

ORIENTAL AROMATICS & SONS LIMITED
CIN - U24110MH2019PLC335124
Balance Sheet As At 31st March 2023
(All amounts are in ₹ Lakh, unless stated otherwise)

	Particulars	Note No.	As at	As at
			31-Mar-23	31-Mar-22
I	ASSETS			
1	Non-current Assets			
	(a) Property, Plant and Equipment	2	23.68	28.26
	(b) Capital work - in - progress	2	1,554.22	405.27
	(c) Right of use assets - Lease	3	618.77	413.50
	(d) Deferred tax assets (net)	19	27.76	18.75
	(e) Other non - current assets	4	264.22	346.58
	Total Non-Current Assets		2,488.65	1,212.36
2	Current assets			
	(a) <u>Financial Assets :</u>			
	(i) Cash and cash equivalents	5	637.77	32.47
	(ii) Bank balances other than (i) above	6	19.50	119.50
	(iii) Other current financial assets	7	1.16	-
	(b) Current tax assets		1.48	1.57
	(c) Other current assets	8	86.82	30.98
	Total Current Assets		746.73	184.52
	TOTAL ASSETS		3,235.38	1,396.88
II	EQUITY AND LIABILITIES			
1	Equity			
	a) Equity share capital	9	3,200.00	1,440.00
	b) Other equity	10	(170.06)	(101.47)
	Total Equity		3,029.94	1,338.53
2	Liabilities			
	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Other Financial Liabilities	12	-	-
	Total Non Current Liabilities		-	-
	Current liabilities			
	(a) Financial liabilities			
	Trade payables	11		
	(A) Total outstanding dues of micro enterprises and small enterprises;		-	-
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		45.86	7.36
	(ii) Other financial liabilities	12	142.37	43.23
	(b) Other current liabilities	13	8.01	3.79
	(c) Provisions	14	9.21	3.98
	Total Current Liabilities		205.45	58.36
	Total Liabilities		205.45	58.36
	TOTAL EQUITY AND LIABILITIES		3,235.39	1,396.88
	Significant accounting policies and accompanying notes form an integral part of financial statements	1-31		

As per our attached Report of even date

For Lodha & Co.

Chartered Accountants
Firm Registration No. - 301051E

R. P. Baradiya
Partner

Place : Mumbai
Date : 26th May, 2023

For and on behalf of Board of Directors

SD/-
Dharmil A. Bodani
Managing Director
DIN : 00618333

SD/-
Girish Khandelwal
Chief Financial Officer

SD/-
Parag K Satoskar
Director
DIN: 08651698

SD/-
Kiranpreet Gill
Company Secretary

ORIENTAL AROMATICS & SONS LIMITED

CIN - U24110MH2019PLC335124

Statement of Profit and Loss for the Year ended 31st March 2023

(All amounts are in ₹ Lakh, unless stated otherwise)

	Particulars	Note No.	For the Year ended	For the Year ended
			31-Mar-23	31-Mar-22
I	Income			
	Other Income	15	11.38	5.93
	Total Income		11.38	5.93
II	Expenses			
	Employee benefits expense	16	17.93	49.42
	Finance cost	17	1.28	0.07
	Depreciation and amortization expense	18	9.98	5.80
	Other expenses	18	59.78	43.06
	Total expenses		88.97	98.35
III	Loss before tax		(77.59)	(92.41)
IV	Tax expense	19		
	Current tax		-	-
	Deferred tax charge/(credit)		(9.01)	(14.41)
V	Loss for the year		(68.58)	(78.00)
VI	Other Comprehensive Income		-	-
VII	Total Comprehensive Income for the year (V + VI)		(68.58)	(78.00)
VIII	Earnings per equity share of Rs. 10 each	21		
	Basic & Diluted		(0.28)	(0.70)
Significant accounting policies and accompanying notes form an integral part of financial statements		1-31		

As per our attached Report of even date

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Director
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Kiranpreet Gill
Company Secretary

ORIENTAL AROMATICS & SONS LIMITED

CIN - U24110MH2019PLC335124

Cash Flow Statement for the year ended 31st March 2023

(All amounts are in ₹ Lakh, unless stated otherwise)

	Particulars	Note No.	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
A)	Cash Flow from Operating Activities			
	Net Loss before Tax		(77.59)	(92.42)
	Adjustments for:			
	Depreciation and amortization expense		9.98	5.80
	Interest and Other Finance Cost		1.28	0.07
	Interest Income		(11.38)	(5.93)
	Operating loss before Working Capital Changes		(77.71)	(92.49)
	Adjustments for:			
	(Increase)/Decrease in Trade & Other Receivables		(204.32)	111.78
	Increase/(Decrease) in Trade Payables & Provisions		4.73	4.16
	Cash generated from Operating Activities		(277.30)	23.44
	Direct Taxes (Paid) Net of Refund Received		0.09	(0.54)
	Net Cash from Operating Activities (A)		(277.21)	22.90
B)	Cash Flow from Investing Activities			
	Purchase of property, plant and equipment		(68.30)	(375.91)
	Increase in Capital work in progress		(1,148.96)	(413.50)
	Increase in Capital Advances		330.83	295.53
	Interest Received		10.22	7.11
	Net Cash (used in)/from Investing Activities (B)		(876.21)	(486.78)
C)	Cash Flow from Financing Activities			
	Proceeds from Issue of equity shares		1,760.00	480.00
	Interest and Other Financial Cost		(1.28)	(0.07)
	Net Cash (used in)/from Financing Activities (C)		1,758.72	479.93
	Net increase in cash and cash equivalents (A + B + C)		605.30	16.05
	Cash & cash equivalents at beginning of the year	5	32.47	16.43
	Cash & cash equivalents at end of the year	5	637.77	32.47

Significant accounting policies and accompanying notes form an integral part of financial statements

1-31

As per our attached report of even date

For Lodha & Co.

Chartered Accountants

Firm Registration No. - 301051E

R. P. Baradiya

Partner

Place : Mumbai

Date : 26th May, 2023

For and on behalf of Board of Directors

SD/-

Dharmil A. Bodani

Managing Director

DIN : 00618333

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Girish Khandelwal

Chief Financial Officer

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Parag K Satoskar

Director

DIN: 08651698

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Kiranpreet Gill

Company Secretary

ORIENTAL AROMATICS & SONS LIMITED

CIN - U24110MH2019PLC335124

Statement of Changes in Equity for the year ended 31st March, 2023

(All amounts are in ₹ Lakh, unless stated otherwise)

EQUITY SHARE CAPITAL

Particulars	Note No.	Amount
As at 31st March 2021		960.00
Changes in equity share capital due to prior period errors		-
Restated Balance as at 31st March 2021		960.00
Issue of Equity Share Capital	9	480.00
As at 31st March 2022		1,440.00
Changes in equity share capital due to prior period errors		-
Restated Balance as at 31st March 2022		1,440.00
Issue of Equity Share Capital	9	1,760.00
As at 31st March 2023		3,200.00

OTHER EQUITY

Particulars	Note No.	Retained Earnings
Balance as at 31st March, 2021		(23.47)
Loss for the year		(78.00)
Balance as at 31st March, 2022		(101.47)
Balance as at 1st April, 2022		(101.47)
Loss for the year		(68.58)
Balance as at 31st March, 2023		(170.05)
Significant accounting policies and accompanying notes form an integral part of financial statements	1-31	

As per our attached Report of even date

For Lodha & Co.

Chartered Accountants

Firm Registration No. - 301051E

R. P. Baradiya

Partner

Place : Mumbai

Date : 26th May, 2023

For and on behalf of Board of Directors

SD/-

Dharmil A. Bodani

Managing Director

DIN : 00618333

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Girish Khandelwal

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Parag K Satoskar

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Company Secretary

ORIENTAL AROMATICS & SONS LIMITED

CIN - U24110MH2019PLC335124

Notes to the financial statements as at and for the year ended 31st March, 2023

(All amounts are in ₹ Lakh, unless stated otherwise)

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES :

I. Background and Operations

Oriental Aromatics & Sons Limited is a Public limited company and based at Mumbai, Maharashtra, India. It is incorporated under Companies Act, 2013 and is wholly own subsidiary of Oriental Aromatics Limited. The primary objective of the Company is to engage in business of manufacturing Fine chemicals i.e. camphor, perfumery & specialty aroma chemicals.

The Company has acquired lease land from MIDC at Mahad, Maharashtra for setting up its manufacturing facility. (Refer note no.3)

The Standalone Financial Statements have been approved by the Board of Directors in its meeting held on ____ May, 2023.

II. Significant accounting policies

(a) Basis of preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with of the Companies (Indian Accounting standards) Rules,2015 and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities that is measured at fair value.

(iii) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Companies Act, 2013.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised. Any revision to accounting estimates is recognised prospectively in current and future periods.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Property, plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

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.

Capital Work-in-progress

Property, Plant and Equipment which are not ready for intended use on the date of balance sheet are disclosed as capital work-in-progress. It is carried at cost, less any recognised impairment loss. Such properties are classified and capitalised to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for intended use.

Expenditure incurred during developmental and preliminary stages of the Company's new projects, are carried forward. However, if any project is abandoned, the expenditure relevant to such project is written off through the natural heads of expenses in the year in which it is so abandoned.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method, over the estimated useful lives of assets. Leasehold land is amortised over of period lease. Leasehold improvements are amortised over the period of lease or estimated useful lives which ever is lower.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act.

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. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(d) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

(e) Contract balances:

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only a passage of time is required to before payment of the consideration is due). Trade receivables are recognised at the value of sales less allowance for bad and doubtful debts and expected credit loss.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the company transfer goods and services to the customer, a contract liability is recognised when the payment is made or the payment is due, whichever is earlier. Contract liabilities are recognised as revenue when the company performs under the contract.

(f) Investments and other financial assets

(i) Classification

The company classifies its financial assets in the following measurement categories:

- * those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- * those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value . Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

* **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

* **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses, interest revenue which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss and recognised in other income/expense. Interest income from these financial assets is included in other income using the effective interest rate method.

* **Fair value through profit and loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

Equity instruments:

The company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

(iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Financial Liabilities

Initial Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts and derivative instruments.

Subsequent measurement

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(g) Derivative financial instruments

Derivative financial instruments such as forward currency contracts, option contract and cross currency swap, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

(h) Provisions and contingent liabilities

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.

(i) Revenue from Contracts with Customers

The Company recognizes revenue, whenever control over distinct goods or services is transferred to the customer; i.e. when the customer is able to direct the use of the transferred goods or services and obtains substantially all of the remaining benefits, provided a contract with enforceable rights and obligations exists and amongst others collectability of consideration is probable taking into account customer's creditworthiness.

Revenue is the transaction price the Company expects to be entitled to. In determining the transaction price, the Company considers effects of variable consideration, the existence of significant financing contracts, noncash consideration and consideration payable to the customer, if any. The Company considers whether there are other promises in the contract that are separate performance obligations to which the transaction price needs to be allocated.

Sale of goods -

Revenues are recognized at a point in time when control of the goods passes to the buyer, usually upon either at the time of dispatch or delivery. In case of export sale, it is usually recognised based on the shipped-on board date as per bill of lading. Revenue from sale of goods is net of taxes and recovery of charges collected from customers like transport, packing etc.

Other operating revenue - Export incentives -

Export Incentives under the, "Duty Draw back Scheme", etc. is accounted in the year of export.

Other Income

Dividend income on investments is recognised when the right to receive dividend is established.

Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest. For all financial instruments measured at amortised cost, interest income is recorded using the Effective interest rate method to the net carrying amount of the financial assets.

(j) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

(k) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(l) Cash Flow Statement

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated

(m) Exceptional Items

When an item of income or expense within profit or loss from ordinary activity is of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items is disclosed as exceptional items.

(n) Dividend

The Company recognizes a liability to pay dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company i.e. when the dividend distribution is being approved by the shareholders. A corresponding amount is recognized directly in equity.

ORIENTAL AROMATICS & SONS LIMITED

Notes to the financial statements as at and for the year ended 31st March, 2023
(All amounts are in ₹ Lakh, unless stated otherwise)

2 Property, Plant and Equipment

Particulars	Plant & Equipment	Office Equipment	Furniture & Fixtures	Computers	Total	Capital Work-In-Progress
Gross Carrying Amount						
As at 31st March 2022	0.08	2.66	20.75	6.91	30.40	405.27
Additions	-	-	-	0.54	0.54	1,140.03
Disposals/Adjustment	-	-	-	-	-	-
As at 31st March 2023	0.08	2.66	20.75	7.45	30.94	1,545.30
Accumulated Depreciation :						
As at 31st March 2022	0.01	0.22	1.10	0.81	2.14	-
Depreciation charge for the year	0.01	0.51	2.14	2.45	5.11	-
Disposals/Adjustment	-	-	-	-	-	-
As at 31st March 2023	0.02	0.73	3.24	3.26	7.25	-
Net Carrying Amount :						
As at 31st March 2022	0.07	2.44	19.65	6.10	28.26	405.27
As at 31st March 2023	0.06	1.93	17.51	4.19	23.69	1,545.30

Particulars	Plant & Equipment	Office Equipment	Furniture & Fixtures	Computers	Total	Capital Work-In-Progress
Gross Carrying Amount						
As at 31st March 2021	-	-	-	-	-	20.17
Additions	0.08	2.66	20.75	6.91	30.40	385.10
Disposals	-	-	-	-	-	-
As at 31st March 2022	0.08	2.66	20.75	6.91	30.40	405.27
Accumulated Depreciation :						
As at 31st March 2021	-	-	-	-	-	-
Depreciation charge for the year	0.01	0.22	1.10	0.81	2.14	-
Disposals	-	-	-	-	-	-
As at 31st March 2022	0.01	0.22	1.10	0.81	2.14	-
Net Carrying Amount :						
As at 31st March 2021	-	-	-	-	-	20.17
As at 31st March 2022	0.07	2.44	19.65	6.10	28.26	405.27

Notes:

- A. For information on Capital Commitment, refer to note number - 22
B. Following is the break-up and ageing of Capital work in progress :-

	As at 31st March,		
	Less than 1 year	1-2 years	2023
Particulars			
Project in progress			
Building	103.62	258.37	361.99
Plant & Equipment & Electrical Installation	389.84	33.82	423.66
Directly attributable cost relating to project:			
Professional Fees	112.08	91.42	203.50
Other Expenses	228.93	21.66	250.59
Land Development	305.56	-	305.56
Total	1,140.03	405.27	1,545.30

	As at 31st March,		
	Less than 1 year	1-2 years	2021
Particulars			
Building	258.37		258.37
Plant & Equipment & Electrical Installation	33.82		33.82
Directly attributable cost relating to project:			
Professional Fees	71.25	20.17	91.42
Other Expenses	21.66		21.66
Total	385.10	20.17	405.27

ORIENTAL AROMATICS & SONS LIMITED

Notes to the financial statements as at and for the year ended 31st March, 2023

(All amounts are in ₹ Lakh, unless stated otherwise)

2 Right of use - Lease

Particulars	Lease-Land	Total
Gross Carrying Amount / Deemed Cost		
As at 31st March 2022	417.16	417.16
Additions	210.13	210.13
As at 31st March 2023	627.29	627.29
Accumulated Amortisation		
As at 31st March 2022	3.66	3.66
Amortisation charge for the year	4.87	4.87
As at 31st March 2023	8.53	8.53
Net Carrying Amount		
As at 31st March 2022	413.51	413.51
As at 31st March 2023	618.77	618.77

Particulars	Lease-Land	Total
Gross Carrying Amount / Deemed Cost		
As at 31st March 2021	-	-
Additions	417.16	417.16
As at 31st March 2022	417.16	417.16
Accumulated Amortisation		
As at 31st March 2021	-	-
Amortisation charge for the year	3.66	3.66
As at 31st March 2022	3.66	3.66
Net Carrying Amount		
As at 31st March 2021	-	-
As at 31st March 2022	413.50	413.50

Notes:

Lease hold Land - lease period is 95 years beginning from May 2021 and January 2023

ORIENTAL AROMATICS & SONS LIMITED

CIN - U24110MH2019PLC335124

Notes to the financial statements as at and for the year ended 31st March, 2023

(All amounts are in ₹ Lakh, unless stated otherwise)

4 Other non - current assets

Particulars	As at	
	31-Mar-23	31-Mar-22
(Unsecured, Considered good unless otherwise stated)		
Capital Advances	-	330.83
Security Deposits	264.22	15.75
Total	264.22	346.58

5 Cash and cash equivalents

Particulars	As at	
	31-Mar-23	31-Mar-22
<u>Balances with Banks</u>		
- In current accounts	637.77	32.47
Total	637.77	32.47

6 Other Bank Balances

Particulars	As at	
	31-Mar-23	31-Mar-22
Margin Money Accounts	19.50	19.50
Term deposits with original maturity of more than 3 months but less t	-	100.00
Total	19.50	119.50

7 Other financial assets - Current

Particulars	As at	
	31-Mar-23	31-Mar-22
Interest Accrued on Fixed Deposits	1.16	-
Total	1.16	-

8 Other current assets

Particulars	As at	
	31-Mar-23	31-Mar-22
Balances with Goods and Service tax authorities	86.70	30.64
Advances to Staff	0.00	0.05
Prepaid expenses	0.12	0.29
Total	86.82	30.98

ORIENTAL AROMATICS & SONS LIMITED

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Notes to the financial statements as at and for the year ended 31st March, 2023

(All amounts are in ₹ Lakh, unless stated otherwise)

9 Equity Share capital

a) Particulars	As at	
	31-Mar-23	31-Mar-22
Authorised Equity shares As at 31st March,2023 - 50,000,000 no. of shares at ₹ 10 each. As at 31st March,2022 - 25,000,000 no. of shares at ₹ 10 each.	5,000.00	2,500.00
	5,000.00	2,500.00
Issued, subscribed and fully paid up Equity shares As at 31st March,2023 - 3,20,00,000 no. of shares at ₹ 10 each. As at 31st March,2022 - 1,44,00,000 no. of shares at ₹ 10 each.	3,200.00	1,440.00
Total	3,200.00	1,440.00

b) Rights of Equity Shareholders

- The Company has one class of equity shares having a par value of ₹ 10 per share. 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.
- In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Reconciliation of number of shares

Particulars	31-Mar-23	31-Mar-22
Equity Shares :		
Balance as at the beginning of the year	1,44,00,000	96,00,000
Add: Shares issued during the year	1,76,00,000	48,00,000
Balance as at the end of the year	3,20,00,000	1,44,00,000

d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	31-Mar-23	31-Mar-22
Oriental Aromatics Limited	3,20,00,000	1,44,00,000
<i>Holding Company and promoter</i>	100.00%	100.00%

- e) The Company has not issued bonus shares/bought back shares/issued shares for consideration other than cash since incorporation of the Company.

10 Other Equity

Particulars	As at	
	31-Mar-23	31-Mar-22
A. Summary of Other Equity balance.		
Retained Earnings	(101.48)	(23.47)
Loss during the year	(68.58)	(78.00)
Total	(170.06)	(101.47)

B. Nature and purpose of reserves

Retained Earnings : Retained earnings are the profits/losses that the Company has earned till date, less any transfer to general reserve, dividends or other distribution paid to shareholder.

12 Non Current Financial Liabilities - Others

Particulars	As at	
	31-Mar-23	31-Mar-22
Payable towards Capital Expenditure	-	-
Total	-	-

11 Trade payables

Particulars	As at	
	31-Mar-23	31-Mar-22
Due to micro enterprises and small enterprises*	-	-
Due to creditors other than micro enterprises and small enterprises*	45.86	7.36
less than 1 year:	45.86	7.36
1-3 year		
More Than 3 year		
Total	45.86	7.36

*balances as at March 31, 2023 and as at March 31, 2022 are not due for payment

The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

1) Principal amount remaining unpaid	-	-
2) Interest due on above and the unpaid interest	-	-
3) Interest paid	-	-
4) Payment made beyond the appointed day during the year	-	-
5) Interest due and payable for the period of delay	-	-
6) Interest accrued and remaining unpaid	-	-
7) Amount of further interest remaining due and payable in succeeding years	-	-

12 Other financial liabilities

Particulars	As at	
	31-Mar-23	31-Mar-22
Towards Capital Expenditure	9.76	43.23
Others - payable to Holding Company	132.61	-
Total	142.37	43.23

13 Other Current liabilities

Particulars	As at	
	31-Mar-23	31-Mar-22
Statutory Dues	8.01	3.79
Total	8.01	3.79

14 Provisions

Particulars	As at	
	31-Mar-23	31-Mar-22
Provision for employee benefits :		
Provision for Gratuity (non-funded)	4.95	1.97
Provision for Compensated Absences	4.26	2.01
Total	9.21	3.98

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Notes to the financial statements as at and for the year ended 31st March, 2023

(All amounts are in ₹ Lakh, unless stated otherwise)

15 Other income

Particulars	For the Year ended	
	31-Mar-23	31-Mar-22
Interest Income on fixed deposits	11.33	5.92
Interest on Income Tax refund	0.05	0.02
Total	11.38	5.93

16 Employee benefits expense

Particulars	For the Year ended	
	31-Mar-23	31-Mar-22
Salaries and wages	11.66	40.34
Contribution to provident funds and other funds	1.03	5.11
Defined benefit plan expense	5.23	3.98
Total	17.93	49.42

17 Finance cost

Particulars	For the Year ended	
	31-Mar-23	31-Mar-22
Other borrowing costs	1.28	0.07
Total	1.28	0.07

18 Depreciation and amortization expense

Particulars	For the Year ended	
	31-Mar-23	31-Mar-22
Depreciation on Property, Plant and Equipment	5.11	2.14
Amortization on Right to use - leases	4.87	3.66
Total	9.98	5.80

18 Other expenses

Particulars	For the Year ended	
	31-Mar-23	31-Mar-22
Rent	1.44	1.08
Rates and Taxes	6.24	2.87
Expenses towards increase in authorised share capital	23.80	-
Auditors' Remuneration*	1.80	1.00
Legal and Professional Expenses	1.34	3.63
Travelling Expenses	1.40	7.36
Water Charges	5.57	5.58
Electricity Charges	8.15	4.94
Security Expenses	5.22	5.75
Miscellaneous Expenses	4.81	10.85
Total	59.78	43.07

***Auditors' remuneration**

Particulars	31-Mar-23	31-Mar-22
- Audit Fees	1.00	1.00
- Limited review fees	0.75	-
- Reimbursement of out of pocket expenses	0.05	-
Total	1.80	1.00

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Notes to the financial statements as at and for the year ended 31st March, 2023

(All amounts are in ₹ Lakh, unless stated otherwise)

19 Income Taxes

A. Tax expense recognized in the Statement of Profit and Loss

Particulars	2022-23	2021-22
Current tax	-	-
Deferred income tax	(9.01)	(14.41)
Total income tax expense/(credit)	(9.01)	(14.41)

B. A reconciliation of the income tax expense to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

Reconciliation of effective tax rate	2022-23	2021-22
Loss before tax	(77.59)	(92.41)
Enacted income tax rate in India*	15.60%	15.60%
Computed Expected Tax Expense	(12.10)	(14.41)
Tax Expense Recognised in Statement of Profit and Loss	(12.10)	(14.41)
Differences due to:		
Permanent Disallowed Expenses	3.09	-
Total income tax expense/(credit)	(9.01)	(14.41)

C. Movement in Deferred tax (assets)/liabilities during the year ended March 31, 2023 :

Particulars	As at 1st April, 2022	(Credit)/charge in Statement of Profit and Loss	As at 31st March, 2023
Expenses allowable for tax purposes	62.51	32.05	94.56
Carry forward Loss	(81.26)	(41.07)	(122.33)
Deferred Tax Liability/(Asset)	(18.75)	(9.02)	(27.76)

Movement in Deferred tax (assets)/liabilities during the year ended March 31, 2022 :

Particulars	As at 1st April, 2021	(Credit)/charge in Statement of Profit and Loss	As at 31st March, 2022
Expenses allowable for tax purposes when paid	(2.56)	65.07	62.51
Carry forward Loss	(1.78)	(79.48)	(81.26)
Deferred Tax Liability/(Asset)	(4.34)	(14.41)	(18.75)

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Notes to the financial statements as at and for the year ended 31st March, 2023

(All amounts are in ₹ Lakh, unless stated otherwise)

20 Fair Value measurement**Financial Instrument by category and hierarchy**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial Assets and Liabilities as at 31st March'2023

Particulars	Non Current	Current	Total	Routed through P & L	Routed through OCI	Carrying at amortised cost	At Cost	Total
Financial Assets								
Cash and Cash equivalents	-	637.77	637.77	-	-	637.77	-	637.77
Other Bank Balance	-	19.50	19.50	-	-	19.50	-	19.50
Other Current financial assets	-	1.16	1.16	-	-	1.16	-	1.16
	-	658.43	658.43	-	-	658.43	-	658.43
Financial Liabilities								
Other Financial Liabilities	-	142.37	142.37	-	-	142.37	-	142.37
Trade Payables	-	45.86	45.86	-	-	45.86	-	45.86
	-	188.23	188.23	-	-	188.23	-	188.23

Financial Assets and Liabilities as at 31st March'2022

Particulars	Non Current	Current	Total	Routed through P & L	Routed through OCI	Carrying at amortised cost	At Cost	Total
Financial Assets								
Cash and Cash equivalents	-	32.47	32.47	-	-	32.47	-	32.47
Other Bank Balance	-	119.50	119.50	-	-	119.50	-	119.50
Other Current financial Assets	-	-	-	-	-	-	-	-
	-	151.97	151.97	-	-	151.97	-	151.97
Financial Liabilities								
Other Financial Liabilities	-	43.23	43.23	-	-	43.23	-	43.23
Trade Payables	-	7.36	7.36	-	-	7.36	-	7.36
	-	50.59	50.59	-	-	50.59	-	50.59

Financial risk management objectives and policy

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board. The Risk management policies mainly aims to mitigate the following risks i.e. Market Risk, Credit risk and Liquidity risk. The company has not yet commenced the commercial operation. The Company's Financial assets mainly have cash and cash equivalents lying with the Banks and financial liabilities have trade payables which are in short term in nature. Accordingly, it does not carry any significant market risk relating to Financial assets and liabilities.

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Notes to the financial statements as at and for the year ended 31st March, 2023

(All amounts are in ₹ Lakh, unless stated otherwise)

21 Earnings per share

Particulars	2022-23	2021-22
Earnings Per Share has been computed as under:		
Loss for the year	(68.58)	(78.00)
Weighted average number of equity shares outstanding (in Numbers)	2,40,78,904	1,12,17,534
Basic and diluted Earnings Per Share (Face value of ₹ 10 per share)	(0.28)	(0.70)

22 Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognized as liabilities is as follows:

Particulars	As at 31st March 2023	As at 31st March 2022
Property, plant and equipment	787.67	482.73
Less: Capital advances	-	(330.83)
Net Capital commitments	787.67	151.90

23 Related Parties Disclosure**Parties where control exists**

Holding Company : Oriental Aromatics Limited

Fellow Subsidiary : PT. Oriental Aromatics, Indonesia. (Proposed to be Liquidated)

Key Managerial Personnels (KMP)

Dharmil A. Bodani- Managing Director

Girish Khandelwal-Chief Financial Officer

Kiranpreet Gill-Company Secretary

During the year, the following transactions were carried out with the above related parties in the ordinary course of business and on balances as on March 31, 2023**Disclosure in respect of material transaction with related parties**

Sr No	Particulars	Oriental Aromatics Limited			
		For the year ended 31 March 2023	Balances as At 31st March, 2023	For the year ended 31 March 2022	Balances as At 31st March, 2022
1	Reimbursement of Expenses / Payable	192.93	(132.60)	45.25	-

Notes:

a) Related party relationship is as identified by the management and relied upon by the auditors.

b) No amounts in respect of related parties have been written off/ written back during the year and no provision has been made for doubtful debts/ receivable except as disclosed above

24 Relationship with Struck Off companies

The Company has not entered into transaction with struck off companies under Section 248 of the Act.

25 There are no pending Registration of charges or satisfaction with Registrar of Companies (ROC) beyond statutory period.**26 Details of Benami Property held**

No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

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Notes to the financial statements as at and for the year ended 31st March, 2023

(All amounts are in ₹ Lakh, unless stated otherwise)

27 The Company has no borrowings from banks or financial institutions on the basis of security of current assets.

28 The Company has not been declared wilful defaulter by any bank or financial Institution or other lender.

29 Ratios*

Particulars	2022-23	2021-22
Current Ratio	3.63	3.16
Numerator- Total of Current Assets	746.73	184.52
Denominator-Total of Current liabilities	205.45	58.36
Return on Capital Employed	(0.03)	(0.07)
Numerator-Profit/(Loss) before interest and tax	(76.31)	(92.41)
Denominator-Capital employed (total assets less current liabilities)	3,029.93	1,338.52

*The Company is in the process of setting up of manufacturing unit and hence yet to commence operations. Therefore, ratio have been computed to the extent applicable

30 In compliance with Ministry of Corporate Affairs notification with respect to amendment in Schedule III to the Companies Act, 2013 effective from April 1, 2021, figures for comparative previous year figures have been regrouped/reclassified, wherever necessary.

31 a) The previous year's figures have been re-grouped / re-classified wherever required to conform to current year's classification. All figures of financials has been rounded off to nearest lakhs rupees.

Signatures to Notes 1 to 31 which form an integral part of the financial statement.

For and on behalf of the Board of Directors

SD/-
Dharmil A. Bodani
Managing Director
DIN : 00618333

SD/-
Parag K Satoskar
Director
DIN: 08651698

Place : Mumbai
Date : 26th May, 2023

SD/-
Girish Khandelwal
Chief Financial Officer

SD/-
Kiranpreet Gill
Company Secretary