

**CERTIFICATE ON DEFAULTS AND NON-PAYMENT OF STATUTORY DUES AND
COMPLIANCE WITH FINANCIAL COVENANTS**

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 defaults and non-payment of statutory dues and financial covenants for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 and from April 01, 2025 till May 31, 2025 (the “Relevant Period”).

We have been informed by management of the Company that the Company is in the process of filing 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”) which have been approved by the Board of Directors at their meeting held on 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 Chapter II of the SEBI ICDR Regulations have been complied with.

The preparation of the enclosed information dealing with statutory dues that are Provident Fund, Tax Deducted at Source, Employee State Insurance, Professional Tax, Goods and Services Tax and Maharashtra Labour Welfare Fund ("MLWF") (collectively "statutory dues") and loan repayment and contingent liability 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 information 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 Chhajed & Doshi, Chartered Accountants, the statutory auditors of the Company, have examined the enclosed information dealing with details of default of statutory dues, loan repayment and contingent liability as at March 31, 2025. Our responsibility is to provide a reasonable assurance in the form of this certificate for the information mentioned below. For the purpose of this certificate, we have planned and performed the following procedures and reviewed the following documents/information:

- i. Details of statutory liabilities booked by the Company and its subsidiaries for the Relevant Period along with their due date and actual date of payment;
- ii. The Restated Consolidated Financial Statements of the Company for the Relevant Period.
- iii. Books of accounts, sanction letters, loan agreements and repayment schedule;
- iv. Form 3CA and Form 3CD of the Income Tax Act, 1961 for the Assessment Years 2024-2025 and 2023-24;
- v. Goods and Services Tax returns, Tax Deducted at Source returns and challans, Provident Fund payment challans, Employee State Insurance Corporation payment challans, Professional tax payment challans and MLWF payment challans as filed by the Company for the Relevant Period and written management representations from the Company.
- vi. Made inquiries with Kaksha Vipul Parekh, Whole Time Director & Chief Financial Officer of the Company and Pooja Padam Bhandari, Company Secretary & Compliance Officer of the Company.

We conducted our examination of the information in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by 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 confirm that for the Relevant Period:

- i. No instances of non-payment, delays or defaults in the payment of undisputed statutory dues/liabilities by the Company and, or its subsidiaries except as mentioned below: -

A. Gem Aromatics Limited

For the Financial Year ended March 31, 2023

Nature of Transaction – TDS

Amount in Rs.	Due Date of Payment	Actual Date of Payment	Period of delay (in days)	Interest
<i>Details of delay in payment of dues</i>				
1,973	07-02-2023	06-03-2023	27	20
400	07-11-2022	06-03-2023	119	20
499	07-12-2022	06-03-2023	89	20
504	07-01-2023	06-03-2023	58	15
1,134	07-02-2023	06-03-2023	27	15
610	30-04-2023	30-06-2023	61	27
17,650	30-04-2023	30-06-2023	61	794
429	30-04-2023	30-06-2023	61	19
161	30-04-2023	30-06-2023	61	7

Nature of Transaction – Provident Fund

Amount in Rs.	Due Date of Payment	Actual Date of Payment	Period of delay (in days)
<i>Details of delay in payment of dues</i>			
1,38,888	15-08-2022	16-08-2022	1

Nature of Transaction – ESIC

Amount in Rs.	Due Date of Payment	Actual Date of Payment	Period of delay (in days)
<i>Details of delay in payment of dues</i>			
1,346	15-09-2022	22-09-2022	7



For the Financial Year ended March 31, 2024

Nature of Transaction – TDS

Amount in Rs.	Due Date of Payment	Actual Date of Payment	Period of delay (in days)	Interest
<i>Details of delay in payment of dues</i>				
2,508	30-04-2023	06-05-2023	6	75
198	30-04-2023	27-05-2023	27	6
8,099	07-06-2023	07-07-2023	30	243
35,039	30-04-2024	22-05-2024	22	1,577
31,565	07-03-2024	22-05-2024	76	1,894
17,006	07-02-2024	22-05-2024	105	1,275
3,297	07-01-2024	22-05-2024	136	297
7,588	07-12-2023	22-05-2024	167	797
81	30-04-2024	02-05-2024	2	9
7,585	30-04-2024	30-06-2024	61	492

Nature of Transaction – Profession Tax

Amount in Rs.	Due Date of Payment	Actual Date of Payment	Period of delay (in days)
<i>Details of delay in payment of dues</i>			
200	15-08-2023	03-12-2024	110
200	15-10-2023	03-12-2024	415
400	15-11-2023	03-12-2024	384
200	15-02-2024	03-12-2024	292
1000	15-04-2024	03-12-2024	232



For the Financial Year ended March 31, 2025

Nature of Transaction – TDS

Amount in Rs.	Due Date of Payment	Actual Date of Payment	Period of delay (in days)	Interest
<i>Details of delay in payment of dues</i>				
3,357	07-12-2023	30-04-2024	145	302
4,228	07-01-2024	30-04-2024	114	190
2,923	07-06-2024	22-07-2024	45	131
452	07-07-2024	22-07-2024	15	14
38,972	07-06-2024	31-07-2024	54	1,754
1,200	07-05-2024	07-08-2024	92	90
75,926	07-12-2024	07-01-2025	31	2,569
4,993	07-05-2024	06-07-2024	60	225
7,500	07-01-2025	31-01-2025	24	338
1,526	07-12-2024	31-01-2025	55	69
464	07-02-2025	06-03-2025	27	48

Nature of Transaction – Provident Fund

Amount in Rs.	Due Date of Payment	Actual Date of Payment	Period of delay (in days)
<i>Details of delay in payment of dues</i>			
Nil	Nil	Nil	Nil

Nature of Transaction – Profession Tax

Amount in Rs.	Due Date of Payment	Actual Date of Payment	Period of delay (in days)
<i>Details of delay in payment of dues</i>			
200	15-06-2024	03-12-2024	171
200	15-07-2024	03-12-2024	141
25	15-08-2024	03-12-2024	110

Nature of Transaction – ESIC

Amount in Rs.	Due Date of Payment	Actual Date of Payment	Period of delay (in days)
<i>Details of delay in payment of dues</i>			
1,481	15-10-2024	18-10-2024	3



B. Krystal Ingredients Private Limited (Subsidiary)

Nature of Transaction – TDS

For the Financial Year ended March 31, 2023

Amount in Rs.	Due Date of Payment	Actual Date of Payment	Period of delay (in days)	Interest
<i>Details of delay in payment of dues</i>				
9,29,621	30-04-2023	26-08-2023	118	69,722

For the Financial Year ended March 31, 2024

Amount in Rs.	Due Date of Payment	Actual Date of Payment	Period of delay (in days)	Interest
<i>Details of delay in payment of dues</i>				
3,948	07-08-2023	06-09-2023	30	178
32,000	07-05-2023	06-09-2023	122	2,880
11,000	07-07-2023	06-09-2023	61	660
25,000	07-07-2023	06-09-2023	61	1,500
25,000	07-08-2023	06-09-2023	30	1,125
3,912	07-02-2024	07-03-2024	29	117
470	07-02-2024	30-04-2024	83	29

For the Financial Year ended March 31, 2025

Amount in Rs.	Due Date of Payment	Actual Date of Payment	Period of delay (in days)	Interest
<i>Details of delay in payment of dues</i>				
264	07-06-2024	07-11-2024	153	28
408	07-07-2024	07-11-2024	123	36
8,600	07-01-2025	30-01-2025	23	258
12,000	07-03-2025	17-03-2025	10	240

Nature of Transaction – Provident Fund

For the Financial Year ended March 31, 2025

Amount in Rs.	Due Date of Payment	Actual Date of Payment	Period of delay (in days)
<i>Details of delay in payment of dues</i>			
51,745	15-03-2025	11-06-2025	88
1,16,098	15-04-2025	12-06-2025	58
1,43,716	15-05-2025	13-06-2025	29



Particulars	From April 1, 2025 till May 31, 2025		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 employees	Statutory dues paid (in Rs. million)	Number of employees	Statutory dues paid (in Rs. million)	Number of employees	Statutory dues paid (in Rs. million)	Number of employees	Statutory dues paid (in Rs. million)
The Employees Provident Fund and Miscellaneous Provisions Act, 1952	272	1.21	326	5.36	257	4.50	233	3.60
Employee State Insurance Act, 1948	12	0.01	24	0.11	27	0.10	14	0.08
Professional Taxes	55	0.02	65	0.12	38	0.09	29	0.07
Income Tax Act, 1961 (TDS on Salary)	14	3.57	15	20.12	14	24.77	12	20.93

- ii. No overdue in repayment of loans (principal or interest) availed from companies, banks or other financial institutions by the Company and, or its subsidiaries;
- iii. No instances of non-compliance with the financial covenants of the credit facility agreements entered into by the Company and, or its subsidiaries with banks or financial institutions;
- iv. No defaults against banks, companies or financial institutions by the Company and, or its subsidiaries, except for delays in payment by the Company and its subsidiary as mentioned below:
 - a. Gem Aromatics Limited (for the financial year ended March 31, 2023)

(Amt. in Rs. million)

Name of Lender	Nature of Borrowing including debt securities	Amount not paid on due date	Whether principal or interest	No. of days delay
HDFC BANK	Vehicle Loan	0.05	Both	4 Days

- b. Krystal Ingredients Private Limited (for the financial year ended March 31, 2024)

(Amt. in Rs. million)

Name of Lender	Nature of Borrowing including debt securities	Amount not paid on due date	Whether principal or interest	No. of days delay
AXIS BANK	Term Loan	0.65	Interest	2 days

- v. No contingent liabilities of the Company and, or its subsidiaries not provided for in the Restated Consolidated Financial Statement except as follows:

The following table sets out the Company's contingent liability as on March 31, 2025 on a consolidated basis:

Particulars	March 31, 2025 (Rs. million)
Under Customs regulations	300.77
Under Goods & service tax	40.49



Particulars	March 31, 2025 (Rs. million)
Under Income tax Act	63.59
Under MSME Act	0.55
Under Uttar Pradesh Trade Tax Regime	176.48
Total	581.88

Apart from as mentioned above, there are no contingent liabilities which are not provided for by the Company.

The following sets out the commitments as on March 31, 2025: -

Particulars	March 31, 2025 (Rs. million)
Capital Commitments	147.54
Other Commitments (Corporate Guarantee)	1,283.00

- vi. No rescheduling, rollover, restructuring or defaults in payment of debentures/ borrowings/ loans and interest thereon, deposits and interest thereon and loan from any bank/ other financial institution or interest thereon;
- vii. No instances of penalty(ies) imposed or notices issued or any outstanding litigation action initiated in relation to borrowings availed from banks, or other financial institutions, by the Company and, or its subsidiaries;
- viii. No instances of conversion of loans availed by the Company and, or its subsidiaries into equity; and
- ix. As of March 31, 2025, nothing has come to our attention that causes us to believe there are any outstanding notices, litigation, or defaults related to matters likely to impact the operations and finances of the Company or its subsidiary including disputed direct or indirect tax liabilities except as follows:

Particulars	March 31, 2025 (Rs. million)
Under Customs regulations	300.77
Under Goods & service tax	40.49
Under Income tax Act	63.59
Under MSME Act	0.55
Under Uttar Pradesh Trade Tax Regime	176.48
Total	581.88

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 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.

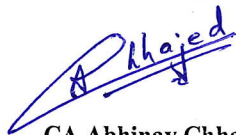
As a result, the certificate may not be suitable for any other purpose and, save and except for above, should not be distributed to or used by any third parties without our prior written consent. Accordingly, save and except for above, we do not accept or assume any liability or any duty of care for 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 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: 25196452BMNWBK7212



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

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 Uttar Pradesh, India