

CERTIFICATE ON DIVIDEND

To,
The Board of Directors,
Gem Aromatics Limited
A/410, Kailas Complex,
Vikhroli Powai Link Road,
Park Site, Vikhroli(W), Mumbai,
Maharashtra - 400079

Motilal Oswal Investment Advisors Limited
Motilal Oswal Tower
Rahimtullah Sayani Road
Opposite Parel ST Depot, Prabhadevi, Mumbai
Maharashtra, India 400025

(Motilal Oswal Investment Advisors Limited will be referred as “Book Running Lead Manager” or “BRLM”)

Sub: Proposed initial public offering of equity shares (Equity Shares) of Face Value Rs. 2 per share by Gem Aromatics Limited comprising a fresh issue of Equity Shares and an offer for sale of the Equity Shares by Selling Shareholders (Offer).

Dear Sir,

This Certificate is issued in accordance with the terms of our engagement with Gem Aromatics Limited (the “Company”), a company incorporated under the Companies Act, 1956 and having its registered office at A/410, Kailas Complex, Vikhroli Powai Link Road, Park Site, Vikhroli (W), Mumbai, Maharashtra – 400079 to certify the Dividend Declaration for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 and for period beginning from April 1, 2025 till the date of certificate (the “Relevant Period”).

We have been informed by management of the Company that the Company is in the process of filing a Red Herring Prospectus (“RHP”) and Prospectus in relation to the Offer under Chapter II of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”) and relevant provisions of the Companies Act, 2013, as amended (“Companies Act”).

We have audited the consolidated financial statements of the Company for the financial year ended March 31, 2025 prepared in accordance with the Companies Act and the Companies (Indian Accounting Standards) Rules, 2015 (“Ind AS”) (the “Audited Consolidated Financial Statements”) which have been approved by the Board of Directors at their meeting held on May 30, 2025 and on which we have issued our unmodified opinion through our report dated May 30, 2025.

We have carried out a special purpose audit, in accordance with the requirements of the Ind AS, the Companies Act, Standards on Auditing specified under Section 143(10) of the Companies Act and the Standard on Auditing 800 (Special Considerations - Audit of Financial Statements Prepared in Accordance with Special Purpose Frameworks), of the consolidated financial statements of the Company for the financial years ended March 31, 2024 and March 31, 2023 which were prepared as per generally accepted accounting principles in India and audited by us (the “Special Purpose Audited Consolidated Financial Statements”) and on which we have issued our unmodified opinion through our reports dated December 16, 2024 and on which we have issued our unmodified opinion through our reports dated December 16, 2024.

Subsequently, we have examined the restated consolidated financial statements prepared on the basis of (i) Audited Consolidated Financial Statements and (ii) Special Purpose Audited Consolidated Financial Statements in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) (“Restated Consolidated Financial Statements”).



Management's Responsibility

The management of the Company is responsible for ensuring that the requirements of the SEBI ICDR Regulations dealing with the dividend policy of the Company have been complied with.

The preparation of the enclosed **Annexure A and B** dealing with the information of dividend is the responsibility of the management of the Company including the preparation and maintenance of all accounting and other records supporting its contents. This responsibility includes the designing, implementation and maintaining of internal control relevant to the preparation and presentation of the **Annexure A and B** and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

The Company is responsible for preparation of the Restated Consolidated Financial Statements for the purpose of the Offer in accordance with the SEBI ICDR Regulations, as amended and read with the rules, circulars and notifications issued in relation thereto, the Companies Act and the Ind AS.

Our Responsibility

At your specific request, we, M/s Chhajer & Doshi, Chartered Accountants, the statutory auditors of the Company, have examined the enclosed **Annexure A and B**. Our responsibility is to provide a reasonable assurance in the form of this certificate for the information mentioned below after undertaking the following procedures: -

- i. Review of the relevant minutes of the meetings of the board of directors, annual general meetings, extraordinary general meetings of the Company for the period from April 01, 2022 till as set forth in the minute books as of the date of this certificate;
- ii. Review of the books of account, ledgers and annual reports of the Relevant Period presented to us by the Company.
- iii. Review of Restated Consolidated Financial Statements of the company for the Relevant Period.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by the ICAI.

Opinion

Based on the procedures performed by us, and the information and explanation provided to us along with our examination of the same, we are of the opinion that the details mentioned in **Annexure A** – dividend declaration have been accurately extracted from the books and records of the Company. Further, we confirm that the Company has neither declared nor paid any dividend during the Relevant Period. Further, dividend distribution policy adopted by the Company is as set out in **Annexure B**.

Restriction of use

At the specific request of the Company, this certificate is also being addressed to the Book Running Lead Manager to assist them in conducting their due diligence and documenting the affairs of the Company in connection with the proposed Offer.

We confirm that the information in this certificate is true and fair. We hereby consent that this certificate either in part or full can be used in RHP and the Prospectus to be filed with the Registrar of Companies, Mumbai at Maharashtra ("RoC") and submitted to the Securities and Exchange Board of India ("SEBI"), the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") and together with the BSE, the "Stock Exchanges" in connection with the Offer, and in any other material used in connection with the Offer and for disclosure on the website of the Company and the Book Running Lead Manager in connection with the Offer. We hereby also consent to the submission and disclosure of this certificate as may be necessary to the SEBI, the RoC, the Stock Exchanges and any other regulatory, statutory, governmental, judicial or competent authorities and, or,



for any other litigation purposes (including in connection with any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation related to any matter regarding issuance and listing of the Equity Shares of the Company) or affiliates of Book Running Lead Manager and/or for the records to be maintained by the Book Running Lead Manager, and in accordance with applicable law. We also consent to the inclusion of this certificate as a part of 'Material Contracts and Documents for Inspection' in connection with the Offer, which will be available for public for inspection from the date of filing of the RHP until the Bid/ Offer Closing Date.

As a result, the certificate may not be suitable for any other purpose and, save and except for above, should not be distributed to or used by any third parties without our prior written consent. Accordingly, save and except for above, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come.

We confirm that any changes to the above information that are brought to our attention by the Company will immediately be intimated to the Book Running Lead Manager until the date when the Equity Shares commence trading on the relevant stock exchanges. In the absence of any communication from us, the Company, the BRLM and the legal advisors appointed with respect to the Offer may assume that there is no change in respect of the matters covered in this certificate.

This certificate may be relied on by the Book Running Lead Manager, their affiliates and the legal counsel in relation to the Offer and to assist the Book Running Lead Manager in the context of due diligence procedures that the Book Running Lead Manager has to conduct and the documents in relation of their investigation of the affairs of the Company in connection with the Offer.

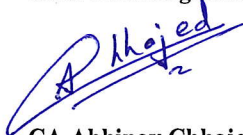
Yours faithfully,

For and on behalf of

CHHAJED & DOSHI

Chartered Accountants

ICAI Firm Registration No.: 101794W



CA Abhinav Chhajed

Partner

Membership No.: 196452

UDIN: 25196452BMNWBS7200

Place: Mumbai

Date: 12.08.2025



Cc:

Legal Counsel to the Offer

Saraf and Partners

2402, Tower 2, One International Center

Senapati Bapat Marg, Prabhadevi West

Mumbai 400013, Maharashtra, India

Legal Counsel to the Book Running Lead Manager

Economic Laws Practice

9th floor, Berger Tower

Sector 16B, Noida – 201301

Uttar Pradesh, India

ANNEXURE A

Particulars	From April 1, 2025 till the date of this certificate	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
Number of Equity Shares*	4,68,52,523	4,68,52,523	4,68,52,523	17,84,858
Face Value of Equity Share (per share) (₹)	2	2	2	10
Dividend (₹)	Nil	Nil	Nil	Nil
Dividend per Equity Share excluding Dividend Distribution Tax (₹)	Nil	Nil	Nil	Nil
Dividend Rate for each Equity Share (%)	Nil	Nil	Nil	Nil
Dividend Distribution Tax (%)	Nil	Nil	Nil	Nil
Dividend Distribution Tax (₹)	Nil	Nil	Nil	Nil
Mode of payment of Dividend	Not Applicable	Not Applicable	Not Applicable	Not Applicable

*Note: The company vide Shareholder Resolution dated July 14, 2023, had split the face value of each share of Rs. 10 each to Rs. 2 each.

The company vide Shareholder Resolution dated July 14, 2023, issued bonus shares in the ratio 17:4 equity shares for every 4 equity shares held as on the record date June 30, 2023.



ANNEXURE B

DIVIDEND DISTRIBUTION POLICY ADOPTED BY THE BOARD OF DIRECTORS



Gem Aromatics Limited

(Formerly Known as Gem Aromatics Pvt. Ltd.)

Manufacturers & Exporters of Essential Oils & Aromatics Chemicals

Registered Office: A/410-411, A-Wing, Kailash Ind. Complex, Powai Vikhroli link Rd,
Vikhroli West, Mumbai-400079, Maharashtra, India,

Tel No: +91-25185231/25185931 CIN: U24246MH1997PLC111057

GEM AROMATICS LIMITED

(formerly known as Gem Aromatics Private Limited)

DIVIDEND DISTRIBUTION POLICY



Corporate Office: A/503, Kailash Ind. Complex, Powai Vikhroli link Rd, Vikhroli (W), Mumbai, Maharashtra, India, Pin # 400079.

Facility 1: Plot No 2, Survey No.15/4/2, Near Alck Industries, Village Rakholi, Silvassa, Dadra & Nagar Haveli, Pin # 396230.

Facility 2: Khasara No 8,9,10,126, Village Gathona, Ujhoni, Budawn Road, District: Rozaun, UP, India, Pin # 243639.

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





Gem Aromatics Limited

(Formerly Known as Gem Aromatics Pvt. Ltd.)

Manufacturers & Exporters of Essential Oils & Aromatics Chemicals

Registered Office: A/410-411, A-Wing, Kailash Ind. Complex, Powai Vikhroli link Rd,
Vikhroli West, Mumbai-400079. Maharashtra, India,

Tel No: +91-25185231/25185931 CIN: U24246MH1997PLC111057

GEM AROMATICS LIMITED

(formerly known as Gem Aromatics Private Limited)

DIVIDEND DISTRIBUTION POLICY

The Board of Directors (the "Board") of Gem Aromatics Limited (formerly known as Gem Aromatics Private Limited) (the "Company") at its meeting held on 21/09/2023 has adopted this Dividend Distribution Policy (the "Policy") and modified Policy has been adopted at its meeting held on 21/09/2023 as required by Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and shall become effective from the date of its adoption by the Board.

I. Objective of the Policy:

The objective of this Policy is to establish the parameters to be considered before declaring or recommending dividend by the Board of Directors of the Company and to regulate the process of dividend declaration and its pay-out by the Company which would ensure the right balance between the quantum of Dividend paid and amounts of profits retained in the business for the various purposes.

The Company would endeavor to pay sustainable dividend keeping in view the Company's policy of meeting the long-term growth objectives from internal cash accruals.

II. Philosophy

The philosophy of the Company is to maximize the shareholders' wealth in the Company through various means. The Company believes that driving growth creates maximum shareholder value. Thus, the Company would first utilize its profits for working capital requirements, capital expenditure to meet expansion needs, reducing debt from its books of accounts, earmarking reserves for inorganic growth opportunities and thereafter distributing the surplus profits in the form of dividend to the shareholders.

III. Regulatory Framework:

Regulation 43A of Listing Regulations requires top one thousand listed companies on market capitalization (calculated as on March 31 of every financial year) to formulate a Dividend Distribution Policy.

Adhering to best corporate governance practice and to comply with provisions of the Listing Regulations as and when it becomes applicable, Gem Aromatics Limited frames this policy.

Corporate Office: A/503, Kailash Ind. Complex, Powai Vikhroli link Rd, Vikhroli (W), Mumbai, Maharashtra, India, Pin # 400079.

Facility 1: Plot No 2, Survey No.16/4/2, Near Alok Industries, Village Rakholi, Silvassa, Dadra & Nagar Haveli, Pin # 396230.

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

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





Gem Aromatics Limited

(Formerly Known as Gem Aromatics Pvt. Ltd.)

Manufacturers & Exporters of Essential Oils & Aromatics Chemicals

Registered Office: A/410-411, A-Wing, Kailash Ind. Complex, Powai Vikhroli link Rd,
Vikhroli West, Mumbai-400079. Maharashtra, India,

Tel No: +91-25185231/25185931 CIN: U24246MH1997PLC111057

IV. Category of Dividends:

The Board of Directors shall have the power to recommend final dividend to the equity shareholders for their approval in the Annual General Meeting of the Company. Subject to compliance with the provisions of Companies Act, 2013 including the Rules made thereunder and other relevant regulations as applicable from time to time, if any, the Board of Directors shall also have the absolute power to declare interim dividend during any financial year out of the surplus in the profit and loss account and out of profits of the financial year in which such interim dividend is sought to be declared, as and when they consider it fit in compliance with Companies Act, 2013 and other relevant regulations as applicable from time to time.

V. Parameters to be Considered before Recommending Dividend

The Board of Directors of the Company shall consider the following financial / internal parameters while declaring or recommending dividend to shareholders:

- Distributable surplus available as per the Companies Act, 2013 and Listing Regulations.
- Profits earned during the financial year
- Retained Earnings
- Earnings outlook
- Present and future capital expenditure plans/working capital requirements of the Company.
- Past Dividend Trends
- Any other relevant factors and material events as may be deemed fit by the board

The Board of Directors of the Company shall consider the following external parameters while declaring or recommending dividend to shareholders:

- Dividend pay-out ratios of Companies in the same industry.
- Macro-economic environment – Significant changes in macro-economic environment materially affecting the businesses in which the Company is engaged in the geographies in which the Company operates;
- Regulatory changes – Introduction of new regulatory requirements or material changes in existing taxation or regulatory requirements, which significantly affect the businesses in which the Company is engaged;
- Technological changes – Development in technology which necessitate significant new investments in any of the businesses in which the Company is engaged;
- Capital Markets – Dividend pay-out may depend upon the capital market environment and cost of capital to raise fresh funds through alternate resources;
- Taxation Policy – The tax policy of a country also influences the dividend policy of a company. The rate of tax directly influences the amount of profits available to the company for declaring dividends.

Corporate Office: A/503, Kailash Ind. Complex, Powai Vikhroli link Rd, Vikhroli (W), Mumbai, Maharashtra, India, Pin # 400079.

Facility 1: Plot No 2, Survey No.16/4/2, Near Alok Industries, Village Rakholi, Silvassa, Dadra & Nagar Haveli, Pin # 396230.

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

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





Gem Aromatics Limited

(Formerly Known as Gem Aromatics Pvt. Ltd.)

Manufacturers & Exporters of Essential Oils & Aromatics Chemicals

Registered Office: A/410-411, A-Wing, Kailash Ind. Complex, Powai Vikhroli link Rd,
Vikhroli West, Mumbai-400079. Maharashtra, India,

Tel No: +91-25185231/25185931 CIN: U24246MH1997PLC111057

VI. Circumstances under which the shareholders may not expect Dividend

The Board of Directors of the Company may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

The Shareholders of the Company may not expect Dividend or expect reduced dividend interalia, but not limited to under the following circumstances:

1. Inadequacy of profits or whenever the Company has incurred losses;
2. Proposed buy-back of securities;
3. Significantly higher working capital requirements adversely impacting free cash flow;
4. Expansion of business, acquisitions or joint ventures requiring significant allocation of capital;
5. Operation of any law in force which restricts payment of dividend in particular circumstances; and
6. Any restrictions and covenants contained in any agreement as may be entered with the lenders.

VII. Utilization of Retained Earnings

The Company shall endeavor to utilize the retained earnings in a manner which shall be beneficial to the interests of the Company and also its shareholders.

The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

VIII. Parameters that shall be adopted with regard to various Classes of Shares

The Company has issued only one class of shares viz. equity shares and hence the parameters disclosed above apply to the same. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable regulations and will be determined, if and when the Company decides to issue other classes of shares.

Corporate Office: A/503, Kailash Ind. Complex, Powai Vikhroli link Rd, Vikhroli (W), Mumbai, Maharashtra, India, Pin # 400079.

Facility 1: Plot No 2, Survey No.16/4/2, Near Alok Industries, Village Rakholi, Silvassa, Dadra & Nagar Haveli, Pin # 396230.

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

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





Gem Aromatics Limited

(Formerly Known as Gem Aromatics Pvt. Ltd.)

Manufacturers & Exporters of Essential Oils & Aromatics Chemicals

Registered Office: A/410-411, A-Wing, Kailash Ind. Complex, Powai Vikhroli link Rd,
Vikhroli West, Mumbai-400079. Maharashtra, India,

Tel No: +91-25185231/25185931 CIN: U24246MH1997PLC111057

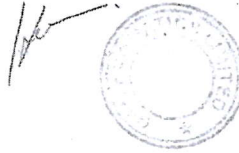
IX. Conflict in Policy

In the event of any conflict between this Policy and the provisions contained in the applicable regulations, such regulations shall prevail.

X. AMENDMENT

Any amendment in this Policy may be carried out with the approval of the Board of Directors of the Company.

In case any amendment(s), clarification(s), circular(s) and guideline(s) issued by Securities and Exchange Board of India/Stock Exchanges, that is not consistent with the requirements specified under this Policy, then the provisions of such amendment(s), clarification(s), circular(s) and the guideline(s) shall prevail upon the requirements hereunder and this Policy shall stand amended accordingly effective from the date as laid down under such amendment(s), clarification(s), circular(s) and guideline(s). Such amendments shall be brought to the attention of the Board of Directors.



Corporate Office: A/503, Kailash Ind. Complex, Powai Vikhroli link Rd, Vikhroli (W), Mumbai, Maharashtra, India, Pin # 400079.

Facility 1: Plot No 2, Survey No.16/4/2, Near Alok Industries, Village Rakholi, Silvassa, Dadra & Nagar Haveli, Pin # 396230.

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

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

