACKNOWLEDGEMENTS

Your directors acknowledge with gratitude, the co-operation, valuable assistance, and guidance extended by the Management, service providers, Company's banker, and various institutions of the Central and State Governments and look forward to continuing fruitful association with all business partners of the Company.

The Directors put on record appreciation for continued support from the members during the year under review.

For and on behalf of the Board of Directors

Of **GEM AROMATICS PRIVATE LIMITED**



Vipul N. Parekh
(Director)
DIN: 00235974



Yash V. Parekh
(Director)
DIN:03514313

Place: Mumbai
Date:

Annexure I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. Thousand)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Gem Aromatics LLC
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	75.8075/USD
4.	Share capital	3,790.38
5.	Reserves & surplus	27,063.33
6.	Total assets	3,18,362.63
7.	Total Liabilities	3,18,362.63
8.	Investments	
9.	Turnover	3,24,197.00
10.	Profit before taxation	25,023.80
11.	Provision for taxation	22.40
12.	Profit after taxation	25,001.40
13.	Proposed Dividend	
14.	% of shareholding	100

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year.

Sl. No.	Particulars	Details
1.	Name of the subsidiary	KRYSTAL INGREDIENTS PVT. LTD
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR
4.	Share capital	100.00
5.	Reserves & surplus	(5,802.82)

6.	Total assets	94,007.24
7.	Total Liabilities	94,007.24
8.	Investments	
9.	Turnover	0.00
10.	Profit before taxation	(7,754.46)
11.	Provision for taxation	0.00
12.	Profit after taxation	(5,802.82)
13.	Proposed Dividend	
14.	% of shareholding	100

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Sl. No.	Particulars	Details
1.	Name of the subsidiary	GEM AROMATICS FZ LLC
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	20.6245/AED
4.	Share capital	206.25
5.	Reserves & surplus	(208.31)
6.	Total assets	621.45
7.	Total Liabilities	621.45
8.	Investments	
9.	Turnover	480.57
10.	Profit before taxation	(197.02)
11.	Provision for taxation	0.00
12.	Profit after taxation	(197.02)
13.	Proposed Dividend	
14.	% of shareholding	100

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures : N.A.

Name of associates/Joint Ventures			
1. Latest audited Balance Sheet Date			
2. Shares of Associate/Joint Ventures held by the company on the year end			
No.			
Amount of Investment in Associates/Joint Venture			
Extend of Holding%			
3. Description of how there is significant influence			
4. Reason why the associate/joint venture is not consolidated			
5. Net worth attributable to shareholding as per latest audited Balance Sheet			
6. Profit/Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

1. Names of associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

Annexure 'II' to the Directors' Report**FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto:

1. Details of contracts or arrangements or transactions not at Arm's length basis: NA

Sr. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	NIL
2	Nature of contracts/arrangements/transaction	NIL
3	Duration of the contracts/arrangements/transaction	NIL
4	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
5	Justification for entering into such contracts or arrangements or transactions'	NA
6	Date of approval by the Board	NA
7	Amount paid as advances, if any	NIL
8	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA


2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements / transaction	Duration of the contracts / arrangements /Transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
1	Ms. Kaksha V Parekh (Director and shareholder of the Company)	Interest, Loans and Advances and Office Rent	As per contract between the parties	As per contract between the parties	06.04.2021	72.00 Lakhs
2	Mr. Vipul N Parekh (Director and shareholder)	Interest, Loans and Advances and Office Rent	As per contract between the parties	As per contract between the parties	06.04.2021	30.00 Lakhs

	of the Company)					
3	Mr. Yash V Parekh (Director and shareholder of the Company)	Loans and Advances	As per contract between the parties	As per contract between the parties	06.04.2021	45.00 Lakhs
4	Gem Aromatics LLC (Group Company)	Investments , Expenses paid on Behalf of Gem Aromatics LLC and Sales Turnover	As per contract between the parties	As per contract between the parties	06.04.2021	Nil
5	Doterra GH Ireland Limited (Group Company)	Sales Turnover	NA	NA	NA	Nil
6	Doterra Enterprises (Group Company)	Sales Turnover	NA	NA	NA	Nil
7	Doterra Enterprises, SARL (Group Company)	Share Capital and Share Premium	As per contract between the parties	As per SHA	06.04.2021	Nil

Transactions entered into by the company with its subsidiaries: N/A
For and on behalf of the Board of Directors

Of **GEM AROMATICS PRIVATE LIMITED**


Vipul N. Parekh
(Director)
DIN: 00235974




Yash V. Parekh
(Director)
DIN:03514313

Place: Mumbai
Date:

Annexure 'III' to the Directors' Report

CORPORATE SOCIAL RESPONSIBILITY

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

The Company has identified the following projects/programs to spend the amount:

- i) Food for underprivileged people
- ii) Donation for cancer patient, Thalassemia patients
- iii) Donation to hospital
- iv) Donation to sports trust

2. Composition of CSR Committee:

Sr. No.	Name of the Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Vipul Nathalal Parekh	Chairman	1	1 / 1
2	Kaksha Vipul Parekh	Member	1	1 / 1
3	Yash Vipul Parekh	Member	1	1 / 1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Weblink: / www.gemaromatics.com/

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sr. No.	Financial Year	Amount available for set- off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
	NA		

6. Average net profit of the company as per section 135(5). **Rs. 2,426.77/- Lakhs**

7.

- Two percent of average net profit of the company as per section 135(5) **Rs.48.54/- Lakhs**
- Surplus arising out of the CSR projects or programs or activities of the previous financial years.
- Amount required to be set off for the financial year, **Rs.27.59/- Lakhs**
- Total CSR obligation for the financial year (7a+7b-7c). **Rs.20.94/- Lakhs**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year.(in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
NA	NIL		NA		

(b) Details of CSR amount spent against **ongoing projects** for the financial year:

1	2	3	4	5		6	7	8	9
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Project duration	Amount allocated for the project (in Lakhs).	Amount spent in the current financial Year (in Lakhs).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Lakhs).
				State	District				

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

1	2	3	4	5		6	7	8	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Lakhs).	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number.

1	Mahavir Rahat Kendra	Food for underprivileged people	Yes	Maharashtra	Mumbai	2.50	Direct		
2	Bhavna gar Blood Bank Trust	Donation for cancer patient, Thalassaemia patients	No	Gujarat	Bhavna gar	0.75	Direct		
3	SPRJ KANYAS HALA TRUST	Donation for Education to needy Girl	Yes	MAharastra	Mumbai	5.61	Direct		
4	SWAMI SHRI NIRDOS HANADJI MANAV SEVA HOSPITAL	Donation to Hospital	No	Gujarat	Bhavna gar	17.95	Direct		
TOTAL						26.81			

(d) Amount spent in Administrative Overheads

(e) Amount spent on Impact Assessment, if applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (in Lakhs)
i.	Two percent of average net profit of the company as per Section 135(5)	48.54
ii.	Total amount spent for the Financial Year	26.81
iii.	Excess amount spent for the financial year [(ii)-(i)]	5.87
iv.	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	27.59
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	5.87

9. (a) Details of Unspent CSR amount for the preceding three financial years

Sr. No.	Preceding Financial	Amount	Amount spent	Amount transferred to any fund specified	Amount
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Year.	transferred to Unspent CSR Account under section 135 (6) (in Lakhs)	in the reporting Financial Year (in Lakhs.).	under Schedule VII as per section 135(6), if any.			remaining to be spent in succeeding financial years. (in Lakhs.)
			Name of the Fund	Amount	Date of Transfer	

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Sr. No.	Project ID	Name of Project	Financial Year in which the project was commenced.	Project Duration	Total amount allocated for the project (in Lakhs).	Amount spent on the project in the reporting Financial Year (in Lakhs).	Cumulative amount spent at the end of reporting Financial Year. (in Lakhs)	Status of the project - Completed /Ongoing.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year-**NA**
(asset-wise details).

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).-**NA**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).-**NA**

For and on behalf of the Board of Directors

OF GEM AROMATICS PRIVATE LIMITED


Vipul N. Parekh

(Director)

DIN: 00235974

Place: Mumbai

Date:




Yash V. Parekh

(Director)

DIN:03514313