

**CERTIFICATE ON TAX LITIGATION**

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/Madam,

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 pending litigations involving claims related to Income Tax Act, 1961 (“Direct Tax”), Customs Act, 1962 and Goods and Services Tax Act, 2017 (“Indirect Tax”) involving the Company, its directors, its promoters and its subsidiaries as on August 07, 2025.

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 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 and in specific the rules and regulations thereof dealing with disclosure requirement of the pending litigation involving claims related to Direct and Indirect Tax against the Company have been complied with.

The preparation of the enclosed **Annexure A & B** dealing with the statement of pending litigation involving claims related to Direct and Indirect Tax and further case wise break-up of the tax litigations involving the Company, its directors, its promoters and its subsidiaries 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 & 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 Chhajed & Doshi, Chartered Accountants, the statutory auditors of the Company, have examined the enclosed **Annexure A & 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. Reviewed the Restated Consolidated Financial Statements of the company.
- ii. We have also reviewed a list of taxation proceedings involving the Company, its subsidiaries, its promoters and directors dated August 07, 2025 as provided to us by the Company, copies of notices, orders, summons received from the relevant Indirect and Direct Tax authorities by the Company, replies to notices and appeals filed by the Company with the relevant authorities and other documents and accounts presented to us and information and explanation provided by relevant officers of the Company.
- iii. Obtained and reviewed screenshots of "E-proceedings" and "Response to Outstanding Demand" sections on the income tax portal as on August 07, 2025 from all promoters and directors of the Company.
- iv. Obtained written representations from the Company, its subsidiaries, its promoters and directors.

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 confirm that the details of the outstanding tax litigation under Direct and Indirect Tax, involving the Company, its directors, its promoters and its subsidiaries, disclosed in a consolidated manner, giving the total number of claims and the total amounts involved in **Annexure A & B** have been accurately extracted from the books and records of the Company.

## 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.

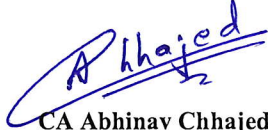
We confirm that any changes to the above information that are brought to our attention by the Company will immediately be intimated to the Book Running Lead Manager until the date when the Equity Shares commence trading on the relevant stock exchanges. In the absence of any communication from us, the 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: 25196452BMNWCA5612



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

9<sup>th</sup> floor, Berger Tower  
Sector 16B, Noida – 201301  
Uttar Pradesh, India

## ANNEXURE A

The following tables sets forth the details of the outstanding tax litigation involving the Company, its directors, its promoters and its subsidiaries as on August 07, 2025 disclosed in a consolidated manner, giving the total number of claims and the total amounts involved:

**A. Details of tax proceedings involving the Company:**

(in Rs. million)

Nature of the case	Number of cases	Total amount involved
Direct Tax litigations	3	60.14
Indirect Tax litigations	15	341.26
<b>Total</b>	<b>18</b>	<b>401.40</b>

**B. Details of tax proceedings involving the subsidiaries: NIL**

**C. Details of tax proceedings involving the promoters:**

(in Rs. million)

Nature of the case	Number of cases	Total amount involved
Direct Tax litigation	0	NIL
Indirect Tax litigation	4	3.05
<b>Total</b>	<b>4</b>	<b>3.05</b>

**D. Details of tax proceedings involving the Directors:**

(in Rs. million)

Nature of the case	Number of cases	Total amount involved
Direct Tax litigation	0	NIL
Indirect Tax litigation	4	3.05
<b>Total</b>	<b>4</b>	<b>3.05</b>



## ANNEXURE B

The following table sets out the further case wise break-up of Direct and Indirect Tax litigation involving the Company, its directors, its promoters and its subsidiaries as on August 07, 2025:

### A. Case wise break-up of Direct and Indirect tax litigation involving the Company:

#### 1. Direct Tax Litigations

(Amount in Rs. Million)

Details of the case	Total amount involved
Assessment Unit Income Tax Department by its order dated 15/05/2023 assess taxable income for Assessment Year 2013-14 by disallowing purchases made by the Company during FY-2012-13s 149(1) of the Income Tax Act. The Company has filed an appeal against Assessment Order before Commissioner of Income Tax (Appeals). The matter has not concluded.	18.78
Assessment Unit Income Tax Department by its order dated 15/05/2023 assess taxable income for Assessment Year 2014-15 by disallowing purchases made by the Company during FY-2013-14 u/s 149(1) of the Income Tax Act. The Company has filed an appeal against Assessment Order before Commissioner of Income Tax (Appeals). The matter has not concluded.	38.12
Deputy Commissioner of Income Tax, Mumbai by its order dated 05.12.2017 assessed taxable income of the Company for Assessment Year 2012-13 The return was processed u/s 143(1) of the I.T. Act 1961 on 17.05.2013 determining the total income at its returned income Subsequently the case was reopened by issue of Notice u/s 148 of the I.T. Act 1961 on 15.03.2017. The Company has filed an appeal before Commissioner of Income Tax (Appeals). The matter has not concluded.	3.24
<b>Total</b>	<b>60.14</b>





## 2. Indirect Tax Litigations

### i. Under Customs Act

(Amount in Rs. Million)

Details of the case	Total amount involved
Company has received order from Office of Commissioner of Custom NS II JNCH dated 03.02.2017 for classification of Goods Imported under Bill of Entry. Company has paid all the dues as per the Addl. Commissioner's order No. 741/2016-17/ADC/NS-II/JNCH Date: 21.03.2017 and appealed before the Commissioner of Customs (Appeals) JNCH, the company has again received the order No 1633/22-23/ADC/CAC/NS-1/JNCH Date 16.03.2023: from Addl. Commissioner of Customs against the company. Company has filed an appeal before the Commissioner of Customs (Appeals) JNCH on 17.05.2023.	1.00
Company has received Order Vide No 176 /2016-17/COMMR/NS-V/, JNCH dated 07.03.2017 from Office of Commissioner of Custom for classification of Goods imported under Bill of Entry. Duty and Interest amount is fully paid, hence all liability has been paid and Company has filed appeal before Custom Excise & Service Tax Appellate Tribunal, Mumbai. The matter has not concluded.	Nil
The Company has received Order for importing of goods under advance authorisation vide No. 22/2016-17/CC(NS-IV) /JNCH Dated 18/07/2016 from Directorate of Revenue Intelligence. The company has appealed before Custom Excise & Service Tax Appellate Tribunal, Mumbai and further hearing is awaited.	15.35
The Company has received Order vide No 107/2017-18/COMMR (NS-IV)/JNCH) dated 21.02.2018 from Directorate of Revenue Intelligence. The company has appealed before Custom Excise & Service Tax Appellate Tribunal and order is pending from CESTAT.	281.73
The Company has received Show cause Notice vide no SG/INV-CIU -17/2012-13 CIU, JNCH from office of the Commissioner of Custom (NS-IV) for classification of Goods imported under Bill of Entry and same has been replied by the Company on 19/09/2016. However order is awaited	1.21
The Company has received Show Cause Notice Vide No s/26-MISC-100/2013-14 from Office of Commissioner of Customs (Import), JNCH, Nhava Sheva for classification of goods and reply has been filed on 20/10/2022 by the Company. However, order is awaited.	1.38
Company has received Show cause Notice vide no 1955/2022-23/ADC/GR-II(AB)/CAC/JNCH dated 31.01.2023 from Superintendent of Custom NS-1 Centralised Adjudication Cell JNCH, Nhavasheva. The company had filed a bill of entry no. 2028627 dated 19/12/2020. Company has erroneously mentioned the different serial no. of IGST while filing the bill of entry and hence the show cause notice was received. Company has replied to the Commissioner of customs on dated 20/02/2023. The matter is currently pending with Office of Commissioner of Customs (Appeal).	0.11
<b>Total</b>	<b>300.77</b>



ii. Under Goods and Services Tax Act

(Amount in Rs. Million)

Details of the case	Total Amount Involved
The order has been passed against Company by Joint Commissioner Corporate Circle Commercial Tax Bareilly for Financial year 2018-19. Company has moved to the appellate authority. Appellate Authority has passed order against Company. Company has filed Writ Petition in Allahabad High Court. The case is pertaining to the FY 2018-19. Tax imposed u/s 74 of CGST Act has been stayed by the Allahabad High Court unconditionally.	37.78
The order has been passed against Company by Joint Commissioner Corporate Circle Commercial Tax Bareilly for financial year 2019-20. Company has moved to the appellate authority. Appellate Authority has passed order against Company. Company has filed Writ Petition in Allahabad High Court. The case is pertaining to the FY 2019-20. Tax imposed u/s 74 of CGST Act has been stayed by the Allahabad High Court unconditionally.	2.71
The Company has received show cause notice from Officer of the Commissioner, Central GST & Central Excise pertaining to FY 2017-18, FY 2018-19 and FY 2020-21 requesting clarifications for differences in amount of Tax and Input Tax Credit in returns filed by the Company. The company has filed response and awaiting order. The amount relating to the order cannot be reasonably ascertained at this stage due to inherent uncertainties surrounding the underlying events and outcomes.	NA
Company has received Show Cause Notice for the FY 20-21 u/s 61 ASMT-10 Dt: 21.09.2024 from Joint Commissioner of Corporate Circle Bareilly, for intimating discrepancies in the return after scrutiny and same is replied by the Company and awaiting Final Order Copy. The amount relating to the order cannot be reasonably ascertained at this stage due to inherent uncertainties surrounding the underlying events and outcomes.	NA
Company has received Show Cause Notice for the FY 24-25 (April 2024 to July 2024) u/s 61 ASMT-10 Dt: 30.09.2024 from Joint Commissioner of Corporate Circle Bareilly, for intimating discrepancies in the return after scrutiny and same is replied by the Company and awaiting Final Order Copy. The amount relating to the order cannot be reasonably ascertained at this stage due to inherent uncertainties surrounding the underlying events and outcomes.	NA
Company has received Show Cause Notice for the FY 24-25 (August 2024) u/s 61 ASMT-10 Dt: 08.10.2024 from Joint Commissioner of Corporate Circle Bareilly, for intimating discrepancies in the return after scrutiny and same is replied by the Company and awaiting Final Order Copy. The amount relating to the order cannot be reasonably ascertained at this stage due to inherent uncertainties surrounding the underlying events and outcomes.	NA
Company has received Show Cause Notice for the FY 21-22 u/s 61 ASMT-10 Dt: 25.07.2025 from Joint Commissioner of Corporate Circle Bareilly, for intimating discrepancies in the return after scrutiny. The amount relating to the order cannot be reasonably ascertained at this stage due to inherent uncertainties surrounding the underlying events and outcomes.	NA
Company has received Show Cause Notice for the FY 25-26 (June 2025) u/s 61 ASMT-10 Dt: 01.08.2025 from Joint Commissioner of Corporate Circle Bareilly, for intimating discrepancies in the return after scrutiny. The amount relating to the order cannot be reasonably ascertained at this stage due to inherent uncertainties surrounding the underlying events and outcomes.	NA
<b>Total</b>	<b>40.49</b>





**B. Case wise break-up of Direct and Indirect Tax litigation involving the Subsidiaries: NIL**

**C. Case wise break-up of direct and indirect tax litigation involving the Promoters:**

**1. Direct Tax Litigations - Nil**

**2. Indirect Tax Litigations -**

(Amount in Rs. Million)

Details of the case	Total Amount Involved
A penalty of Rs. 1.00 million was imposed on Vipul Parekh. The company received an order from the Office of the Commissioner of Customs NS II JNCH dated 03.02.2017 concerning the classification of goods imported under the Bill of Entry. In compliance with the Addl. Commissioner's order No. 741/2016-17/ADC/NS-II/JNCH dated 21.03.2017, the company promptly paid all outstanding dues. Following this, the company filed an appeal with the Commissioner of Customs (Appeals) JNCH. However, the company recently received another order, No. 1633/22-23/ADC/CAC/NS-I/JNCH dated 16.03.2023, issued by the Addl. Commissioner of Customs, once again against the company. The matter is currently pending.	1.00
A penalty of Rs. 1.00 million was imposed on Vipul Parekh. Company has received Order Vide No 176 /2016-17/COMMR/NS-V/, JNCH dated 07.03.2017 from Office of Commissioner of Custom for classification of Goods imported under Bill of Entry. Duty and Interest amount is fully paid, hence all liability has been paid and Company has filed appeal before Custom Excise & Service Tax Appellate Tribunal, Mumbai. The matter is currently pending.	0.05
A penalty of Rs. 1.40 million was imposed on Kaksha Vipul Parekh. The Company has received Order for importing of goods under advance authorisation vide No. 22/2016-17/CC(NS-IV) /JNCH Dated 18/07/2016 from Directorate of Revenue Intelligence. The company has appealed before Custom Excise & Service Tax Appellate Tribunal, Mumbai and further hearing is awaited. The matter is currently pending.	1.40
A penalty of Rs. 0.60 million was imposed on Kaksha Vipul Parekh. The Company has received Order vide No 107/2017-18/COMMR (NS-IV)/JNCH) dated 21.02.2018 from Directorate of Revenue Intelligence. The company has appealed before Custom Excise & Service Tax Appellate Tribunal and order is pending from CESTAT. This matter is not closed. The matter is currently pending.	0.60
<b>Total</b>	<b>3.05</b>



**D. Case wise break-up of direct and indirect tax litigation involving the Directors:**

1. **Direct Tax Litigations** - Nil

2. **Indirect Tax Litigations** -

(Amount in Rs. Million)

Details of the case	Total Amount Involved
A penalty of Rs. 1.00 million was imposed on Vipul Parekh. The company received an order from the Office of the Commissioner of Customs NS II JNCH dated 03.02.2017 concerning the classification of goods imported under the Bill of Entry. In compliance with the Addl. Commissioner's order No. 741/2016-17/ADC/NS-II/JNCH dated 21.03.2017, the company promptly paid all outstanding dues. Following this, the company filed an appeal with the Commissioner of Customs (Appeals) JNCH. However, the company recently received another order, No. 1633/22-23/ADC/CAC/NS-I/JNCH dated 16.03.2023, issued by the Addl. Commissioner of Customs, once again against the company. The matter is currently pending.	1.00
A penalty of Rs. 1.00 million was imposed on Vipul Parekh. Company has received Order Vide No 176 /2016-17/COMMR/NS-V/, JNCH dated 07.03.2017 from Office of Commissioner of Custom for classification of Goods imported under Bill of Entry. Duty and Interest amount is fully paid, hence all liability has been paid and Company has filed appeal before Custom Excise & Service Tax Appellate Tribunal, Mumbai. The matter is currently pending.	0.05
A penalty of Rs. 1.40 million was imposed on Kaksha Vipul Parekh. The Company has received Order for importing of goods under advance authorisation vide No. 22/2016-17/CC(NS-IV) /JNCH Dated 18/07/2016 from Directorate of Revenue Intelligence. The company has appealed before Custom Excise & Service Tax Appellate Tribunal, Mumbai and further hearing is awaited. The matter is currently pending.	1.40
A penalty of Rs. 0.60 million was imposed on Kaksha Vipul Parekh. The Company has received Order vide No 107/2017-18/COMMR (NS-IV)/JNCH) dated 21.02.2018 from Directorate of Revenue Intelligence. The company has appealed before Custom Excise & Service Tax Appellate Tribunal and order is pending from CESTAT. This matter is not closed. The matter is currently pending.	0.60
<b>Total</b>	<b>3.05</b>

