

INDEPENDENT AUDITORS' REPORT

To The Members of
GEM AROMATICS PRIVATE LIMITED

Report on the Standalone Financial Statements

Opinion

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

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

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

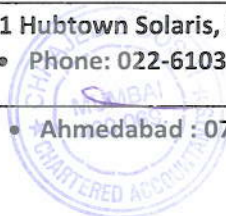
3. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report, but

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

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

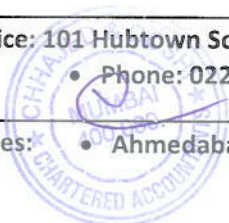
If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

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

4. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the company's financial reporting process.



Auditor's Responsibility for the audit of the Financial Statements

5. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

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



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- e. On the basis of written representations received from the directors as on March 31, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II".
- g. In accordance with the requirements of section 197(16) of the Act, as amended: As per notification number G.S.R. 463 (E) dated June 5, 2015 issued by Ministry of Corporate Affairs, Section 197 of the Act as regards the managerial remuneration is not applicable to the Company, since it is a private company.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- i. The Company has disclosed impact of pending litigations on its financial position in its Financial Statements - Refer Note 27.1 to the financial statement.
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. there were no amounts which were required to be to be transferred to the Investor Education and Protection Fund by the company.
- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether,

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directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

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

For CHHAJED & DOSHI
Chartered Accountants
[FRN 101794W]



Place: Mumbai
Date: 22nd June, 2022

CA M.P. Chhajed
Partner

M. No. 049357

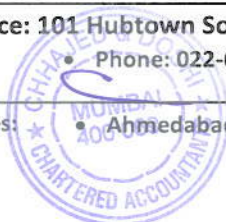
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Annexure I to the Independent Auditors' Report
(Referred to in our report of even date)

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The Company has a program for physical verification of its property, plant and equipment once in a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and based on verification of records provided to us, we report that, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year.
- (e) As per the information and explanation provided to us no proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) In our opinion and according to the information and explanations given to us, the inventory has been physically verified during the year by the management at reasonable intervals and no discrepancies of 10% or more in the aggregate for each class of Inventory were noticed.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks or financial institutions on the basis of security of current assets; the quarterly returns or statements filed by the company with such banks and financial institutions are in agreement with the books of account of the Company except for the differences noted in Inventory amounting to Rs. 940.61 lakh for the quarter ended December 2021 (amount reported Rs. 10,569.01 lakh vs. amount as per unaudited books of account Rs. 9,628.40 lakh); Rs. 339.03 lakh for the quarter ended

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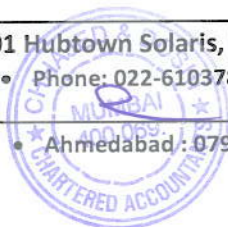
March 2022 (amount reported Rs. 8,443.84 lakh vs amount as per audited books of account Rs. 8,782.87 lakh) and differences noted in trade payable amounting to Rs. 106.55 lakh for the quarter ended March 2022 (amount reported Rs. 1,271.64 lakh vs. amount as per audited books of account Rs. 1,165.09 lakh).

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

(Amt. in INR lakhs)

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

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



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

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

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



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

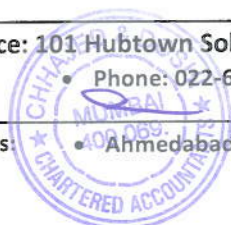
- (viii) As per the information and explanation provided to us and as represented to us, there were no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) The Company has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

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



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

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

Place: Mumbai
Date: 22nd June 2022

For CHHAJED & DOSHI
Chartered Accountants
[FRN 101794W]



CA M.P.Chhajed
Partner

M. No. 049357

UDIN: 22049357A0A75B4179

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

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

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

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Control over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



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Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

4. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:
- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
 - (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
 - (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

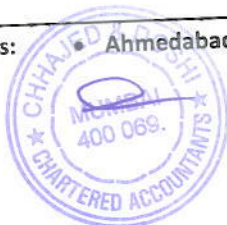
Inherent Limitations of Internal Financial Controls over Financial Reporting

5. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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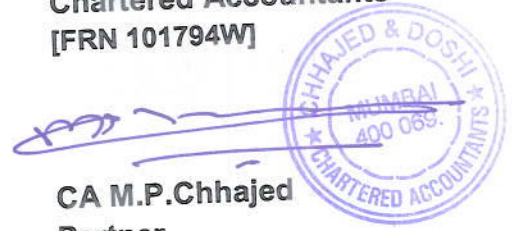


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Opinion

6. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Control over Financial Reporting issued by the ICAI.

For CHHAJED & DOSHI
Chartered Accountants
[FRN 101794W]



CA M.P. Chhajed
Partner

M. No. 049357

UDIN: 22049357AOA7SB4179

Place: Mumbai
Date: 22nd June, 2022

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

GEM AROMATICS PRIVATE LIMITED
BALANCE SHEET AS AT 31-03-2022

(All figures in INR lakhs unless otherwise stated)

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

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. Chhajer
Partner
M. No.: 049357
Place: Mumbai
Date: 22-06-2022

For and on behalf of the Board of Directors

Vipul N. Parekh
DIN: 00235974

Yash V. Parekh
DIN: 03514313

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

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

(All figures in INR lakhs unless otherwise stated)

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

Statement of Significant Accounting policies

2

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

As per our report of even date.

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



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

For and on behalf of the Board of Directors


Vipul N. Parekh
 DIN: 00235974




Yash V. Parekh
 DIN: 03514313

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

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

(All figures in INR lakhs unless otherwise stated)

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

Note: Figure in brackets denote outflows.

Statement of Significant Accounting policies

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

2

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



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



For and on behalf of the Board of Directors



Vipul N. Parekh
 DIN: 00235974




Yash V. Parekh
 DIN: 03514313

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

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

Note No. 1:

CORPORATE INFORMATION

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

Note No. 2:

STATEMENT OF ACCOUNTING POLICIES AND PRACTICES

A Basis of Preparation of Financial Statements:

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

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

B Use of estimates:

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

C Revenue Recognition:

Sale of Goods

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

Other Income

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

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

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



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

D Property, Plant & Equipment and Intangible Assets

i. Tangible Assets

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

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

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

ii. Intangible Assets

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

iii. Capital Work In Progress

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

E Depreciation & Amortisation

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

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

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

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

v. Impairment of Assets

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



GEM AROMATICS PRIVATE LIMITED

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

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 FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

K Employee Benefits:

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

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

L Taxes on Income:

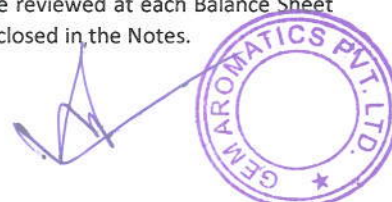
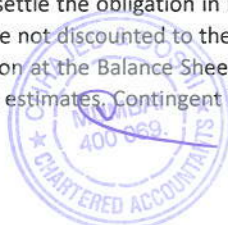
- i. Tax expense comprises of current and deferred Tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.
- ii. Deferred income taxes reflects the impact of current year/period timing differences between taxable income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

M Earnings per share

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

N Commitments and Contingencies Liabilities:

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



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GEM AROMATICS PRIVATE LIMITED

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

(All figures in INR lakhs unless otherwise stated)

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

Refer Notes (i) to (v) below

Notes:

- (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting

Particulars	Opening Balance	Fresh issue	Bonus	Closing Balance
Equity shares	-	-	-	-
Year ended 31-03-2022				-
- Number of shares	1,78,48,580			1,78,48,580
- Amount in Rupees	1,784.86			1,784.86
Year ended 31-03-2021				-
- Number of shares	1,78,48,580			1,78,48,580
- Amount in Rupees	1,784.86			1,784.86

- (ii) The Company has only one class of share capital namely Equity Shares having face value of Rs. 10 each.
- a) In respect of every equity share (whether fully paid or partly paid), voting right shall be in the same proportion as the capital paid up on such equity share bears to the total paid up equity capital of the company.
- b) In the event of liquidation, the shareholders of equity shares are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their share holdings.
- c) The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

- (iii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: NIL

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

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

- (v) Details of shares held by promoters

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



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

(All figures in INR lakhs unless otherwise stated)

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






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

(All figures in INR lakhs unless otherwise stated)

Note No.	Particulars	As at 31-03-2022	As at 31-03-2021
5	Long-term provisions		
(a)	Provision for Gratuity	4.20	14.85
	Total	4.20	14.85
6	Short-term borrowings		
(a)	Loans repayable on demand		
(i)	from banks	7,686.26	5,510.24
(b)	Current maturities of long -term debt	-	30.04
	Total	7,686.26	5,540.28
Notes:			
(i) Details of Secured Short-Term Borrowings :-			
Packing Credit			
(i)	Export Packing Credit from Scheduled Bank	4,772.32	3,820.48
(ii)	Post-Shipment Packing Credit from Schedule Bank	2,078.97	1,689.76
Cash Credit/ Bank Overdraft			
(i)	Cash Credit/ Overdraft from Scheduled Bank	228.51	-
(ii)	Working Capital Demand Loan from Bank	606.46	-
	Total	7,686.26	5,510.24
(Secured against Hypothecation of Stock, Book Debts, Factory Land & Building at Silvassa & Badaun, Personal Guarantee of Director)			
(ii) Details of Interest on Loan :-			
Export Packing Credit from Schedule Bank		Rate*	
<i>In Rupees</i>			
	Standard Chartered Bank	8.95%	
	DBS Bank	8.45%	
	Citi Bank	8.50%	
	Axis	7.50%	
<i>In Foreign Currency</i>			
	Standard Chartered Bank	LIBOR + 1.75%	
	DBS Bank	LIBOR + 2%	
	Citi Bank	LIBOR + 1.75%	
	Axis	LIBOR + 2%	
* The above rates of interest does not consider the interest subvention of 3% available to the Company			
(iii) Annual disclosure for reporting of assets hypothecated against Working Capital			
Assets pledged as collateral/security against borrowings		As at March 31, 2022	As at March 31, 2021
	Inventory	8,782.87	8,443.84
	Trade Receivables	9,732.79	9,767.65
	Trade Creditors	(1,165.09)	(1,271.64)
	Total	17,350.57	16,939.85
Quarterly returns or statements filed by the company for working capital limits with such banks and financial institutions are in agreement with books of account except for the differences noted in Inventory amounting to Rs. 940.61 lakh for the quarter ended December 2021 (amount reported Rs. 10,569.01 lakh vs. amount as per books of account Rs. 9,628.40 lakh); Rs. 339.03 lakh for the quarter ended March 2022 (amount reported Rs. 8,443.84 lakh vs amount as per books of account Rs. 8,782.87 lakh) and differences noted in trade payable amounting to Rs. 106.55 lakh for the quarter ended March 2022 (amount reported Rs. 1,271.64 lakh vs. amount as per books of account Rs. 1,165.09 lakh).			
7	Trade payables		
(a)	Outstanding dues of Micro Enterprises & small enterprises (Refer Note 39)	497.56	217.35
(b)	Outstanding dues of Creditors other than Micro Enterprises & small enterprises	929.71	1,331.99
	Total	1,427.27	1,549.34
i)	Outstanding for following periods from due date of payment		
	Undisputed	MSME	Others
	Not Due	78.98	565.97
	Less than 1 year	418.54	186.59
	1-2 years	0.04	3.53
	Total	497.56	929.71
		MSME	Others
		30.76	932.06
		186.59	399.93
		-	-
		217.35	1,331.99
8	Other current liabilities		
(a)	Interest accrued but not due on borrowings	5.80	4.57
(b)	Statutory Dues	19.41	44.43
(c)	Advances from customers	28.79	42.83
(d)	Salary & Incentive Payable	240.40	119.52
(e)	Others Expenses Payable	201.31	141.02
	Total	495.71	352.37
9	Short-term provisions		
(a)	Provision for Taxation (Net of Advance Tax)	299.07	56.64
	Total	299.07	56.64



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

(All figures in INR lakhs unless otherwise stated)

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



GEM AROMATICS PRIVATE LIMITED

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

(All figures in INR lakhs unless otherwise stated)

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



GEM AROMATICS PRIVATE LIMITED

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

(All figures in INR lakhs unless otherwise stated)

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



GEM AROMATICS PRIVATE LIMITED

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

(All figures in INR lakhs unless otherwise stated)

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



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

(All figures in INR lakhs unless otherwise stated)

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



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

(All figures in INR lakhs unless otherwise stated)

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



GEM AROMATICS PRIVATE LIMITED

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

Note 26 - Annexure I - Ratios

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



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

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



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

(All figures in INR lakhs unless otherwise stated)

Note No. PARTICULARS

31 DETAILS ON DERIVATIVES INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURES

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

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

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

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

Note: Figures in brackets relate to the previous year

Exposures in Foreign Currency :

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

Note:

(i) Figures in brackets relate to the previous year

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



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GEM AROMATICS PRIVATE LIMITED

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

(All figures in INR lakhs unless otherwise stated)

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

34. SEGMENT REPORTING:

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

35. DETAILS OF RAW MATERIAL CONSUMED

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



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

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



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

(All figures in INR lakhs unless otherwise stated)

Note No. PARTICULARS

37 RELATED PARTY DISCLOSURES

(A) NAME OF THE RELATED PARTIES AND RELATIONSHIP

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

(B) TRANSACTIONS (IN AGGREGATE) WITH RELATED PARTIES

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

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

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

Note : Figures in the brackets pertain to the previous year







GEM AROMATICS PRIVATE LIMITED

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

(All figures in INR lakhs unless otherwise stated)

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

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

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

40 Additional Disclosure Requirements

(i) Relationship With Struck off Companies

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

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

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

(iii) Compliance With Number of Layers of Companies

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

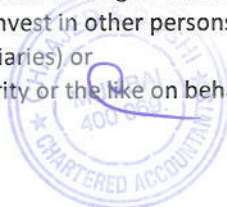
(iv) Utilization of Borrowed Funds and Share Premium

(A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- (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 FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

(All figures in INR lakhs unless otherwise stated)

(v) **Undisclosed Income**

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

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

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

(vii) **Disclosure of Benami Property**

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

(viii) **Disclosure of Borrowings**

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

(ix) **Wilful Defaulter**

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

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

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

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

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

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

As per our report of even date
FOR CHHAJED & DOSHI
CHARTERED ACCOUNTANTS
[Firm Reg No: 101794W]





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

For and on behalf of the Board of Directors




Vipul N. Parekh
DIN: 00235974


Yash V. Parekh
DIN: 03514313

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