INDEPENDENT AUDITORS' REPORT

To The Members of
Gem Aromatics Limited
(formerly known as Gem Aromatics Private Limited)

Report on the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Gem Aromatics Limited (formerly known as Gem Aromatics Private Limited) ("the Company"), which comprise the balance sheet as at March 31, 2025, and the statement of profit and loss (including other comprehensive income), statement of cash flow for the year then ended, statement of changes in equity, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

   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 Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

2. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Other Information

3. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the standalone and consolidated financial statements and our auditor's report thereon. The Director's Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether

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the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 "The Auditors Responsibilities Relating to Other Information".

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

4. The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

   In preparing the standalone financial statements, management and Board of Directors are 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 Board of Directors 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 Responsibilities for the Audit of the Standalone Financial Statements

5. Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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.

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- 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 Act, 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 and Board of Directors.

- Conclude on the appropriateness of Management and Board of Director's use of the going concern basis of accounting in preparation of standalone financial statements 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 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 except for the matter stated in the paragraph 6(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

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c. The balance Sheet, the Statement of profit and loss (including other comprehensive income), the cash flow statement and the statement of changes in equity 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 Ind AS specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of written representations received from the directors as on March 31, 2025 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, 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 I"**.

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

h. The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 6(b) above on reporting under Section 143(3)(b) of the Act and paragraph 6(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

i. 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 standalone financial statements - refer note 38 to the standalone 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

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the Company shall, whether, 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.

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except at the database level to log any direct data changes to the accounting software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

7. 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 Act, we give in the **Annexure II** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For CHHAJED & DOSHI
Chartered Accountants
Firm Registration No.:101794W

CHHAJED & DOSHI MUMBAI 400 069. CHARTERED ACCOUNTANTS

Place: Mumbai
Date: May 30, 2025

Abhinav Chhajed
Partner
Membership No. 196452
UDIN: 25196452BMNVZI3531

Annexure I to the Independent Auditors' Report
(Referred to in our report of even date)
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of Gem Aromatics Limited (formerly known as Gem Aromatics Private Limited) ("the Company"), as at March 31, 2025 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 Act.

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 Act, to the extent applicable to an audit of internal financial controls, with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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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:
   i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
   ii. 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
   iii. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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 March 31, 2025, 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
Firm Registration No.: 101794W

A Chhajed

CHHAJED & DOSHI MUMBAI 400 069. CHARTERED ACCOUNTANTS

Place: Mumbai
Date: May 30, 2025

Abhinav Chhajed
Partner
Membership No.: 196452
UDIN: 25196452BMNVZI3531

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

According to 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 and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program for physical verification of its property, plant and equipment every year 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 standalone financial statements are held in the name of the Company (other than properties where the Company is the lessee and the lease arrangements are duly executed in favour of the lessee).

(d) The Company has not revalued its property, plant and equipment including right of use assets 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 inventories, except goods-in-transit, have been physically verified during the year by the management. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operations. 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. In our opinion and according to the information and explanations given to us, 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.

(iii) (a) The Company has not provided any security to companies, firms, limited liability partnerships or any other parties during the year. According to the information and explanations given to us and on the basis of our examination of the records, the Company has provided guarantee and granted loans to subsidiaries. The details of the same are given below:

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(Amt. in INR million)

Particulars	Loan Amount	Guarantee Amount
Aggregate amount during the year		
- Subsidiaries	585.59	400.00
- Associates	-	-
- Others	-	-
Balance outstanding as at Balance Sheet date		
- Subsidiaries	810.67	1283.00
- Associates	-	-
- Others	-	-

(b) The Company has not provided any security during the year. Further, in our opinion, and according to the information and explanations given to us, the terms and conditions of the guarantee and grant of all loans are, prima facie, not prejudicial to the interest of the Company.

(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 as per the terms of sanction.

(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.

(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 ("the Act") in respect of loans given and investments made and guarantees and security provide by it, as applicable.

(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 Act and the rules framed there under and hence reporting under clause (v) of the said Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

(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.

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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 March 31, 2025 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 following:

(Amt. in INR million)

Name of Statute	Nature of dues	Amount Rs.	Period to which it relates	Forum where dispute is pending
Customs Act, 1962	Customs Duty	1.38	AY 2008-09, AY 2010-11, AY 2012-13	Commissioner, Customs
		1.00	AY 2008-09 to AY 2012-13	Commissioner, Customs
		1.21	AY 2011-12 & AY 2013-14	Commissioner, Customs
		15.35	AY 2010-11 to AY 2015-16	Customs, Excise and Service Tax Appellate Tribunal
		281.73	AY 2010-11 to AY 2015-16	Customs, Excise and Service Tax Appellate Tribunal
		0.11	AY 2021-22	Commissioner, Customs
Income Tax Act, 1961	Income Tax	3.24	AY 2012-13	Commissioner of Income Tax (Appeals)
		18.78	AY 2013-14	Commissioner of Income Tax (Appeals)
		38.12	AY 2014-15	Commissioner of Income Tax (Appeals)
		2.04	AY 2018-19	Jurisdictional Assessing Officer of Income Tax
		1.40	AY 2019-20	Jurisdictional Assessing Officer of Income Tax
GST Law	Goods and Services Tax	32.79	AY 2019-20	Allahabad High Court
		2.32	AY 2020-21	Allahabad High Court
Trade Tax - Uttar Pradesh (Revenue Department)	Trade Tax	176.48	AY 1993-94 to 2007-08	Supreme Court

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(viii) According to information and explanations given to us and on the basis of examination of the records of the Company, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.

(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 and according to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, 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.

(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 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.

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(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 the Act where applicable and the details have been disclosed in the standalone 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 the date of the audit report, in determining the nature, timing and extent of our audit procedures.

(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 Act 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 and accordingly reporting under clause (xviii) of the Order is not applicable to the Company.

(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 Act in compliance with second proviso to sub-section (5) of Section 135 of the 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 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.

For CHHAJED & DOSHI
Chartered Accountants
Firm Registration No.: 101794W

Abhinav Chhajed
Partner
Membership No.: 196452
UDIN: 25196452BMNVZI3531

Place: Mumbai
Date: May 30, 2025

GEM AROMATICS LIMITED
(Formerly known as Gem Aromatics Private Limited)
CIN: U24246MH1997PLC111057
STANDALONE BALANCE SHEET AS AT MARCH 31, 2025

(Amounts in ₹ million unless stated otherwise)

Particulars	*Note*	As at March 31, 2025	As at March 31, 2024
ASSETS			
(A) Non-current assets			
(a) Property, plant and equipment	*(3)(a)*	341.59	360.37
(b) Right-of-use assets	*(4)*	24.91	6.48
(c) Capital work in progress	*(3)(b)*	56.92	16.90
(d) Other intangible assets	*(3)(c)*	0.43	0.29
(e) Financial assets			
(i) Investments	*(5)*	13.22	10.55
(ii) Loans	*(7)*	810.67	190.66
(iii) Other financial assets	*(8)*	14.69	2.91
(f) Deferred tax assets (net)	*(9)*	5.21	6.73
(g) Income tax assets (net)		42.31	7.33
(h) Other non current assets	*(10)*	0.68	0.80
Total non-current assets		**1,310.63**	**603.02**
(B) Current assets			
(a) Inventories	*(11)*	1,561.64	1,690.25
(b) Financial assets			
(i) Trade receivables	*(6)*	1,369.71	426.20
(ii) Cash and cash equivalents	*(12)(a)*	1.03	157.01
(iii) Bank balances other than (ii) above	*(12)(b)*	4.95	4.75
(iv) Loans	*(7)*	1.01	0.34
(v) Other financial assets	*(8)*	0.73	138.07
(c) Other current assets	*(10)*	216.57	294.17
Total current assets		**3,155.64**	**2,710.80**
TOTAL ASSETS		**4,466.27**	**3,313.82**
EQUITY AND LIABILITIES			
(A) Equity			
(a) Equity share capital	*(13)*	93.71	93.71
(b) Other equity	*(14)*	2,745.17	2,176.76
Total equity		**2,838.88**	**2,270.47**
(B) Liabilities			
(I) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	*(15)*	0.61	1.55
(ii) Lease liabilities	*(28)*	20.70	2.85
(ii) Other financial liabilities	*(17)*	6.71	5.41
Total non-current liabilities		**28.02**	**9.81**
(II) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	*(15)*	1,420.79	839.84
(ii) Lease liabilities	*(28)*	4.11	4.90
(iii) Trade payables	*(16)*		
1. Total outstanding dues of micro enterprises and small enterprises		6.94	37.37
2. Total outstanding dues of creditors other than micro enterprises and small enterprises		152.51	110.58
(iv) Other financial liabilities	*(17)*	9.99	6.55
(b) Other current liabilities	*(18)*	4.27	33.34
(c) Provisions	*(19)*	0.76	0.96
Total current liabilities		**1,599.37**	**1,033.54**
TOTAL EQUITY AND LIABILITIES		**4,466.27**	**3,313.82**

Material accounting policies *(2)*

The accompanying notes from 1 to 43 form an integral part of the financial statements.

As per our report of even date

For CHHAJED & DOSHI
Chartered Accountants
Firm's Registration No.: 101794W

ABHINAV UTTAMCHAND CHHAJED
Digitally signed by ABHINAV UTTAMCHAND CHHAJED
Date: 2025.05.30 23:46:00 +05'30'

CA Abhinav Chhajed
Partner
Membership Number: 196452
Place : Mumbai
Date : May 30, 2025

For and on behalf of the Board of Directors of
Gem Aromatics Limited
(Formerly known as Gem Aromatics Private Limited)
CIN: U24246MH1997PLC111057

KAKSHA VIPUL PAREKH
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Kaksha Vipul Parekh
Whole Time Director & CFO
DIN : 00235998
Place : Mumbai
Date : May 30, 2025

YASH PAREKH
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Yash Parekh
Managing Director & CEO
DIN : 03514313
Place : New Jersey, USA
Date : May 30, 2025

POOJA PADAM BHANDARI
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Pooja Padam Bhandari
Company Secretary
Membership Number: 73944
Place : Mumbai
Date : May 30, 2025

GEM AROMATICS LIMITED
(Formerly known as Gem Aromatics Private Limited)
CIN: U24246MH1997PLC111057
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

(Amounts in ₹ million unless stated otherwise)

Particulars	*Note*	Year ended March 31, 2025	Year ended March 31, 2024
(1) INCOME			
(a) Revenue from operations	*(20)*	4,969.56	4,474.81
(b) Other income	*(21)*	52.35	29.00
TOTAL INCOME		**5,021.91**	**4,503.81**
(2) EXPENSES			
(a) Cost of materials consumed	*(22)*	3,638.96	3,442.46
(b) Changes in inventories of finished goods and work-in-progress	*(23)*	130.89	(21.17)
(c) Employee benefits expense	*(24)*	124.53	107.66
(d) Finance costs	*(25)*	70.65	58.98
(e) Depreciation and amortisation expenses	*(26)*	66.46	61.29
(f) Other expenses	*(27)*	217.56	188.22
TOTAL EXPENSES		**4,249.05**	**3,837.44**
(3) Profit before tax (1-2)		**772.86**	**666.37**
(4) Tax expenses	*(36)*		
(a) Current tax		197.00	176.50
(b) Deferred tax		1.56	(4.22)
(c) Tax relating to prior years		5.76	(0.54)
Total Tax expense		**204.32**	**171.74**
(5) Profit for the year (3-4)		**568.54**	**494.63**
(6) Other comprehensive income			
(a) Items that will not be reclassified to profit / (loss)			
(i) Remeasurement of defined employee benefit plans		(0.17)	0.58
(b) Income tax relating to items that will not be reclassified to profit / (loss)			
(i) Deferred tax on remeasurement of defined employee benefit plans		0.04	(0.15)
Total other comprehensive income for the year		**(0.13)**	**0.43**
(7) Total comprehensive income for the year (5+6)		**568.41**	**495.06**
Earnings per equity share of face value of Rs. 2 each	*(35)*		
(1) Basic		*12.13*	*10.56*
(2) Diluted		*12.13*	*10.56*

Material accounting policies *(2)*

The accompanying notes from 1 to 43 form an integral part of the financial statements.

As per our report of even date

For CHHAJED & DOSHI
Chartered Accountants
Firm's Registration No.: 101794W

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CA Abhinav Chhajed
Partner
Membership Number: 196452
Place : Mumbai
Date : May 30, 2025

For and on behalf of the Board of Directors of
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Whole Time Director & CFO
DIN : 00235998
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Date : May 30, 2025

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Yash Parekh
Managing Director & CEO
DIN : 03514313
Place : New Jersey, USA
Date : May 30, 2025

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Pooja Padam Bhandari
Company Secretary
Membership Number: 73944
Place : Mumbai
Date : May 30, 2025

GEM AROMATICS LIMITED
(Formerly known as Gem Aromatics Private Limited)
CIN: U24246MH1997PLC111057
STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025

(Amounts in ₹ million unless stated otherwise)

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Cashflows from operating activites		
Profit before tax	**772.86**	**666.37**
Adjustment for:		
Depreciation and amortisation charge	61.62	56.62
Amortisation of right-of-use assets	4.84	4.67
Interest on lease liabilities	0.63	0.91
Interest on borrowings	70.02	58.07
Unrealised fair value (gain) / loss on forward contracts (Net)	(0.01)	(8.34)
Interest income	(45.35)	(18.99)
Unrealised foreign exchange (gain) / loss (Net)	8.18	(1.06)
Allowance for doubtful debts & advances	0.80	0.89
Sundry balances written back	(0.94)	(0.52)
Guarantee commission on financial guarantee given	(0.90)	(0.39)
(Profit)/Loss on sale of property, plant and equipment (Net)	(0.83)	0.04
Operating cash flow before working capital changes	**870.92**	**758.27**
Adjustment for changes in working capital:		
(Increase) / Decrease in inventories	128.61	(307.78)
(Increase) / Decrease in trade receivable	(951.69)	364.61
(Increase) / Decrease in other assets	82.88	(187.77)
Increase / (Decrease) in trade payables	11.51	(52.18)
Increase / (Decrease) in other liabilities	(25.54)	(1.61)
Cash generated from operations	**116.68**	**573.54**
Taxes paid (Net of refunds)	(237.74)	(153.51)
Net cashflows from operating activities	**(121.05)**	**420.03**
(B) Cashflows from investing activities		
Purchase of property, plant and equipment and other intangible assets	(83.91)	(62.41)
Sale of property, plant and equipment*	1.74	-
Bank deposits (placed) / matured	122.00	(126.75)
Interest received	6.86	7.67
Loans given to subsidiary	(585.59)	(65.80)
Net cashflows from investing activities	**(538.90)**	**(247.29)**
(C) Cashflows from financing activities		
Proceeds from / (repayment of) borrowings - current (net)	576.45	(52.46)
Repayment of borrowings - non-current	(0.94)	(1.28)
Interest paid	(65.52)	(56.58)
Payment of lease liabilities including interest (Refer note 28)	(6.03)	(5.64)
Net cashflows from financing activities	**503.97**	**(115.96)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(155.98)**	**56.78**
Cash and cash equivalents at the beginning of the year	157.01	100.23
Cash and cash equivalents at the end of the year	**1.03**	**157.01**
Cash and cash equivalents comprise of:		
Cash on hand	0.14	0.20
Balance with banks:		
In current accounts	0.89	0.95
In cash credit account	-	100.86
In deposit account with original maturity of 3 months or less	-	55.00
Total cash and cash equivalents	**1.03**	**157.01**

Material accounting policies [Note (2)]

The accompanying notes from 1 to 43 form an integral part of the financial statements.

Notes :

1. The cashflow statement has been prepared under the indirect method as set out in Indian Accounting standard (Ind AS) 7 'Statement of cash flows' as specified under section 133 of the Companies Act, 2013.

As per our report of even date

For CHHAJED & DOSHI
Chartered Accountants
Firm's Registration No.: 101794W

ABHINAV UTTAMCHAND CHHAJED
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Date: 2025.05.30 23:46:41 +05'30'

CA Abhinav Chhajed
Partner
Membership Number: 196452
Place : Mumbai
Date : May 30, 2025

For and on behalf of the Board of Directors of
Gem Aromatics Limited
(Formerly known as Gem Aromatics Private Limited)
CIN: U24246MH1997PLC111057

KAKSHA VIPUL PAREKH

Kaksha Vipul Parekh
Whole Time Director & CFO
DIN : 00235998
Place : Mumbai
Date : May 30, 2025

YASH PAREKH

Yash Parekh
Managing Director & CEO
DIN : 03514313
Place : New Jersey, USA
Date : May 30, 2025

POOJA PADAM BHANDARI

Pooja Padam Bhandari
Company Secretary
Membership Number: 73944
Place : Mumbai
Date : May 30, 2025

GEM AROMATICS LIMITED
(Formerly known as Gem Aromatics Private Limited)
CIN: U24246MH1997PLC111057
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

(A) Equity share capital

(Amounts in ₹ million unless stated otherwise)

Particulars	Note	Amount
Balance as at April 1, 2024		**93.71**
Changes in equity share capital during the year	(13)	-
Balance as at March 31, 2025		**93.71**
Balance as at April 1, 2023		**17.85**
Changes in equity share capital during the year	(13)	**75.86**
Balance as at March 31, 2024		**93.71**

(B) Other equity

(Amounts in ₹ million unless stated otherwise)

Particulars	Reserve and surplus			Other comprehensive income	Total equity
	General reserve	Securities premium	Retained earnings	Remeasurement of defined benefit plan	
Balance as at April 1, 2024	**0.32**	**401.98**	**1,773.84**	**0.62**	**2,176.76**
Profit for the year	-	-	568.54	-	568.54
Changes during the year	-	-	-	(0.13)	(0.13)
Balance as at March 31, 2025	**0.32**	**401.98**	**2,342.38**	**0.49**	**2,745.17**
Balance as at April 1, 2023	**0.32**	**477.84**	**1,279.21**	**0.19**	**1,757.56**
Profit for the year	-	-	494.63	-	494.63
Changes during the year	-	-	-	0.43	0.43
Bonus issue of equity share	-	(75.86)			(75.86)
Balance as at March 31, 2024	**0.32**	**401.98**	**1,773.84**	**0.62**	**2,176.76**

Nature and purpose of reserves

(a) General reserves : General reserve comprises of transfer of profits from retained earnings for appropriation purposes under the erstwhile Companies Act, 1956. The reserve can be distributed or utilised by the Company in accordance with specific requirements of the Companies Act, 2013

(b) Securities premium reserve: The amount received in excess of face value of the equity shares is recognised in Securities Premium. It can be used only in accordance with provisions of Companies Act, 2013 for specified purposes.

(c) Retained earnings: Retained earnings are the profits that the Company has earned till date net of appropriations. It is available for distribution to shareholders.

The accompanying notes from 1 to 43 form an integral part of the financial statements.

As per our report of even date

For CHHAJED & DOSHI
Chartered Accountants
Firm's Registration No.: 101794W

ABHINAV UTTAMCHAND CHHAJED
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Date: 2025.05.30 23:46:55 +05'30'

CA Abhinav Chhajed
Partner
Membership Number: 196452
Place : Mumbai
Date : May 30, 2025

For and on behalf of the Board of Directors of
Gem Aromatics Limited
(Formerly known as Gem Aromatics Private Limited)
CIN: U24246MH1997PLC111057

KAKSHA VIPUL PAREKH

Kaksha Vipul Parekh
Whole Time Director & CFO
DIN : 00235998
Place : Mumbai
Date : May 30, 2025

YASH PAREKH

Yash Parekh
Managing Director & CEO
DIN : 03514313
Place : New Jersey, USA
Date : May 30, 2025

POOJA PADAM BHANDARI

Pooja Padam Bhandari
Company Secretary
Membership Number: 73944
Place : Mumbai
Date : May 30, 2025

(1) Corporate information

Gem Aromatics Limited (formerly known as Gem Aromatics Private Limited) is a Public Limited Company w.e.f. August 17, 2023, 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 manufactures essential oil based products and derivatives in India while specializing in products that are derived from mint, clove, eucalyptus and other essential oils which finds application across broad spectrum of end user industries. It carries on manufacturing operations at the plants located at Silvassa, Dadra & Nagar Haveli and Badaun, Uttar Pradesh.

(2) Material accounting policies

(2.01) Statement of compliance

These Standalone Financial Statements of the Company comprising the Balance Sheet as at March 31, 2025, Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity, and Cash Flow Statement for the year ended March 31, 2025, and a summary of material accounting policies and other explanatory information have been prepared by the Company in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) ("Ind AS") under Section 133 of the Companies Act, 2013 (the 'Act'), presentation requirements of Division II of Schedule III of the Act and other relevant provisions of the Act.

(2.02) Basis of preparation and presentation

Basis of Presentation

The Standalone Financial Statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) and employee's defined benefit plan as per actuarial valuation.

Functional and Presentation Currency

The standalone financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All amounts have been rounded off to two decimals to the nearest million, unless otherwise stated.

(2.03) Significant accounting estimates, judgements and assumptions

The preparation of the Standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the Standalone financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the year in which the estimates are revised and in any future year affected.

In the process of applying the company's accounting policies, management has made the following judgements which have significant effect on the amounts recognized in the Standalone financial statements:

a. Useful lives of property, plant and equipment and intangible assets: Determination of the estimated useful life of tangible assets and intangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life specified in Schedule II of the Companies Act, 2013 and also as per management estimate for certain category of assets. Assumption also need to be made, when company assesses, whether as asset may be capitalized and which components of the cost of the assets may be capitalized.

b. Contingencies: Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against company as it is not possible to predict the outcome of pending matters with accuracy.

c. Fair value measurements and valuation processes : Some of the Companies assets and liabilities are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for the fair value measurements. In estimating the fair value of an asset or a liability, the company used market-observable data to the extent it is available. Where level 1 inputs are not available, the company engaged third party qualified valuers to perform the valuations in order to determine the fair values based on the appropriate valuation techniques and inputs to fair value measurements such as Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d. Estimation of defined benefit plans: The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligation.

e. Tax expense: Tax expense is calculated using applicable tax rate and laws that have been enacted or substantially enacted. In arriving at taxable profit and all tax bases of assets and liabilities, the company determines the taxability based on tax enactments, relevant judicial pronouncements and tax expert opinions, and makes appropriate provisions which includes an estimation of the likely outcome of any open tax assessments / litigations. Any difference is recognized on closure of assessment or in the period in which they are agreed.

Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilised.

f. Operating lease commitments **-** company as lessee: The company has entered into lease agreement for office premises. The company has determined based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the asset and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

(2.04) Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

(2.05) Property, Plant and Equipment

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes its purchase price including non-refundable taxes and duties, borrowing costs and directly attributable costs of bringing the asset to its present location and condition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of profit and loss during the reporting period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in line with revisions to accounting estimates.

Depreciation

Depreciation on property, plant and equipment is provided on 'Written Down Value' (WDV) method, which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013.

Depreciation commences when the assets are ready for their intended use. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the Statement of profit and loss.

The estimated useful lives are as follows :

Assets	Useful life (years)
Land (Freehold)	-
Building	3 to 30
Plant and Machinery	15
Furnitures and Fixtures	10
Electrical Installation	10
Lab Equipments	10
Vehicles	8 to 10
Factory/Office Equipment	5
Computers	3 to 6

(2.06) Intangible Assets

Intangible assets with finite useful life are stated at cost of acquisition, less accumulated depreciation/ amortisation and impairment loss, if any. Cost includes taxes, duties and other incidental expenses related to acquisition and other incidental expenses. Amortisation is recognised in profit or loss on a diminishing balance method over the estimated useful lives of respective intangible assets.

The estimated useful lives are as follows :

Assets	Useful life (years)
Computer Software	3

Intangible assets are amortised in profit or loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

(2.07) Impairment of property, plant and equipment and intangible assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's each class of the property, plant and equipment or intangible assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

(2.08) Fair value measurement

The company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amount approximates fair value due to short term maturity of these instruments.

The company recognises the transfer between the levels of fair value hierarchy at the end of the reporting period during which the changes have occurred.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarize accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosures of fair value measurement hierarchy (note 31)
- Financial instruments (including those carried at amortised cost) (note 31)

(2.09) Revenue

Revenue from contracts with customers is recognised on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation.

Sale of products :

Revenue from sale of products is recognised when the control of the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Rendering of services:

Revenue from services is recognised over time by measuring progress towards satisfaction of performance obligation for the services rendered.

Other income:

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

Interest / Dividend income:

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 Incentive / Duty drawback :

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

(2.10) Inventories

Inventories are valued at the lower of cost (including purchase cost, non-refundable taxes and duties and other overheads incurred in bringing the inventories to their present location and condition) and estimated net realisable value, after providing for obsolescence, where appropriate. Raw materials, packing materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realisable value.

Raw materials, packing materials and stores and spares are valued at cost computed on weighted average basis. The cost includes purchase price, inward freight and other incidental expenses net of refundable duties, levies and taxes, where applicable.

Finished goods produced and work-in-progress are carried at lower of net realisable value and cost (including purchase cost, non-refundable taxes and duties and other overheads incurred in bringing the inventories to their present location and condition), computed on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(2.11) Taxes

Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Income tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Income tax assets and Income tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred Tax

Deferred tax is recognised using balance sheet approach at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured using the tax rates that are expected to apply in a year when asset is realised or the liability is expected to be settled based on the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing Income tax where the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Current and deferred tax for the period

Current and deferred tax are recognised in the statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(2.12) Foreign Currency translation

Functional and Presentation currency

Items included in the Standalone financial statements of the company are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The Standalone financial statements are presented in Indian rupee (INR), which is functional and presentation currency of the company.

Transaction and balances

Transactions in foreign currencies are initially recognised in the Standalone financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates prevailing at the reporting date and foreign exchange gain or loss are recognised in the Statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(2.13) Provisions and Contingent Liabilities

Provisions:

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. The company does not recognise a contingent liability but discloses its existence in the Standalone financial statements.

(2.14) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are attributable to the acquisition of financial asset. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 2.09 for Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Financial assets at amortised cost
- Financial assets at fair value through profit or loss
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition

A 'financial asset' is measured at amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The company's financial assets at amortised cost includes loans and other financial assets.

A 'financial asset' is measured at FVOCI if both the following conditions are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Upon initial recognition, the company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. This category includes investments in mutual funds. Dividends on such investments are recognised in the statement of profit and loss when the right of payment has been established.

(2.14) Financial Instruments (continued)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from a company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset and either

(a) the company has transferred substantially all the risks and rewards of the asset,
(b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired, if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.
For trade receivables, the company applies a simplified approach in calculating ECLs. Therefore, the company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

• Financial liabilities at fair value through profit or loss
• Financial liabilities at amortised cost (loans and borrowings)

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.
Forward contracts arc used to hedge forecast transactions, the company generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognized in other comprehensive income in cash flow hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract arc recognized in the cash flow hedging reserve within equity.

(2.15) Leases

The company's lease asset class consist of leases for office premises and establishments. The company assesses whether a contract contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:

(i) the contract involves the use of an identified asset
(ii)the company has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the company has the right to direct the use of the asset.

The company as a lessee

At the date of commencement of the lease, the company recognizes a right-of-use asset ("ROU")and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right -of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight -line method from the commencement date over the lease term.

The company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment as to whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The company does not have any lease contracts wherein it acts as a lessor.
Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

(2.16) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise of cash balances at banks, on hand cash balances and demand deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.
In the cash flow statement, cash and cash equivalents includes cash in hand, cash at bank, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

(2.17) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the company's earnings per share is the net profit for the period after deducting any attributable tax thereto for the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

(2.18) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(2.19) Segment Reporting

Based on "Management Approach" as defined in Ind AS 108 - Operating Segments, the chief operating decision maker i.e. Mr. Yash Parekh (Managing Director & CEO) evaluates the company's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices. Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies
The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the standalone financial statements of the company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

(2.20) Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendment to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements based on its evaluation has determined that it does not have any significant impact in its standalone financial statements.

GEM AROMATICS LIMITED

(Formerly known as Gem Aromatics Private Limited)

CIN: U24246MH1997PLC111057

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(3)(a) Property, plant and equipment

(Amounts in ₹ million unless stated otherwise)

Particula₹	Land (Freehold)	Buildings	Plant and Machinery	Furnitures and Fixtures	Electrical Installations	Vehicles	Lab Equipments	Office Equipments	Compute₹	Total
Gross carrying amount (at cost)										
As at April 01, 2024	36.42	134.58	259.26	9.71	9.78	15.56	18.35	5.27	5.24	494.17
Additions	-	0.70	22.68	0.57	0.25	15.59	1.97	0.57	1.20	43.53
Disposals	-	-	(0.08)	-	-	(2.59)	-	-	-	(2.67)
As at March 31, 2025	**36.42**	**135.28**	**281.86**	**10.28**	**10.03**	**28.56**	**20.32**	**5.84**	**6.44**	**535.03**
Accumulated depreciation										
As at April 01, 2024	-	22.69	85.68	2.38	3.53	7.26	5.94	3.01	3.31	133.80
Charge for the year	-	11.72	33.57	1.95	1.65	6.40	3.56	1.11	1.44	61.40
On disposals	-	-	(0.01)	-	-	(1.75)	-	-	-	(1.76)
As at March 31, 2025	**-**	**34.41**	**119.24**	**4.33**	**5.18**	**11.91**	**9.50**	**4.12**	**4.75**	**193.44**
Net carrying amount as at March 31, 2025	**36.42**	**100.87**	**162.62**	**5.95**	**4.85**	**16.65**	**10.82**	**1.72**	**1.69**	**341.59**
Gross carrying amount (at cost)										
As at April 01, 2023	36.42	72.27	195.79	1.92	4.93	13.35	8.99	3.21	4.57	**341.45**
Additions	-	62.31	63.47	7.79	4.85	2.21	9.36	2.07	1.38	153.44
Disposals	-	-	-	-	-	-	-	(0.01)	(0.71)	(0.72)
As at March 31, 2024	**36.42**	**134.58**	**259.26**	**9.71**	**9.78**	**15.56**	**18.35**	**5.27**	**5.24**	**494.17**
Accumulated depreciation										
As at April 01, 2023	-	11.82	52.82	0.85	2.19	3.73	2.64	1.63	2.51	78.19
Charge for the year	-	10.87	32.86	1.53	1.34	3.53	3.30	1.38	1.48	56.29
On disposals	-	-	-	-	-	-	-	(0.00)	(0.68)	(0.68)
As at March 31, 2024	**-**	**22.69**	**85.68**	**2.38**	**3.53**	**7.26**	**5.94**	**3.01**	**3.31**	**133.80**
Net carrying amount as at March 31, 2024	**36.42**	**111.89**	**173.58**	**7.33**	**6.25**	**8.30**	**12.41**	**2.26**	**1.93**	**360.37**

(i) The Company holds immovable properties in its own name.

(ii) The Company has not revalued its property, plant and equipment during the year.

(iii) The net carrying amount of property, plant and equipment amounting to ₹ 297.60 million (March 31, 2024 : ₹ 311.77 million) are pledged as security to banks providing working capital loans. (refer note 33)

(3)(b) Capital work in progress

(Amounts in ₹ million unless stated otherwise)

Particulars	Total
As at April 01, 2024	16.90
Incurred during the year*	63.96
Capitalised during the year	(23.94)
As at March 31, 2025	**56.92**
As at April 01, 2023	107.94
Incurred during the year*	42.53
Capitalised during the year	(133.57)
As at March 31, 2024	**16.90**

*Amount included under CWIP are primarily related to plant and machinery, buildings and furnitures & fixtures which are under construction.

CWIP Ageing Schedule

(Amounts in ₹ million unless stated otherwise)

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
March 31, 2025 - Projects in progress	56.92	-	-	-	56.92
March 31, 2025 - Projects temporarily suspended	-	-	-	-	-
March 31, 2024 - Projects in progress	16.90	-	-	-	16.90
March 31, 2024 - Projects temporarily suspended	-	-	-	-	-

Note : There is no overrun of cost or delay in projects in process as per the Company's plan.

(3)(c) Other intangible assets

(Amounts in ₹ million unless stated otherwise)

Particulars	Computer Software
Gross carrying amount	
As at April 01, 2024	1.38
Additions	0.36
Disposals	-
As at March 31, 2025	**1.74**
Amortisation	
As at April 01, 2024	1.09
Charge for the year	0.22
On disposals	-
As at March 31, 2025	**1.31**
Net carrying amount as at March 31, 2025	**0.43**

Particulars	Computer Software
Gross carrying amount	
As at April 01, 2023	1.38
Additions	-
Disposals	-
As at March 31, 2024	**1.38**
Amortisation	
As at April 01, 2023	0.76
Charge for the year	0.33
On disposals	-
As at March 31, 2024	**1.09**
Net carrying amount as at March 31, 2024	**0.29**

(i) The Company has not revalued its other intangible assets during the year.

(4) Right-of-use assets

(Amounts in ₹ million unless stated otherwise)

Particulars	Amount
Gross carrying amount	
As at April 01, 2024	18.73
Additions	23.27
Disposals	(14.54)
As at March 31, 2025	**27.46**
Accumulated depreciation	
As at April 01, 2024	12.25
Charge for the year	4.84
On disposals	(14.54)
As at March 31, 2025	**2.55**
Net carrying amount as at March 31, 2025	**24.91**
Gross carrying amount	
As at April 01, 2023	14.54
Additions	4.19
Disposals	-
As at March 31, 2024	**18.73**
Accumulated depreciation	
As at April 01, 2023	7.58
Charge for the year	4.67
On disposals	-
As at March 31, 2024	**12.25**
Net carrying amount as at March 31, 2024	**6.48**

Note:
1. The Right to use assets as per Ind AS-116 comprises of office premises and establishments.

(5) Investments

(Amounts in ₹ million unless stated otherwise)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current investments		
Investments in equity instruments of subsidiaries (at cost)		
Gem Aromatics LLC 5,000 equity shares of USD 10 fully paid up	3.80	3.80
Krystal Ingredients Private Limited 10,000 equity shares of Rs 10 each, fully paid up	0.10	0.10
Gem Aromatics FZ LLC 200 equity shares of AED 1,000 each, fully paid up	-	0.21
Less: Provision for impairment of investment in Gem Aromatics FZ LLC *	-	(0.21)
Others		
Deemed Investment - Krystal Ingredients Private Limited (Subsidiary)[#]	9.32	6.65
Total (Non-current)	**13.22**	**10.55**
Aggregate carrying amount of unquoted investments	***13.22***	***10.55***
Aggregate amount of impairment in value of investments	***-***	***0.21***

The Company has completed the proceedings for winding up its wholly owned subsidiary in UAE. However, the company is awaiting approvals from the authorised dealer for writing off the investment made and loan given to the said entity.

[#]Note: The deemed investment in Krystal Ingredients Private Limited denotes the fair value of guarantee fees towards financial guarantee given without any consideration.

Movement in provision for impairment in value of investments

(Amounts in ₹ million unless stated otherwise)

Particulars	As at March 31, 2025	As at March 31, 2024
As at April 01, 2024	0.21	-
Charge during the year	-	0.21
Utilized during the year	0.21	-
As at March 31, 2025	**-**	**0.21**

(Amounts in ₹ million unless stated otherwise)

	Particulars	As at March 31, 2025	As at March 31, 2024
(6)	**Trade receivables**		
	Considered good - Unsecured		
	- Dues from related parties (Refer note 30)	587.45	231.62
	- Dues from others (Other than related party)	782.26	194.58
	Total trade receivables	**1,369.71**	**426.20**

Trade receivables ageing schedule

As at March 31, 2025

Particulars	Outstanding for the following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Trade receivables							
(i) Undisputed trade receivables – considered good	1,140.61	229.10	-	-	-	-	1,369.71
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**1,140.61**	**229.10**	**-**	**-**	**-**	**-**	**1,369.71**

As at March 31, 2024

Particulars	Outstanding for the following periods from due date of payment						Total
	Not Due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Trade receivables							
(i) Undisputed trade receivables – considered good*	319.02	107.18	0.00	-	-	-	426.20
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**319.02**	**107.18**	**0.00**	**-**	**-**	**-**	**426.20**

* Amount shown as 0.00 million is less than 0.01 million

(Amounts in ₹ million unless stated otherwise)

	Particulars	As at March 31, 2025	As at March 31, 2024
(7)	**Loans**		
	Non-current loans		
	Loans receivables considered good – Unsecured		
	Loans to related parties (Refer note 30)*	810.67	190.66
	Total non-current loans	**810.67**	**190.66**
	*Loan to related party is given to wholly owned subsidiary company at the prevailing interest rates as per the current market conditions. Such loan has been given for construction of factory and general corporate purposes.		
	Current loans		
	Loans receivables considered good – Unsecured		
	Loans to employees	1.01	0.34
	Total current loans	**1.01**	**0.34**
(8)	**Other financial assets**		
	Non-current financial assets		
	Considered good - Unsecured		
	Bank deposits with more than 12 months maturity*	0.12	0.11
	Security deposits	14.57	2.80
	Total non-current financial assets	**14.69**	**2.91**

*Bank deposits have been marked lien towards license registration, and includes accrued interest

(Amounts in ₹ million unless stated otherwise)

	Particulars	As at March 31, 2025	As at March 31, 2024
(8)	**Other financial assets (Contd.)**		
	Current financial assets		
	Considered good - Unsecured		
	Derivative asset - forward contract (measured at fair value through profit and loss)	0.41	0.40
	Security deposits	0.21	2.40
	Bank deposits with more than 12 months maturity	-	122.00
	Interest accrued on fixed deposits	0.11	5.65
	Other receivables	-	8.30
	Less: Allowance for credit losses	-	(0.68)
	Total Current financial assets	**0.73**	**138.07**

Movement in allowance for credit losses of other receivables is as below:

(Amounts in ₹ million unless stated otherwise)

Particulars	As at March 31, 2025	As at March 31, 2024
As at April 01, 2024	0.68	-
Charge during the year	-	0.68
Utilized during the year	0.68	-
As at March 31, 2025	**-**	**0.68**

(Amounts in ₹ million unless stated otherwise)

	Particulars	As at March 31, 2025	As at March 31, 2024
(9)	**Deferred tax assets (Net)**		
	Significant components of deferred tax assets (Net)		
	Deferred tax assets		
	Disallowance under section 43B of Income Tax Act, 1961	0.84	5.13
	Provision for Gratuity	0.19	0.24
	Derivative liabilities	-	-
	Difference between book and tax value of property, plant and equipment and intangible assets	4.69	1.68
	Deferred tax liabilities		
	Lease liabilities and Right to use assets	(0.41)	(0.22)
	Derivative assets	(0.10)	(0.10)
	Total deferred tax assets/(liabilities)	**5.21**	**6.73**

Movements in deferred tax assets/(liabilities)

(Amounts in ₹ million unless stated otherwise)

Particulars	Disallowance under section 43B of Income Tax Act, 1961	Derivative assets/liabilities	Lease liabilities and Right to use assets	Property, plant & equipment and intangible assets	Provision of gratuity	Total
At April 1, 2024	**5.13**	**(0.10)**	**(0.22)**	**1.68**	**0.24**	**6.73**
(Charged) / Credited						
- to profit or loss	(4.29)	(0.00)	(0.19)	3.01	(0.09)	**(1.56)**
- to other comprehensive income	-	-	-	-	0.04	**0.04**
As at March 31, 2025	**0.84**	**(0.10)**	**(0.41)**	**4.69**	**0.19**	**5.21**
At April 1, 2023	**-**	**2.00**	**(0.07)**	**0.48**	**0.25**	**2.66**
(Charged) / Credited						
- to profit or loss	5.13	(2.10)	(0.15)	1.20	0.14	**4.22**
- to other comprehensive income	-	-	-	-	(0.15)	(0.15)
At March 31, 2024	**5.13**	**(0.10)**	**(0.22)**	**1.68**	**0.24**	**6.73**

(Amounts in ₹ million unless stated otherwise)

Particulars	As at March 31, 2025	As at March 31, 2024
(10) Other assets		
Other non-current assets		
Capital advances	0.68	-
Other receivables	0.80	0.80
Less: allowance for credit loss	(0.80)	-
Total non-current assets	**0.68**	**0.80**

Movement in allowance for credit losses of other receivables is as below:

(Amounts in ₹ million unless stated otherwise)

Particulars	As at March 31, 2025	As at March 31, 2024
As at April 01, 2024	-	-
Charge during the year	0.80	-
Utilized during the year	-	-
As at March 31, 2025	**0.80**	-

(Amounts in ₹ million unless stated otherwise)

Particulars	As at March 31, 2025	As at March 31, 2024
Other current assets		
Prepaid expenses	56.05	21.28
Advances to vendors	61.36	107.45
Balances with government authorities*	99.16	165.44
Total other current assets	**216.57**	**294.17**

*Balances with government authorities includes export incentive receivable

(11) Inventories

Raw materials [Refer note (i)]	565.10	545.01
Raw materials in transit	26.95	44.51
Semi finished goods	808.57	797.48
Finished goods	103.70	64.24
Finished goods in transit	46.34	227.78
Stores, spares and other materials	10.98	11.23
Total inventories	**1,561.64**	**1,690.25**

(i) Inventory of raw materials includes ₹ 10.78 million currently subject to movement restrictions as imposed by customs authority.

(ii) During the year ended March 31, 2025 ₹ 3.60 million (March 31, 2024 ₹ 9.98 million) was recognised as an expense for inventories carried at net realisable value.

(iii) The mode of valuation of inventories has been stated in note 2.10 of material accounting policies

(iv) Cash credit and other short-term loan from bank facility are secured by first paripassu charge on inventories (including raw material, finished goods and work-in-progress) and book debts (refer note 33).

(12)(a) Cash and cash equivalents

Cash on hand	0.14	0.20
Balances with scheduled banks		
- In current accounts	0.89	0.95
- In cash credit account	-	100.86
- In bank deposits	-	55.00
Total cash and cash equivalents	**1.03**	**157.01**

(12)(b) Bank balances other than cash and cash equivalents

Bank deposits (with original maturity of more than three months but less than twelve months)	4.95	4.75
Total bank balances other than cash and cash equivalents	**4.95**	**4.75**

Note: Bank deposit amounting to ₹ 4.95 million (March 31, 2024: ₹ 4.75 million) are pledged towards guarantee.

(Amounts in ₹ million unless stated otherwise)

Particulars	As at March 31, 2025	As at March 31, 2024
(13) Equity share capital		
Authorised		
70,000,000 equity shares of face value ₹ 2 each (March 31, 2024 : 70,000,000 equity shares of face value ₹ 2 each)	140.00	140.00
1,000,000 preference shares of face value ₹ 10 each (March 31, 2024 : 1,000,000 preference shares of face value ₹ 10 each)	10.00	10.00
	150.00	**150.00**
Issued, subscribed and fully paid-up		
46,852,523 equity share of face value ₹2 each fully paid up (March 31, 2024 : 46,852,523 equity share of face value ₹2 each fully paid up)	93.71	93.71
	93.71	**93.71**

(a) Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount (in ₹ millions)	Number of shares	Amount (in ₹ millions)
Equity shares				
At the commencement of the year	4,68,52,523	93.71	17,84,858	17.85
Increase in shares on account of subdivision*	-	-	71,39,432	-
Bonus shares issued during the year**	-	-	3,79,28,233	75.86
At the end of the year	**4,68,52,523**	**93.71**	**4,68,52,523**	**93.71**

* Note: The company vide shareholder resolution dated July 14, 2023, had split the face value of each share of ₹ 10 each to ₹ 2 each. The effect of the same has been given retrospectively since the commencement of the year by changing the existing number of shares from 1,784,858 shares to 8,924,290 shares.

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

(b) Particula₹ of shareholde₹ holding more than 5% shares of a class of shares

Particulars	As at March 31, 2025		As at March 31, 2024	
	% of total shares in the class	Number of shares	% of total shares in the class	Number of shares
Equity shares of ₹ 2 each fully paid-up held by				
Vipul Parekh	26.58%	1,24,51,475	26.58%	1,24,51,475
Doterra Enterprises, SARL	25.00%	1,17,13,144	25.00%	1,17,13,144
Yash Parekh	13.07%	61,25,797	13.07%	61,25,797
Kaksha Vipul Parekh	12.73%	59,62,092	12.73%	59,62,092
Parekh Family Trust	22.62%	1,06,00,000	22.62%	1,06,00,000

(c) Details of shares held by promoters

As at March 31, 2025

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Vipul Parekh	1,24,51,475	-	1,24,51,475	26.58%	0.00%
Yash Parekh	61,25,797	-	61,25,797	13.07%	0.00%
Kaksha Vipul Parekh	59,62,092	-	59,62,092	12.73%	0.00%
Parekh Family Trust	1,06,00,000	-	1,06,00,000	22.62%	0.00%
Total	**3,51,39,364**	**-**	**3,51,39,364**	**75.00%**	

As at March 31, 2024

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Vipul Parekh	6,49,580	1,18,01,895	1,24,51,475	26.58%	(26.98%)
Yash Parekh	3,47,650	57,78,147	61,25,797	13.07%	(33.87%)
Kaksha Vipul Parekh	3,41,413	56,20,679	59,62,092	12.73%	(33.47%)
Parekh Family Trust	-	1,06,00,000	1,06,00,000	22.62%	100.00%
Total	**13,38,643**	**3,38,00,721**	**3,51,39,364**	**75.00%**	

(d) Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 2 per share w.e.f July 14, 2023, Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(e) Except as stated above in note under 13(a), there were no shares allotted pursuant to contract without payment being received in cash or as fully paid up by way of bonus shares or any shares bought back.

(f) There are no unpaid calls from any director or officer.

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

(h) No dividend was declared by the Company during the year ended March 31, 2025

(Amounts in ₹ million unless stated otherwise)

Particulars	As at March 31, 2025	As at March 31, 2024
(14) Other equity		
General reserve	0.32	0.32
Securities premium	401.98	401.98
Retained earnings	2,342.38	1,773.84
Other comprehensive income	0.49	0.62
Total other equity	**2,745.17**	**2,176.76**
Movement of other equity		
General reserve		
At the commencement of the year	0.32	0.32
At the end of the year	**0.32**	**0.32**
Securities premium		
At the commencement of the year	401.98	477.84
Less: Bonus issue of equity shares	-	(75.86)
At the end of the year	**401.98**	**401.98**
Retained earnings		
At the commencement of the year	1,773.84	1,279.21
Add: Profit for the year	568.54	494.63
At the end of the year	**2,342.38**	**1,773.84**
Other comprehensive income		
At the commencement of the year	0.62	0.19
Add: Changes during the year	(0.13)	0.43
At the end of the year	**0.49**	**0.62**

(Amounts in ₹ million unless stated otherwise)

Particulars	As at March 31, 2025	As at March 31, 2024
(15) Borrowings		
Non-current		
Secured:		
Term loans from banks	0.61	1.55
Total non-current borrowings	**0.61**	**1.55**
Current		
Secured:		
- Cash credit / overdraft from scheduled bank	118.44	-
- Export packing credit from scheduled bank*	1,097.39	670.15
- Post-shipment packing credit from scheduled bank	204.02	168.67
- Current maturities of long-term debt	0.94	1.02
Total current borrowings	**1,420.79**	**839.84**

* Includes interest accrued but not due on borrowings.
Refer note 33 on details of security and indicative interest rate against respective loans.

Particulars	As at March 31, 2025	As at March 31, 2024
(16) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	6.94	37.37
- Total outstanding dues of creditors other than micro enterprises and small enterprises	152.51	110.58
Total trade payables	**159.45**	**147.95**

Note: Refer Note 40 for information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006

Trade payables ageing schedule
As at March 31, 2025

Particulars	Outstanding for the following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	2.23	2.50	2.21	-	-	-	6.94
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	9.33	131.43	11.39	0.36	-	-	152.51
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**11.56**	**133.93**	**13.60**	**0.36**	**-**	**-**	**159.45**

As at March 31, 2024

Particulars	Outstanding for the following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	2.00	22.86	12.42	0.09	-	-	37.37
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	44.29	39.29	26.45	0.00	0.55	-	110.58
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**46.29**	**62.15**	**38.87**	**0.09**	**0.55**	**-**	**147.95**

(Amounts in ₹ million unless stated otherwise)

Particulars	As at March 31, 2025	As at March 31, 2024
(17) Other financial liabilities		
Non - current financial liabilities		
Credit liability for guarantees given	6.71	5.41
Total non - current financial liabilities	**6.71**	**5.41**
Current financial liabilities		
Employee related obligations	8.68	5.65
Credit liability for guarantees given	1.31	0.84
Others	-	0.06
Total current financial liabilities	**9.99**	**6.55**
(18) Other current liabilities		
Current liabilities		
Advances from customer	0.66	29.11
Statutory dues payable	2.59	2.57
Others	1.02	1.66
Total other current liabilities	**4.27**	**33.34**
(19) Provisions		
Current provisions		
Gratuity (Refer note 29)	0.76	0.96
Total current provisions	**0.76**	**0.96**

(Amounts in ₹ million unless stated otherwise)

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(20)	**Revenue from operations**		
(a)	**Revenue from contracts with customers - Sale of Products**	4,902.30	4,423.11
(b)	**Other operating revenues**		
	Export Incentive	57.40	40.52
	Others	9.86	11.18
		67.26	**51.70**
	Total revenue from operations	**4,969.56**	**4,474.81**

(20.1) Revenue from contracts with customers

(i) The Company is primarily in the business of manufacture and sale of specialty ingredients, including, essential oils, aroma chemicals and value-added derivatives. All sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/ delivery. The Company does not give significant credit period resulting in no significant financing component.

(ii) **Reconciliation of revenue recognised from contract liability:**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening contract liability	29.11	6.17
Less: Recognised as revenue during the year	173.80	355.81
Add: Addition to contract liability during the year	145.35	378.74
Closing contract liability	**0.66**	**29.11**

Contract liability primarily relates to advance consideration received from customers for sale of products in case of few contracts based on terms agreed. The contract liability is expected to be recognised within 12 months.

(iii) **Reconciliation of revenue as per contract price and as recognised in statement of standalone profit and loss:**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from contract with customer as per contract price	4,902.30	4,423.11
Less: Discounts and other adjustment	-	-
Revenue from contract with customer as per statement of standalone profit and loss	**4,902.30**	**4,423.11**

(iv) **Disaggregation of revenue from contract with customers**

The revenue from contracts with customers are disaggregated based on geography to comply with Ind AS 115.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Domestic	2,399.33	2,220.91
Exports	2,502.97	2,202.20
Total	**4,902.30**	**4,423.11**

(v) **Unsatisfied Performance Obligations**

The Company applies the practical expedient in Paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations.

(21)	**Other income**		
(a)	Interest on :		
	- Bank deposits	7.06	7.67
	- Unwinding of security deposits	0.19	0.18
	- Others	38.29	11.32
(b)	Profit on sale of property, plant and equipment (net)	0.83	-
(c)	Gain on derivative forwards measured through profit and loss	0.01	8.34
(d)	Liabilities no longer required written back	0.94	0.52
(e)	Miscellaneous income	5.03	0.97
	Total other income	**52.35**	**29.00**

(Amounts in ₹ million unless stated otherwise)

	Particulars		Year ended March 31, 2025	Year ended March 31, 2024
(22)	**Cost of materials consumed**			
	Raw materials at the beginning of the year		589.51	306.54
	Add : Purchases		3,641.50	3,725.43
	Less : Raw materials at the end of the year		(592.05)	(589.51)
	Cost of materials consumed		**3,638.96**	**3,442.46**
(23)	**Changes in inventories of finished goods and work-in-progress**			
	At the beginning of the year			
	Finished goods		64.24	64.96
	Finished goods in transit		227.78	397.06
	Work - in - progress		797.48	606.31
		[A]	**1,089.50**	**1,068.33**
	At the end of the year			
	Finished goods		103.70	64.24
	Finished goods in transit		46.34	227.78
	Work - in - progress		808.57	797.48
		[B]	**958.61**	**1,089.50**
	Net (increase) / decrease	**[A-B]**	**130.89**	**(21.17)**
(24)	**Employee benefits expense**			
(a)	Salaries, wages and bonus		119.65	103.52
(b)	Gratuity (refer note 29)		1.13	1.06
(c)	Contribution to provident and other funds (refer note 29)		2.79	2.42
(d)	Staff welfare expenses		0.96	0.66
	Total employee benefits expense		**124.53**	**107.66**
(25)	**Finance costs**			
(a)	Interest expense under efffective interest method on :			
	- Lease liabilities (Refer note 28)		0.63	0.91
	- Working capital loans		67.80	52.64
	- Term loans		0.16	0.23
	- Others		0.16	3.29
(b)	Other finance cost (Processing fee & related costs)		1.90	1.91
	Total Finance costs		**70.65**	**58.98**
(26)	**Depreciation and amortisation expenses**			
	Depreciation of property, plant and equipment (refer note 3(a))		61.40	56.29
	Amortisation of :			
	- Right-of-use assets (refer note 4)		4.84	4.67
	- Other intangible assets (refer note 3(c))		0.22	0.33
	Total depreciation and amortisation expense		**66.46**	**61.29**

(Amounts in ₹ million unless stated otherwise)

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(27)	**Other expenses**		
	Consumption of packing materials and stores & spare parts	44.37	39.62
	Power and fuel	32.95	37.33
	Insurance charges	10.40	8.75
	Security charges	4.37	5.07
	Repairs and maintenance :		
	Factory	7.61	1.86
	Others	3.72	2.65
	Selling & distribution expense	63.21	44.86
	Legal and professional charges	13.43	11.22
	Foreign exchange loss (Net)	0.38	1.19
	Travelling and conveyance	7.79	6.12
	Corporate social responsibility	11.14	8.70
	Prior period expenses	-	0.21
	Expected credit loss expense	0.80	0.89
	Auditor's remuneration (refer note 27.1 below)	1.89	1.67
	Donations	0.31	1.66
	Loss on sale of property, plant and equipment (net)	-	0.04
	Miscellaneous expenses	15.19	16.38
	Total other expenses	**217.56**	**188.22**
(27.1)	**Payment to auditor :**		
	(i) Statutory audit fees	1.40	0.90
	(ii) Tax audit	0.30	0.30
	(iii) Other services	0.19	0.47
	Total payment to auditor	**1.89**	**1.67**

Note - During the year ended March 31, 2024, the auditor was also paid ₹ 1.50 million for services rendered with respect to Initial Public Offering("IPO"). The same has been treated as prepaid expense under other current assets, since the same shall be distributed as per the " Basis of allocation of IPO expenses".

(28) Leases

Operating lease
Company as lessee
The Company has entered into cancellable leasing arrangement in respect of office premises and establishments.

Ind AS 116 - Lease liabilities

(Amounts in ₹ million unless stated otherwise)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current	20.70	2.85
Current	4.11	4.90
Total	**24.81**	**7.75**

(i) Movement in lease liabilities:

(Amounts in ₹ million unless stated otherwise)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	7.75	8.39
Add: Addition made during the year	22.46	4.09
Add: Finance cost accrued during the year	0.63	0.91
Less: Payment of lease liabilities	(6.03)	(5.64)
Closing Balance	**24.81**	**7.75**

(ii) The contractual maturities of lease liabilities are as under on undiscounted basis:

(Amounts in ₹ million unless stated otherwise)

Particulars	As at March 31, 2025	As at March 31, 2024
Payable within one year	6.39	5.15
Payable later than one year and not later than five years	24.85	3.18

(iii)	Lease payments recognised for short term leases in statement of profit and loss	0.84	1.14

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(29) Employee benefits

(a) Defined contribution plan

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees as per regulations. The contributions are made to registered provident fund administered by the Government of India. The obligation of the Company is limited to the amount contributed and it has neither further contractual nor any constructive obligation.

(Amounts in ₹ million unless stated otherwise)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Employer's contribution to provident fund	2.79	2.42

Included in 'Contribution to provident fund & other funds' under employee benefits expense (Refer Note 24)

(b) Defined benefit plans

Gratuity:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded plan and the Company makes contribution to recognised funds in India.

Actuarial Assumptions

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Discount rate	6.75%	7.20%
Future salary increases	5.00%	5.00%
Expected Return on Plan Assets	6.90%	6.50%
Attrition rate	10.00%	10.00%
Mortality rate	(IALM 2012-14) Ult	IALM 2012-14(Ult)

Notes:

1. Discount rate: The discount rate is based on the prevailing market yields of Indian Government securities for the estimated term of the obligations.

2. Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

The amounts recognised in the balance sheet and movements in the net defined benefit obligation (DBO) over the period are as follows :

(Amounts in ₹ million unless stated otherwise)

Change in the present value of obligation	March 31, 2025	March 31, 2024
Present value of net obligation at the beginning of the year	0.96	0.98
Net interest	0.35	0.31
Liability transfer out on account of slump sale	-	-
Current service cost	1.06	1.00
Past service cost	-	-
Benefits paid	-	-
Contribution to plan assets	(1.50)	(0.51)
Return on plan assets	(0.28)	(0.25)
Remeasurement due to	-	
- Actuarial (loss)/gain arising from change in financial assumptions	0.27	(0.58)
- Actuarial (loss)/gain arising on account of experience changes	(0.10)	-
- Actuarial (loss)/gain arising on account of demographical assumptions	-	-
Present value of obligation at the end of the year	**0.76**	**0.96**

(Amounts in ₹ million unless stated otherwise)

Amount recognised in the statement of profit and loss	For the year ended March 31, 2025	For the year ended March 31, 2024
Current service cost	1.06	1.00
Net interest	0.07	0.06
Total expense recognised in the statement of profit and loss	**1.13**	**1.06**

Amount recognised in the other comprehensive income	March 31, 2025	March 31, 2024
Actuarial (loss)/gain arising from change in financial assumptions	0.25	0.62
Actuarial (loss)/gain arising on account of demographical assumptions	-	
Actuarial (loss)/gain arising from experience over past period	(0.10)	-
Return on plan assets, excluding amount included in net interest on net defined benefit liability/(assets)	0.02	(0.04)
Total Amount recognised in other comprehensive income	**0.17**	**0.58**

(c) Sensitivity of the defined benefit obligation to changes in weighted principal assumptions is:

Particulars	March 31, 2025	March 31, 2024
Discount rate (Increases 1%)	(0.36)	(0.24)
Discount rate (Decreases 1%)	0.40	0.27
Salary increase rate (Increases 1%)	0.33	0.28
Salary increase rate (Decreases 1%)	(0.29)	(0.25)
Withdrawal Rate (Increases 1%)	0.02	0.01
Withdrawal Rate (Decreases 1%)	(0.03)	(0.01)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice it is unlikely to occur, and changes in some of the assumptions may be correlated. The methods and types of assumption used in preparing the sensitivity analysis did not change compared to previous year.

(30) Related party transactions

(a) Related parties

Sr. No	Name of the party	Nature of relationship
1	Gem Aromatics LLC	Wholly Owned Subsidiary
2	Krystal Ingredients Private Limited	Wholly Owned Subsidiary
3	Gem Aromatics FZ LLC (upto June 13, 2024)	Wholly Owned Subsidiary
4	Doterra Global Limited (formerly known as Lee River Holdings Limited) ("Doterra Group")	Entities in which Directors are Interested
5	Dottera International LLC ("Doterra Group")	Entities in which Directors are Interested
6	Gem Foundation	Entities in which Directors are Interested
7	Sanskruti Welfare Trust	Entities in which Directors are Interested

(b) Key managerial personnel (KMP) & close members

Sr. No	Particulars	Nature of relationship
1	Yash Parekh	Managing Director & CEO
2	Vipul Parekh	Chairman & Whole Time Director
3	Kaksha Vipul Parekh	Whole Time Director & CFO
4	Dinesh Vasu Thekkepanakkal (upto December 16, 2024)	Chief Operating Officer
5	Shaila Sachin Ghangurde (upto April 27, 2024)	Company Secretary & Compliance Officer
6	Pooja Padam Bhandari (w.e.f. July 31, 2024)	Company Secretary & Compliance Officer
7	Shrenik Kishorbhai Vora	Independent Director
8	Ajay Sahai	Independent Director
9	Parag Ratnakar Gogate	Independent Director
10	Vishakha Hari Bhagvat	Independent Director
11	Shubhangi Bhalchandra Umbarkar	Independent Director
12	Vruta Yash Parekh	Close member of KMP
13	Blessy Dinesh Thekkepanakkal (upto December 16, 2024)	Close member of KMP
14	Sean M Poynter (upto July 9, 2024)	Nominee Director
15	Corey B Lindley (upto November 7, 2023)	Nominee Director

(c) Details of transactions and balances with related parties

(Amounts in ₹ million unless stated otherwise)

Sr no.	Nature of Transaction	As at March 31, 2025	As at March 31, 2024
A	***Transactions during the year***		
1	**Remuneration**		
	Key managerial personnel		
	Yash Parekh (Short-term Employee Benefits)	13.88	12.07
	Vipul Parekh (Short-term Employee Benefits)	13.88	12.07
	Kaksha Vipul Parekh (Short-term Employee Benefits)	13.88	12.07
	Dinesh Vasu Thekkepanakkal		
	-Short-term employee benefits	3.82	2.12
	-Contribution to provident funds	0.02	0.02
	Shaila Sachin Ghangurde		
	-Short-term employee benefits	0.06	0.88
	-Contribution to provident funds	0.00	0.02
	Pooja Padam Bhandari		
	-Short-term employee benefits	0.74	-
	-Contribution to provident funds	0.02	-
	Close member of KMP		
	Vruta Yash Parekh		
	-Short-term employee benefits	0.30	0.29
	-Contribution to provident funds	0.02	0.01
	Blessy Dinesh Thekkepanakkal		
	-Short-term employee benefits	-	0.43
	-Contribution to provident funds	-	0.00
	As the liabilities for gratuity is provided on actuarial basis for the Company as a whole, the amounts pertaining to the KMP and their close members are not included above.		
2	**Interest income**		
	Krystal Ingredients Private Limited	38.25	11.32

(c) Details of transactions and balances with related parties (Continued)

(Amounts in ₹ million unless stated otherwise)

Sr no.	Nature of Transaction	As at March 31, 2025	As at March 31, 2024
A	***Transactions during the year (continued)***		
3	**Loan given**		
	Krystal Ingredients Private Limited	585.59	65.80
4	**Revenue from operations**		
	Gem Aromatics LLC	847.98	460.39
	Doterra Global Limited	401.75	854.57
	Krystal Ingredients Private Limited	32.18	-
5	**Payment of lease liabilities**		
	Kaksha Vipul Parekh	2.43	2.35
	Vipul Parekh	2.59	2.51
6	**Reimbursement of expenses**		
	Vipul Parekh	0.04	0.06
	Gem Aromatics LLC	1.94	1.66
7	**Expenses incurred on behalf of subsidiary**		
	Gem Aromatics LLC	3.79	-
8	**Donations given**		
	Gem Foundation	-	1.30
9	**Corporate social responsibility expense**		
	Gem Foundation	8.27	-
	Sanskruti Welfare Trust	0.10	0.46
10	**Security deposit taken**		
	Krystal Ingredients Private Limited	-	0.06
11	**Security deposit repaid**		
	Krystal Ingredients Private Limited	0.06	-
12	**Director sitting fees**		
	Shrenik Kishorbhai Vora	0.38	0.20
	Ajay Sahai	0.33	0.15
	Parag Ratnakar Gogate	0.20	0.08
	Vishakha Hari Bhagvat	0.30	0.13
	Shubhangi Bhalchandra Umbarkar	0.18	0.08
13	**Rent income**		
	Krystal Ingredients Private Limited	-	0.12
14	**Repayment of advance given**		
	Dinesh Vasu Thekkepanakkal	-	0.20
15	**Advance received**		
	Dottera International LLC	-	1.66
16	**Guarantees and collaterals**		
	Corporate Guarantee (Given to Bank on behalf of Krystal Ingredients Pvt. Ltd.)	400.00	883.00
17	**Capital Expenditure**		
	Krystal Ingredients Private Limited	3.53	-

(Amounts in ₹ million unless stated otherwise)

Sr no.	Balances	As at March 31, 2025	As at March 31, 2024
B	*Balances*		
1	**Employee related obligation**		
	Vruta Yash Parekh	0.04	0.02
	Dinesh Vasu Thekkepanakkal	-	0.32
	Shaila Sachin Ghangurde	-	0.07
	Pooja Padam Bhandari	0.07	-
2	**Trade receivables**		
	Gem Aromatics LLC	183.48	69.65
	Doterra Global Limited ("Doterra Group")	393.83	124.93
	Krystal Ingredients Private Limited	10.14	-
3	**Loan given**		
	Krystal Ingredients Private Limited	810.67	190.66
	Yash V Parekh		
4	**Investments**		
	Subsidiaries		
	Gem Aromatics LLC	3.80	3.80
	Krystal Ingredients Private Limited# (Refer Note 5)	9.42	6.75
	Gem Aromatics FZ LLC*	-	0.21
5	**Other receivable / (payable)**		
	Gem Aromatics LLC	0.00	-
	Gem Aromatics FZ LLC*	-	0.68
6	**Other current liabilities**		
	Dottera International LLC	1.02	1.66
7	**Current financial liabilities - Security deposit**		
	Krystal Ingredients Private Limited	-	0.06
8	**Current financial assets - security deposit**		
	Kaksha Vipul Parekh	0.62	0.92
	Vipul Parekh	0.65	0.98
9	**Guarantees and collaterals**		
	Corporate Guarantee (Given to Bank on behalf of Krystal Ingredients Pvt. Ltd.)	1,283.00	883.00
10	**Director sitting fees payable**		
	Shrenik Kishorbhai Vora	-	0.02
	Vishakha Hari Bhagvat	-	0.02

* The Investment made and outstanding receivable amount has been fully provided.
# Includes deemed investment on account of financial guarantee given.
The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

The Company has given corporate guarantee towards the loans availed by its subsidiary from financial institutions, details of the same are disclosed under note 33.

(31) Fair value measurement

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value those include cash and cash equivalents, other bank balances, trade receivables and trade payables.

(Amounts in ₹ million unless stated otherwise)

At fair value through profit and loss	Level	As at March 31, 2025	As at March 31, 2024
Assets			
Derivative asset - forward contract receivable	2	0.41	0.40
Total Assets		**0.41**	**0.40**
Liabilities			
Derivative liabilities - forward contract payables	2	-	-
Total Liabilities		-	-

(Amounts in ₹ million unless stated otherwise)

At amortised cost	As at March 31, 2025	As at March 31, 2024
Assets		
Trade receivables	1,369.71	426.20
Cash and cash equivalents	1.03	157.01
Bank balances other than cash and cash equivalents	4.95	4.75
Investment	13.22	10.55
Loan	811.68	191.00
Other financials assets	15.01	140.58
Total Assets	**2,215.60**	**930.09**
Liabilities		
Borrowings	1,421.40	841.39
Lease liabilities	24.81	7.75
Trade payables	159.45	147.95
Other financial liabilities	16.70	11.96
Total Liabilities	**1,622.36**	**1,009.05**

Note: Carrying amounts of cash and cash equivalents, other bank balances, trade receivables, other financial assets, borrowings, other financial liabilities and trade payables as at March 31, 2025, approximate their fair value due to their short-term nature. Difference between carrying amounts and fair values of other financial assets and other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

(32) Financial risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies. The Board holds regular meetings on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

a). Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which Company operates and other macro-economic factors.

Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company, market intelligence and goodwill. Outstanding customer receivables are regularly monitored. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and other receivables.

Cash and cash equivalents and other bank balances

The Company held cash and cash equivalents and other bank balances of ₹ 6.09 million as at March 31, 2025 (March 31, 2024 - ₹ 289.40 million) . The credit worthiness of banks and financial institutions is evaluated by management on an ongoing basis and is considered to be good.

Loans

Loan is given to related parties for which credit risk is managed by monitoring the recoveries of such amounts on regular basis. The Company does not perceive any credit risk related to such loans given to subsidiary companies.

Other financial assets

Other financial assets measured at amortised cost includes deposits and capital advances for immovable properties etc. Credit risk related to these financial assets are managed by monitoring the recoveries of such amounts on regular basis and the Company does not perceive any credit risk related to these financial assets.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

b). Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. The Company has access to unused credit facility as at March 31, 2025 amounting to ₹ 370.15 million (March 31, 2024 - ₹ 1162.70 Million) towards working capital needs as and when required.

Maturities of financial liabilities

The below table analyses the Company's financial liabilities into relevant maturity based on their contractual maturities. The amounts disclosed in the table are contractual undiscounted cash flows.

(Amounts in ₹ million unless stated otherwise)

Particulars	Carrying amount	Undiscounted amount	
		<12months	≥ 12months
March 31, 2025			
Non Derivative financial instruments			
Borrowings	1,421.40	1,420.79	0.61
Trade payables	159.45	159.45	-
Lease liabilities	24.81	6.39	24.85
Other financial liabilities	16.70	9.99	6.71
March 31, 2024			
Non Derivative financial instruments			
Borrowings	841.39	839.84	1.55
Trade payables	147.95	147.95	-
Lease liabilties	7.75	5.15	3.18
Other financial liabilities	11.96	6.55	5.41

(c). Market risk

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – that will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency.

(i). Currency risk

The Company is exposed to currency risk on account of foreign currency transactions including recognized assets and liabilities denominated in a currency that is not the Company's functional currency (₹), primarily in respect of United States Dollar and Chinese Yuan. The Company ensures that the net exposure is kept to an acceptable level.

Exposure to currency risk

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

As at March 31, 2025

(Amounts in ₹ million unless stated otherwise)

Particulars	USD converted to INR	YUAN converted to INR
Financial assets		
Trade receivables	814.41	-
Net exposure to foreign currency (assets)	**814.41**	**-**
Financial liabilities		
Trade payables	6.89	-
Borrowings	-	-
Net exposure to foreign currency (liabilities)	**6.89**	**-**
Net exposure to foreign currency	**807.52**	**-**

As at March 31, 2024

(Amounts in ₹ million unless stated otherwise)

Particulars	USD converted to INR	YUAN converted to INR
Financial assets		
Trade receivables	267.70	20.03
Net exposure to foreign currency (assets)	**267.70**	**20.03**
Financial liabilities		
Trade payables	5.22	-
Net exposure to foreign currency (liabilities)	**5.22**	**-**
Net exposure to foreign currency	**262.48**	**20.03**

(32) Financial risk management framework (Continued)

Sensitivity analysis

A reasonably possible strengthening /(weakening) of the Indian Rupee against all other currencies would have affected the measurement of financial instruments denominated in a foreign currency profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(Amounts in ₹ million unless stated otherwise)

Particulars	Impact on profit after tax and equity	
	March 31, 2025	March 31, 2024
USD		
- Increase by 5%	30.21	9.82
- Decrease by 5%	(30.21)	(9.82)
YUAN		
- Increase by 5%	-	0.75
- Decrease by 5%	-	(0.75)

Outstanding Derivative contracts

The Company hedges exposures to changes in foreign currency. The counterparty for these contracts is a bank. All these instruments of forward contracts are valued at fair value through profit and loss.

The following table gives details in respect of outstanding hedge contracts:

(Amounts in ₹ million unless stated otherwise)

Particulars	As at March 31, 2025			
	USD	INR	YUAN	INR
Forward contracts (fair valuation through profit and loss)	8.00	675.62		
Total	**8.00**	**675.62**		

(Amounts in ₹ million unless stated otherwise)

Particulars	As at March 31, 2024			
	USD	INR	YUAN	INR
Forward contracts (fair valuation through profit and loss)	10.23	857.05	1.50	18.18
Total	**10.23**	**857.05**	**1.50**	**18.18**

Following table summarises approximate gain / (loss) on the Company's other comprehensive income on account of appreciation / depreciation of the underlying currencies:

(Amounts in ₹ million unless stated otherwise)

Particulars	Impact on profit after tax and equity	
	March 31, 2025	March 31, 2024
USD		
- Increase by 5%	25.28	32.07
- Decrease by 5%	(25.28)	(32.07)
Yuan		
- Increase by 5%	-	0.68
- Decrease by 5%	-	(0.68)

(ii). Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Companies exposure to interest rate risks relates primarily to the Companies interest obligations on its borrowings. Borrowings taken at variable rates are exposed to fair value interest rate risk. The Company carries excellent credit ratings, due to which it has assessed that ther are no material interest rate risk and any exposure thereof.

(iii). Capital risk management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

The Company monitors its capital by using gearing ratio, which is net debt divided to total equity. Net debt includes borrowings net of cash and bank balances and total equity comprises of equity share capital, general reserve, securities premium, other comprehensive income and retained earnings.

(Amounts in ₹ million unless stated otherwise)

Particulars	March 31 ,2025	March 31 ,2024
Borrowings	1,421.40	841.39
Less : Cash and cash equivalents	(1.03)	(157.01)
Less : Other bank balances	(5.06)	(132.40)
Net Debt	**1,415.31**	**551.98**
Equity	2,838.88	2,270.47
Total Equity	**2,838.88**	**2,270.47**
Total Equity and Net Debt	4,254.19	2,822.45
Capital gearing ratio	***0.33***	***0.20***

Loan covenants
The Company is required to comply with all the loan covenants as set out in the loan agreement/facility letter. The Company has complied with these covenants during the reporting year.

(33) Details of the outstanding principal (including unamortised borrowing cost, if any), interest rate, security and repayment terms:

(Amounts in ₹ million unless stated otherwise)

Sr no	Name of the Bank	As at March 31, 2025	As at March 31, 2024	Applicable interest rate p.a.	Type of loan and underlying facilities	Amount sanctioned As at March 31, 2025	Repayments terms
1	HDFC Bank	227.71	162.53	8.40%	i. Cash credit ii. Pre-shipment finance iii. Post-shipment finance	400.00	On demand
2	Citi Bank	277.05	119.84	7.75% - 10.15%	i. Pre-Shipment/Post-Shipment/Bill Discounting ii. Export credit iii. Cash Credit/Buyers Credit/WCDL	330.00	On demand
3	Axis Bank	533.65	258.20	8.25% - 9.5%	i. Cash credit ii. Export credit iii. WCDL	660.00	On demand
4	DBS Bank	198.06	98.25	8.00%	i. Cash Credit/Buyers Credit/WCDL ii. Export credit	200.00	On demand
5	ICICI Bank	183.39	200.00	7.50% - 8.9%	i. Cash credit ii. Pre-shipment finance iii. Post-shipment finance	200.00	On demand
6	HDFC Bank	1.55	2.57	8.25%	i. Vehicle loan	4.09	Fixed Term Loan: Loan 1 and Loan 2 is repayable on EMI basis by December 2025 and May 2027 respectively.
	Total	**1,421.40**	**841.39**			**1,794.09**	

A Security

1 All borrowings (except vehicle loans) are secured by a first pari passu charge on current assets (inventories and book debts) and entire movable fixed assets of the Company, both present & future.

2 Collateral Security:
Following Immovable properties are shared in first pari passu charge:
i) Land & Building at Plot 2, Survey No 16/4/2, Near Alok Industries, Village Rakholi, Silvassa - 396230 (D&NH), India.
ii) Land & Building at Plot 126,8,9,10, Village Gathona Tehsil & District Badaun of the company.

3 Term loans pertains to vehicles purchased by the Company and are issued against hypothecation of the Vehicles.

B The Company has borrowings from banks or financial institutions on the basis of security of book debts, inventory and other time deposits. The statements of current assets filed by the Company with banks are primarily in agreement with the books of accounts.

GEM AROMATICS LIMITED
(Formerly known as Gem Aromatics Private Limited)
CIN: U24246MH1997PLC111057
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(34) Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% change	Remarks (where % change is more than 25%)
Current ratio	Current Assets	Current Liabilities	1.97	2.62	-24.77%	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.50	0.37	35.11%	Due to increase in the borrowings.
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + depreciation and amortization + Finance cost	Debt service = Interest + Principal Repayments	9.97	10.97	-9.12%	
Return on Equity	Net Profits after tax for the year	Shareholder's Equity	20.03%	21.79%	-8.07%	
Inventory Turnover ratio	Cost of goods sold	Average Inventory	2.32	2.23	4.12%	
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	5.46	7.28	-24.96%	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	23.69	21.41	10.68%	
Net Capital Turnover Ratio	Revenue from Operations	Working capital = Current assets – Current liabilities	3.19	2.67	19.69%	
Net Profit ratio	Net Profits after tax for the year	Revenue from Operations	0.11	0.11	3.50%	
Return on Capital Employed	Profit before tax and finance costs	Capital Employed = Total Equity + Total Debt + Deferred Tax Liability	19.80%	23.31%	-15.06%	
Return on Investment (Fixed Deposit)	Interest on Fixed Deposit (Finance Income)	Weighted Average Investment in Fixed Deposits	6.02%	7.15%	-15.72%	

(35) Earnings per share

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit attributable to the equity holders of the Company (₹ in millions)	568.54	494.63
Weighted average number of equity shares for Basic EPS (in nos)	4,68,52,523	4,68,52,523
Weighted average number of equity shares for Diluted EPS (in nos)	4,68,52,523	4,68,52,523
Earnings per share (₹)		
- Basic	12.13	10.56
- Diluted	12.13	10.56
Face value per equity share (₹)	2.00	2.00

(36) Income tax expense

This note provides analysis of Company's income tax expense, amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates in relation to the Company's tax position.

(a) Income tax expense is as follows:

(Amounts in ₹ million unless stated otherwise)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a) Profit and loss		
Current tax	197.00	176.50
Tax expense relating to prior years	5.76	(0.54)
Deferred tax	1.56	(4.22)
Total Tax expense	**204.32**	**171.74**

(b) Reconciliation of tax expense and the accounting profit computed by applying income tax rate:

(Amounts in ₹ million unless stated otherwise)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit before tax	**772.86**	**666.37**
Tax rate	25.17%	25.17%
Computed tax expense	**194.51**	**167.71**
Expenses not deductible for tax purpose	3.23	1.73
Tax expense relating to prior years	5.76	(0.54)
Others	0.81	2.84
Income tax expense	**204.32**	**171.74**

(37) Segment reporting

The Company publishes this financial statement along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

(38) Commitments and contingent liabilities

(Amounts in ₹ million unless stated otherwise)

Particulars	As at March 31, 2025	As at March 31, 2024
(I) Contingent liabilities		
(a) Claims against the Company not acknowledged as		
Under Customs regulations	300.77	300.77
Under Income tax act	63.59	55.11
Under Goods and service tax act	40.49	40.49
Under MSMED Act	0.55	0.55
Under Uttar Pradesh Trade Tax Regime	176.48	176.48
Total Contingent liabilities	**581.88**	**573.40**
(II) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
(i) Capital commitments entered by the Company	6.45	-
(b) Other Commitments		
(i) Other Commitments - Corporate Guarantee	1,283.00	883.00
Total Commitments	**1,289.45**	**883.00**

(39) Corporate Social Responsibility

(Amounts in ₹ million unless stated otherwise)

Particulars	As at March 31, 2025	As at March 31, 2024
Corporate Social Responsibility expenditure		
Amount required to be spent as per Section 135 of the Companies Act, 2013	11.14	8.70
Amount spent during the period on:		
(i) Construction / acquisition of an asset	-	-
(i) Construction/ Acquistion an any asset	-	-
(ii) On purposes other than (i) above		
(a) Education purpose	7.91	0.46
(b) Medical purpose	-	1.50
(c) Others	0.46	0.10
Total	**8.37**	**2.06**
(iii) Shortfall/ (Excess) at the end of the period (after adjusting PY excess balance)	(0.45)	(3.22)
(iv) Details of Related Party Transactions		
Contribution for educational and other purposes made to Gem Foundation	8.27	-
Contribution for educational purposes made to Sanskruti Welfare Trust	0.10	0.46

(40) Dues of micro and small enterprises

(Amounts in ₹ million unless stated otherwise)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came into force from 2 October 2006, certain disclosures are required related to MSME. On the basis of the information and records available with the Company following are the details of dues:		
- the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	6.94	37.37
- the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
- the amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
- the amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.16	3.29
- the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

(41) There are no material subsequent events which have occurred between the reporting date as on March 31, 2025 and adoption of standalone financial statements by board of directors as on May 30, 2025

(42) The standalone financial statements were authorised for issue by the Company's Board of directors on May 30, 2025

(43) Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the period.

(v) The Company is in compliance with the number of layers precribed under clause (87) of section 2 of the Companies Act read wiith the companiesd (Restriction on number of layers) Rules 2017.

(vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) 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
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vii) 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:

(a) 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
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(viii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

As per our report of even date

For CHHAJED & DOSHI
Chartered Accountants
Firm's Registration No.: 101794W

ABHINAV UTTAMCHAND CHHAJED
Digitally signed by ABHINAV UTTAMCHAND CHHAJED
Date: 2025.05.30 23:47:13 +05'30'

CA Abhinav Chhajed
Partner
Membership Number: 196452
Place : Mumbai
Date : May 30, 2025

For and on behalf of the Board of Directors of
Gem Aromatics Limited
(Formerly known as Gem Aromatics Private Limited)
CIN: U24246MH1997PLC111057

KAKSHA VIPUL PAREKH

Kaksha Vipul Parekh
Whole Time Director & CFO
DIN : 00235998
Place : Mumbai
Date : May 30, 2025

YASH PAREKH

Yash Parekh
Managing Director & CEO
DIN : 03514313
Place : New Jersey, USA
Date : May 30, 2025

POOJA PADAM BHANDARI

Pooja Padam Bhandari
Company Secretary
Membership Number: 73944
Place : Mumbai
Date : May 30, 2025