

**INDEPENDENT AUDITORS' REPORT**

The Members of  
**Gem Aromatics Private Limited**

**Report on the Consolidated Financial Statements**

**Opinion**

1. We have audited the accompanying consolidated financial statements of **Gem Aromatics Private Limited** ("the Parent") & its subsidiary (the Parent and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at **March 31, 2022**, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, notes to the financial statements, 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 and based on the consideration of the reports of other auditors on separate financial statements of subsidiary, the aforesaid consolidated 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 consolidated state of affairs of the Company as at March 31, 2022, consolidated profit and its consolidated 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 Group 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.

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**Other Matter**

3. We have not audited the financial statements of 2 wholly owned subsidiaries whose financial statements reflect total assets of Rs. 3,183.01 lakh as at 31st March, 2022, total revenue of Rs. 3,215.41 lakh for the year ended 31st March, 2022 and net cash outflows of Rs. 176.96 lakh for the year ended 31st March, 2022. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary are based solely on such unaudited financial statements. Our opinion, in so far as it relates to amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group. We report that the consolidated financial statements have been prepared by the management in accordance with the requirements of the Accounting Standard 21, 'Consolidated Financial Statements' specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

Our opinion on the consolidated financial statements, and our report on the Other Legal and Regulatory requirements below, is not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

**Other Information**

4. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report, but does not include the consolidated financial statements and our auditor's report thereon.

 Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above when it becomes

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available and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Consolidated Financial Statements**

5. The Holding 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 and presentation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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



**Auditor's Responsibility**

6. Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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**

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 so far as appears from our examination of those books and report of other auditor;
- c. The consolidated Balance Sheet, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid consolidated 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 Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure I".

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- 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 Holding 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 Group has disclosed impact of pending litigations which does may have impact on its consolidated financial position in Note No. 26 to Consolidated Financial Statements;
  - ii. the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. there were no amounts required to be to be transferred to the Investor Education and Protection Fund.
  - iv. (a) The respective managements of the Parent and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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 Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The respective management of the Parent and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented, that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Parent or its subsidiaries from any person(s)

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**CHHAJED & DOSHI**  
CHARTERED ACCOUNTANTS

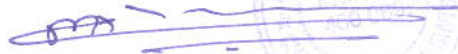
or entity(ies), including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

8. With respect to the matters specified in Clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us by the Management of the Parent, we report that CARO is applicable only to the Parent and not to any other companies included in the consolidated financial statements and hence reporting under clause (xxi) of the said Order is not applicable to the Company.

For CHHAJED & DOSHI  
Chartered Accountants  
[FRN 101794W]



CA. M.P. Chhajed  
Partner  
M. No. 049357

UDIN: 22049357 A0A JCV 9529

Place: Mumbai  
Date: 22<sup>nd</sup> June, 2022

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**Annexure I 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 Holding Company") as at 31<sup>st</sup> March, 2022 in conjunction with our audit of the consolidated 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 Holding 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.



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 Holding 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.

**Opinion**

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CHARTERED ACCOUNTANTS

6. In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> 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]



CA. M.P. Chhajed  
Partner  
M. No. 049357

UDIN: 22049357 AOTJC W9625

Place: Mumbai  
Date: 22<sup>nd</sup> June, 2022

**GEM AROMATICS PRIVATE LIMITED**  
**CONSOLIDATED 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        |
|-----------------------------------------------------------------------------------------|----------|-------------------------|-------------------------|
| <b>I EQUITY AND LIABILITIES</b>                                                         |          |                         |                         |
| <b>1 Shareholders' funds</b>                                                            |          |                         |                         |
| a Share capital                                                                         | 3        | 178.49                  | 178.49                  |
| b Reserves and surplus                                                                  | 4        | 14,709.97               | 10,843.22               |
|                                                                                         |          | <u>14,888.46</u>        | <u>11,021.71</u>        |
| <b>2 Non-current liabilities</b>                                                        |          |                         |                         |
| a Deferred tax liabilities (Net)                                                        | 37       | 2.31                    | 26.10                   |
| b Long-term provisions                                                                  | 5        | 4.20                    | 14.85                   |
|                                                                                         |          | <u>6.51</u>             | <u>40.95</u>            |
| <b>3 Current liabilities</b>                                                            |          |                         |                         |
| 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 |          | 964.82                  | 1,349.55                |
| c Other current liabilities                                                             | 8        | 574.18                  | 367.28                  |
| d Short-term provisions                                                                 | 9        | 266.05                  | 59.22                   |
|                                                                                         |          | <u>9,988.87</u>         | <u>7,533.68</u>         |
| <b>TOTAL</b>                                                                            |          | <u><b>24,883.84</b></u> | <u><b>18,596.34</b></u> |
| <b>II ASSETS</b>                                                                        |          |                         |                         |
| <b>1 Non-current assets</b>                                                             |          |                         |                         |
| a Property, Plant and Equipment and Intangible assets                                   | 10       |                         |                         |
| i) Property, Plant and Equipment                                                        |          | 3,510.45                | 2,411.01                |
| ii) Intangible assets                                                                   |          | 2.31                    | 3.70                    |
| iii) Capital work-in-progress                                                           |          | 128.70                  | 215.17                  |
|                                                                                         |          | <u>3,641.46</u>         | <u>2,629.88</u>         |
| b Non-current investments                                                               | 11       | 0.02                    | 0.02                    |
| c Long-term loans and advances                                                          | 12       | 27.10                   | -                       |
| d Other non-current assets                                                              | 13       | 33.19                   | 32.78                   |
|                                                                                         |          | <u>3,701.77</u>         | <u>2,662.68</u>         |
| <b>2 Current assets</b>                                                                 |          |                         |                         |
| a Inventories                                                                           | 14       | 10,406.19               | 8,246.27                |
| b Trade receivables                                                                     | 15       | 8,247.32                | 5,257.94                |
| c Cash and cash equivalents                                                             | 16       | 497.22                  | 816.59                  |
| d Short-term loans and advances                                                         | 17       | 261.66                  | 18.40                   |
| e Other current assets                                                                  | 18       | 1,769.68                | 1,594.46                |
|                                                                                         |          | <u>21,182.07</u>        | <u>15,933.66</u>        |
| <b>TOTAL</b>                                                                            |          | <u><b>24,883.84</b></u> | <u><b>18,596.34</b></u> |

Statement of Significant Accounting policies.

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**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31-03-2022**

*(All figures in INR lakhs unless otherwise stated)*

| Particulars                                                                  | Note No. | For the year ended<br>31-03-2022 | For the year ended<br>31-03-2021 |
|------------------------------------------------------------------------------|----------|----------------------------------|----------------------------------|
| I Revenue from operations                                                    | 19       | 34,197.93                        | 30,592.38                        |
| II Other income                                                              | 20       | 262.89                           | 445.98                           |
| III <b>Total Income (I + II)</b>                                             |          | <b>34,460.82</b>                 | <b>31,038.36</b>                 |
| IV <b>Expenses:</b>                                                          |          |                                  |                                  |
| Cost of materials consumed                                                   | 21       | 27,288.63                        | 27,469.56                        |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade | 22       | (1,638.00)                       | (2,431.79)                       |
| Employee benefits expense                                                    | 23       | 930.72                           | 695.20                           |
| Finance costs                                                                | 24       | 298.92                           | 211.45                           |
| Depreciation and amortization expense                                        | 10       | 387.61                           | 327.36                           |
| Other expenses                                                               | 25       | 1,929.87                         | 1,763.00                         |
| <b>Total expenses</b>                                                        |          | <b>29,197.75</b>                 | <b>28,034.78</b>                 |
| V <b>Profit before tax (III-IV)</b>                                          |          | <b>5,263.07</b>                  | <b>3,003.58</b>                  |
| VI Tax expense:                                                              |          |                                  |                                  |
| i. Current tax                                                               |          | 1,325.22                         | 805.88                           |
| ii. Short/ (Excess) for earlier year                                         |          | (4.09)                           | (25.95)                          |
| iii. Deferred tax                                                            | 37       | (23.78)                          | (95.57)                          |
|                                                                              |          | <b>1,297.35</b>                  | <b>684.34</b>                    |
| VII <b>Profit (Loss) for the period (V-VI)</b>                               |          | <b>3,965.72</b>                  | <b>2,319.24</b>                  |
| VIII <b>Earnings per equity share:</b>                                       |          |                                  |                                  |
| <i>Basic/Diluted (In Rs.)</i>                                                |          | 222.19                           | 129.94                           |
| <i>Face Value (In Rs.)</i>                                                   |          | 10                               | 10                               |

Statement of Significant Accounting policies

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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         |
|---------------------------------------------------------------|-------------------|-----------------|
| <b>A CASH FLOW FROM OPERATING ACTIVITIES</b>                  |                   |                 |
| Net Profit before tax and extraordinary items                 | 5,263.07          | 3,003.58        |
| Adjustments for :                                             |                   |                 |
| Depreciation                                                  | 383.77            | 327.36          |
| W/off & loss on fixed assets                                  | 2.83              | 0.75            |
| Interest income                                               | (0.74)            | (10.35)         |
| Finance costs                                                 | 298.92            | 211.45          |
| Foreign Exchange losses/ (gains) (Net)                        | (243.92)          | (434.18)        |
|                                                               | 440.86            | 95.03           |
| <b>Operating Profit before Working Capital Changes</b>        | <b>5,703.93</b>   | <b>3,098.61</b> |
| Long-term provisions                                          | (10.65)           | (6.27)          |
| Trade receivables                                             | (2,989.38)        | (1,015.15)      |
| Advances                                                      | (243.26)          | 419.60          |
| Inventories                                                   | (2,159.92)        | (1,674.85)      |
| Other current assets                                          | (174.11)          | (545.94)        |
| Trade payables & Other current liabilities                    | 9.42              | 465.67          |
|                                                               | (5,567.90)        | (2,356.94)      |
| <b>CASH GENERATED FROM THE OPERATIONS</b>                     | <b>136.03</b>     | <b>741.67</b>   |
| Income taxes paid (Net)                                       | (1,021.80)        | (779.93)        |
| <b>Net Cash from Operating Activities</b>                     | <b>(885.77)</b>   | <b>(38.56)</b>  |
| <b>B CASH FLOW FROM INVESTMENT ACTIVITIES</b>                 |                   |                 |
| Purchase of Property, Plant and Equipment                     | (1,408.85)        | (539.91)        |
| Sale of Property, Plant and Equipment                         | 9.30              | 7.04            |
| Interest income                                               | 0.74              | 10.35           |
| <b>Net Cash from Investment activities</b>                    | <b>(1,398.81)</b> | <b>(522.52)</b> |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES</b>                  |                   |                 |
| Finance costs                                                 | (298.92)          | (211.45)        |
| Foreign Exchange gains/ (losses) (Net)                        | 243.92            | 434.18          |
| Net proceeds from borrowings                                  | 2,118.88          | 586.70          |
| Foreign Currency Translation Reserve                          | (97.68)           | (69.03)         |
| <b>Net Cash from Financing activities</b>                     | <b>1,965.20</b>   | <b>740.40</b>   |
| <b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b> | <b>(319.37)</b>   | <b>179.31</b>   |
| Closing Cash and Cash equivalent                              | 497.22            | 816.59          |
| Opening Cash and Cash equivalent                              | 816.59            | 637.28          |
| <b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b> | <b>(319.37)</b>   | <b>179.31</b>   |
| <b>Breakup of Cash and Cash Equivalent</b>                    |                   |                 |
| Cash in hand                                                  | 10.00             | 9.20            |
| Cash at bank                                                  | 382.26            | 801.78          |
| Fixed deposit ( Maturity less than three month)               | 26.08             | 5.61            |
|                                                               | <b>418.34</b>     | <b>816.59</b>   |

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



*Vipul N. Parekh*  
 Vipul N. Parekh  
 DIN: 00235974

*Yash V. Parekh*  
 Yash V. Parekh  
 DIN: 03514313

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

**GEM AROMATICS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 2022**

**Note No. 1:**

**CORPORATE INFORMATION**

Gem Aromatics Private Limited, hereinafter referred to as "the company" or "the holding company" 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. The Holding company has a presence all over the globe. The Holding Company has two foreign subsidiary viz. i) Gem Aromatics LLC in USA, ii) Gem Aromatics FZ LLC in UAE and one Indian subsidiary viz. Krystal Ingredients Pvt Ltd.

**Proportion of ownership interest in Subsidiaries included in consolidation:**

| Name of Company             | Nature of Interest | Country of Incorporation | Proportion of Ownership Interest |                  |
|-----------------------------|--------------------|--------------------------|----------------------------------|------------------|
|                             |                    |                          | As at 31-03-2022                 | As at 31-03-2021 |
| Gem Aromatics LLC           | Subsidiary         | USA                      | 100%                             | 100%             |
| Gem Aromatics FZ LLC        | Subsidiary         | UAE                      | 100%                             | NA               |
| Krystal Ingredients Pvt Ltd | Subsidiary         | India                    | 100%                             | NA               |

**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 and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of Current - Non-Current classification of Assets and Liabilities.

The financial statements of the parent company, Gem Aromatics Pvt Ltd. and its subsidiaries i) Gem Aromatics LLC, ii) Gem Aromatics FZ LLC and iii) Krystal Ingredients Pvt Ltd. have been combined on line-by-line basis by adding together book value of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions and resulting unrealized gain/loss. Exchange differences resulting from difference due to transactions of foreign currency assets and liabilities in foreign subsidiaries is disclosed as foreign currency translation reserve. The foreign operations of subsidiaries, i) Gem Aromatics LLC and ii) Gem Aromatics FZ LLC has been accounted for as per Accounting Standard-11 taking the same as Non-Integral Foreign Operation. The consolidated financial statements are prepared applying uniform accounting policies in use at Gem Aromatics Pvt Ltd. and its subsidiaries. Wherever, there is difference in accounting policy followed, the same has been appropriately disclosed.

**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

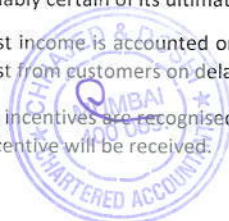
Revenue from sale of goods is recognised, net of returns and trade discounts, deductions claimed and / or allowed on account of price difference, quantity discount and claims for shortages etc., if any, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides 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 receivable, insurance claims, etc. is recognised to the extent the Company is reasonably certain of its ultimate realisation.

Interest income is accounted on receipt 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.



*[Handwritten Signature]*



**GEM AROMATICS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 2022**

**D Property, Plant & Equipment and Intangible Asset**

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 & Equipment 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/ Intangible 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 to be 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.



**GEM AROMATICS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 2022**

**F Borrowing Cost:**

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

**G Investments**

Long-term investments (excluding investment properties), are valued individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

**H Valuation of Inventories:**

- |                                        |                                                                                                                                                                                                           |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i. Raw Materials and Packing Materials | Raw Materials and Packing Materials are valued at cost determined on Weighted Average method as the company believes that it will not sell the products at lower of the cost it incurs to manufacture it. |
| ii. Work in Progress                   | Work-in-process is valued at estimated cost.                                                                                                                                                              |
| iii. Finished Goods                    | At Lower of Cost or Net Realisable Value. Cost includes Direct Material, Direct Labour and other Direct Costs.                                                                                            |

Cost of inventories comprises of purchase price, cost of conversion and other costs including manufacturing overheads appropriated through the system, net of recoverable taxes incurred in bringing them to the point of sale/consumption.

**I Statement of Cash Flows:**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash and cash equivalents

Cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**J Foreign Currency Transactions/ Derivatives**

- i. Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transactions. Foreign currency assets and liabilities are translated at year end exchange rates. Exchange difference arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.
- ii. Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date.

Derivative contracts designated as a hedging instrument for highly probable forecast transactions are accounted as per the Guidance Note on Derivative Contracts issued by the Institute of Chartered Accountants of India (ICAI). Such derivative contracts are marked-to-market and gains/losses are recognised in the Statement of Profit and Loss.

- iii. Gains or Losses on cancellation/ settlement of forward exchange contracts are recognised as Income or Expense.





**GEM AROMATICS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 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 unrecognised deferred tax assets. It recognises unrecognised 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.



**GEM AROMATICS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 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        |
| <b>3</b> | <b>Share capital</b>                 |                  |               |                  |               |
| (a)      | Authoriser:                          |                  |               |                  |               |
|          | 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        |
|          | <b>Total</b>                         | <b>17,84,858</b> | <b>178.49</b> | <b>17,84,858</b> | <b>178.49</b> |

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 |
|-----------------------|-----------------|-------------|-------|-----------------|
|                       |                 |             |       |                 |
| Year ended 31-03-2022 | -               | -           | -     | -               |
| - Number of shares    | 1,78,48,580     |             |       | 1,78,48,580     |
| - Amount in Rupees    | 1784.86         |             |       | 1,784.86        |
| Year ended 31-03-2021 |                 |             |       |                 |
| - Number of shares    | 1,78,48,580     |             |       | 1,78,48,580     |
| - Amount in Rupees    | 1784.86         |             |       | 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
- 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
- (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 |
| <b>Equity shares with voting rights:</b> |                  |           |                  |           |
| 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        | -                | -              | 54,211           | 3.04%          |
| <b>Total</b>              | <b>17,84,858</b> | <b>100.00%</b> | <b>17,84,858</b> | <b>100.00%</b> |



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**GEM AROMATICS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 2022**

*(All figures in INR lakhs unless otherwise stated)*

| Note No. | Particulars                                      | As at 31-03-2022 | As at 31-03-2021 |
|----------|--------------------------------------------------|------------------|------------------|
| 4        | <b>Reserves and surplus</b>                      |                  |                  |
| (a)      | <u>General Reserves</u>                          |                  |                  |
|          | Opening Balance                                  | 3.17             | 3.17             |
|          | Add /(Less): During the year                     | -                | -                |
|          |                                                  | 3.17             | 3.17             |
| (b)      | <u>Securities Premium</u>                        |                  |                  |
|          | Opening Balance                                  | 4,778.37         | 4,778.37         |
|          | Add /(Less): During the year                     | -                | -                |
|          |                                                  | 4,778.37         | 4,778.37         |
| (c)      | <u>Revaluation Reserve</u>                       |                  |                  |
|          | Opening Balance                                  | 39.03            | 40.39            |
|          | Add /(Less): During the year                     | (1.30)           | (1.36)           |
|          |                                                  | 37.73            | 39.03            |
| (d)      | <u>Surplus in Statement of Profit &amp; Loss</u> |                  |                  |
|          | Balance as per Last Balance Sheet                | 6,100.21         | 3,780.97         |
|          | Add: Profit / (Loss) for the year                | 3,965.72         | 2,319.24         |
|          |                                                  | 10,065.93        | 6,100.21         |
| (d)      | <u>Foreign Currency Translation Reserve</u>      |                  |                  |
|          | Balance as per Last Balance Sheet                | (77.55)          | (8.52)           |
|          | Add: Profit / (Loss) for the year                | (97.68)          | (69.03)          |
|          |                                                  | (175.23)         | (77.55)          |
|          | <b>Total</b>                                     | <b>14,709.97</b> | <b>10,843.22</b> |




**GEM AROMATICS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 2022**

(All figures in INR lakhs unless otherwise stated)

| Note No.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Particulars                                                                    | As at 31-03-2022            | As at 31-03-2021            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>5</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>Long-term provisions</b>                                                    |                             |                             |
| (a)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Provision for Gratuity                                                         | 4.20                        | 14.85                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Total</b>                                                                   | <b>4.20</b>                 | <b>14.85</b>                |
| <b>6</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>Short-term borrowings</b>                                                   |                             |                             |
| (a)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Loans repayable on demand                                                      |                             |                             |
| (i)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | from banks                                                                     | 7,686.26                    | 5,510.24                    |
| (b)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Current maturities of long term debt                                           | -                           | 30.04                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Total</b>                                                                   | <b>7,686.26</b>             | <b>5,540.28</b>             |
| <b>Notes:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                |                             |                             |
| <b>(i) Details of Secured Short-Term Borrowings :-</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                |                             |                             |
| <b>Packing Credit</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                |                             |                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | (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                    |
| <b>Cash Credit/ Bank Overdraft</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                |                             |                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | (i) Cash Credit/ Overdraft from Scheduled Bank                                 | 228.51                      | -                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | (ii) Working Capital Demand Loan from Bank                                     | 606.46                      | -                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Total</b>                                                                   | <b>7,686.26</b>             | <b>5,510.24</b>             |
| <b>(Secured against Hypothecation of Stock, Book Debts, Factory Land &amp; Building at Silvassa &amp; Badaun, Personal Guarantee of Director)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                |                             |                             |
| <b>(ii) Details of Interest on Loan :-</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                |                             |                             |
| <b>Export Packing Credit from Schedule Bank</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                |                             |                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <i>In Rupees</i>                                                               | <b>Rate*</b>                |                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                |                             |                             |
| <b>(iii) Annual disclosure for reporting of assets hypothecated against Working Capital Assets pledged as collateral/security against borrowings</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                |                             |                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                | <b>As at March 31, 2022</b> | <b>As at March 31, 2021</b> |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Inventory                                                                      | 8,782.87                    | 8,443.84                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Trade Receivables                                                              | 9,732.79                    | 9,767.65                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Trade Creditors                                                                | (1,165.09)                  | (1,271.64)                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Total</b>                                                                   | <b>17,350.57</b>            | <b>16,939.85</b>            |
| 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). |                                                                                |                             |                             |
| <b>7</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>Trade payables</b>                                                          |                             |                             |
| (a)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Outstanding dues of Micro Enterprises & small enterprises ( Refer Note 32 )    | 497.56                      | 217.35                      |
| (b)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Outstanding dues of Creditors other than Micro Enterprises & small enterprises | 964.82                      | 1,349.55                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Total</b>                                                                   | <b>1,462.38</b>             | <b>1,566.90</b>             |
| i)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>Outstanding for following periods from due date of payment</b>              |                             |                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Undisputed</b>                                                              |                             |                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Not Due                                                                        | MSME                        | Others                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Less than 1 year                                                               | 78.98                       | 601.09                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 1-2 years                                                                      | 418.54                      | 360.20                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                | MSME                        | Others                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                | 0.04                        | 3.53                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Total</b>                                                                   | <b>497.56</b>               | <b>964.82</b>               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                | MSME                        | Others                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                | 30.76                       | 949.62                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                | 186.59                      | 399.93                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                | 0.00                        | 0.00                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Total</b>                                                                   | <b>217.35</b>               | <b>1349.55</b>              |
| <b>8</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>Other current liabilities</b>                                               |                             |                             |
| (a)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Interest accrued but not due on borrowings                                     | 5.80                        | 4.57                        |
| (b)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Statutory Dues                                                                 | 26.48                       | 44.43                       |
| (c)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Advances from customers                                                        | 28.79                       | 42.83                       |
| (d)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Salary & Incentive Payable                                                     | 240.40                      | 25.36                       |
| (e)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Others Expenses Payable                                                        | 272.71                      | 250.09                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Total</b>                                                                   | <b>574.18</b>               | <b>367.28</b>               |
| <b>9</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>Short-term provisions</b>                                                   |                             |                             |
| (a)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Provision for Taxation (Net of Advance Tax)                                    | 266.05                      | 59.22                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Total</b>                                                                   | <b>266.05</b>               | <b>59.22</b>                |



**GEM AROMATICS PRIVATE LIMITED**  
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 2022

(All figures in INR lakhs unless otherwise stated)

Note 10 - Property, Plant & Equipment and Intangible Assets  
(b) Tangible Assets

| Sr No | Particulars                   | GROSS BLOCK      |                 | As on 31.03.2022 | DEPRECIATION    |                 | NET BLOCK       |                        |                 |
|-------|-------------------------------|------------------|-----------------|------------------|-----------------|-----------------|-----------------|------------------------|-----------------|
|       |                               | As on 01.04.2021 | Addition        |                  | (Deletions)     | Upto 01.04.2021 | For the Year    | Deletions for the year | Upto 31.03.2022 |
| (a)   | Land                          | 390.83           | 888.27          | -                | 1,279.11        | -               | -               | 1,279.11               | 390.83          |
| (b)   | Building                      | 872.91           | 142.55          | -                | 1,015.46        | 54.59           | -               | 390.10                 | 537.40          |
| (c)   | Vehicles                      | 214.18           | 36.16           | 44.69            | 205.64          | 25.16           | 42.13           | 131.03                 | 66.18           |
| (d)   | Furniture & Fixtures          | 66.90            | 2.85            | 8.93             | 60.81           | 47.46           | 5.47            | 47.06                  | 19.44           |
| (e)   | Plant & Machinery & Equipment | 2,015.96         | 384.15          | 14.46            | 2,385.66        | 733.23          | 254.62          | 978.53                 | 1,282.73        |
| (f)   | Computers & Systems           | 43.49            | 24.41           | 1.79             | 66.11           | 32.10           | 12.39           | 43.08                  | 11.39           |
| (g)   | Office Equipment              | 33.56            | 15.20           | -                | 48.76           | 22.88           | 7.46            | 30.33                  | 10.69           |
| (h)   | Lab Equipments                | 115.51           | -               | 12.05            | 103.47          | 70.74           | 11.91           | 71.19                  | 44.77           |
| (i)   | Electrical Installation       | 117.14           | 1.74            | -                | 118.89          | 69.57           | 12.57           | 82.14                  | 47.57           |
|       | <b>TOTAL</b>                  | <b>3,870.49</b>  | <b>1,495.33</b> | <b>81.93</b>     | <b>5,283.90</b> | <b>1,459.49</b> | <b>383.77</b>   | <b>1,773.47</b>        | <b>3,510.45</b> |
|       |                               |                  | <b>(377.32)</b> | <b>(40.13)</b>   |                 |                 | <b>(323.89)</b> |                        |                 |

| Sr No | Particulars  | GROSS BLOCK      |             | As on 31.03.2022 | AMORTISATION |                 | NET BLOCK     |              |                 |
|-------|--------------|------------------|-------------|------------------|--------------|-----------------|---------------|--------------|-----------------|
|       |              | As on 01.04.2021 | Addition    |                  | (Deletions)  | Upto 01.04.2021 | For the Year  | Deletions    | Upto 31.03.2022 |
| (a)   | Softwares    | 17.72            | 3.75        | -                | 21.47        | 14.02           | 5.14          | 19.16        | 2.31            |
|       | <b>TOTAL</b> | <b>17.72</b>     | <b>3.75</b> | <b>-</b>         | <b>21.47</b> | <b>14.02</b>    | <b>5.14</b>   | <b>19.16</b> | <b>2.31</b>     |
|       |              |                  |             |                  |              |                 | <b>(4.83)</b> |              |                 |

| Sr No | Particulars              | GROSS BLOCK      |                 | As on 31.03.2022 |
|-------|--------------------------|------------------|-----------------|------------------|
|       |                          | As on 01.04.2021 | Addition        |                  |
| 1     | Capital Work in Progress | 215.17           | 520.59          | 607.06           |
|       | <b>TOTAL</b>             | <b>215.17</b>    | <b>520.59</b>   | <b>128.70</b>    |
|       | Previous Year            |                  | <b>(539.91)</b> | <b>(377.32)</b>  |

| Particulars                    | Total amount in CWIP for a period of |              |               |
|--------------------------------|--------------------------------------|--------------|---------------|
|                                | Less than 1 year                     | 1-2 years    | 2-3 years     |
| Projects in progress           | 67.23                                | 61.47        | 128.70        |
| Projects temporarily suspended | -                                    | -            | -             |
| <b>Total</b>                   | <b>67.23</b>                         | <b>61.47</b> | <b>128.70</b> |

| Particulars                    | Total amount in CWIP for a period of |              |               |
|--------------------------------|--------------------------------------|--------------|---------------|
|                                | Less than 1 year                     | 1-2 years    | 2-3 years     |
| Projects in progress           | 162.58                               | 52.59        | 215.17        |
| Projects temporarily suspended | -                                    | -            | -             |
| <b>Total</b>                   | <b>162.58</b>                        | <b>52.59</b> | <b>215.17</b> |

Notes :-  
11.1 - Depreciation for the year includes depreciation of Rs. 1.30 lakhs on revalued 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 CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 2022**

*(All figures in INR lakhs unless otherwise stated)*

| Note No.  | Particulars                                   | As at 31-03-2022 |              | As at 31-03-2021 |              |
|-----------|-----------------------------------------------|------------------|--------------|------------------|--------------|
|           |                                               | Qty              | Amount       | Qty              | Amount       |
| <b>11</b> | <b><u>Non-current investments</u></b>         |                  |              |                  |              |
| (i)       | <u>Unquoted</u>                               |                  |              |                  |              |
| (a)       | Investments in Government or trust securities |                  | 0.02         |                  | 0.02         |
|           | <b>Total</b>                                  |                  | <b>0.02</b>  |                  | <b>0.02</b>  |
| <b>12</b> | <b><u>Long-term loans and advances</u></b>    |                  |              |                  |              |
|           | <u>Unsecured, considered good</u>             |                  |              |                  |              |
| (a)       | Capital Advances                              |                  | 27.10        |                  | -            |
|           | <b>Total</b>                                  |                  | <b>27.10</b> |                  | <b>-</b>     |
| <b>13</b> | <b><u>Other non-current assets</u></b>        |                  |              |                  |              |
| (a)       | Fixed Deposits                                |                  | 1.00         |                  | -            |
| (b)       | Other Loans & advances (security Deposits)    |                  | 32.19        |                  | 32.78        |
|           | <b>Total</b>                                  |                  | <b>33.19</b> |                  | <b>32.78</b> |




**GEM AROMATICS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 2022**

*(All figures in INR lakhs unless otherwise stated)*

| Note No.  | Particulars                                                       | As at 31-03-2022 | As at 31-03-2021 |
|-----------|-------------------------------------------------------------------|------------------|------------------|
| <b>14</b> | <b>Inventories</b>                                                |                  |                  |
|           | (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                                                    | 2,129.91         | 1,675.66         |
| (e)       | Stores and spares                                                 | 111.51           | 57.83            |
| (f)       | Finished Goods in Transit                                         | 127.96           | 336.63           |
|           | <b>Total</b>                                                      | <b>10,406.19</b> | <b>8,246.27</b>  |
| <b>15</b> | <b>Trade Receivables</b>                                          |                  |                  |
|           | Trade Receivables considered good - Unsecured                     | 8,247.32         | 5,257.94         |
|           | Less: Provision for Doubtful Debts                                | -                | -                |
|           |                                                                   | <b>8,247.32</b>  | <b>5,257.94</b>  |
|           | <b>Note:</b>                                                      |                  |                  |
| i)        | <b>Outstanding for following periods from due date of payment</b> |                  |                  |
|           | <u>Undisputed</u>                                                 |                  |                  |
|           | Not Due                                                           | 7214.71          | 4206.84          |
|           | Less than 6 Months                                                | 439.65           | 771.16           |
|           | 6 Months - 1 year                                                 | 387.82           | 279.94           |
|           | 1-2 years                                                         | 205.13           | 0.00             |
|           | <b>Total</b>                                                      | <b>8,247.31</b>  | <b>5,257.94</b>  |




**GEM AROMATICS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 2022**

(All figures in INR lakhs unless otherwise stated)

| Note No.  | Particulars                                                                                     | As at 31-03-2022 | As at 31-03-2021 |
|-----------|-------------------------------------------------------------------------------------------------|------------------|------------------|
| <b>16</b> | <b><u>Cash and cash equivalents</u></b>                                                         |                  |                  |
| (a)       | Balances with Banks                                                                             | 461.14           | 801.78           |
| (b)       | Cash on hand                                                                                    | 10.00            | 9.20             |
| (c)       | Others (Fixed Deposits)*                                                                        | 26.08            | 5.61             |
|           | <b>Total</b>                                                                                    | <b>497.22</b>    | <b>816.59</b>    |
|           | *Fixed Deposits amounting to Rs. 22.78/- Lakhs has been marked lien towards LC facility availed |                  |                  |
| <b>17</b> | <b><u>Short-term loans and advances</u></b>                                                     |                  |                  |
|           | <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             |
|           | <b>Total</b>                                                                                    | <b>261.66</b>    | <b>18.40</b>     |
| <b>18</b> | <b><u>Other current assets</u></b>                                                              |                  |                  |
| (a)       | Interest accrued on Fixed Deposits                                                              | 0.35             | 0.16             |
| (b)       | Security Deposits                                                                               | 4.35             | 26.38            |
| (c)       | Balance with Statutory / Government Authorities                                                 | 953.54           | 670.45           |
| (d)       | MEIS Licence Stock                                                                              | 229.91           | 3.19             |
| (e)       | Prepaid Expenses                                                                                | 35.52            | 71.13            |
| (f)       | Export Incentives Receivable                                                                    | 428.79           | 476.69           |
| (g)       | Advances receivable in Cash or in kind                                                          | 117.22           | 346.46           |
|           | <b>Total</b>                                                                                    | <b>1,769.68</b>  | <b>1,594.46</b>  |






**GEM AROMATICS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 2022**

*(All figures in INR lakhs unless otherwise stated)*

| Note No.  | Particulars                                      | For the year ended<br>31-03-2022 | For the year ended<br>31-03-2021 |
|-----------|--------------------------------------------------|----------------------------------|----------------------------------|
| <b>19</b> | <b>Revenue from operations</b>                   |                                  |                                  |
| (a)       | Sale of Finished Goods (Processed Aromatic Oils) |                                  |                                  |
|           | Export Sales                                     | 17,452.04                        | 16,608.69                        |
|           | Domestic Sales                                   | 16,292.24                        | 13,395.09                        |
| (b)       | Other operating revenues                         |                                  |                                  |
|           | Export Incentives                                | 207.52                           | 453.27                           |
|           | Duty Drawback                                    | 106.63                           | 128.27                           |
|           | Job work Charges                                 | 15.22                            | -                                |
|           | Others                                           | 124.28                           | 7.06                             |
|           | <b>Total</b>                                     | <b>34,197.93</b>                 | <b>30,592.38</b>                 |
| <b>20</b> | <b>Other Income</b>                              |                                  |                                  |
| (a)       | Interest Income                                  |                                  |                                  |
|           | Interest on Deposit with Bank                    | 0.38                             | 10.35                            |
|           | Interest from others                             | 0.36                             | -                                |
| (b)       | Net gain/loss (Foreign Currency)                 | 243.92                           | 434.18                           |
| (c)       | Other non-operating income                       |                                  |                                  |
|           | Sundry balances written back                     | 12.18                            | -                                |
|           | Miscellaneous Income                             | 6.05                             | 1.45                             |
|           | <b>Total</b>                                     | <b>262.89</b>                    | <b>445.98</b>                    |




**GEM AROMATICS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 2022**

*(All figures in INR lakhs unless otherwise stated)*

| Note No.  | Particulars                                            | For the year ended<br>31-03-2022 | For the year ended<br>31-03-2021 |
|-----------|--------------------------------------------------------|----------------------------------|----------------------------------|
| <b>21</b> | <b><u>Cost of materials consumed</u></b>               |                                  |                                  |
|           | Opening Stock of Raw Material                          | 1,637.30                         | 2,404.40                         |
|           | Add : Purchases of Raw material                        | 27,756.87                        | 26,702.46                        |
|           | Less : Closing Stock of Raw Material                   | 2,105.54                         | 1,637.30                         |
|           | <b>Cost of materials consumed</b>                      | <b>27,288.63</b>                 | <b>27,469.56</b>                 |
| <b>22</b> | <b><u>Changes in inventories of stock-in-trade</u></b> |                                  |                                  |
|           | <u>Inventories at the beginning of the year</u>        |                                  |                                  |
|           | Finished Goods                                         | 1,675.66                         | 99.55                            |
|           | Work - in - Progress                                   | 4,538.85                         | 4,019.79                         |
|           | Finished Goods-in-transit                              | 336.63                           | -                                |
|           | <u>Inventories at the end of the year</u>              |                                  |                                  |
|           | Finished Goods                                         | 2,129.91                         | 1,675.66                         |
|           | Work - in - Progress                                   | 5,931.27                         | 4,538.85                         |
|           | Finished Goods-in-transit                              | 127.96                           | 336.63                           |
|           | <b>(Net increase) / decrease</b>                       | <b>(1,638.00)</b>                | <b>(2,431.79)</b>                |
| <b>23</b> | <b><u>Employee benefits expense</u></b>                |                                  |                                  |
| (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                             |
|           | <b>Total</b>                                           | <b>930.72</b>                    | <b>695.20</b>                    |
| <b>24</b> | <b><u>Finance Costs</u></b>                            |                                  |                                  |
| (a)       | Interest                                               | 254.20                           | 187.69                           |
| (b)       | Other borrowing costs (Processing Fee & Stamp Duty)    | 44.72                            | 23.76                            |
|           | <b>Total</b>                                           | <b>298.92</b>                    | <b>211.45</b>                    |



**GEM AROMATICS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 2022**

*(All figures in INR lakhs unless otherwise stated)*

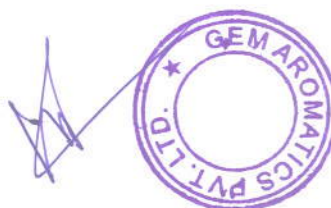
| Note No.    | Particulars                                                                                                                    | For the year ended<br>31-03-2022 | For the year ended<br>31-03-2021 |
|-------------|--------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|
| <b>25</b>   | <b>Other Expenses</b>                                                                                                          |                                  |                                  |
|             | 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                                                                                                                 | 0.00                             | 289.94                           |
|             | Freight Outward                                                                                                                | 127.41                           | 79.49                            |
|             | Travelling and Conveyance                                                                                                      | 24.19                            | 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                                                                                                              | 74.04                            | 54.17                            |
|             | Auditors Remuneration (Refer Note 25.1 below)                                                                                  | 17.90                            | 15.00                            |
|             | Legal and Professional fees                                                                                                    | 138.71                           | 76.93                            |
|             | Postage & Telephone Expenses                                                                                                   | 21.59                            | 9.51                             |
|             | Rent Expense                                                                                                                   | 43.94                            | 41.35                            |
|             | R & D Expenses                                                                                                                 | 9.86                             | 13.69                            |
|             | Bank Charges                                                                                                                   | 10.07                            | 11.01                            |
|             | 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)                                                                                        | 27.31                            | 59.78                            |
|             | License and Registration Fees                                                                                                  | 23.16                            | 5.74                             |
|             | Loss on Sale of Fixed Assets / written off                                                                                     | 2.83                             | 0.75                             |
|             | Bad Debts                                                                                                                      | 1.48                             | 1.11                             |
|             | Miscellaneous expenses                                                                                                         | 53.26                            | 55.26                            |
|             | <b>Total</b>                                                                                                                   | <b>1929.87</b>                   | <b>1763.00</b>                   |
| <b>25.1</b> | <b>Auditors' Remuneration</b>                                                                                                  |                                  |                                  |
| (i)         | Audit fees                                                                                                                     | 9.50                             | 9.00                             |
| (ii)        | Tax Audit                                                                                                                      | 3.00                             | 3.00                             |
| (iii)       | Other Services                                                                                                                 | 5.40                             | 3.00                             |
|             |                                                                                                                                | <b>17.90</b>                     | <b>15.00</b>                     |
| <b>25.2</b> | <b>Corporate Social Responsibilities</b>                                                                                       |                                  |                                  |
| (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 CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 2022**

*(All figures in INR lakhs unless otherwise stated)*

| Note No.    | PARTICULARS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 31st March 2022 | 31st March 2021 |
|-------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|
| <b>26</b>   | <b>CONTINGENT LIABILITIES &amp; COMMITMENTS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                 |                 |
| <b>26.1</b> | <b>Claims against the company not acknowledged as debt :</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                 |                 |
|             | Under Customs <sup>(i)</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 2,882.92        | 1,489.80        |
|             | Under Income Tax Act                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 21.78           | 43.05           |
|             | Under GST Act (Disallowance of ITC availed) <sup>(ii)</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 364.48          |                 |
|             | Under Stamp Duty Act <sup>(iii)</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 17.08           | 17.08           |
|             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>3,286.26</b> | <b>1,549.93</b> |
|             | <sup>(i)</sup> 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                 |                 |
|             | 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/AM16dated 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". |                 |                 |
|             | Further, during the year the Company has received Show Cause Notice for differential duty payment of Rs. 13,76,160/- on account of re-classification of Eucalyptol by Customs. However, the Company is of the opinion that this classification is not correct and does not expect any cash outflow in this regard. The Company has replied to the Customs department and is awaiting the final order.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                 |                 |
|             | <sup>(ii)</sup> 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                 |                 |
|             | <sup>(iii)</sup> 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                 |                 |
| <b>26.2</b> | <b>Bank Guarantees:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                 |                 |
|             | With Customs Authorities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 47.27           | 47.27           |
|             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>47.27</b>    | <b>47.27</b>    |
| <b>27</b>   | <b>CIF VALUE OF IMPORTS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                 |                 |
|             | Raw Materials                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 4,595.68        | 5,166.01        |
| <b>28</b>   | <b>EARNINGS IN FOREIGN EXCHANGE</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                 |                 |
|             | FOB Value of Exports                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 19,673.23       | 19,308.15       |
| <b>29</b>   | <b>EXPENDITURE IN FOREIGN CURRENCY</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 |                 |
|             | Travelling                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 0.03            | 8.14            |
|             | Others                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 0.44            | 8.84            |
|             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>0.47</b>     | <b>16.98</b>    |



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

*(All figures in INR lakhs unless otherwise stated)*

Note  
No. PARTICULARS

**30 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<br>(11185.13) | USD<br>(USD)     | Sell<br>(Sell) | Rupees<br>(Rupees) |
| 706.65<br>(1579.73)   | Yuan<br>(Yuan)   | Sell<br>(-)    | Rupees<br>(-)      |

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<br>(73.50) | 86.20<br>(55.89)           | 6,534.82<br>(4,108.04) |
| Receivables (trade & other)        | YUAN             | 11.94<br>(11.29) | 99.05<br>(86.24)           | 1,182.43<br>(973.96)   |
| Total Receivables (A)              | USD              | 75.81<br>(73.50) | 86.20<br>(55.89)           | 6,534.82<br>(4,108.04) |
| Total Receivables (A)              | YUAN             | 11.94<br>(11.29) | 99.05<br>(86.24)           | 1,182.43<br>(973.96)   |
| Hedges by derivative contracts (B) | USD              | -<br>(-)         | 86.20<br>(55.89)           | 6,534.82<br>(4,108.04) |
| Hedges by derivative contracts (B) | YUAN             | -<br>(-)         | 99.05<br>(86.24)           | 1,182.43<br>(973.96)   |
| II. Liabilities                    | Foreign Currency | Exchange Rate    | Amount in Foreign currency | Amount                 |
| Payables (trade & other)           | USD              | 75.81<br>(73.50) | 0.98<br>(5.41)             | 74.12<br>(397.98)      |
| Borrowings (ECB and Others)        | USD              | 75.81<br>(-)     | (90.79)<br>(-)             | (6,882.44)<br>(-)      |
| Total Payables (D)                 | USD              | 78.11<br>(73.50) | (95.23)<br>(5.41)          | (7,206.30)<br>(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 CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 2022**

*(All figures in INR lakhs unless otherwise stated)*

| Note No. | PARTICULARS                                                                                                                                                                                                                                                   | 31st March 2022 | 31st March 2021 |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|
| 31       | <b>Leases</b>                                                                                                                                                                                                                                                 |                 |                 |
|          | 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                                                                                                                                                                                                               | 63.20           | 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. |                 |                 |
| 32       | <b>EARNINGS PER SHARE</b>                                                                                                                                                                                                                                     |                 |                 |
|          | Net Profit for the year                                                                                                                                                                                                                                       | 3,966           | 2,319           |
|          | 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.)                                                                                                                                                                                                               | 222.19          | 129.94          |
|          | Face Value per Share (In Rs.)                                                                                                                                                                                                                                 | 10              | 10              |

**33 SEGMENT REPORTING:**

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

**34 DETAILS OF RAW MATERIAL CONSUMED**

| Particulars          | 31st March 2022 |               | 31st March 2021 |               |
|----------------------|-----------------|---------------|-----------------|---------------|
|                      | ₹               | %             | ₹               | %             |
| <b>Raw Materials</b> |                 |               |                 |               |
| Indigenous           | 22,693          | 83.16         | 22,304          | 81.19         |
| Imported             | 4,596           | 16.84         | 5,166           | 18.81         |
| <b>Total</b>         | <b>27,289</b>   | <b>100.00</b> | <b>27,470</b>   | <b>100.00</b> |



*(Handwritten signatures)*

**GEM AROMATICS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 2022**

*(All figures in INR lakhs unless otherwise stated)*

| Note No. | PARTICULARS                                                                                                                                                        | 31st March 2022   | 31st March 2021   |
|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|
| 35       | <b>EMPLOYEE BENEFIT PLANS</b>                                                                                                                                      |                   |                   |
| 35.1     | <b>Defined benefit Plans</b>                                                                                                                                       |                   |                   |
|          | <b>Gratuity: Unfunded Plan</b>                                                                                                                                     |                   |                   |
|          | 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. |                   |                   |
|          | <b>Disclosures for the year ended March 31, 2022. The amounts recognised in the Balance Sheet are as follows:</b>                                                  |                   |                   |
|          | <b>Table 1: Reconciliation of Defined Benefit Obligation (DBO)</b>                                                                                                 |                   |                   |
|          | 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              |
|          | <b>Present value of (DBO) at the year end</b>                                                                                                                      | <b>35.92</b>      | <b>29.65</b>      |
|          | <b>Table 2: Expenses recognised in the Profit &amp; Loss Account</b>                                                                                               |                   |                   |
|          | 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)            |
|          | <b>Employer Expenses</b>                                                                                                                                           | <b>5.10</b>       | <b>2.70</b>       |
|          | <b>Table 3: Net Liability / (Asset) recognised in the Balance Sheet</b>                                                                                            |                   |                   |
|          | Present value of (DBO)                                                                                                                                             | 35.92             | 29.65             |
|          | Fair Value of Plan Assets                                                                                                                                          | 31.72             | 14.80             |
|          | <b>Net Liability / (Asset)</b>                                                                                                                                     | <b>4.20</b>       | <b>14.85</b>      |
|          | Less: Unrecognised Past Service Cost                                                                                                                               | -                 | -                 |
|          | <b>Liability / (Asset) recognised in the Balance Sheet</b>                                                                                                         | <b>4.20</b>       | <b>14.85</b>      |
|          | <b>Of which, Short term Provision</b>                                                                                                                              | <b>-</b>          | <b>-</b>          |
|          | <b>Table 4: Actuarial Assumptions</b>                                                                                                                              |                   |                   |
|          | 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           |
|          | <b>Table 5: Experience Adjustments</b>                                                                                                                             |                   |                   |
|          | Defined Benefits Obligation                                                                                                                                        | 35.92             | 29.65             |
|          | Fair Value of Plan Assets                                                                                                                                          | 31.72             | 14.80             |
|          | <b>Surplus / (Deficit)</b>                                                                                                                                         | <b>(4.20)</b>     | <b>(14.85)</b>    |
|          | <b>Experience Adjustment on Plan Liabilities:(Gain)/Loss</b>                                                                                                       | <b>(0.48)</b>     | <b>0.44</b>       |
|          | <b>Experience Adjustment on Plan Assets: (Gain)/Loss</b>                                                                                                           | <b>(0.25)</b>     | <b>NA</b>         |
|          | <i>(+ Being the first actuarial valuation)</i>                                                                                                                     |                   |                   |
| 35.2     | <b>Defined Contribution Plan:</b>                                                                                                                                  |                   |                   |
|          | Employees' Pension & Provident Fund Scheme                                                                                                                         | 23.32             | 13.57             |



**GEM AROMATICS PRIVATE LIMITED**

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 2022**

*(All figures in INR lakhs unless otherwise stated)*

Note  
No.   PARTICULARS

**36 RELATED PARTY DISCLOSURES**

**(A) NAME OF THE RELATED PARTIES AND RELATIONSHIP**

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

**(B) TRANSACTIONS (IN AGGREGATE) WITH RELATED PARTIES**

| Sr No. | Particulars                            | Entities in which Directors are Interested | KMP                | Relative of KMP | Total                  |
|--------|----------------------------------------|--------------------------------------------|--------------------|-----------------|------------------------|
| 1)     | Salary / Remuneration                  | -                                          | 482.97<br>(347.33) | 2.50<br>(1.25)  | 485.47<br>(348.58)     |
| 2)     | Advance Given for Purchase of Property | -                                          | 147.00<br>-        | -               | 147.00<br>-            |
| 3)     | Sales                                  | 5,859.93<br>(4,960.75)                     | -                  | -               | 5,859.93<br>(4,960.75) |
| 4)     | Rent                                   | -                                          | 43.94<br>(41.35)   | -               | 43.94<br>(41.35)       |

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

| Sr No. | Particulars                | Entities in which Directors are Interested | KMP                    | Relative of KMP | Total                  |
|--------|----------------------------|--------------------------------------------|------------------------|-----------------|------------------------|
| 1)     | Salary / Remuneration      | -                                          | 209.21<br>(94.16)      | -               | 209.21<br>(94.41)      |
| 2)     | Trade receivables          | 1,809.15<br>(1,020.36)                     | -                      | -               | 1,809.15<br>(1,020.36) |
| 3)     | Guarantees and collaterals | -                                          | 7,686.26<br>(5,510.24) | -               | 7,686.26<br>(5,510.24) |

Note : Figures in the brackets pertain to the previous year





**GEM AROMATICS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 2022**

*(All figures in INR lakhs unless otherwise stated)*

| Note No.  | PARTICULARS                                                                        | 31st March 2022 | 31st March 2021 |
|-----------|------------------------------------------------------------------------------------|-----------------|-----------------|
| <b>37</b> | <b>DEFERRED TAX (LIABILITY) / ASSET</b>                                            |                 |                 |
|           | <b>Tax effect of items constituting deferred tax (Liability) / Asset</b>           |                 |                 |
|           | On difference between book balance and tax balance of Property, Plant, & Equipment | (22.89)         | (29.84)         |
|           | Provision for Gratuity                                                             | 1.06            | 3.74            |
|           | Other Deferred Tax Liability - Loss                                                | 19.52           |                 |
|           | <b>Net Closing Deferred Tax Asset \ (Liability) (a)</b>                            | <b>(2.31)</b>   | <b>(26.10)</b>  |
|           | <b>Net Opening Deferred Tax Asset \ (Liability) (b)</b>                            | <b>(26.10)</b>  | <b>(121.67)</b> |
|           | <b>Amount Debited \ (Credited) to P&amp;L for the Year ( b - a )</b>               | <b>(23.79)</b>  | <b>(95.57)</b>  |

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

| Sr. No. | Particulars                                                                                                                                   | For the year ended<br>31 March 2022 | For the year ended<br>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 | -                                   | -                                   |

**39 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:

- (i) 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
- (ii) 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:-

- (i) 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
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



## GEM AROMATICS PRIVATE LIMITED

### NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS - 31st MARCH 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.

40 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