

Oriental Aromatics

Ref: OAL/BSE/NSE/48/2024-25

27th July, 2024

To
The Manager
Department of Corporate Services,
BSE Limited,
Phiroz Jeejeebhoy Towers
Dalal Street, Mumbai- 400 001
Scrip ID: OAL
Scrip Code: 500078

To
The Manager
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East), Mumbai - 400 051
Symbol: OAL
Series: EQ

Sub: Annual Report of the Company for the Financial Year 2023-24

Ref: Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Dear Sir/Ma'am,

We hereby wish to inform you that the 52nd Annual General Meeting ("AGM") of the members of the Company will be held on Wednesday 21st August, 2024 at 11:00 a.m. IST through video conferencing ('VC') or other audio-visual means ('OAVM').

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the Annual Report of the Company along with the Notice of the 52nd Annual General Meeting of the Company for the Financial Year 2023-24 which is being sent through electronic mode to the Members whose email ids are registered with the Company. Further, Physical Copies are also being sent to those shareholders who have requested for the same.

The Annual Report including the Notice of the AGM is also uploaded on the Company's website at <https://www.orientalaromatics.com/annual-reports/AR2023-2024.pdf>

This is for your information and records.

Thanking you,
Yours Faithfully,
For Oriental Aromatics Limited

Kiranpreet Gill
Company Secretary & Compliance Officer
Encl: As above

Oriental Aromatics Ltd.

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www.orientalaromatics.com

Oriental Aromatics Ltd.

FY 2023-24 ANNUAL REPORT



**CRAFTING MAGIC
FROM MOLECULES**

CREATORS & MANUFACTURERS OF FLAVOURS | FRAGRANCES | SPECIALTY AROMA CHEMICALS | CAMPHOR

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INVESTOR INFORMATION

CIN	: L17299MH1972PLC285731
BSE Code	: 500078
NSE Symbol	: OAL
AGM Date	: 21 st August, 2024
AGM Venue	: Via Video Conferencing



For more investor-related information, please visit:

<https://www.orientalaromatics.com/annual-reports.php>

Or, simply scan to view the online version of the Report.

Disclaimer

This document contains statements about expected future events and financials of Oriental Aromatics Ltd. ('The Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements, as several factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications, and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Corporate Information

Executive Directors

Mr. Dharmil A. Bodani, Chairman & Managing Director
Mr. Shyamal A. Bodani, Executive Director
Mr. Satish K. Ray, Executive Director (Operations)

Independent Directors

Mr. Prakash V. Mehta
Mr. Ranjit A. Puranik
Mr. Harshvardhan A. Piramal
Ms. Sapna U. Tulsiani
Mr. Cyrus J. Mody
Mr. Deepak R. Ramachandra

Chief Executive Officer

Mr. Parag K. Satoskar

Chief Technology Officer

Ms. Anita P. Satoskar

Chief Financial Officer

Mr. Girish Khandelwal

Company Secretary & Compliance Officer

Ms. Kiranpreet Gill

Statutory Auditors

M/s Lodha & Co. LLP, Chartered Accountants
6, Karim Chambers, 40 Ambalal Doshi Marg,
Hamam Street, Fort, Mumbai - 400 023, Maharashtra

Registered/Corporate Office

133, Jehangir Building, 2nd Floor,
Mahatma Gandhi Road,
Mumbai - 400 001, Maharashtra
Tel: 91 22 43214000 | Fax: 91 22 43214099
Website: www.orientalaromatics.com
E-mail: cs@orientalaromatics.com
investors@orientalaromatics.com

Registrar and Transfer Agent (RTA)

Link Intime India Pvt. Ltd.
C-101, 247 Park, LBS Marg, Vikhroli (West)
Mumbai - 400 083, Maharashtra
Tel: 022-49186270 | Fax: 022-49186060
Website: www.linkintime.co.in
E-mail: rnt.helpdesk@linkintime.co.in

Bankers

Citi Bank N.A.
DBS Bank India Ltd.
HDFC Bank Ltd.
Kotak Mahindra Bank Ltd.
Standard Chartered Bank
Yes Bank
The Hongkong and Shanghai Banking Corporation Ltd. (HSBC)

Works

Ambernath

Plot No. M-5, MIDC, Additional Ambernath Ind Area,
Village - Jambhivli, Ambernath (E),
Dist. Thane - 421 506, Maharashtra,
Tel: +91 251 2624700
Fax: +91 251 2624799

Bareilly

P.O. Clutterbuckganj, Dist. Bareilly - 243 502, UP,
Tel: +91 581 2561115/2561128
Fax: +91 581 2561112

Vadodara

Plot No. 3, GIDC Ind Estate, Nandesari,
Vadodara - 391 340, Gujarat,
Tel: +91 265 2842200
Fax: +91 265 2840224

R&D Lab - Chandivali

Address: Unit No. 301, 302 & 303, G Wing, Tex
Centre, Chandivali Farm Road, Chandivali, Andheri (E)
Mumbai - 400 072, Maharashtra
Tel: +91 22 45434000

Mahad

(Unit of Oriental Aromatics & Sons Ltd.)
Plot No. FS-43, Additional MIDC Mahad
Raigad - 402 309, Maharashtra
Tel: 022-49186270
Fax: 022-49186060

DISCOVER OUR WORLD

Crafting the Essence of Molecular Magic

Oriental Aromatics is one of India's leading manufacturers of fragrances, flavours, aroma chemicals, camphor, and terpene chemicals. With almost seven decades of industry experience, we have established ourselves as a trusted partner to some of the world's most renowned brands in the FMCG, fine fragrances, food, beverage, and allied industries. Our camphor has been an integral element in Indian households for more than five decades as part of Religious ceremonies & pain-relief management.

Our firm commitment to excellence has garnered us a reputation for crafting exceptional experiences that contribute to the commercial success of our partners. Our Company emphasises the alignment of commercial aspirations with environmental responsibility. Oriental Aromatics has taken a deliberate decision to work towards not only making our business successful but also contributing to the health of the planet. We combine expertise and sustainable practices to create winning solutions that captivate the senses and help our partners thrive.

We have a very rich heritage dating back to 1955 when our founder, Mr Keshavlal V. Bodani started the fragrance compounding business. The business has flourished through three generations of the Bodani family. OAL today is in the business of creating fragrances, flavours, and manufacturing specialty aroma chemicals and camphor and operates out of four manufacturing plants and two research and development facilities located across India.

We are one of the oldest and most significant Fragrance & Flavour companies based in India, catering to more than 2,000 clients across 35 countries, including leading FMCG

companies. Our specialty ingredients division is a key global supplier to all major F&F companies worldwide.

As one of India's oldest and largest camphor manufacturers, we are a key supplier to the Religious industry. We are among the very few suppliers globally who manufacture pharmaceutical-grade camphor used in pain management and other applications.

We remain committed to fostering enduring partnerships, driving industry standards, and contributing positively to global markets and environmental stewardship.

THE YEAR IN REVIEW: REFLECTING ON EXCELLENCE

Presence



Stakeholders



*Note: Above figures are approximate

Certifications Demonstrating Our Commitment to the Planet



CRAFTING THE ESSENCE OF MOLECULAR MAGIC

Crafting Magic From Molecules

Using innovation and sustainability as our primary tools, OAL has been at the forefront of creating magic by producing specialty molecules in our aroma ingredients division. This unique approach positions us to create new ideas in our Fragrance & Flavour division, ensuring we satisfy and delight our customers. **'Crafting Magic from Molecules'** is a way of life for us at OAL, far more than just a theme.

Our specialty aroma division leads the way in creating and synthesising generic aroma ingredients that work like magic when utilised by our Fragrance & Flavour division. As we continue to innovate and lead, we remain committed to this magical transformation, promising a future where every molecule represents a step towards a more enchanting and sustainable world.

Sustainability lies at the core of everything we do. From innovative formulations to efficient supply chains, we're committed to minimising our environmental impact. It's a reflection of who we are as it symbolises our ability to infuse enchantment into every product, transforming the ordinary into the extraordinary.

CRAFTING MAGIC FROM MOLECULES



OUR DIVERSE PRODUCT SUITE

Exploring the World of OAL

Oriental Aromatics offers a wide array of product mix tailored to meet the diverse needs of various industries, including perfumery, FMCG, foods & beverages, pharmaceuticals, and religious sectors. Our portfolio comprises fragrances, flavours, specialty aroma ingredients and camphor. This extensive range of offerings strengthens our market position and offers stability against demand fluctuations within specific industries.

By blending industry expertise with a firm commitment to sustainability, we ensure that our creations offer exceptional sensory experiences and earn the trust of our partners.



FLAVOURS

In the food and nutrition market, we strive to establish a strong presence by crafting exceptional flavours for sweets, processed foods, beverages, and dairy products. Our commitment to delivering delight through delectable flavours allows us to captivate consumers and meet their evolving preferences.

APPLICATION

- Beverages
- Instant foods
- Oral hygiene
- Dairy products
- Sweets



FRAGRANCES

We craft innovative fragrance formulations, aiming to strike the perfect balance between creativity and functionality to ensure maximum acceptance and optimal release performance. Our fragrance segment thrives on generational relationships with customers, spanning multiple decades. We create winning fragrances, particularly for FMCG companies, offering innovative solutions and enhancing sensory experiences.

APPLICATION

- Incense sticks
- Fine fragrances
- Soaps & shampoos
- Essential oils
- Detergents
- Hair oils



SPECIALTY AROMA INGREDIENTS

With its distinctive market position, Oriental Aromatics is equipped to produce a broad spectrum of complex specialty aroma ingredients. We manufacture 150 aroma ingredients using 28 complex chemistries in our specialty aroma ingredients division. These aroma ingredients are a captivating collection of sustainable and biodegradable options that meet market demands. By dedicating ourselves to the development of specialised aroma ingredients, we offer our partners innovative solutions to elevate their products.

APPLICATION

- Fragrance & Flavour



CAMPHOR & TERPENE CHEMICALS

As the oldest, largest, and most competitive manufacturer of camphor in India, we have been in a unique position, active since 1962. We are the leading producers of camphor, crafting a waxy, flammable solid with a potent aroma, available in white or transparent forms. Camphor is extracted from alpha-pinene found in coniferous tree oils or distilled from turpentine. While primarily used for religious purposes in India, camphor also has applications in fragrances, cooking, and pharmaceuticals.

APPLICATION

- Religious ceremonies
- Medicinal applications
- Pain relief management

EXPLORING THE WORLD OF OAL

TIMELINE AND MILESTONES

A Legacy of Excellence and Achievements

With a legacy of excellence and achievements, Oriental Aromatics' journey embodies passion, innovation, and continuous growth. Since our inception in 1955, we have continuously evolved, driven by our commitment to excellence in the fragrances, flavours, specialty aroma ingredients and camphor division. Over the years, we have achieved numerous significant milestones, shaping our identity and positioning us as leaders in our field. Each milestone reflects our unwavering commitment to delivering quality products and ensuring customer satisfaction.

A LEGACY OF EXCELLENCE AND ACHIEVEMENTS

- ▶ **1955**
Founded by Mr. Keshavlal Bodani, Oriental Aromatics embarked on its journey in the Fragrance & Flavour business
- ▶ **1964**
Established the first synthetic camphor plant in Bareilly, Uttar Pradesh, with technology from DuPont, USA
- ▶ **1974**
Established the Multi-Chem Research Centre to focus on terpene chemistry
- ▶ **1991**
Established the flavour division
- ▶ **1999**
Established a state-of-the-art manufacturing facility in Nandesari, Baroda
- ▶ **2008**
Promoters of OAL acquired controlling stake (57.66%) in Camphor and Allied Products Limited (CAPL)
- ▶ **2012**
Incorporation of PT Oriental Aromatics, Indonesia
- ▶ **2014**
Established a state-of-the-art manufacturing and R&D facility in Ambernath
- ▶ **2015**
Acquired Arofine Chemical Industries and Vaishnavi Chemicals Pvt. Ltd.
- ▶ **2016**
Set-up a one-of-its-kind synthesis laboratory in Mumbai for specialty and generic aroma chemicals
- ▶ **2017**
Equity shareholders of CAPL and OAL approved a scheme of arrangement for amalgamation
- ▶ **2018**
 - ⊙ Amalgamated the Company's name changed from CAPL to OAL
 - ⊙ Commissioned a MultiPurpose Plant (MPP) under the Specialty Chemical Division at Vadodara, Gujarat
- ▶ **2019**
 - ⊙ Listed equity shares on the National Stock Exchange of India Ltd. (NSE)
 - ⊙ Incorporated a wholly owned subsidiary: Oriental Aromatics & Sons Ltd. (OASL)
- ▶ **2021**
 - ⊙ Commissioned a specialty aroma chemical plant in Vadodara, Gujarat
 - ⊙ Expanded the capacity of terpene chemicals plant in Bareilly, Uttar Pradesh
- ▶ **2023**
Our Company was awarded Gold medal in EcoVadis assessment for 2023 and was recognised for its sustainability achievement
- ▶ **2024**
 - ⊙ Our Company was honoured as one of the top 80 companies out of approx. 60,000 suppliers with the prestigious Global Supplier Excellence Award from Procter & Gamble (P&G) in 2024
 - ⊙ Advance stage of commissioning of Hydrogenation plant at Vadodara, Gujarat and trial runs are on at the single dedicated Specialty Aroma Chemical plant at Mahad, Maharashtra

MESSAGE FROM THE CHAIRMAN & MD

Accelerating Growth for a Brighter Future



Today, Oriental Aromatics proudly stands as a leading fully integrated global enterprise, excelling in the manufacturing of fragrances, flavours, specialty aroma ingredients, and camphor. Continuous capacity expansion, process re-engineering, and creativity in fragrance creation are at the core of our strategy



MR. DHARMIL A. BODANI

Chairman & Managing Director

Dear Stakeholders,

It is with great pleasure and pride that I present to you our Annual Report for FY 2023-24. This year at Oriental Aromatics has been another significant year of resilience and optimism, made possible by the coherence of our team and the support of our stakeholders. We continue our journey of innovative and sustainable creation, excelling in fostering generational relationships with our customers worldwide.

Today, Oriental Aromatics proudly stands as a leading fully integrated global enterprise, excelling in the manufacturing of fragrances, flavours, specialty aroma ingredients, and camphor. Continuous capacity expansion, process re-engineering, and creativity in fragrance creation are at the core of our strategy. Sustaining and enriching our generational relationships with both long-standing and new customers empowers us to elevate our Company to new heights, despite the challenges we face in the market. Through expanding our capabilities, diversifying our product portfolio, and entering new markets, we have solidified our position and are poised to elevate our Company to even greater heights.

The tireless dedication and exceptional performance of our passionate team have been crucial in understanding client needs, exploring innovative solutions, and delivering performing formulations. We extend our heartfelt appreciation to all the stakeholders for their steadfast commitment and outstanding contributions towards achieving the goal of sustainable growth across all our divisions. We also express our gratitude to our stakeholders for their ongoing support.

Here, we come together to acknowledge the challenges we have faced and the measures we have taken to overcome them. It is a time to celebrate our achievements, share insights, and embrace the opportunities that lie ahead.

Detailed Business Performance

Over the past year, we have observed a global scenario marked by overstocking and reduced demand. However, there are positive signs of recovery in our specialty aroma ingredients segment. Our specialty chemicals vertical faced challenges of price erosion and demand fluctuations early in the year but made a notable comeback in the latter half, achieving a remarkable 12% sequential improvement in EBITDA over the last two quarters. Demand remains robust in our Fragrance & Flavour division, driven by the strong consumption trends in India.

In FY 2023-24, our Fragrance & Flavour segment recorded significant growth, with sales increasing by 15% year-on-year. Meanwhile, the camphor and turpene chemical markets continue to pose significant challenges, especially in the camphor powder sector. Despite competitive pressures, particularly in India, strategic adjustments in our portfolio management helped us optimise profitability. Although the first half of the year was challenging due to global price declines, our focus on operational efficiencies and portfolio enhancements positions us well for positive outcomes in the coming quarters.

Production and Financial Performance

In FY 2023-24, despite economic challenges, we maintained a resilient operational stance. Our consolidated operating revenue was ₹ 836 crore, with a decline of 1.5% year-on-year. EBITDA stood at ₹ 47 crore, reflecting proactive efficiency measures, albeit a 13% decrease.

The most significant achievement during this year has been the generation of operating cash flow to the tune of ₹ 142 crore, resulting in improvement of our net debt-to-equity ratio, which stood at 0.30x as of 31st March 2024, compared to 0.34x in the previous year. This improvement is particularly noteworthy as it was achieved despite our ongoing investments in capital expenditures (CAPEX). It reflects our disciplined approach to financial management and underscores our commitment to maintaining a strong balance sheet amid evolving market conditions.

Expansion and Milestones

The Company has successfully completed its ambitious five-year programme, investing approximately ₹ 250 crore in expanding new plant capacities, which began in 2020. Our products launched in the specialty space over the past five years have been well-received by customers, with a continuous growth in demand for these products. To support our growth ambitions, we've made substantial investments in expanding our manufacturing capabilities. Moreover, our Brownfield project for hydrogenation in Baroda is set to commence commercial production from H1-FY 2024- 25, aimed at enhancing our capacity in specialty aroma chemicals. The Greenfield project in Mahad is progressing well, with trial runs of commercial lots underway for full-scale production, reinforcing our commitment to meeting growing global demand.

Future Strategy

As we continue our journey, our Company remains committed to achieving success through innovation, efficient supply chain management, and expanding its customer base. By embracing innovation and enhancing operational efficiency, we strive to create value and foster enduring partnerships. To mitigate risks and enhance the raw material strategy by diversifying our raw material sources and exploring alternative technologies, we aim to reduce dependence on specific inputs and build a resilient supply chain for seamless operations.

Sustainability and Community Engagement Initiatives

Sustainability is at the heart of everything we do. We're committed to reducing pollutants in our effluent discharge, safeguarding local ecosystems, and achieving Zero Liquid Discharge (ZLD) within coming years at our Bareilly & Vadodara facility. Our facilities in Ambernath and Mahad are in full compliance with ZLD standards. In Ambernath, we are currently implementing a Sewage Treatment Plant (STP) as part of this initiative, which not only reduces our environmental impact but also enhances our operational efficiency.

We're proud of our progress in cutting greenhouse gas emissions, recognised with the EcoVadis Gold Medal for our dedication to sustainability. Our investments in green chemistry and effluent control further underscore our commitment to a sustainable future. Environmental and social sustainability are key components of our development strategy, and we have implemented various internal programs to meet these objectives consistently. To address environmental challenges, we have set ambitious targets to reduce carbon emissions, minimise waste, and conserve natural resources. Through energy-efficient practices such as Continuous Process Re-engineering (CPR) and the adoption of renewable energy sources, we have made substantial progress in reducing our environmental footprint.

On the social front, we prioritise the well-being and development of our employees, ensuring a safe and inclusive work environment. In governance, we have strengthened our corporate governance practices to ensure transparency, accountability, and ethical behaviour. Our board of directors and management team uphold the highest standards of integrity, ensuring fair and responsible decision-making. By addressing ESG

challenges, setting ambitious targets, and achieving tangible results, we are committed to building a sustainable future for our Company, stakeholders, and the communities we serve.

Outlook

Looking ahead, we are cautiously optimistic about the steady revival of demand, supported by reduced input raw material prices. We anticipate maintaining steady production across our existing product lines, leveraging our plant capacities efficiently. Additionally, with the upcoming hydrogenation products and Mahad project expansions, we are actively engaging with customers. We are confident in meeting demand for both existing and new products assuming a stable demand-supply scenario in the aroma chemicals sector.

Oriental Aromatics is delighted to share that we are on course to establish ourselves as a global supplier in all our operational areas, holding a significant market share across our product offerings. This strategic initiative aligns with our growth vision and enables us to fortify our global network, thereby enhancing our ability to serve our customers more effectively. We highly value the strong relationships we have cultivated and actively engage with our customers to understand their needs and provide bespoke solutions.

Gratitude Note

We extend our heartfelt gratitude to all our stakeholders for accompanying us on this journey of value creation and express our sincere appreciation to the Board of Directors for their invaluable guidance and direction. I sincerely thank each of you for your continuous support and trust. Your confidence has been crucial in driving our efforts towards sustained growth and success. We deeply value your partnership and collaboration, pivotal in navigating challenges and seizing opportunities. Your insights have guided our decisions, contributing significantly to our achievements. Looking ahead with optimism, we are committed to upholding excellence, innovation, and sustainability. Together, let's forge ahead, achieving new milestones and creating shared value.

Warm regards,

Mr. Dharmil A. Bodani
Chairman & Managing Director

LETTER FROM THE EXECUTIVE DIRECTOR

Shaping Our Strategic Vision



Creativity and innovation are our core strengths driving our success and serves as a testament to our unwavering commitment to excellence, growth, and sustainability in our industry. Our operational excellence, boosted by efficient cost management and a robust supply chain, ensures that we deliver value consistently to all stakeholders.



MR. SHYAMAL A. BODANI

Executive Director

Dear Stakeholders,

I am delighted to present our Annual Report for the financial year 2023-24 and I welcome you all to the 52nd Annual General Meeting of Oriental Aromatics. This report provides a comprehensive overview of our achievements, challenges, and strategic outlook, reflecting our journey towards sustainable growth.

From pioneering advancements in fragrances, flavours, specialty aroma chemicals and camphor, to fortifying trusted partnerships that underpin our growth, we have remained at the forefront of industry evolution.

Benefitted by the knowledge gained from decades of experience in the national and international markets, we have established ourselves as a preferred suppliers of specialty aroma chemicals to leading brands globally in the fragrance, flavour, FMCG, Food & Beverages space and as reliable suppliers of camphor in the religious markets & pain management space significantly contributing to their product success.

This year's report highlights our resilience which was tested last year due to a sudden drop in demand of our products globally followed by a sharp reduction in prices. We overcame this by looking internally at our processes, becoming more efficient and sustainable.

Creativity and innovation are our core strengths driving our success and serves as a testament to our unwavering commitment to excellence, growth, and sustainability in our industry. Our operational excellence, boosted by efficient cost management and a robust supply chain, ensures that we deliver value consistently to all stakeholders.

Reflections on the Past Year

As highlighted in the Chairman's speech, the past year can be summarised as a year with a unique set of opportunities & challenges. However, we are glad to inform that we have looked at last year majorly as an opportunity for improvement.

During the year 2023-24, we have made significant progress towards commissioning our Hydrogenation plant which is a brownfield project at our site in Vadodara, Gujarat. Further, Trial Pre-commercial production has commenced at our dedicated Specialty Aroma Chemical plant which is a green field project situated in Mahad, Maharashtra.

This year we aim to complete the process of sample submissions and obtaining necessary approvals and we expect the effective contribution of both the Hydrogenation and Mahad facilities to start from the second half of Financial Year 2024-25. These developments underscore our commitment to expanding

our production capabilities and enhancing our product offerings.

During the year 2023, we were honoured to receive the prestigious Global Supplier Excellence award from Proctor & Gamble (P&G). We are proud to be amongst the 80 Companies who have got selected for this prestigious recognition out of approximately 60,000 business partners / suppliers of P&G globally.

In terms of operational performance, production of our specialty aroma ingredients were near full capacity. Similarly, our Fragrance & Flavour Division has shown robust utilisation levels and in the Camphor Powder and Terpene Chemicals segment, our focus remains steadfast on driving profitable growth while ensuring balanced capacity usage across all business units.

Notably, over the past two years, our export contribution has surged significantly, climbing from 30% to 44%, driven primarily by the success of our specialty ingredients and Fragrance & Flavour divisions in international markets.

Strategy & Growth

Under our strategic vision to carve out a strong growth chart for our business, we prioritise global markets while recognising the local potential within India. We are keenly aware of India's hyper-growth trajectory and aim to leverage this opportunity to propel our company forward. When evaluating our strategy, we consider two key factors: assessing projected future demand for the product and prioritising absolute control over our internal processes.

With integrated operations spanning product conceptualisation to manufacturing specialty aroma ingredients, Fragrance & Flavour, we have better control over the entire value chain. This seamless integration, coupled with the expertise of our knowledgeable team, empowers us to meet client requirements quickly and at a sustainable and competitive price.

Driving Community Development and Well-being

At Oriental Aromatics, we are dedicated to empowering communities to prosper by fostering inclusive growth as well drive positive change in the regions where we operate.

Keshavlal V. Bodani Education Foundation, is a non-profit extension of our company, that has established The Gateway School of Mumbai in the year 2012. Since its inception, The Gateway School of Mumbai has worked tirelessly to create a nurturing and supportive learning environment for students who face challenges in mainstream educational settings. The school's approach

ensures that each child receives the personalized attention they need to thrive. By developing their skills, knowledge, and understanding, the school aims to transform these students into independent and successful individuals. The school has also been recognised as an Ashoka Changemaker School since April, 2016.

During the year in February, 2024, the foundation also inaugurated The Gateway Intervention Centre, a one-stop multi-disciplinary centre which focuses on creating individualised plans to ensure each child receives optimal support tailored to their unique strengths and areas of need. The team at the centre focuses on working closely with families and caregivers to optimally support each individual's growth. In the short time, the centre is already supporting over 65 families.

With a focus on empowering over 130 students, The Gateway School of Mumbai is making a significant impact on the lives of children with learning challenges. The foundation is also committed to serving children beyond the Gateway school through its various development programmes through which the foundation has reached over 450 teachers from across India and the world. Its unique reading app is being used by teachers to build early literacy skills in English, Hindi, and Marathi. The foundation also works directly with schools and organisations to build more inclusive environments for all learners.

We are also committed to girl child education by supporting infrastructure and educational improvements at Kasturba Gandhi Balika Vidyalaya and Composite Government Basic Vidyalaya near our facility in Bareilly, Uttar Pradesh.

Our community development initiatives have made a significant impact across various areas. During the year, employees visited the King George V Memorial at Mahalaxmi, Mumbai, distributing food and essential item kits to 40 residents, and we donated Single Needle Machines to Seva Sadan Society, Mumbai, benefiting 50 women from marginalised backgrounds with employment opportunities in the garment industry. Additionally, we donated an air conditioner to the Gram Panchayat Conference room in Nandesari, Vadodara, demonstrating our commitment to enhancing the quality of life and supporting those in need around the areas where we operate.

Our healthcare initiatives have had a substantial impact in the areas where we operate, including supporting the Blind Organisation of India with folding canes for 80 blind individuals in Mumbai, providing medical equipment for a mobile ambulance through Gurukrupa Foundation in Ambarnath, conducting eye check-ups for 140 people

and donating oximeters to Medical Care Centre Trust in Vadodara, and organising free health check-ups, blood tests, and distributing free medicine in Bareilly. These efforts underscore our dedication to improving healthcare access and services in the communities we serve.

During the year, Oriental Aromatics remained dedicated to environmental conservation and sustainable development through a range of initiatives like tree plantation drives, waste management programs, and energy efficiency projects across our facilities aimed at reducing our carbon footprint, enhancing resource efficiency, and conserving biodiversity.

During the year, our employees participated in a tree plantation drive at Chacha Nehru Udyan in Malad, Mumbai, planting 50-75 indigenous trees. In Vadodara, Gujarat, we planted 272 trees, showcasing our commitment to a greener environment and local biodiversity.

Oriental Aromatics proudly supported the Inspire Institute of Sport in Bellary, Karnataka by making a significant donation to aid in the development of their facilities and programs. This contribution is aimed at nurturing and training talented athletes to achieve excellence in their sports careers.

Way Forward

Looking ahead to 2024-25, we anticipate a potential uptick in demand, supported by favourable raw material prices and ongoing operational efficiencies. Our investments in the Mahad and Baroda facilities are progressing well and are poised to enhance our production capabilities while introducing new product lines. With robust capacity utilisation across our Specialty Aroma Ingredients and Fragrance & Flavour divisions, coupled with strategic growth initiatives and increased export contributions, we are well-positioned to capitalise on emerging opportunities and drive sustainable growth.

Note of Thanks

On behalf of the Oriental Aromatics family, I assure you that we will persistently strive for greater heights each year, working towards long-term sustainable profitability for our esteemed shareholders. We are deeply humbled by your trust and pledge to nurture this trust through unwavering dedication, innovation, and excellence. As we reflect on this year's accomplishments, we are inspired to reach new summits annually, guided by your confidence and our shared vision of success. Thank you once again for your invaluable support.

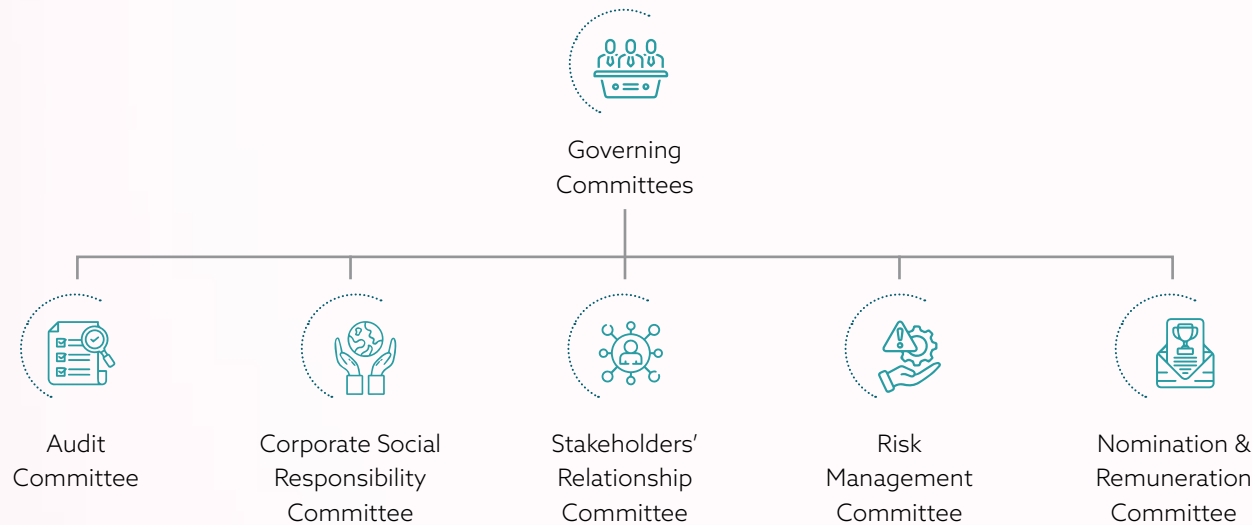
Warm regards,

Mr. Shyamal A. Bodani
Executive Director

OUR BOARD OF DIRECTORS

Guided by Visionary Leadership

Meet the distinguished leaders guiding Oriental Aromatics towards excellence. With rich experience and a deep commitment to innovation, our Board of Directors brings a diverse range of expertise that propels our Company's growth and success. Each member contributes significantly to shaping our strategic direction, ensuring our leadership in the fragrances, flavours, specialty aroma ingredients and camphor industry.



Mr. Dharmil A. Bodani, has over three decades of extensive experience in the fragrances, flavours, and chemical industry. He received specialised perfumery training in Grasse, France. His visionary and astute leadership has resulted in Oriental Aromatics emerging as one of the few fully integrated players in the F&F industry, driven by research and strategic thinking. Under his dynamic leadership, the Company has grown significantly, continually strengthening its position in the industry.

Mr. Dharmil A. Bodani

Chairman & Managing Director



Mr. Shyamal A. Bodani

Executive Director



Mr. Satish Kumar Ray

Executive Director (Operations)



Mr. Prakash V. Mehta

Non-Executive & Independent Director



Mr. Harshvardhan A. Piramal

Non-Executive & Independent Director



Presence in Committees

C Chairman

M Member

Audit Committee

Corporate Social Responsibility Committee

Stakeholders' Relationship Committee

Risk Management Committee

Nomination & Remuneration Committee



As the Managing Director of Shree Dhootapapeshwar Ltd., Mr. Ranjit Puranik leads a family-led enterprise specialising in Ayurveda healthcare formulation. He is a Trustee of the All India Ayurveda Congress and the World Ayurveda Foundation, actively advocating for Ayurveda-related matters. Furthermore, he serves as President of Ayurvediya Prasarak Mandal and an Advisor to the Herbal and AYUSH Panel at PHARMEXCIL.

Mr. Ranjit A. Puranik

Non-Executive & Independent Director



Mr. Deepak is an experienced finance professional who completed his MBA from London Business School. He served as the Managing Director & Head of Equities at Axis Capital. Additionally, he was the Co-Head of Equities at the Bank of America Merrill Lynch India, prior to that he served as the Head of Emerging Markets for EMEA at Credit Suisse in London. He was also part of Citigroup, India and led business development and distribution at Sharekhan.

Mr. Deepak R. Ramachandra

Non-Executive & Independent Director



Ms. Sapna Tulsiani, an alumni of HR College of Commerce & Economics and has over 26 years of experience in sales, marketing, business development, product management, vendor development, and strategy conceptualisation. She currently holds directorships in Kings Holdings and Finance Private Limited and Kings Impex Pvt Ltd., leading strategy formulation and business process implementation.

Ms. Sapna Tulsiani

Non-Executive & Independent Director

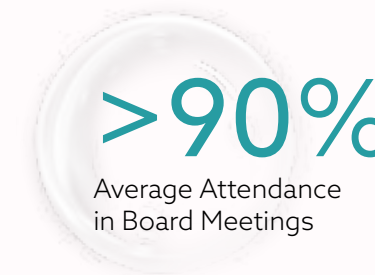


Mr. Cyrus holds a bachelor's degree in economics and strategy from Bucknell University. After gaining experience in various roles, which included legal, investment, strategy and town planning, and following a two year stint with the Boston Consulting Group, he transited to the real estate industry. He currently manages Viceroy Properties LLP, a leading real estate development firm.

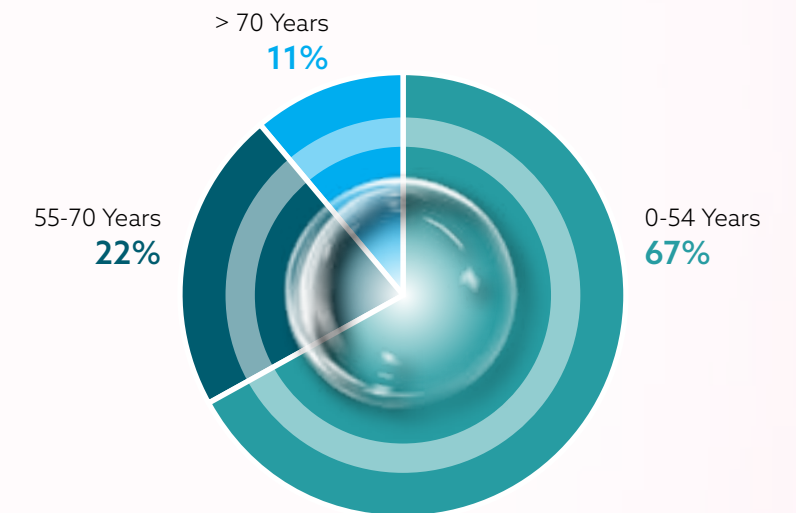
Mr. Cyrus J. Mody

Non-Executive & Independent Director

GOVERNANCE HIGHLIGHTS



Age Diversity: Age of 9 Members



Presence in Committees

C Chairman

M Member

Audit Committee

Corporate Social Responsibility Committee

Stakeholders' Relationship Committee

Risk Management Committee

Nomination & Remuneration Committee

OUR OPERATIONAL EXCELLENCE

Elevating Manufacturing Brilliance with Strategic Expansion

At Oriental Aromatics, we are dedicated to achieving manufacturing excellence and our strategic expansion has advanced our capabilities, positioning us as leaders in the Fragrance & Flavour industry. We have implemented efficient and sustainable raw material sourcing policies to ensure a reliable supply chain. In our specialty aroma ingredients division, we produce 150 aroma ingredients using 28 advanced chemistries, demonstrating our dedication to precision and quality. By developing Fragrance & Flavour, camphor and specialty chemicals in-house, we consistently strive for excellence in every aspect of production, setting new standards for the industry.

FACILITIES



Ambernath, Maharashtra

Our Ambernath facility is a state-of-the-art manufacturing facility with a capacity of approximately 6,000 MTPA of Fragrance & Flavour production. It commenced operations in 2014 and is a highly versatile manufacturing facility capable of producing both Fragrance & Flavour. Additionally, this facility is equipped with state-of-the-art and modern Research & Development (R&D) and quality assurance (QA) infrastructure.

Production Capacity ~6,000 MTPA



Bareilly, Uttar Pradesh

Established in 1964, our Bareilly plant was the first synthetic camphor plant in India, equipped with technology from DuPont of USA. It has a production capacity of approximately 7,900 MTPA of pine-based chemicals and other related products. It holds Pharma Grade accreditation with WHO-GMP and USFDA certifications, primarily focussing on the manufacturing of camphor and specialty aroma ingredients derived from alpha-pinene.

Production Capacity ~7,900 MTPA



Vadodara, Gujarat

Our Vadodara facility is a state-of-the-art manufacturing facility for aroma chemicals. Established in 1999, with a new multi-purpose plant facility added in 2018, it has an end product capacity of approximately 6,200 MTPA. The products manufactured at this plant adhere to international standards, with 75% of the annual production being exported worldwide. The plant specialises in producing a wide range of generic specialty aroma ingredients sourced from pinene, petrochem, and other raw material sources.

Production Capacity ~6,200 MTPA

Unit of Oriental Aromatics & Sons Ltd.



Mahad, Maharashtra

FY 2023-24 represented a major achievement for Oriental Aromatics with the establishment of our advanced manufacturing facility in Mahad, marking a significant expansion of our production capabilities. This state-of-the-art site is poised to elevate our aroma chemicals segment and reaffirm our commitment to advancing growth and innovation in the Fragrance & Flavour industry. Progress on our Greenfield project is promising, with trials currently in progress, bolstering our confidence in reinforcing our market leadership.

OUR GEOGRAPHICAL PRESENCE

Across India. Across The World.

At Oriental Aromatics, we prioritise maintaining our competitive edge through ongoing investments in advanced facilities, cutting-edge technologies, and a skilled workforce.

Our robust infrastructure supports product development, allowing us to deliver efficient solutions promptly. With integrated operations spanning from product conceptualisation to the manufacturing of fragrances, flavours, specialty aroma ingredients and camphor, we maintain precise control over the entire supply chain.

This seamless integration, combined with the expertise of our dedicated team, enables us to swiftly and cost-effectively meet client needs. Through streamlined systems and processes, we ensure smooth operations and consistent supply across our diverse product lines.

ACROSS INDIA. ACROSS THE WORLD.

EXPORT TO COUNTRIES

- 📍 **Africa:** Egypt, Kenya, and Nigeria
- 📍 **Asia:** Bangladesh, China, Hong Kong, Indonesia, Israel, Japan, Myanmar, Nepal, Oman, Pakistan, Saudi Arabia, Singapore, South Korea, Sri Lanka, Thailand, the UAE, Vietnam, and Yemen
- 📍 **Europe:** Austria, France, Germany, Netherlands, Poland, Spain, Switzerland, Turkey and the UK
- 📍 **South America:** Argentina, Brazil, and Colombia
- 📍 **North America:** Mexico and USA

HEADQUARTERS

Mumbai, Maharashtra

MANUFACTURING PLANTS

- 📍 Ambernath, Maharashtra
- 📍 Bareilly, Uttar Pradesh
- 📍 Vadodara, Gujarat
- 📍 Oriental Aromatics & Sons Ltd. (Mahad, Maharashtra)

R&D FACILITIES

- 📍 Mumbai, Maharashtra
- 📍 Vadodara, Gujarat

Disclaimer: This map is a generalised illustration only for the ease with which the reader can understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position.



OUR CREATIVITY IN INNOVATION

Leveraging Technology for Competitive Advantage

Creative freedom is cherished and prioritised at Oriental Aromatics, considering it fundamental to our organisational ethos. Our belief in nurturing a culture rooted in values and driven by research empowers our team to explore new technologies and innovations. This approach, coupled with our commitment to green chemistry, places us at the forefront of providing innovative solutions while supporting sustainability.

28

Complex Chemistries

2 DSIR-Certified

1 R&D Centres (Mumbai) &
1 Re-engineering lab (Gujarat)

150

Commercialised Different
Aroma Ingredients

40

Research
Associates at the
R&D Centres



Promoting Creative Freedom and Research-Driven Philosophy

Our focus on innovation is evident in our R&D centre in Powai, Mumbai, and process re-engineering lab in Vadodara, Gujarat, both accredited by the Department of Scientific & Industrial Research (DSIR). These facilities serve as incubators for our product innovation, driving the creation and commercialisation of close to 150 exclusive aroma ingredients developed through 28 complex chemistries.



Implementing Integrated Operations for Better Control

Our integrated operations span from product conceptualisation with clients to the manufacturing of aroma ingredients, fragrances and flavours. This seamless integration ensures better control across the entire value chain, resulting in high-quality products and efficient processes.



Driving Innovation through Advanced Facilities

In Vadodara, our lab conducts high-pressure reactions and utilises lab-scale fractionating columns for separation, resulting in the successful development of innovative turpentine & specialty aroma ingredients. These achievements showcase our commitment to research & development, enabling us to introduce impactful solutions to the market.



Empowering Research Excellence

The R&D centres of our Company is staffed with a team of 40 highly skilled research associates who specialise in product development, regulatory compliance, analytical chemistry, and green chemistry. Their dedication and expertise have led to the successful development and scaling up of several aroma chemical molecules for commercialisation.



Ensuring Seamless Operations through Efficient Systems

Efficient systems and processes drive our operations, guaranteeing seamless workflow and effectiveness. This commitment to efficiency keeps us at the forefront of the Fragrance & Flavour industry, providing innovative and sustainable solutions to our customers worldwide.

LEVERAGING TECHNOLOGY FOR COMPETITIVE ADVANTAGE

OUR STRENGTHS AND GROWTH DRIVERS

Expanding and Deepening Our Presence

The success story of Oriental Aromatics is fuelled by a blend of core strengths and dynamic growth drivers. These elements form the foundation of our operations, driving us forward with resilience and innovation. Discover the essence of our enduring success as we delve into our strengths and growth drivers.

PIONEERING INNOVATION

Research & Innovation

Our solutions are driven by creativity, passion, and innovation. The Company's R&D centres specialise in developing unique combinations of aroma chemicals, fragrances and flavours.

Legacy of Excellence

With a strong industry foundation, our legacy guides us as we innovate and excel in the ever-evolving world of aromatics.

TRUSTED PARTNERSHIP

Commitment and Credibility

Our deep commitment to excellence and innovation fuels growth for both our partners and ourselves. By staying ahead of industry trends, we consistently deliver cutting-edge products.

Relationship Centricity

We nurture generational relationships with customers, suppliers, and stakeholders, fostering trust and long-term partnerships.

SUSTAINABILITY IN ACTION

Deep Sustainability Focus

The Company prioritises environmental sustainability, social responsibility, and sound governance practices. Minimising environmental impact, fostering positive social contributions, and upholding robust governance standards are our key focus areas.

OPERATIONAL EXCELLENCE

Cost Optimisation

Our mindful cost management helps us make financially prudent decisions. We maximise value in a fiscally responsible manner, ensuring sustainable growth.

Robust Supply Chain

Our focus consistently remains on achieving operational excellence, which is reinforced by our efficient supply chain management—from sourcing raw materials to delivering final products.

DIVERSE OFFERINGS

Versatile Product Range

Achieving backward integration, we offer a broad spectrum of products in our Ingredient Division, meeting diverse application needs.

Manufacturing Excellence

Catering efficiently to diverse customer needs, our state-of-the-art facilities underscore manufacturing excellence.

EXPANDING AND DEEPENING OUR PRESENCE



OUR FINANCIAL PERFORMANCE

Driving Progress for Strengthening Tomorrow

Over the past year, Oriental Aromatics has demonstrated optimism and ambition, aligning with our goal of holistic growth. Preparedness and smart strategies underpin our approach, with a focus on continuous improvement. Consistently seeking opportunities, we integrated them into our long-term growth plans. This enabled us to steadily boost our financial health, aiming to provide better returns to stakeholders, while strengthening our overall outlook.

KEY FINANCIAL BULLETINS

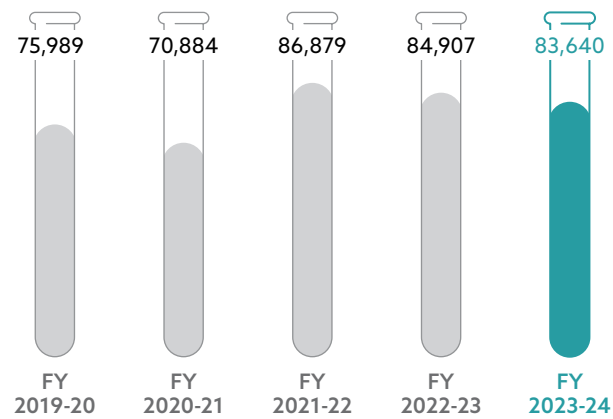
During the year, the Company experienced strong demand for Fragrance & Flavour and specialty aroma chemicals, although camphor powder and terpene chemicals faced challenges. Despite a deliberate 10% reduction in production volume to prioritise profitable growth, sales volumes remained stable year-on-year. The net debt-to-equity ratio improved to 0.30x as of 31st March 2024, compared to 0.34x in the previous year, showcasing financial strength despite ongoing capital expenditures. The net operating cash flow improved significantly to ₹ 142 crore, compared to ₹ (22.30) crore in FY 2022-23.

CAPEX FOR FY 2024-25 AND LONG-TERM PLANS

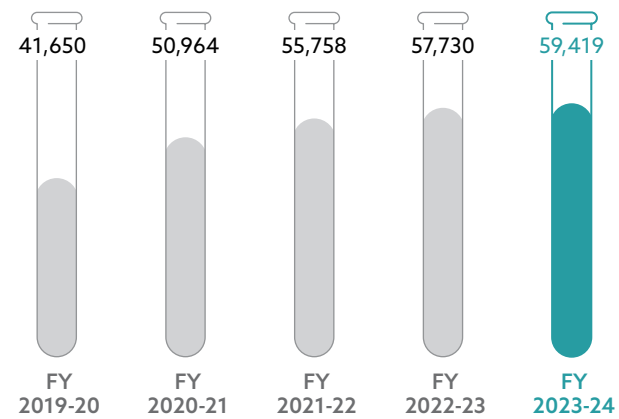
The Hydrogenation plant at Vadodara, Gujarat which is a brown field project for Specialty aroma chemicals is expected to commence with commercial production from H1-FY 2024-25.

Further, In March 2024, the Company commenced pre-commercial production trials at our green-field project dedicated for the manufacturing of Specialty Aroma Chemicals at our facility in Mahad, Maharashtra. Commercial production is anticipated to begin from H1-FY 2024-25.

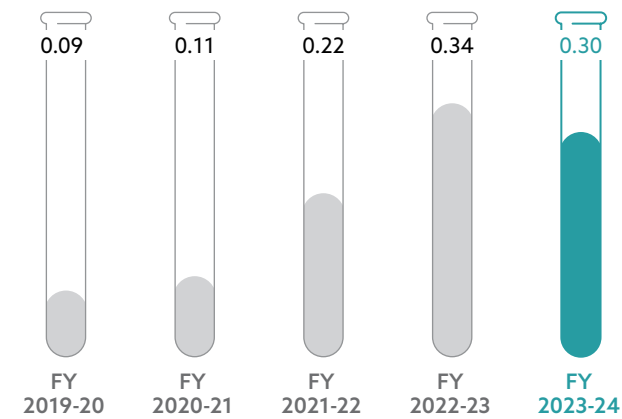
Revenue from Operations (₹ in lakh)



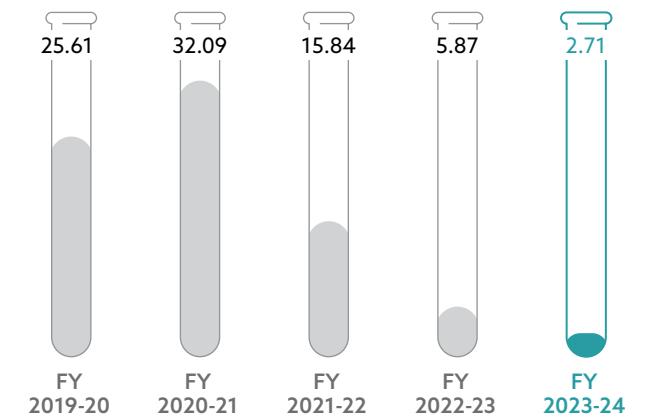
Net Worth (₹ in lakh)



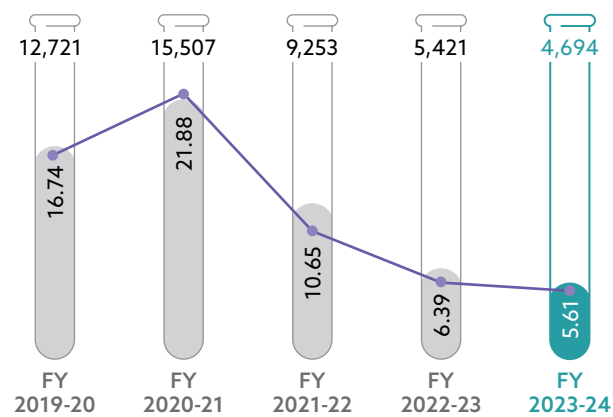
Net Debt-Equity Ratio (X)



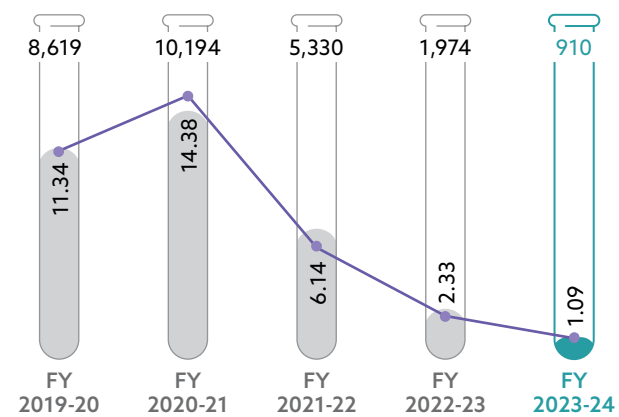
Earnings per Share (₹)



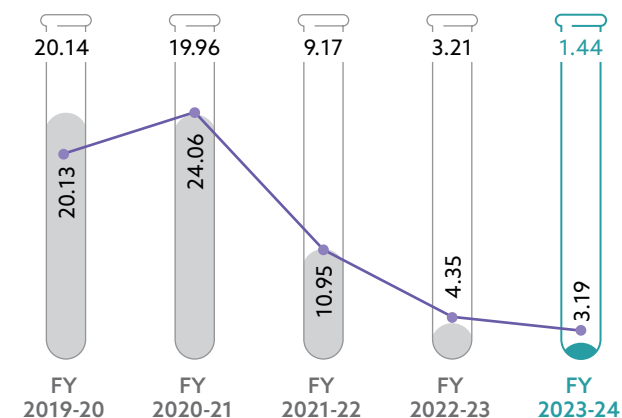
EBITDA & EBITDA MARGIN (₹ in lakh)



PAT & PAT MARGIN (₹ in lakh)



RoE & RoCE (%)



● EBITDA Margin (%)

● PAT Margin (%)

● ROCE (%)



ENVIRONMENT

Fostering Sustainability. Delivering Value.

At Oriental Aromatics, we are deeply committed to environmental sustainability. We have tried to embed it into every facet of our operations. From sourcing raw materials to manufacturing processes and waste management, we are dedicated to enhancing sustainability performance across our value chain. Our dedication to improving sustainability performance across our value chain has earned us recognition through various certifications and achievements.

OUR SUSTAINABLE BUSINESS PROCESS

Turpentine oil, extracted from resin found in coniferous trees like pine, is sourced from various regions. Our plant is uniquely designed to process turpentine oil from anywhere in the world, ensuring we are not reliant on a single region for supply. This prevents the overexploitation of any one source and allows for natural regeneration.

30%

Reduction in our Net Carbon emissions anticipated by 2030.

70%-80%

Effluent Water Recovered



FOSTERING SUSTAINABILITY. DELIVERING VALUE.

OUR ACHIEVEMENTS IN SUSTAINABILITY

EcoVadis Gold Medal

Awarded the Gold Medal by EcoDavis for empowering businesses to manage sustainability risk, and recognising our commitment to sustainability goals and positive impact

CEP Certification for Camphor Sustainability

Received the Camphor Excellence Programme (CEP) certification, highlighting our dedication to sustainable practices, ensuring that our camphor production adheres to stringent sustainability standards

Effluent Control and ZLD Commitment

Determined to prioritise and reduce pollutants in our effluent discharge and safeguard local ecosystems with effective treatment processes and a commitment to achieving Zero Liquid Discharge (ZLD) in the coming years

CDP Achievement

Achieved the 'B' rating in the Carbon Disclosure Project (CDP) Management band, reflecting our commitment to environmental stewardship and persistent efforts to improve climate governance

Focus on Green Chemistry

Resolved on enhancing the sustainability profile of our delivery systems by actively pursuing related initiatives, with a focus on biodegradability, renewable carbon content, and minimising overall environmental impact

SUSTAINABLE INITIATIVES IN ACTION



Ambernath: Waste Reduction and Sustainable Packaging

At our Ambernath plant, we have made waste reduction a top priority by using recycled packing cardboard in finished product packaging. This helps in minimising the use of non-biodegradable materials like thermocol.



Bareilly: Renewable Energy and Effluent Treatment

In Bareilly, we have installed a total condensate recovery system to save energy and a Sewage Treatment Plant (STP) to treat wastewater. This not only helps protect the environment but also allows us to use the treated water for gardening. Additionally, we have transitioned to using biomass/wood chips as an energy source, further reducing greenhouse gas emissions.



Vadodara: Emission Reduction and Air Quality Improvement

In Vadodara, we have implemented variable frequency drives to enhance energy savings and installed a stack gas monitoring system as a measure for pollution control.



Our Water Conservation Process

Oriental Aromatics operates two reverse osmosis plants to purify water, which removes contaminants and enables up to 80% of water to be reused.

CELEBRATING OUR ACHIEVEMENTS

We have been honored with the prestigious Global Supplier Excellence award from Proctor & Gamble (P&G) for the year 2023. We are proud to be amongst the 80 Companies who have got selected for this prestigious recognition out of approximately 60,000 business partners / suppliers of P&G globally.



BRIDGING HORIZONS

The Gateway School of Mumbai 'Creating a Brighter Tomorrow through Education'



Keshavlal V. Bodani Education Foundation, is a non-profit extension of our company, that has established The Gateway School of Mumbai in the year 2012. Since its inception, The Gateway School of Mumbai has worked tirelessly to create a nurturing and supportive learning environment for students who face challenges in mainstream educational settings. The school's approach ensures that each child receives the personalized attention they need to thrive. By developing their skills, knowledge, and understanding, the school aims to transform these students into independent and successful individuals.

The school has also been recognized as an Ashoka Changemaker School since April, 2016.

During the year in February, 2024, the foundation also inaugurated The Gateway Intervention Centre, a one-stop multi-disciplinary centre which focuses on creating individualized plans to ensure each child receives optimal

support tailored to their unique strengths and areas of need. The team at the centre focuses on working closely with families and caregivers to optimally support each individual's growth. In the short time, the centre is already supporting over 65 families.

With a focus on empowering over 130 students, The Gateway School of Mumbai is making a significant impact on the lives of children with learning challenges. The foundation is also committed to serving children beyond the Gateway school through its various development programmes through which the foundation has reached over 450 teachers from across India and the world. Its unique reading app is being used by teachers to build early literacy skills in English, Hindi, and Marathi. The foundation also works directly with schools and organisations to build more inclusive environments for all learners.



Contributing Towards Stronger Communities

HEALTHCARE & SANITATION



Our healthcare initiatives have made a substantial impact around the areas where we operate. In Mumbai, Maharashtra, we supported the Blind Organisation of India, resulting in the donation of folding canes to 80 blind individuals. In Ambernath, Maharashtra, we provided medical equipment for a mobile ambulance through Gurukrupa Foundation that further ensures discounted medical services to people. In Vadodara, Gujarat, eye check-ups were conducted for 140 people and oximeters were also donated to Medical Care Centre Trust. Additionally, in Bareilly, UP, we organised free health check-ups, blood tests, and distributed free medicine to the people living around the plant area. These efforts underscore our dedication to improving healthcare access and services in the communities we serve.

ENVIRONMENT CONSERVATION & SUSTAINABLE DEVELOPMENT



During the year, Oriental Aromatics remained dedicated to environmental conservation and sustainable development through a range of initiatives aimed at reducing our carbon footprint, enhancing resource efficiency, and conserving biodiversity. These efforts included tree plantation drives, waste management programs, and energy efficiency projects across our facilities.

Our employees took part in a tree plantation drive that was organised at Chacha Nehru Udyan in Malad, Mumbai, where 50-75 indigenous trees were planted. Similarly, in Vadodara, Gujarat, a total of 272 trees were planted, including Mango, Chickoo, Coconut, and Lemon trees. These efforts demonstrate our dedication to promoting a greener environment and supporting local biodiversity.

COMMUNITY DEVELOPMENT



Our community development initiatives have made a significant impact across various areas. During the year, employees visited the King George V Memorial at Mahalaxmi, Mumbai an old age home, where they distributed food and essential item kits to 40 residents. Additionally, we donated Single Needle Machines to Seva Sadan Society, Mumbai benefiting 50 women from marginalised backgrounds by providing them with employment opportunities in the garment industry. Furthermore, an air conditioner was donated to the Gram Panchayat Conference room in Nandesari, Vadodara. These efforts demonstrate our commitment to enhancing the quality of life and supporting those in need around the areas where we operate.

PROMOTION OF SPORTS & EDUCATION



Oriental Aromatics is proud to support the Inspire Institute of Sport through a substantial donation that will aid in the enhancement of their facilities and programs. This contribution is dedicated to nurturing and training talented athletes to excel in their sports careers. Additionally, the Company is committed to advancing girl child education by funding infrastructure and educational improvements at Kasturba Gandhi Balika Vidyalaya and Composite Government Basic Vidyalaya near its Bareilly, Uttar Pradesh facility. These initiatives are designed to improve the learning environment and overall well-being of the students, providing them with the essential resources for a successful educational journey.

STATUTORY REPORTS

Management Discussion and Analysis

GLOBAL ECONOMY

Despite facing significant challenges, the global economy has demonstrated remarkable tenacity, driven by steady growth and a rapid decrease in inflation. The journey has been marked by events such as post-pandemic supply-chain disruptions, an energy and food crisis triggered by the Russia-Ukraine conflict.

Global growth, which was expected to reach 3.2% in Calendar Year(CY) 2023, is forecasted to remain steady through CY 2024 and CY 2025. However, this falls short of the 3.8% historical average, owing to restrained monetary policies, diminished fiscal aid, and sluggish productivity growth. Global headline inflation is expected to moderate considerably, falling from an annual average of 6.8% in 2023 to 5.9% in 2024 and further to 4.5% in 2025. This

decline can be attributed to a more front-loaded decrease in inflation in advanced economies, alongside projections indicating a return to pre-pandemic levels sooner than in emerging markets and developing economies. As for the predictions for advanced economies, they are poised for a slight uptick, primarily driven by the recovery of the Euro Zone. Their growth rates are projected to climb from 1.6% in 2023 to 1.7% in 2024 and 1.8% in 2025. In contrast, emerging markets and developing economies are expected to witness stable growth at 4.2% during 2024 and 2025. However, there exist regional disparities in these economies, with growth moderation in Asia counterbalanced by growth in the Middle East, Central Asia, and sub-Saharan Africa.

OUTLOOK

The global economic scenario faces balanced risks, accompanied by persistent uncertainties. Geopolitical tensions, exemplified by conflicts in Ukraine and Gaza, pose the threat of price spikes, potentially heightening interest rate expectations and weakening asset values. Moreover, the varied rates of disinflation among major economies may induce currency fluctuations, thereby impacting financial sectors. The confluence of high interest rates, household debt levels, and fixed-rate mortgage adjustments could strain financial stability.

In China, economic growth is at risk owing to the lack of comprehensive solutions for the country's property sector issues, which could also affect its trading partners. The high levels of Government debt in several economies could necessitate disruptive fiscal adjustments, eroding investor confidence and impeding climate change mitigation efforts. Geo-economic fragmentation may further impede supply-side dynamics. Conversely, the loosening of fiscal policies could transiently bolster economic activity, but might require more significant adjustments later on. Unexpectedly, the rapid decline in inflation, driven by increased participation from the labour

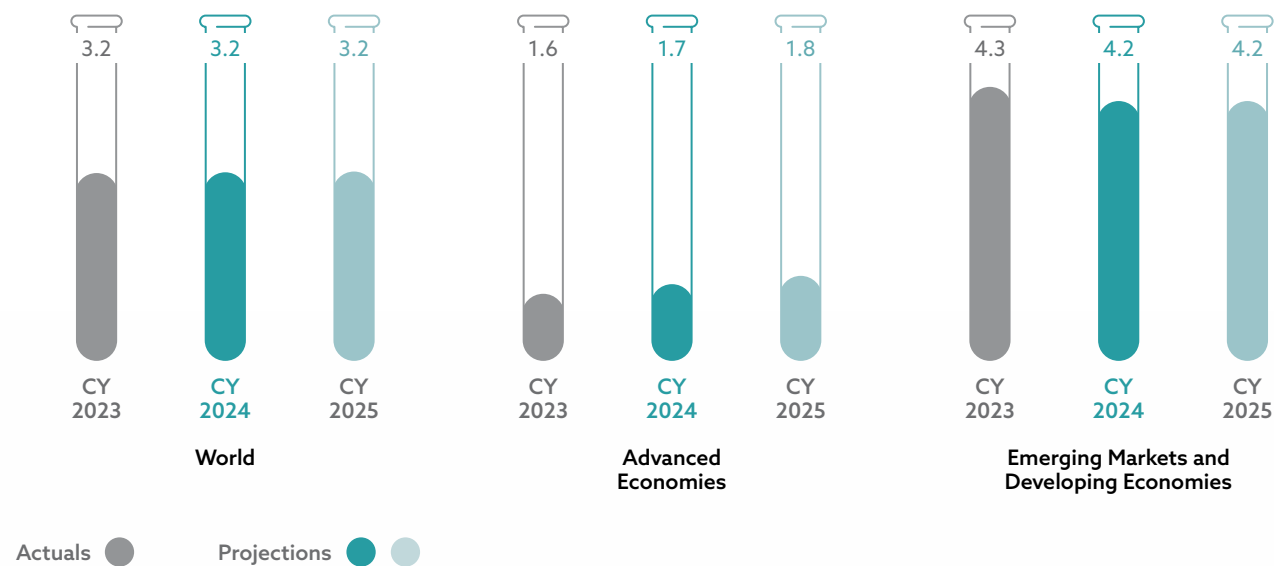
force, could lead central banks to consider easing policies sooner. Advances in artificial intelligence and structural reforms hold the potential to enhance productivity.

Central banks are likely to play a crucial role as the global economy transitions toward a soft landing, necessitating careful management of inflation. Moreover, there is a pressing need for a renewed focus on medium-term fiscal consolidation to rebuild fiscal space for vital investments and ensure debt sustainability. Tailored policy responses, coupled with supply-enhancing reforms, are vital for addressing inflation, reducing debt levels, fostering higher growth rates, and narrowing income disparities. Additionally, multilateral cooperation is essential to address challenges such as geo-economic fragmentation, climate change, and debt restructuring. It would ultimately help foster a sustainable and inclusive economic recovery, promising a brighter future.

Source: <https://www.imf.org/en/Blogs/Articles/2024/04/16/global-economy-remains-resilient-despite-uneven-growth-challenges-ahead>

GLOBAL ECONOMIC GROWTH

(in %)



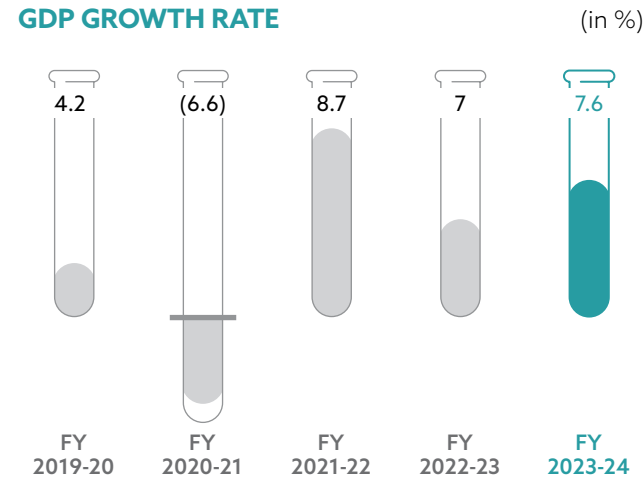
Source: <https://www.imf.org/en/Publications/WEO/Issues/2024/01/30/world-economic-outlook-update-january-2024>

INDIAN ECONOMY

India's economy has shown exceptional endurance and sustained growth over the past three years, even in the face of global economic challenges. This robust trajectory has been partly supported by a combination of stringent policy and regulatory measures. Another significant factor has been the gradual resurgence of the private sector. Moving ahead, the nation is positioned on the brink of further economic advancement. To that end, there are likely to be substantial investments in emerging sectors, continued Government spending, and efficiency gains driven by upgradation in digitalisation and infrastructure.

In FY 2023-24, India's economic growth narrative has been one of robust expansion, achieving an impressive 7.6% growth rate that has surpassed prior forecasts. However, as we look to the next fiscal year, a note of caution is sounded, with GDP growth expected to moderate to 7%. This anticipated slowdown reflects the impacts of elevated interest rates and a constrained fiscal policy, aimed at reducing the deficit to 5.1% of GDP. Despite these headwinds, the vibrancy of India's economy is reinforced by several factors. These include strengthened consumer purchasing power through disinflation, expected robust agricultural outputs, and a revitalisation in private capital expenditure. Furthermore, the Government has taken initiatives to bolster rural income and enhance infrastructure spending. This proactive approach has helped solidify India's status as the fastest-growing major economy globally.

INDIAN ECONOMY REAL GDP GROWTH RATE



Source: <https://pib.gov.in/PressReleaseframePage.aspx?PRID=2010223#:~:text=The%20growth%20rate%20of%20GDP,growth%20rate%20of%209.1%20percent>

OUTLOOK

Looking ahead, the Indian economy is poised to scale greater heights in the years to come. Projections indicate that the economy will approach the USD 7 trillion milestone by 2031, cementing its position as the world's third-largest economy. The catalysts of this growth would be capital and productivity enhancements, driven by a holistic integration of digital and physical infrastructure. The manufacturing sector is anticipated to experience a revival, benefiting from global opportunities, domestic policy support, and a focus on green energy transition.

The nation's future is promising of robust growth in capital expenditure, driven by industrial vigour and efficient infrastructure development. This momentum has been supported by a host of factors, including the sound financial health of Indian corporates, consistent revenue growth, and an optimistic commodity price outlook. Furthermore, the Government's Production Linked Incentive (PLI) scheme aims to elevate India's manufacturing prowess on the global platform. This initiative is further accentuated by a robust banking sector and innovative financing avenues. On the whole, India's economic journey is fortified by domestic reforms, competitive advancements, and a commitment to value-added growth. These progressive steps are further strengthened by substantial infrastructure development witnessed across the nation.

Source: <https://www.crisil.com/en/home/our-analysis/reports/2024/03/india-outlook-2024-report/growth-marathon.html>

GLOBAL CHEMICAL INDUSTRY

The global chemical and advanced materials industry has been resilient and adaptive despite the challenges of inconsistent economic growth, climate crises, and geopolitical conflicts. In 2023, the industry experienced sluggish demand. This trend was contributed by factors such as a recession in Europe, inflation in the United States, and slower-than-expected demand rebound from China. However, many companies have responded by focussing on reducing costs and improving efficiencies.

In the United States, the fears of an economic downturn have eased, and signs of a 'soft landing' are apparent. While economic growth is expected to slow down, there is optimism for a modest rebound in chemical production. The transition from destocking to restocking is expected for many chemicals, but underlying weaknesses in demand and overcapacity may persist. In this market environment, companies are advised to balance short and long-term goals.

The industry is witnessing changes in the competitive framework, with stakeholder pressure and Government policies driving investment in the energy transition. This trend has led to the convergence of sectors related to clean energy, with chemical companies diversifying into areas like lithium processing and battery manufacturing. While presenting new opportunities, this also exposes the industry to competition from sectors with stronger cash flows.

OUTLOOK

The global chemicals industry is navigating challenges such as sluggish demand, overcapacity, and supply chain disruptions. Despite these challenges, the industry is adapting by focussing on reducing costs, improving efficiencies, and capitalising on new opportunities, particularly in the energy transition. Demand drivers like the infrastructure investment in clean energy technologies are expected to drive increased production in 2024. There is a shift in the regional dynamics, resulting in a new competitive outlook. Digitalisation, the circular economy, and sustainability are key focus areas for industry players. Overall, while challenges remain, the industry is well-equipped to adapt and capitalise on emerging trends, positioning it for long-term growth and prosperity.

KEY TRENDS

- ① The shift towards renewable energy is driving a surge in manufacturing, reliant on chemicals and materials for essential support
- ② The evolution of regional dynamics is prompting a strategic reassessment among chemical industry players
- ③ Digitalisation and AI are not just acting as tools for operational improvement in the chemical sector but also helping to utilise data in driving innovation
- ④ The circular economy is presenting significant opportunities for chemical industry leaders aiming to stay ahead
- ⑤ Trust and prominence in the market can be greatly enhanced by embracing transparency and fostering collaboration within chemical companies

Source: <https://www2.deloitte.com/us/en/insights/industry/oil-and-gas/chemical-industry-outlook.html>

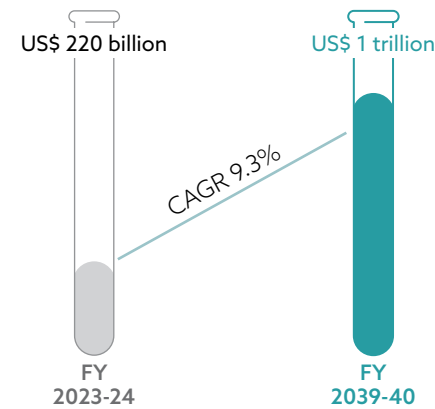


INDIAN CHEMICAL INDUSTRY

The Indian chemical industry is poised to play a pivotal role in India's ambitious goal of becoming a US\$ 30 trillion economy by 2047, aiming to contribute around US\$ 1 trillion by 2040. Currently valued at US\$ 220 billion, the industry is experiencing a robust growth rate of 9.3% CAGR.

As a key enabler of economic growth, India is focussing on creating a competitive landscape for the chemical industry to thrive. Factors such as the China-Plus-One strategy, which aims to establish alternative manufacturing hubs, present India as a prime beneficiary. Additionally, global trends like supply chain diversification, changing geopolitics, trade wars, stringent environmental norms, and rising compliance and labour costs in China are driving the demand for Indian chemicals. The sector is playing a significant role in supporting the development of nearly 1,00,000 products across various industries. This contribution highlights its untapped potential and immense growth opportunities in India. All in all, the industry is likely to play an important part in shaping the Government's vision of an 'Aatmanirbhar Bharat' (self-reliant India). Ultimately, the nation will be able to achieve its goal of becoming a US\$ 30 trillion economy by 2047.

INDIAN CHEMICAL INDUSTRY SIZE



OUTLOOK

The Indian chemical industry is poised for noteworthy growth and transformation. The progress is likely to be driven by emerging opportunities aligning with the country's vision to cater to evolving global demands. The Petroleum, Chemicals and Petrochemical Investment Region (PCPIR) policy is a key driver, aiming to attract investments of US\$ 284 billion (₹ 20 lakh crore) by 2035. This policy, designed strategically in clusters, is set to revolutionise the chemical sector on a large scale. According to the Department of Chemicals & Petrochemicals, the PCPIR policy is expected to create 33.83 million jobs. Over the next two decades, 80% of exports are projected to come from agrochemicals, dyes & pigments, and food additive chemicals. Additionally, 16 specialty chemical segments are expected to perform well, driven by their cost-effectiveness and market demand. This outlook indicates a promising future for the Indian chemical industry, positioning it as a leader in the global market. With a focus on innovation, investment, and strategic policies, India is poised to capitalise on emerging opportunities and drive sustainable growth in the chemical sector.

Source: <https://www.indianchemicalnews.com/compendium-2024>
<https://www.linkedin.com/pulse/india-next-chemicals-manufacturing-hub-tradeflock-riqhc>

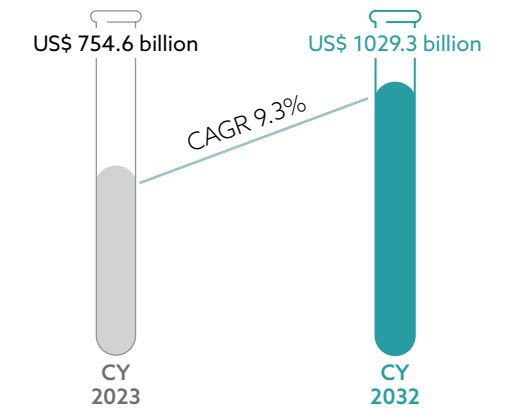
GLOBAL SPECIALTY CHEMICAL INDUSTRY

The global specialty chemicals market reached a size of US\$ 754.6 billion in 2023. Moving ahead, the market is expected to grow to US\$ 1,029.3 billion by 2032, exhibiting a CAGR of 3.4% from 2024 to 2032.

Specialty chemicals, also known as specialties or effect chemicals, are crucial ingredients in finished products that enhance their manufacturing process. These chemicals, whether single entities or formulations, produce high-value chemicals used in various consumer products. Unlike commodity chemicals, specialty chemicals are produced in lower volumes and find applications across a wide range of industries. These industries include chemicals, agriculture, automotive, aerospace, pharmaceuticals, and food & beverage (F&B).

The growth of the specialty chemicals market has been driven by the increasing demand for high-performance and function-specific chemicals. This demand has been witnessed across industries like oil and gas, pulp and paper, personal care, and cosmetics. Apart from this, environmental concerns have contributed to the rise in demand for user and eco-friendly specialty chemicals. The leading market players are focussing on developing and promoting these environmentally friendly variants to expand their portfolios and enhance sales. Amid such developments, investment in R&D is crucial for providing innovative and customised specialty chemicals for specific applications.

GLOBAL SPECIALTY CHEMICAL INDUSTRY SIZE



OUTLOOK

Looking ahead, the specialty chemicals market is expected to grow significantly, propelled by several factors. These include increased industrial endurance and adaptability, advancements in smart manufacturing and Industry 4.0 practices, the rising demand for specialised performance-driven chemicals, expanding global markets, and a shift towards environment friendly solutions. Notably, the key developments in this period will include innovations in packaging, increased demand in the automotive sector, a focus on water treatment and environmental solutions, advancements in adhesives and coatings, and a surge in demand in consumer goods and personal care segments.

Source: <https://www.imarcgroup.com/specialty-chemicals-market#:~:text=What%20is%20the%20expected%20growth,3.4%25%20during%202024%2D2032>
<https://www.researchandmarkets.com/reports/5790757/specialty-chemicals-global-market-report>

REGIONAL HIGHLIGHTS

ASIA PACIFIC

Asia Pacific emerged as the dominant market for specialty chemicals, holding the highest revenue share of 49.9% in 2023. This growth was driven by factors such as economic progress, industrialisation, and the growth of major end-use sectors. China and India were significant contributors to the growth in this region. Notably, the demand in the region was influenced by applications in foods and beverages, personal care and cosmetics, and pharmaceuticals.

EUROPE

Europe is another key market for specialty chemicals after Asia Pacific, driven by industrial economies such as the UK, Germany, France, Italy, Spain, and Russia. The region has seen an increase in manufacturers and market suppliers of electronics, cosmetics, and pharmaceutical products, driving the demand for specialty chemicals. The presence of major cosmetic manufacturing units also contributes to the demand for specialty chemicals in Europe.

MIDDLE EAST

The Middle East is experiencing a rise in the demand for specialty chemicals, especially in foods and beverages. This boost is propelled by the food trade reliance and changing consumer preferences. There's also an increasing need for concrete additives for better strength. Alongside, the region is transitioning towards eco-friendly chemicals, with significant R&D investments. The automotive industry is adopting specialty chemicals for lightweight materials. On the other hand, AI and IoT integration is enhancing production processes, boosting the demand for chemicals in semiconductors and electronics.

NORTH AMERICA

North America held a significant share of 27.86% in 2023, driven by its mature industrial landscape and advanced technological infrastructure. The United States and Canada were key contributors to this growth, with strong demand from industries like automotive, aerospace, electronics, and healthcare. The region's focus on R&D encouraged innovation and product diversification in the specialty chemicals sector. Additionally, stringent regulatory standards drove the adoption of eco-friendly formulations and sustainable practices.

Source: <https://www.kingsresearch.com/specialty-chemicals-market-591>

LATIN AMERICA

The presence of major manufacturers in Latin America such as Cargill, Incorporated, General Mills, and Kraft Foods is expected to drive the increased demand for specialty chemicals over the forecast period. Industries such as automotive, transportation, chemical processing, and construction are expected to be the key consumers of specialty polymers, coatings, adhesives, sealants, plastic additives, lubricants, and other specialty chemicals.

Source: <https://www.grandviewresearch.com/industry-analysis/specialty-chemicals-market>

INDIAN SPECIALTY CHEMICAL INDUSTRY

Indian Specialty Chemicals Market has reached US\$ 41.90 billion by 2023 and is anticipated to project robust growth in the forecast period with a CAGR of 3.86% through 2029. The Indian chemical industry is poised for significant and rapid growth, with specialty chemicals anticipated to emerge as the most lucrative segment. This growth can be attributed to the escalating demand from a diverse range of end-use industries, including pharmaceuticals, textiles, and personal care products. India's robust domestic demand, coupled with its export potential, further reinforces the expansion of this sector.

Moreover, India is rapidly establishing itself as a preferred manufacturing hub for specialty chemicals, catering to both domestic and export markets. Notably, approximately 20% of the total exports from the Indian chemical industry comprise specialty chemicals. This growth trajectory has been further bolstered by substantial investments in infrastructure and research and development, elevating the industry's competitiveness on a global scale. Furthermore, the specialty chemicals sector is witnessing an upsurge in investor interest, fuelled by its strong performance and promising prospects. This influx of investments serves as an additional catalyst for the sector's growth.

Source: <https://www.techsciresearch.com/report/india-specialty-chemicals-market/4129.html>

KEY TRENDS

Increasing Demand and Consumption

Demand for specialty chemicals in India is on the rise due to factors like population growth, urbanisation, and industrialisation. This growing consumption spans various sectors such as pharmaceuticals, agrochemicals, textiles, and automotive industries. The trend indicates significant growth prospects for companies in the specialty chemicals sector, driven by expanding industries' need for specialised chemical products.

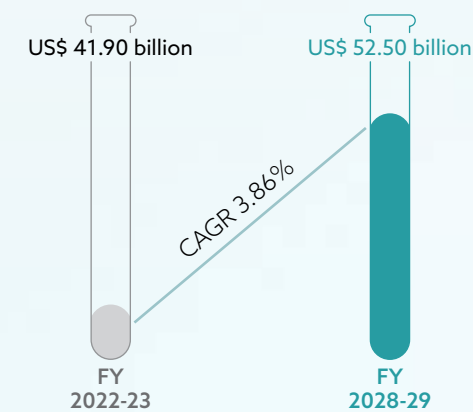
Focus on Research and Development

Specialty chemicals companies are investing resources in research and development to innovate and create novel products with enhanced properties and environmental sustainability. Innovation is crucial for maintaining competitiveness in the market, making the creation of cutting-edge specialty chemicals essential for addressing evolving industry needs and establishing leadership in technological advancements.

Environmental and Sustainable Practices

There is a growing emphasis on adopting environmentally friendly and sustainable practices in specialty chemicals production. This reflects increased global awareness about environmental issues and a shift towards eco-friendly solutions. Companies prioritising sustainability and integrating green practices into their operations stand to gain a competitive advantage.

INDIAN SPECIALTY CHEMICAL INDUSTRY SIZE

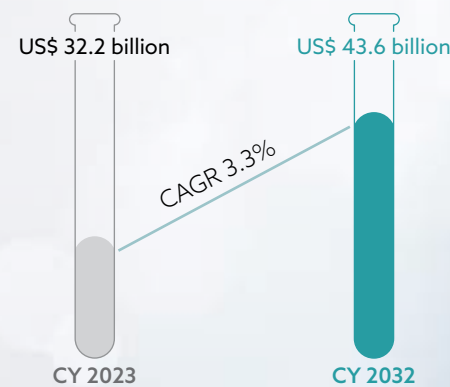


GLOBAL FRAGRANCE & FLAVOUR MARKET

The global Fragrance & Flavour market reached a substantial size of US\$ 32.2 billion in 2023. Looking ahead, the market is expected to expand even further, reaching US\$ 43.6 billion by 2032, with a CAGR of 3.3% during the forecast period of 2024-2032. Several factors are driving this growth, including the expanding food & beverage industry, rising awareness about personal grooming and hygiene, changing consumer preferences, growing population and urbanisation, and increasing emphasis on natural and organic ingredients.

North America currently holds the largest share in the flavour market, driven by its highly developed and diverse food & beverage industry. The region's affluent population, coupled with a culture of culinary exploration and innovation, has led to a high demand for a wide variety of flavours. Additionally, consumers in North America are willing to spend on premium and specialty food & beverage products, further driving market growth.

GLOBAL FRAGRANCE & FLAVOUR INDUSTRY SIZE



OUTLOOK

The global Fragrance & Flavour market is poised for noteworthy growth. This is likely to result from growing population and urbanisation, the rising awareness of personal grooming and hygiene, and an increasing demand for natural and organic ingredients. Consumers are seeking healthier and more sustainable options, leading to a rise in the adoption of natural Fragrance & Flavour. Continuous efforts towards innovation in the food & beverage industry are also contributing to market growth. Additionally, there is a shift in consumer behaviour towards the adoption of natural and clean-label Fragrance & Flavour. This trend is driving the expansion of the personal care industry and the increasing awareness of the harmful effects of synthetic products.

KEY TRENDS

An Expanding Personal Care Industry Driving Market Growth

The expanding personal care industry is a significant driver of the Fragrance & Flavour market. As consumers are focussing more on self-care and grooming, there is a growing demand for personal care products such as skincare, haircare, and cosmetics. Fragrances are essential components of these products, contributing to the overall sensory experience and creating a positive association with the brand. They serve multiple purposes, which include enhancing the product's appeal, evoking emotions, and masking any potential unpleasant odours.

Continuous Innovations in the Food & Beverage Industry

Ongoing innovations in the food & beverage industry are propelling the Fragrance & Flavour market. Manufacturers in this sector are constantly striving to meet evolving consumer preferences and expectations, creating unique and memorable sensory experiences. This drive for innovation is directly influencing the demand for Fragrance & Flavour. A major factor propelling the bolstered demand is the rising number of health-conscious consumers, which is giving rise to healthier alternatives and functional food products.

Rising Awareness of Personal Grooming and Hygiene

The increasing awareness about personal grooming and hygiene is another key driver of the Fragrance & Flavour market. As individuals are becoming more conscious of their appearance, there is a growing demand for products that can enhance personal care routines. Fragrances play a crucial role in personal grooming products, providing pleasant scents that mask unpleasant odours and impart a clean and appealing scent. These attributes make such products more enjoyable to use and help enhance the overall grooming process. Moreover, fragrances contribute to personal identity and self-expression, which drives the demand for diverse variants that cater to individual preferences and lifestyles.

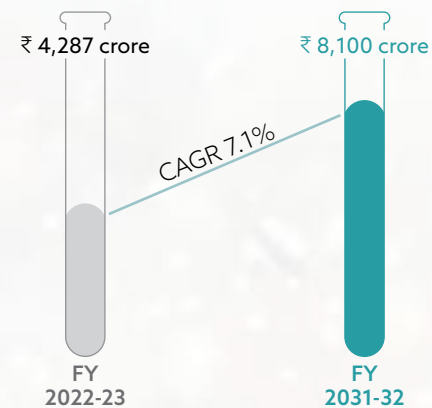
Source: <https://www.imarcgroup.com/flavors-fragrances-market>

INDIAN FRAGRANCE & FLAVOUR MARKET

FLAVOURS

The India flavours market size reached ₹ 4,287 crore in 2023. Looking forward, IMARC Group expects the market to reach ₹ 8,100 crore by 2032, exhibiting a CAGR of 7.1% during 2024-2032. This growth is likely to be driven by increasing consumer preferences for natural flavours and clean-label products. Additionally, factors such as rising disposable incomes, changing lifestyles, and high consumption of processed food items are contributing to the market expansion.

INDIAN FLAVOURS INDUSTRY SIZE



OUTLOOK

The Indian flavours market is benefiting from the growth of the food & beverage industry, apart from the increasing demand for convenience food items. The market is further propelled by the rising popularity of functional food items and beverages, gourmet and specialty food items, and the pharmaceutical industry's demand for flavours. The progress has also been observed due to advancements in flavour technology, including encapsulation and delivery systems, and the increasing usage of flavours in the e-cigarette and vaping industry. Overall, the outlook for the Indian flavours market is promising, with a favourable environment for continued growth and innovation.

KEY TRENDS

Expansion of Food Processing Industry

The increasing demand for packaged, ready-to-eat food items and beverages is primarily driving the flavours market in India.

Rising Utilisation in Various Food Categories

Flavouring ingredients are being increasingly used in bakery and confectionery items, ice creams, smoothies, energy drinks, and other food categories, contributing to market growth.

Urbanisation and Western Food Trends

The growing urban population and the adoption of western food trends are fuelling the demand for flavouring agents in the country.

Popularity of Processed and Shelf-Stable Food Products

Processed food products like noodles, soups, cake mix, RTD tea and coffee, and juices are gaining popularity, especially among millennials, driving the market for flavours.

Stringent Norms by FSSAI

The introduction of stringent norms by the Food Safety and Standards Authority of India (FSSAI) regarding the quality of flavours used in processed food products is majorly propelling growth in the market.

Rise of Quick-Service Restaurants (QSRs) and Café Culture

The increasing number of QSRs and the emergence of a 'café culture' are boosting the demand for flavours in India.

Shift Towards Natural and Organic Flavours

Rising consumer concerns about the health impact of chemical-based flavouring agents are leading to a shift towards natural ingredients-based flavours.

Emergence of Healthier Product Variants

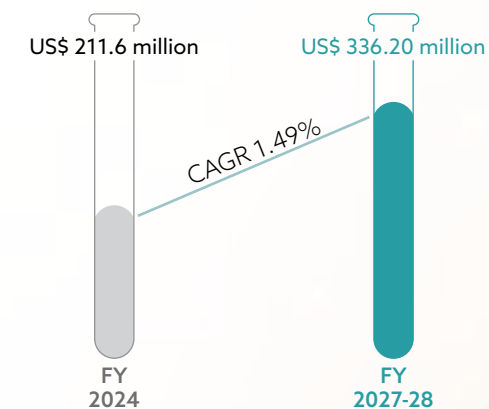
The market is witnessing the emergence of various healthier product variants, including vegan and organic flavours. These variants are made from 100% plant-based derivatives, which are expected to drive market growth in the future.

Source: <https://www.imarcgroup.com/india-flavours-market>

FRAGRANCES

The fragrance sector in India is experiencing a significant transformation. This upheaval is propelled by evolving consumer preferences, increased disposable income, and a growing demand for personal care and cosmetic products. According to Statista, the fragrances market in India is projected to grow by 1.49% from 2024 to 2028, reaching a market volume of US\$ 336.20 million in 2028.

INDIAN FRAGRANCES INDUSTRY SIZE



OUTLOOK

Overall, the fragrance sector in India is witnessing a remarkable growth trajectory, driven by changing consumer preferences and a growing demand for personalised and natural products. The market is expected to continue evolving, with a strong emphasis on Customisation, inclusivity, and product diversification to cater to varied customer needs.

KEY TRENDS

Demand for Natural and Organic Products

There is a rising preference for natural and organic fragrances as consumers are becoming more conscious of the ingredients used in their personal care products.

Rise of Personalised and Unisex Fragrances

Consumers are currently seeking unique and personalised fragrance experiences. This shift in preferences is leading to the popularity of customisable and unisex fragrances that cater to individual tastes and preferences.

Influence of Social Media and Celebrity Endorsements

Social media and celebrity endorsements are majorly shaping consumer preferences. As such, there is an increase in the demand for specific fragrances endorsed by influencers and celebrities.

Shift towards Customisation and Inclusivity

There is a growing trend towards Customisation and inclusivity in the fragrance sector, with brands offering a wide range of options to cater to diverse consumer preferences and needs.

Focus on Unique and Individualised Scent Experiences

Brands are increasingly focussing on developing unique and individualised scent experiences. This move is targeted towards differentiating their market identity and meeting the demands of the discerning consumer base.

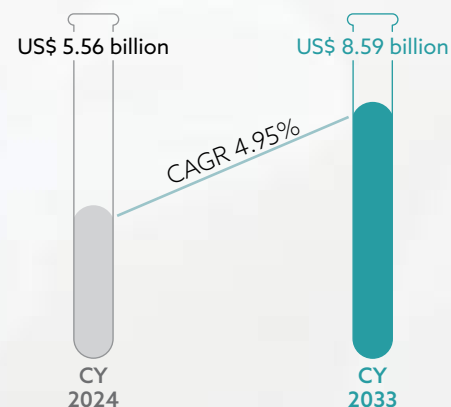
Source: <https://medium.com/@ekayacorp/flavours-fragrance-industry-india-trend-analysis-0ee36ee7321e>

GLOBAL AROMA CHEMICALS MARKET

The global aroma chemicals industry plays a pivotal role in the Fragrance & Flavour market. The industry offers synthetic and natural compounds that enhance scents and flavours in various consumer products. For 2024, the market size is estimated at US\$ 5.56 billion and is projected to grow to US\$ 8.59 billion by 2033, indicating a CAGR of 4.95%. The key drivers of this market include increasing consumer awareness, changing lifestyles, expanding R&D initiatives, and technological advancements.

The industry encompasses the production, distribution, and sale of aroma chemicals used primarily for their scent or flavouring properties. These chemicals are highly volatile and can easily diffuse, ultimately giving rise to long-lasting fragrances. Natural aroma chemicals are extracted from plant parts and purified through fermentation and separation processes. On the other hand, synthetic aroma chemicals are developed in laboratories, which provides them with a clearer aromatic signature and chemical ingredient-base.

GLOBAL AROMA CHEMICALS INDUSTRY SIZE



OUTLOOK

AI is being utilised in various aspects of the fragrance creation process, from studying customer behaviour in e-commerce transactions to designing and formulating scents. AI integration enables fragrance houses to match formulations to new briefs, create scent formulations and reformulations, and develop personalised fragrances. Notably, there are certain challenges in implementing AI in fragrance creation, such as non-linear arithmetic and interdisciplinary knowledge requirements. However, there are substantial benefits as well, which include cost reductions, new revenue streams, and enhanced decision support for perfumers.

KEY TRENDS

Rise in Demand for Aroma Chemicals

The increasing demand for different Fragrance & Flavour is a key driver for market growth.

AI Integration in Fragrance

AI is gaining popularity in the fragrance sector, from studying customer behaviour to creating AI models for scent design and formulation, leading to cost reductions and new revenue streams.

Natural and Organic Products

The increased demand for natural and organic products is creating opportunities for the Fragrance & Flavour business. As such, the aroma chemicals market is being driven towards sustainable and environmentally friendly practices.

Multinational and Domestic Players

The market includes multinational corporations, domestic companies, and small businesses, all of which contribute to the growth and competitiveness of the industry.

Innovation and Product Development

There are continuous efforts for innovation in fragrance formulation and development. These efforts are driven by the necessity to meet evolving consumer preferences and industry demands.

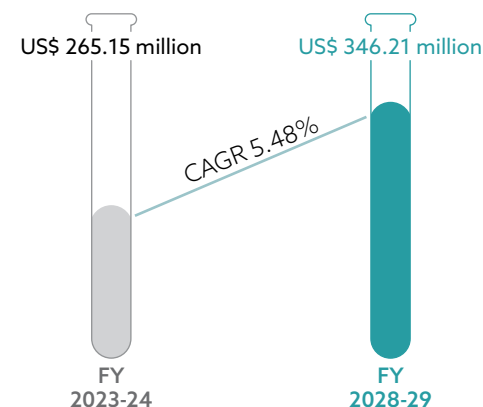
Source: <https://www.globenewswire.com/news-release/2024/04/18/2865272/0/en/Aroma-Chemicals-Market-Size-to-Reach-Around-US-8-59-Billion-by-2033.html#:~:text=The%20global%20aroma%20chemicals%20market,4.95%25%20from%202024%20to%202033.>

INDIAN AROMA CHEMICALS MARKET

The Indian aroma chemicals industry is poised for significant growth, with the market expected to reach US\$ 265.15 million by the end of 2024 and US\$ 346.21 million in 2029. Notably, this translates to a projected CAGR of 5.48% during the forecast period.

A major driver of the market is the growing demand for Fragrance & Flavour in the food & beverage sector. This demand is being fuelled by the rising consumption of packaged and convenience food items. Despite such positive developments, the industry faces challenges such as high costs of research and development. However, technological advancements in the extraction of aroma chemicals are expected to create various growth opportunities for the market in the coming years.

INDIAN AROMA CHEMICALS INDUSTRY SIZE



OUTLOOK

The market is experiencing positive developments, particularly due to the increased demand for soaps and detergents. Moreover, there are lucrative opportunities for market growth due to the rising demand for natural aroma chemicals in cosmetics and toiletries. Another contributing factor towards the potential growth is the increasing demand for aroma chemicals in the food & beverages industry.

Key players in the market are focussing on developing innovative products to capitalise on these opportunities and cater to evolving consumer preferences. Overall, the Indian aroma chemicals industry is poised for substantial growth in the coming years.

KEY TRENDS

Rising Demand for Natural Aroma Chemicals

There is a growing preference for natural ingredients in cosmetics and toiletries, leading to increased demand for natural aroma chemicals derived from plant sources.

Increased Usage in Food & beverage

Aroma chemicals are being widely used in the food & beverage industry to enhance Fragrance & Flavour. The growing consumption of packaged food & beverage is driving the demand for aroma chemicals in this sector.

Expansion of Overseas Fragrance & Flavour Manufacturers

Overseas manufacturers are expanding their presence in India due to positive demand patterns and the availability of raw materials. This expansion is expected to further boost the market for aroma chemicals in India.

Focus on Innovation

Key players in the market are focussing on developing innovative products to cater to evolving consumer preferences. This includes creating exotic and innovative flavours for the food & beverage industry and natural alternatives for cosmetics and toiletries.

Medicinal Properties of Terpenes

Terpenes, a type of aroma chemical, are known for their medicinal properties such as anti-carcinogenic, antiseptic, and antimicrobial effects. This has led to increased use of terpenes in fragrances, alternative medicine, essential oils, and the food & beverage industry.

Growth in the Food & beverage Industry

India's food & beverage industry is one of the largest and fastest-growing industries in the world. With expectations of continued growth therein, aroma chemicals are likely to witness an increased demand, especially for fruit juices, energy drinks, and carbonated beverages.

Source: <https://ians.in/pr-wire-detail/india-aroma-chemicals-market-size-to-worth-us-4186-million-by-2031-growing-at-a-cagr-of-534-coherentmi-26-03-2024#:~:text=One%20of%20the%20key%20trends,chemicals%20in%20the%20fragrance%20industry.>
<https://www.mordorintelligence.com/industry-reports/india-aroma-chemicals-market>

GLOBAL CAMPHOR MARKET

The global camphor market is expected to exhibit fluctuating growth patterns in the near term, largely influenced by factors contributing to sluggish growth in 2023. However, a rebound in demand is likely in the latter half of 2024 due to improvements in the economy and alleviation of supply chain concerns.

OUTLOOK

With an anticipated economic downturn, the camphor industry faces several key challenges during the short- and medium-term forecast. These include shifting consumer preferences and the need for industrial policy amendments to align with growing environmental concerns, significant fluctuations in raw material costs due to geopolitical tensions, and expected subdued economic growth.

Despite the anticipated challenges, the camphor industry can leverage valuable opportunities by prioritising resilience and innovation. This entails maintaining investment discipline, actively engaging in business ecosystems, and demonstrating a strong commitment to sustainability. Altogether, these efforts underscore the chemicals industry's pivotal role in driving sustainable solutions.

KEY TRENDS

- Investments in acquiring new technologies and enhancing product portfolios
- Securing raw materials through efficient procurement and inventory management
- Regional-specific strategies due to varying economic and social challenges.
- Emphasis on cost consciousness and operational efficiency
- Adaptations in supply chain dynamics and growing emphasis on sustainable practices

Source: <https://www.researchandmarkets.com/report/camphor>
<https://markwideresearch.com/camphor-market/>



INDIAN CAMPHOR MARKET

India ranks as the world's second-largest importer of camphor, mainly sourcing the product from China, Germany, and the United Kingdom. Natural camphor is derived from the wood of camphor trees primarily found in Japan, Taiwan, and Vietnam. In contrast, synthetic camphor is produced from pine trees, making this variant more cost-effective and scalable. However, despite India's abundance of pine trees, the country's output of camphor only accounts for 17%, with 80% of it sourced from imports. This underscores the necessity for camphor companies to import Turpentine.

The Indian camphor market is witnessing notable growth due to the increasing use of camphor in natural products, medical applications, religious rituals, and agriculture. Camphor is also utilised in skincare products to reduce acne and pimples. In the pharmaceutical industry, camphor tablets are extensively used to alleviate pain, swelling, congestion, and coughs. Additionally, camphor tablets are applied in agriculture as a repellent to ward off insects and reptiles. The use of camphor in religious rituals in India has also contributed to market growth.

The camphor market in India is highly competitive, with numerous smaller players present in the industry. Synthetic camphor, which is more affordable and widely available, has a higher demand than natural camphor, which is at least three times more expensive. In India, camphor is mainly used for religious purposes, and for preparing pharmaceuticals, tire, paints, Fragrance & Flavour, and cosmetics.

Source: <https://www.volza.com/p/camphor/import/import-in-india/>
<https://www.myinvestmentdiary.com/post/connecting-the-dots-indian-camphor-industry>

COMPANY OVERVIEW

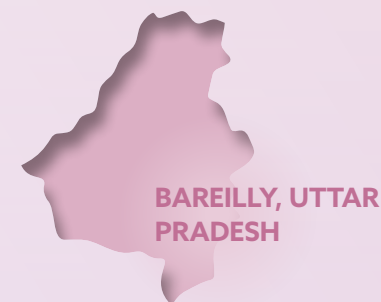
Oriental Aromatics (referred to as 'The Company') has emerged as one of the few fully-integrated players in the global Fragrance & Flavour industry. The Company's decades of experience encompass the Fragrance & Flavour, camphor, terpene chemicals, and specialty aroma chemical ingredient industries. It stands as one of the largest domestic manufacturers of these chemicals. The Company maintains a culture that is rooted in creativity, passion, and innovation, all aimed at furnishing differentiated solutions to enhance consumer experiences.

Oriental Aromatics' product portfolio includes synthetic camphor, terpineol, pine oils, astromusk, and other specialty aroma chemicals. The Company also manufactures chemicals applied in various other industries such as Fragrance & Flavour, pharmaceuticals, soaps and cosmetics, and paints and varnishes. Its Fragrance & Flavour are used in numerous daily-use products from renowned FMCG brands. Notably, the categories of the brands include fine fragrances, personal hygiene, home care, beauty, and cosmetics. All in all, Oriental Aromatics has established itself as a key industry player, utilising its strong domestic presence and high-performing exports to several countries across Asia, Europe, Africa, North, and South America.

The Company has a network of well-established R&D centres and manufacturing facilities in India. This efficient infrastructure enables it to develop unique combinations of specialty aroma chemicals, Fragrance & Flavour. Oriental Aromatics' products are sold to 2,000 customers across 35 countries worldwide, reflecting the Company's global reach and influence in the Fragrance & Flavour market.

MANUFACTURING FACILITIES

Oriental Aromatics has achieved backward integration with regard to its manufacturing procedures. This initiative has helped the Company establish a stronghold in the niche Fragrance & Flavour industry. Moreover, it has adopted efficient and sustainable raw material sourcing policies to mitigate external risks. Currently, the Company manufactures over 150 specialty aromatic ingredients using 28 different chemical procedures in its integrated and fully automated chemical manufacturing facilities. These ingredients are then used in-house for creating Fragrance & Flavour for various applications.



- Established in 1964, the first Synthetic Camphor plant in India was equipped with technology designed by DuPont from the US.
- This plant has a production capacity exceeding 7,900 metric tonnes per annum (MTPA) of pine-based chemicals and other related products.
- It is equipped to manage various chemical operations, such as fractionation, esterification, saponification, hydrogenation, dehydrogenation, oxidation, peroxidation, and pyrolysis, among others.
- The plant holds a Pharma Grade accreditation, along with WHO-GMP and USFDA certifications.
- It primarily focusses on the manufacturing of camphor and specialty aroma ingredients derived from Alpha Pinene.



- A state-of-the-art manufacturing facility for aroma chemicals was established in Vadodara, Gujarat, in 1999, with a new multi-purpose plant facility added in 2018. These facilities boasted an end-product manufacturing capacity of approximately 6,200 metric tonnes per annum (MTPA).
- This plant adheres to international standards for all the products it manufactures, with 75% of the annual production being exported worldwide.
- It specialises in producing a wide range of generic specialty aroma ingredients sourced from Pinene, Petrochem, and other sources of raw materials.
- This plant is utilised for various chemical operations, which include epoxidation, peroxidation, hydrogenation, aldol condensation, cyclisation, esterification, and bromination, among others.



- Commencing operations in 2014, this top-of-the-line manufacturing facility, has a capacity of approximately 6,000 metric tonnes per annum (MTPA) of Fragrance & Flavour.
- It is a highly versatile facility capable of producing both Fragrance & Flavour.
- Additionally, this facility is equipped with cutting-edge infrastructure for research and development (R&D) and quality assurance (QA).



FUTURE EXPANSION PLANS



CAPEX DETAIL

HYDROGENATION PLANT

LOCATION: Vadodara

PRODUCT: Specialty Aroma Chemicals

EXPECTED INVESTMENT: ~₹ 400-500 million

EXPECTED YEAR OF COMMISSIONING: H1 – FY 2024-25

RESEARCH & DEVELOPMENT FACILITIES

CENTRE FOR INNOVATION IN MUMBAI

- ⦿ Cutting-edge synthesis lab
- ⦿ DSIR-approved facility
- ⦿ Focussed on sustainable research for generic specialty aroma ingredients
- ⦿ Equipped with advanced tools like head-space GC-MS, flash chromatography, UV, and standard analytical setups
- ⦿ Well-equipped bench-scale laboratories for organic reactions including Aldol condensation, oxidation, reduction, hydrogenation, hydration, acetylation, esterification, and isomerisation
- ⦿ Fully operational environmental lab for sustainability studies

PROCESS RE-ENGINEERING LAB IN VADODARA

- ⦿ DSIR-approved lab
- ⦿ Capable of developing of new products in Turpentine chemicals
- ⦿ Well-equipped pilot plant
- ⦿ Designed for accommodating high-pressure reactions and integrated with various lab-scale fractionating columns for separation

DIVERSIFIED PRODUCT SUITE



FLAVOUR

Oriental Aromatics' flavours are highly sought-after due to their unique characteristics that enhance the appeal of food & beverage. Specialising in customised flavours, the Company aims to revolutionise its customers' pallet of taste. As a result, it provides an unparalleled customer experience in oral hygiene, instant food, beverages, health & wellness, dairy, and snacks.



SPECIALTY AROMA CHEMICALS

The Company offers a vast array of aroma molecules and ingredients for both captive consumption and global exports, covering the entire olfactive spectrum. High-quality aroma chemicals are essential components in creating Fragrance & Flavour. These building blocks are crucial to the development of innovative and sustainable F&F formulations. Aroma chemicals can be utilised to mask, mimic, or enhance a particular taste or scent. Each aroma possesses a unique characteristic and specific need, making it stand out regardless of its final application.



FRAGRANCE

Oriental Aromatics utilises its strong passion and creativity to design unique fragrance formulations, providing customers with a unique experience. There is a high demand for the Company's fragrances, owing to its in-depth knowledge, thorough understanding of evolving customer behaviour, proximity to the market, and backward-integrated supply chain. The Company designs customised fragrances for a range of products, including fine fragrances, incense sticks, candles, soaps, shampoos, hair oils, detergents, and other FMCG products, providing its clients with a unique brand identity. Its superior-quality fine fragrance blends are widely popular among the finest perfumes, personal care, and home care brands.



CAMPHOR

Oriental Aromatics is a leading manufacturer of synthetic camphor in India, providing versatile products with anti-microbial and anti-inflammatory properties. Camphor is utilised for medicinal purposes and in spiritual and embalming ceremonies across Asia. It is highly valued for purifying the air during religious ceremonies and is commonly used to treat skin conditions, improve respiratory function. Furthermore, it is used as a pain reliever due to its anti-bacterial, anti-fungal, and anti-inflammatory properties. The Company's expertise in synthetic camphor manufacturing has made it one of the largest manufacturers of camphor in India.

DIVERSIFIED PRODUCT SUITE

FINANCIAL PERFORMANCE

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review, the Company's consolidated total revenue has decreased from ₹ 84,907.26 lakh in 2022-23 to ₹ 83,640.47 lakh in 2023-24. Profit after tax decreased by ₹ 1,063.87 lakh from ₹ 1,974.29 lakh to ₹ 910.42 lakh. The aforesaid decrease in profitability is mainly due to an increase in raw material prices. For standalone performance and consolidated performance, the members may refer to the Board's report.

Details of Significant Changes Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations are given below:

Particulars	FY 2023-24	FY 2022-23	YoY Change (%)	Reason for Change
Interest Coverage Ratio (%)	2.31	4.20	(44.98)	Decrease in Utilisation of borrowing during the year and reduction in profit
Debt-Equity Ratio (%)	0.27	0.37	(27.34)	Due to decrease in borrowing during the year
Operating Profit Margin (%)	3.31	6.49	(49.04)	Due to Increase in prices of all input costs and reduction in sales realisation.
Net Profit Margin (%) or sector-specific equivalent ratios, as applicable	1.13	2.43	(53.35)	Due to increase in prices of all input costs as well as reduction in sales realisation.

DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF:

Return on Net Worth (%)	1.64	3.56	(54.00)	Due to reduction in profit during the year
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KEY FINANCIAL BULLETIN

MANAGEMENT OUTLOOK

Oriental Aromatics has established itself as a key player in the global market, renowned for its fully integrated manufacturing of Fragrance & Flavour and aroma chemicals. The Company's unflinching dedication to innovation has been pivotal in its success, enabling the creation of customised products that encapsulate the essence of its clients' brands and visions.

Focussed on nurturing enduring relationships with clients, Oriental Aromatics aims to continue delivering top-notch products that cater to evolving customer needs. The Company aspires to become a global leader in the specialty aroma chemicals sector, emphasising on high-value, low-volume products. To achieve this, the

Company is making substantial investments in R&D and highlighting backward and forward integration.

Central to its achievements are its adept and motivated top management team and dedicated employees. Oriental Aromatics' cutting-edge automated multi-purpose plants for specialty aroma chemicals bolster its standing as an industry frontrunner. Additionally, the Company is progressing towards expanding its global footprint and enhancing its industry position. To that end, it is exploring novel avenues to enrich its product range, streamline its processes, and develop innovative solutions. All of these efforts are underpinned by a commitment to sustainability and environmental compliance to reduce the environmental impact of its operations.

OPPORTUNITIES

Fragrance & Flavour significantly influence purchasing decisions across various FMCG categories, including home and personal care, and food & beverage, among others. India boasts an abundance of skilled labour, raw materials, and cost-effective production. This presents a substantial opportunity for the country to emerge as a global chemical hub. India's current per capita consumption of chemicals, despite being low compared to the global average, offers an attractive market. This is owing to its large population base, rising per capita income, and increasing demand from end-use industries.

The growing demand for personal care and home care products presents a significant growth avenue in the fragrance market. Additionally, digitalisation provides competitive advantages for chemical companies through improved operations management, innovation, and new digital business models. Chemical companies are increasingly implementing digitalisation initiatives and tools in their supply chains, demand planning, and pricing strategies.





THREATS

While significant opportunities abound, certain factors pose threats to growth. The potential obstacles to Oriental Aromatics' growth include ongoing conflicts, geopolitical tensions, escalating crude oil prices, domestic inflationary pressures, and disruptions in the global supply chain.

Despite these risks, the Company is well-positioned to capitalise on sector opportunities. Its successful forward integration has solidified its position in the Fragrance & Flavour market and the aroma chemicals space. The merger has not only enriched its product portfolio but also strengthened its marketing capabilities.

FINANCIAL PERFORMANCE

RISK MANAGEMENT

Risk Type	Brief	Measures
 <p>Macroeconomic Risk</p>	<p>Oriental Aromatics' operations are likely to be affected by the volatility and uncertainty in the macroeconomic environment. The unstable economic conditions may result from external factors like geopolitical tensions, rising crude oil prices, inflation, and supply chain disruptions.</p>	<ul style="list-style-type: none"> The Company's multiple sourcing models, wide geographical spread, and extensive sourcing and supply chain network ensure high-quality raw materials are sourced at competitive costs The demand for its products remain intact, with India's emergence as a global manufacturing hub expected to increase demand for consumer-segment industries
 <p>Competition Risk</p>	<p>Oriental Aromatics needs to introduce innovations continuously to stay ahead amid the intense competitive pressure due to the widespread applications and the high growth prospects of the industry.</p>	<ul style="list-style-type: none"> The Company's deep understanding of India's consumer preferences makes it a better alternative for most FMCG companies, providing a competitive edge It is prepared to enter larger markets by virtue of its value-added products
 <p>Raw Material Risk</p>	<p>Oriental Aromatics' faces the risk of increased operational costs and production delays due to fluctuations in raw material prices or supply chain disruptions.</p>	<ul style="list-style-type: none"> The Company maintains its competitive edge with its research-driven philosophy and a team of scientists focussed on new technologies and innovation Its integrated operations, ranging from product conceptualisation to manufacturing aroma ingredients and Fragrance & Flavour, provide better control across the value chain The Company quickly meets the needs of its clients at a low cost utilising the professional team's expertise
 <p>Forex Risk</p>	<p>Oriental Aromatics' cost of imports and profitability as a net importer may be affected due to sharp cross-currency fluctuations in the 35 countries where it operates.</p>	<ul style="list-style-type: none"> The Company's net-importer status and balanced foreign exchange earning & outgo minimise the net impact on financials, reducing its foreign exchange risks.

Please refer to the Board's Report in this Annual Report for further details.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

Oriental Aromatics has established a comprehensive internal control system that is tailored to its size and business operations. The system aims to ensure accurate, reliable, and timely financial reporting throughout the Company's operations. Simultaneously, the system also safeguards its assets and interests, adheres to applicable laws and regulations, and integrates risk management practices. The internal control framework includes well-documented policies, guidelines, and procedures for authorisation and approval. Periodical audits are conducted by both internal and external auditors to identify any deficiencies or areas for improvement. The Audit Committee of the Board of Directors reviews the audit plans, observations, and recommendations of the auditors to ensure that appropriate actions are taken in response to any risks to the business. This approach helps maintain the adequacy of internal controls without compromising their integrity.

HUMAN CAPITAL

Human capital is crucial to Oriental Aromatics' growth, and the Company strives to attract, retain, and recognise the right talent throughout its operations. To nurture its human capital, the Company provides a safe, collaborative, fair, and healthy work environment. Oriental Aromatics believes in hiring the right talent, effectively managing workforces, and encouraging fresh ideas. This approach helps motivate its employees and foster a culture of innovation.

Ethical Behaviour

Various programs and initiatives are undertaken to instill strong business ethics and social responsibility in employees at all levels. This helps build a culture of transparency, integrity, and accountability.

Inclusivity and Diversity

The Company values diversity and provides equal opportunities for all employees. It believes in creating an inclusive workplace where employees feel valued and respected, regardless of their gender, age, race, religion, or sexual orientation. Its philosophy of diversity celebrates common values that bring joy, happiness, energy, and enthusiasm to employees. Alongside, there is a focus on bridging differences by enhancing commonalities among the diverse workforce.

Employee Motivation

Oriental Aromatics also believes in motivating employees and supporting their career growth. It facilitates career

development and encourages employees at all levels to enhance their knowledge and skills. The Company provides various training programmes and initiatives to help employees upskill and improve their performance.

As of 31st March 2024, the total number of employees and workers on the payroll of the Company was 735. Industrial relations in the Company's manufacturing units remained cordial throughout the year. The Company recognises the importance of employee welfare and provides various benefits to ensure their well-being.

ENVIRONMENT, HEALTH, AND SAFETY

Oriental Aromatics strongly emphasises on environmental sustainability in its business operations. As part of this approach, the Company aims to conserve natural resources and protect the ecology by minimising pollution and water usage. It has effective waste management systems at all its facilities to ensure responsible waste handling in harmony with the surrounding ecosystem.

In the area of occupational health and management, Oriental Aromatics has obtained ISO 45001:2018 for Occupational Health and Safety Management System, ISO 14001:2015 for Environmental Management System, and ISO 9001:2015 for Quality Management System for all its plants.

Oriental Aromatics manages water usage during manufacturing and other plant activities through the reuse, recycling, and reduction policies to promote efficient usage of this precious resource. Additionally, the Company has installed pollution control facilities at both its plants in line with the guidelines of the pollution control authority and set norms. To ensure the safety of its workforce, the Company provides adequate safety equipment and conducts periodic training.

CAUTIONARY STATEMENT

The Management Discussion and Analysis section of this document contains forward-looking statements regarding the Company's future expectations and projects related to growth strategy, product development, market position, expenses, and financial results. These statements are based on certain assumptions and expectations, but the Company cannot guarantee their accuracy or realisation. Factors such as economic conditions, government regulations, tax laws, and incidental factors may impact the Company's operations. The Company takes caution to identify and mitigate any potential risks and uncertainties that could affect its performance.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 52nd Annual General Meeting of the members of Oriental Aromatics Limited will be held on Wednesday, 21st August 2024 at 11:00 a.m. IST through **Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”)** to transact the following business:

ORDINARY BUSINESS

1. Adoption of the Annual Audited Standalone and Consolidated Financial Statements and Reports thereon

To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) of the Company for the financial year ended 31st March, 2024, together with the reports of the Board of Directors and Auditors thereon.

*To consider and, if thought fit, to pass the following Resolutions as **Ordinary Resolutions**:*

“RESOLVED THAT the audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2024, together with the reports of the Board of Directors and the Statutory Auditor thereon, be and are hereby received, considered and adopted.”

“RESOLVED THAT the audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2024, together with the report of the Statutory Auditor thereon, be and are hereby received, considered and adopted.”

2. Declaration of Dividend

To declare final dividend on equity shares for the financial year ended 31st March, 2024 as recommended by the Board of Directors at its meeting held on 27th May, 2024.

*To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:*

“RESOLVED THAT as recommended by the Board of Directors a dividend at the rate of ₹ 0.5 /- (i.e 10 %) per equity share having a face value of ₹ 5/- of the Company for the financial year ended 31st March, 2024, be and is hereby declared and that the said dividend be paid out of the profits of the Company to the eligible Members.”

3. Appointment of a Director in place of one retiring by rotation

To appoint a Director in place of Mr. Satish Kumar Ray (DIN: 07904910) who retires by rotation and being eligible, offers himself for re-appointment.

*To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:*

“RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof, for the time being in force), Mr. Satish Kumar Ray (DIN: 07904910), who retires as a Director by rotation and, being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company.”

SPECIAL BUSINESS

4. Ratification of remuneration of Cost Auditor

*To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:*

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹ 1,45,000/- (Rupees One lakh forty-five thousand only) per annum, plus applicable taxes and re-imbursalment of out of pocket expenses incurred in connection with the Audit, as approved by the Board of Directors based on recommendation of Audit Committee of the Company, to be paid to M/s V. J. Talati & Co.(Firm Registration No. R00213), Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of cost records of the Company for the financial year ending 31st March, 2025, be and is hereby ratified and confirmed.”

5. Appointment of Mr. Cyrus J. Mody (DIN: 07380723), as an Independent Director of the Company

*To consider and if thought fit, to pass the following resolution as a **Special Resolution**:*

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 (“Act”) if any, read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”) (including any statutory modification or re-enactment thereof for the time being in force), the Articles of Association of the Company, approvals and recommendation of the Nomination and Remuneration Committee and that of the Board of Directors, Mr. Cyrus J. Mody (DIN: 07380723), who was appointed as an Additional Director in the capacity of an Independent Director with effect from 27th May, 2024 and who meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of Listing Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act, be and is hereby appointed as an Independent Director of the Company for a period of five years from 27th May, 2024 till 26th May, 2029 (both days inclusive) and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to or any other Officer(s) / Authorized Representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. Appointment of Mr. Deepak Ramachandra (DIN: 10633078), as an Independent Director of the Company

*To consider and if thought fit, to pass the following resolution as a **Special Resolution**:*

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 (“Act”) if any, read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”) (including any statutory modification or re-enactment thereof for the time being in force), the Articles of Association of the Company, approvals and recommendation of the Nomination and Remuneration Committee and that of the Board of Directors, Mr. Deepak Ramachandra (DIN: 10633078), who was appointed as an Additional Director in the capacity of an Independent Director with effect from 27th May, 2024 and who meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of Listing Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act, be and is hereby appointed as an Independent Director of the Company for a period of five years from 27th May, 2024 till 26th May, 2029 (both days inclusive) and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to or any other Officer(s) / Authorized Representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. Making investments, giving loans, guarantees and securities in excess of limits specified under section 186 of the Companies Act, 2013

*To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:*

“RESOLVED THAT in supersession of all the previous resolutions passed by the shareholders, defining the limits of the investments, outstanding loans given or to be given and guarantees and security provided and pursuant to Section 186 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and subject to such approvals as may be necessary; the consent of Company be and is hereby accorded to the Board of Directors of the Company (including any Committee which the Board may have constituted or hereinafter constituted to exercise the power conferred by this Resolution) to (a) give any loan to any person or other body corporate; (b) give any guarantee or

provide security in connection with a loan to any other body corporate or person; and (c) make investment and acquire by way of subscription, purchase or otherwise the securities of any other body corporate, from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding of ₹ 1,000 crores (Rupees One thousand crores only), outstanding at any time, notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board or a duly constituted Committee thereof be and is hereby authorized to take from time to time all decisions and steps in respect of the above loans, guarantees, securities and investment including the timing, amount and other terms and conditions of such loans, guarantees, securities and investment and to execute all deeds, documents and other writings and to do all such acts, deeds, matters and things, as may be necessary and expedient for implementing and giving effect to this resolution.”

8. Alteration of the Objects Clause of the Memorandum of Association of the Company

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 13 and other applicable provisions, if any, of Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force), and the rules framed there under, consent of the members be and is hereby accorded, for alteration in Clause III(B) “Objects incidental or Ancillary to the Attainment of the main objects” of the Memorandum of Association of the Company by adding the following new sub clause 13a after the existing sub clause 13:

13a “To give any guarantee or provide any security in connection with a loan to any other body corporate or person”

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of directors of the Company be and is hereby authorised, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable to give effect to this resolution.”

**By Order of the Board of Directors
For Oriental Aromatics Limited**

**Kiranpreet Gill
Company Secretary**

Place: Mumbai,

Date: 27th May, 2024

Registered Office:

133, Jehangir Building

2nd Floor, Mahatma Gandhi Road, Mumbai- 400001.

CIN: L17299MH1972PLC285731

[E-mail: investors@orientalaromatics.com](mailto:investors@orientalaromatics.com)

NOTES:

- Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021 Circular No. 10/2022 dated December 28, 2022 and Circular No. 09/2023 dated September 25, 2023 (collectively referred to as ‘MCA Circulars’) and Securities and Exchange Board of India (“SEBI”) Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 (collectively referred to as ‘SEBI Circulars’) and all other relevant circulars issued from time to time, physical attendance of the members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). The registered office of the Company shall be deemed to be the venue for the AGM. Hence, members can attend and participate in the ensuing AGM through VC/OAVM. The video recording and transcript of the same shall be made available on the website of the Company. National Securities Depository Limited (“NSDL”) will be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained at Note No 16 below.
- Pursuant to the provisions of the act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this notice.
- The members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and cast their votes through e-voting. Institutional/Corporate Shareholders (i.e. other than HUF, NRI etc) intending to attend the meetings through their authorized representatives are requested to send a scanned copy (PDF/JPG Format) of certified true copy of the Board Resolution to the Company authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote through e-voting, to the Scrutinizer through e-mail at shreyanscs@gmail.com with a copy marked to evoting@nsdl.co.in and to the Company at investors@orientalaromatics.com
- In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM
- The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto. Statement giving details of the Directors seeking appointment/ re-appointment is also annexed with this Notice pursuant to the requirement of Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India.

7. Process for dispatch of Annual Report

The electronic copies of the Notice of the 52nd AGM and the Annual Report for the financial year 2023-2024 will be sent by email to all those Members, whose email addresses are registered with the Company/Link Intime India Private Limited (“RTA”)/ National Securities Depository Limited (“NSDL”) or Central Depository Services (India) Limited (“CDSL”) (NSDL and CDSL collectively referred to as “Depositories”). In accordance with the aforesaid MCA Circulars and SEBI Circulars, physical copies of Annual Report will be sent to those shareholders who request for the same. The Notice of the 52nd AGM and the Annual Report will also be available on the website of the Company i.e. www.orientalaromatics.com and also on the website of the Stock Exchanges i.e BSE Limited i.e. www.bseindia.com and National Stock Exchange of India Limited i.e. www.nseindia.com and on the website of NSDL at www.evoting.nsdl.com.

8. Process for registration of email addresses for obtaining Notice of the AGM along with the Annual Report for the financial year 2023-24:

Members who have not yet registered their email addresses with the Company are requested to follow the process mentioned below, before 05:00 pm (IST) on Tuesday, 06th August, 2024, for registering their e-mail addresses to receive the Notice of AGM and Annual Report electronically

i. For Registration of E-mail id's for Demat shareholders:

Members of the Company holding Equity Shares of the Company in Demat Form can register their e-mail addresses with their respective Depository Participants (DPs) or with Link Intime India Pvt Ltd (RTA) by clicking the link: https://liiplweb.linkintime.co.in/EmailReg/Email_Register.html on their web site www.linkintime.co.in at the Investor Services tab by choosing the E-mail Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail id. In case of any query, a member may send an e-mail to RTA at rnt.helpdesk@linkintime.co.in.

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

ii. Registration of email id for shareholders holding physical shares:

Members holding shares in physical form can register their E-mail ids with Link Intime India Pvt Ltd (RTA) by clicking the link: https://liiplweb.linkintime.co.in/EmailReg/Email_Register.html in their website www.linkintime.co.in at the Investor Services tab by choosing the E mail / Bank Registration heading and follow the registration process as guided therein. Alternatively, members can update the same by submitting a duly filled and signed Form ISR-1 along with self-attested copy of the PAN Card, and self-attested copy of any document (eg.: Aadhaar Card, Driving License, Voter Identity Card, Passport) in support of the address of the Member, to Link Intime India Pvt. Ltd, at C-101, Embassy 247, L.B.S.Marg, Vikhroli (West), Mumbai - 400083. In case of any query, a member may send an e-mail to RTA at rnt.helpdesk@linkintime.co.in

9. Book Closure and Dividend:

Members may note that the Board of Directors at its meeting held on 27th May, 2024, has recommended a dividend of Rs. 0.50/- per equity share (10%) of Rs. 5/- each. The dividend, if declared at the AGM, will be paid, subject to deduction of tax at source (TDS), on or after Monday, 26th August, 2024 to the members whose names appear in the Register of Members as on Tuesday, 6th August, 2024, the cut-off date, i.e. one day prior to the commencement of Book Closure dates. The Register of Members and the Share Transfer Books of the Company will be closed from Wednesday, 7th August, 2024 to Wednesday, 21st August, 2024 (both days inclusive) In case of any queries, you are requested to write to our RTA at rnt.helpdesk@linkintime.co.in or at investors email id i.e. investors@orientalaromatics.com.

10. TDS on dividend:

Dividend income is taxable in the hands of the Members and the Company is required to deduct tax at source (TDS) from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 (the 'IT Act'). In general, to enable compliance with the TDS requirements, Members are requested to complete and / or update their Residential Status, PAN and Category as per the IT Act with their DPs or in case shares are held in physical form with the Company / Registrar by submitting required documents on or before Tuesday, 6th August, 2024 via e-mail to the Company/Registrar at email ID: Oaldivtax@linkintime.co.in or update the same by visiting the link <https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html>.

A communication providing information and detailed instructions with respect to tax on the dividend was sent separately to the Members whose email addresses were registered with the Company/DPs on Wednesday, 03rd July, 2024 informing the relevant procedure to be adopted by them/documents to be submitted for availing the applicable tax rate. The said communication and draft of the exemption forms and other documents are available on the Company's website at www.orientalaromatics.com

11. Manner of registering KYC including updation of bank details for receiving Dividend:

- SEBI, vide its Circular dated 3rd November, 2021, read with subsequent circulars issued in this regard, has mandated registration of PAN, KYC details and Nomination, by holders of physical securities. As per the said mandate, Members, holding securities in physical form, whose folio(s) are not updated with any of the KYC details viz., (i) PAN; (ii) Choice of Nomination; (iii) Contact Details; (iv) Mobile Number; (v) Bank Account Details and (vi) Signature shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from 1st April, 2024. Therefore, members are requested to update the necessary KYC details at the earliest failing which the dividend will be withheld till the KYC details are updated.
- Members holding shares in physical form are requested to submit their PAN, KYC and Nomination details by sending a duly filled and signed Form ISR-1, ISR-2, ISR-3 or SH-13, as applicable, to Link Intime India Pvt. Ltd, at C-101, Embassy 247, L.B.S.Marg, Vikhroli (West), Mumbai - 400083.
- Members holding shares in dematerialised mode are requested to update their complete bank details with their DPs to avoid delay in receiving the dividend.

12. Investor Education and Protection Fund (“IEPF”) related information:

The MCA had notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these rules, members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (“IEPF”).

In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back by them. Concerned members/investors are advised to visit the web link: <https://www.iepf.gov.in/IEPF/refund.html> or contact RTA for lodging claim for refund of shares and/or dividend from the IEPF Authority.

The details of the unclaimed dividends are also available on the Company's website at <http://www.orientalaromatics.com/unclaimed-dividend.php> and the said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link www.iepf.gov.in. For details, please refer to corporate governance report which is a part of this Annual Report.

13. Issue of securities in dematerialised form:

SEBI has amended Regulation 40 of SEBI Listing Regulations, pursuant to which securities can be transferred only in dematerialized form. Transfer of securities in demat form will facilitate convenience and ensure safety of transactions for investors. Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risk associated with physical shares.

14. Documents open for inspection:

The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection during the meeting in electronic mode and the same may be accessed upon during the AGM on the website of the Company i.e www.orientalaromatics.com under the head Investor Relations-Inspection Documents.

15. General Information for Members:

We urge Members to support our commitment to environmental protection by choosing to receive the Company's communication through e-mail. Members holding shares in dematerialised form, who have not registered their e-mail addresses are requested to register their e-mail addresses with their respective Depository Participants and Members holding shares in physical form are requested to update their e-mail addresses with our RTA, Link Intime India Private Limited at rnt.helpdesk@linkintime.co.in for receiving all communication, including Annual Report, Notices, Circulars, etc. from the Company electronically. Members may follow the process detailed below for registration of their details:

Type of Holder	Process to be followed	
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, Link Intime India Private Limited at C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083. In case of any query, a member may send an e-mail to RTA at rnt.helpdesk@linkintime.co.in .	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	For nomination as provided in Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014	Form SH-13
	Declaration to opt out	Form ISR-3
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of nominee	Form SH-14
Demat	SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests i.e. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; subdivision/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition.	Form ISR-4
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP.	

To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic Statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

16. Remote e-Voting before / during the AGM:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), ("SEBI Listing Regulations") read with MCA Circulars, the Company is providing facility of remote e-Voting to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting during the AGM will be provided by NSDL. Resolution(s) passed by Members through e-Voting is/are deemed to have been passed as if they have been passed at the AGM.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Saturday, 17th August, 2024 at 09:00 A.M. and ends on Tuesday, 20th August, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 14th August, 2024 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, 14th August, 2024.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system:

A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

Type of shareholders	Login Method
	<p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> 
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to shreyanscs@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "**Forgot User Details/Password?**" or "**Physical User Reset Password?**" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Mr. Sagar S. Gudhate. at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@orientalaromatics.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@orientalaromatics.com.
3. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
4. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
5. In terms of SEBI circular dated December 9th, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investors@orientalaromatics.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investors@orientalaromatics.com. These queries will be replied by the company suitably by email. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
6. CS Shreyans Jain, Company Secretary in Practice has been appointed as the scrutinizer to scrutinize the voting process (both Remote e-voting and voting process at AGM) in fair and transparent manner
7. The Scrutinizer shall immediately, after the conclusion of voting at AGM, will first count the votes cast at the AGM, thereafter unblock the votes cast through Remote e-voting in the presence of atleast two witnesses not in the employment of the Company. The Scrutinizer will submit his report to the Chairman of the Company ("the Chairman") or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM.
8. The results declared along with the consolidated Scrutiniser's Report shall be placed on the website of the Company i.e www.orientalaromatics.com and of NSDL i.e www.evoting.nsdl.com after the declaration of results. The results shall also be simultaneously communicated to the stock Exchanges.
9. Subject to receipt of the requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the meeting i.e 21st August, 2024

**By order of the Board of Directors
For Oriental Aromatics Limited**

**Kiranpreet Gill
Company Secretary**

Place: Mumbai

Date: 27th May, 2024

Registered Office:

133, Jehangir Building

2nd Floor, Mahatma Gandhi Road,

Mumbai- 400001.

CIN: L17299MH1972PLC285731

E-mail: investors@orientalaromatics.com

Annexure forming part of the notice

(Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013)

This Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

Item No. 4:

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s V. J. Talati & Co., (Firm Registration No. R00213) Cost Accountants for the conduct of the audit of cost records made and maintained by the company, at the remuneration of ₹ 1,45,000/- (Rupee One Lakh Forty-Five Thousand only) per annum plus all applicable taxes & re-imbursment of out-of-pocket expenses for the financial year ending 31st March, 2025. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be approved by the Members of the Company. Accordingly, consent of the Members is sought for the remuneration payable to the Cost Auditors.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise in the resolution set out at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval and ratification by the members.

Item No.5:

Pursuant to Section 161 of the Companies Act, 2013, the Board at its meeting held on 27th May, 2024, appointed Mr. Cyrus J. Mody as an Additional Director in the capacity of Independent Director of the Company till 52nd AGM. The Board further recommended his appointment, for a term of five (5) years with effect from 27th May, 2024 till 26th May, 2029 (both days inclusive), to the shareholders through special resolution.

The Company has received:

- (i) Consent in writing from Mr. Cyrus J. Mody to act as Director in Form DIR 2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ('Appointment Rules');
- (ii) Intimation in Form DIR 8 in terms of the Appointment Rules from Mr. Cyrus J. Mody to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act;
- (iii) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under Listing Regulations;
- (iv) A declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/2018/24 dated June 20, 2018 that he has not been debarred from holding office of a Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority;
- (v) A notice in writing by a member proposing his candidature under Section 160(1) of the Act.

Mr. Cyrus holds Bachelor's degree in Economics and Strategy from Bucknell University. After gaining experience in various roles, which included legal, investment, strategy and town planning, and following a two year stint with the Boston Consulting Group, Mr. Cyrus joined his family real estate business in 2006. In 2017, Mr. Cyrus founded Viceroy Properties LLP, a prominent real estate development firm.

Prior to founding Viceroy Properties, he served as the Chief Operating Officer at BREDCO, spearheading the development of iconic landmarks in South Mumbai. His journey into the real estate sector was preceded by analytical roles at both The Boston Consulting Group and UC (Universal Consulting India Pvt Ltd), showcasing his analytical acumen and strategic mindset.

For appointment of Mr. Cyrus, the Nomination and Remuneration Committee (“NRC”) took into consideration his rich experience in financial analysis, project conceptualisation, liaison, project execution, sales & marketing, strategic planning and management of overall business operations. Further NRC on the basis of the desired attributes for the selection of the Independent Director(s), recommended the candidature of Mr. Cyrus.

The Board noted that Mr. Cyrus’s skills, background and experience are aligned to the role and capabilities identified by the NRC and Mr. Cyrus is eligible for appointment as an Independent Director. The Board was satisfied that the appointment of Mr. Cyrus is justified due to the expertise mentioned above.

He currently holds directorship in two companies:-

- a) Roentgen Properties Private Limited
- b) Skanan Hardware Private Limited

He is also a designated partner in various LLPs

Mr. Cyrus has confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs. Further he has confirmed that, he had not been a partner of a firm that had transactions during last three financial years with Oriental Aromatics Limited or its subsidiaries amounting to ten percent or more of its gross turnover.

He shall be entitled for payment of sitting fees for attending the meetings of the Board or committee thereof either personally or through Video conference or other audio visual means, as may be decided by the Board of Directors. The sittings fees payable shall be within the limits mandated under the Companies Act, 2013 and Rules made thereunder (as amended from time to time).

Further, Mr. Cyrus has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company.

In the opinion of the Board, Mr. Cyrus fulfils the conditions for independence specified in the Act, the Rules made thereunder and the Listing Regulations and such other laws / regulations for the time being in force, to the extent applicable to the Company.

All the material documents referred to in the Notice and Explanatory Statement are available for inspection without any fee by the members as mentioned in point no. 14 of notes to the notice of AGM.

The profile and specific areas of expertise and other relevant information as required under Listing Regulations and SS-2 are provided as annexure.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of the Listing Regulations, the approval of the Members is sought for the appointment of Mr. Cyrus J. Mody as an Independent Director of the Company, through a special resolution as set out above.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives except Mr. Cyrus to whom the resolution relates are concerned or interested financially or otherwise in the resolution set out at Item No. 5 of the Notice.

The Board recommends the special resolution set out at Item No. 5 of the Notice for the approval of Members.

Item No.6:

Pursuant to Section 161 of the Companies Act, 2013, the Board at its meeting held on 27th May, 2024, appointed Mr. Deepak Ramchandra as an Additional Director in the capacity of Independent Director of the Company till 52nd AGM. The Board further recommended his appointment, for a term of five (5) years from 27th May, 2024 till 26th May, 2029 (both days inclusive), to the shareholders through special resolution.

The Company has received:

- (i) Consent in writing from Mr. Deepak Ramchandra to act as Director in Form DIR 2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 (‘Appointment Rules’);
- (ii) Intimation in Form DIR 8 in terms of the Appointment Rules from Mr. Deepak Ramchandra to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act;
- (iii) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under Listing Regulations;
- (iv) A declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/2018/24 dated June 20, 2018 that he has not been debarred from holding office of a Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority;
- (v) A notice in writing by a member proposing his candidature under Section 160(1) of the Act.

Mr. Deepak holds a MBA degree from London Business School and BA Economics from St Xavier’s College Mumbai. Mr. Deepak’s career started at Citigroup India, followed by a key role at Sharekhan, where he led business development and distribution. He then joined Credit Suisse, where he worked from 2005 to 2014, eventually becoming the Head of Emerging Markets for Europe, the Middle East, and Africa, managing teams in multiple countries.

Mr. Deepak is an experienced finance professional who most recently worked as the Managing Director and Head of Equities at Axis Capital. From June 2020 to November 2023, he led the improvement and growth of their institutional equities business. Before this, he was the Co-Head of Equities at Bank of America Merrill Lynch India, overseeing their India equities division from August 2016. Mr. Deepak also worked in London, managing sales and trading teams for Merrill Lynch and serving clients across Europe from 2014 to 2016.

For appointment of Mr. Deepak, the Nomination and Remuneration Committee (“NRC”) took into consideration his rich experience in financial analysis, improvement and growth of equities division, effective liaison, managing sales and trading teams and leading business development and distribution. Further NRC on the basis of the desired attributes for the selection of the Independent Director(s), recommended the candidature of Mr. Deepak.

The Board noted that Mr. Deepak’s skills, background and experience are aligned to the role and capabilities identified by the NRC and Mr. Deepak is eligible for appointment as an Independent Director. The Board was satisfied that the appointment of Mr. Deepak is justified due to the expertise mentioned above.

Mr. Deepak has confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs. Further he has confirmed that, he had not been a partner of a firm that had transactions during last three financial years with Oriental Aromatics Limited or its subsidiaries amounting to ten percent or more of its gross turnover.

He shall be entitled for payment of sitting fees for attending the meetings of the Board or committee thereof either personally or through Video conference or other audio visual means, as may be decided by the Board of Directors. The sittings fees payable shall be within the limits mandated under the Companies Act, 2013 and Rules made thereunder (as amended from time to time).

Further, Mr. Deepak has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company.

In the opinion of the Board, Mr. Deepak fulfils the conditions for independence specified in the Act, the Rules made thereunder and the Listing Regulations and such other laws / regulations for the time being in force, to the extent applicable to the Company.

All the material documents referred to in the Notice and Explanatory Statement are available for inspection without any fee by the members as mentioned in point no. 14 of notes to the notice of AGM.

The profile and specific areas of expertise and other relevant information as required under Listing Regulations and SS-2 are provided as annexure.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of the Listing Regulations, the approval of the Members is sought for the appointment of Mr. Deepak as an Independent Director of the Company, as a special resolution as set out above.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives except Mr. Deepak to whom the resolution relates are concerned or interested financially or otherwise in the resolution set out at Item No. 6 of the Notice.

The Board recommends the special resolution set out at Item No. 6 of the Notice for the approval of Members.

Item No. 7:

In terms of the provisions of Section 186 of the Companies Act, 2013 and rules made thereunder, no Company shall directly or indirectly, without prior approval by means of special resolution passed at a general meeting, give any loan to any person or other body corporate or give guarantee or provide security in connection with a loan to any other body corporate or person and acquire by way of subscription, purchase or otherwise the securities of any other body corporate, exceeding 60 percent of its paid up capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more.

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company may make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate as and when required.

The shareholders in their meetings held on 28th December, 1989 and 23rd September, 2016 had defined the limits of corporate guarantee as ₹ 6 crores pursuant to the provisions of Sec 370 of the Companies Act 1956 and Investments as ₹ 200 crores pursuant to the provisions of Section 186 of the Companies Act, 2013. In view of the exemptions granted to the wholly owned subsidiary under the aforementioned provisions, the aforesaid limits were/are not applicable to the Corporate guarantee which was/ may be issued by the Company in favour of bank(s) in respect of loan made/to be made to its wholly owned subsidiary or with respect to the investments made/to be made in the wholly owned subsidiary Company.

Based on the financials as on 31st March 2024, 60 % of the paid up capital plus free reserves including securities premium is ₹ 379.04 crores and 100% of free reserves including securities premium is ₹ 614.19 crores. Therefore any investments in securities in excess of ₹ 614.19 crores would require approval by way of special resolution of the members in the general meeting.

It is proposed to revise the limits and take approval for the consolidated limit (make investment or to give loan/ guarantee/security) to ₹ 1,000 crores (Rupees One thousand crores only). Hence, consent of the Members is being sought by way of a special resolution to make investment or to give loan/guarantee or provide security to

other body corporate upto ₹ 1000 crores (Rupees One thousand crores only), in excess of limits specified under Section 186 of the Companies Act, 2013, as set out at item No. 7 of this Notice.

This limit shall supersede all the previous limits approved by the shareholders with respect to the Corporate Guarantees, investments, outstanding loans and guarantees and securities provided, taken together.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No.7 in the notice.

The Board recommends the special resolution set out at Item No. 7 of the Notice for the approval of Members.

Item No. 8:

Clause III B of the Object clause "Objects incidental or Ancillary to the attainment of the main object" of the Memorandum of Association of the Company include sub clauses 13 and 14 with respect to granting of loans and making investments respectively however it does not include the sub clause with respect to granting of guarantee. Thus in order to remove ambiguity and to bring more clarity pursuant to the provisions of the Companies Act, 2013, it is proposed to amend the Objects incidental or Ancillary to the attainment of the main object to include "grant of any guarantee or provide any security in connection with a loan to any other body corporate or person".

In view of the same, pursuant to the provisions of Section 13 and other applicable provisions, if any, of Companies Act, 2013, it is proposed to append following sub clause 13a after sub clause 13 of clause III B of the Memorandum of Association of Company:

13a "To give any guarantee or provide any security in connection with a loan to any other body corporate or person"

None of the Directors and / or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the notice.

The Board recommends the special resolution set out at Item No. 8 of the Notice for the approval of Members.

**By Order of the Board of Directors
For Oriental Aromatics Limited**

**Kiranpreet Gill
Company Secretary**

Place: Mumbai,

Date: 27th May, 2024

Registered Office:

133, Jehangir Building

2nd Floor, Mahatma Gandhi Road, Mumbai- 400001.

CIN: L17299MH1972PLC285731

[E-mail: investors@orientalaromatics.com](mailto:investors@orientalaromatics.com)

Additional information on director recommended for appointment/ re-appointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 on General Meetings.

Name of the Director	Mr. Cyrus J. Mody	Mr. Deepak Ramachandra	Mr. Satish Kumar Ray
DIN	07380723	10633078	07904910
Date of Birth & Age	14 th November, 1980, 43 years	28 th August, 1973, 50 years	22 nd February, 1971, 53 years
Date of 1 st Appointment on the Board	27 th May, 2024	27 th May, 2024	16 th August, 2017
Qualification	Bachelor's degree in Economics and Strategy from Bucknell University	MBA from London Business School and a BA Economics from St Xavier's College Mumbai.	B.A. (Economics Hons.), Diploma in Computer Application & Master of Business Administration.
Brief Resume/ Nature of expertise in specific functional areas	Mr. Cyrus started his career as an Analyst at UC (Universal Consulting India Pvt. Ltd.) in 2004, and the Boston Consulting Group from 2005 to 2007, showcasing his analytical acumen and strategic mindset. After gaining experience in various roles, which included legal, investment, strategy and town planning, and following a two year stint with the Boston Consulting Group, Mr. Cyrus decided to transition to the real estate industry in India. He served as the Chief Operating Officer at BREDCO for a period of 10 years, spearheading the development of iconic landmarks in South Mumbai. He then Founded Viceroy Properties LLP in 2016, a leading real estate development firm focused on quality projects in and around the Mumbai Metropolitan Region. He is currently serving as the Managing Partner of the firm. His core competencies include land acquisition, financial analysis, project conceptualization, liaison, project execution, sales & marketing, strategic planning and management of overall business operations.	Mr. Deepak had started his career at Citigroup India, followed by playing a key role at Sharekhan, where he led business development and distribution. He then joined Credit Suisse, where he worked from 2005 to 2014, eventually becoming the Head of Emerging Markets for Europe, the Middle East, and Africa, managing teams in multiple countries. Mr. Deepak also worked in London, managing sales and trading teams for Merrill Lynch and serving clients across Europe from 2014 to 2016. He most recently worked as the Managing Director and Head of Equities at Axis Capital. Before this, he was the Co-Head of Equities at Bank of America Merrill Lynch India, overseeing their India equities division from August 2016. His core competencies include financial analysis, Equity Research, Investment Banking, business development, strategic planning and management of overall business operations	Mr. Satish Kumar Ray is serving as an Executive Director-Operations since August, 2017. He is also serving as the Occupier of the factories located in Bareilly and Vadodara, as well as the R&D lab in Chandivali, ensuring that the plant and systems of work in the factory are safe and without risk to health of the workers. Having close to three decades of rich experience in factory operations, human resource management, and other fields such as policy formulation and planning, he brings a wealth of knowledge and expertise to his role. In addition to the competencies and expertise stated above he has expertise in Executive Tasks related to HR, Commercial, Purchase, Sales, Supply Chain, Indirect Taxation, Custom, DGFT, GST, Insurance and claim management, etc.
Terms and Conditions of appointment	As per the resolution of this Notice read with the explanatory statement thereto	As per the resolution of this Notice read with the explanatory statement thereto	As per Agreement
Directorships held in other listed Companies	Nil	Nil	Nil

Name of the Director	Mr. Cyrus J. Mody	Mr. Deepak Ramachandra	Mr. Satish Kumar Ray
Memberships/ Chairmanships of Committees in other Listed Companies (includes only Audit Committee and Stakeholders Relationship Committee)	Nil	Nil	Nil
Inter-se relationship with other Directors and Key Managerial Personnel	None	None	None
Last remuneration and Remuneration proposed to be paid	Sitting fees for attending the meetings of the Board or committee thereof	Sitting fees for attending the meetings of the Board or committee thereof	Remuneration last drawn is furnished in the Corporate Governance Report of the Company, which forms an integral part of this Annual Report.
Number of Board meetings attended	It is proposed to appoint Mr. Cyrus J. Mody as an Independent Director for his first term of five years on the Board w.e.f. 27 th May, 2024 and hence, these details are not applicable.	It is proposed to appoint Mr. Deepak Ramachandra as an Independent Director for his first term of five years on the Board w.e.f. 27 th May, 2024 and hence, these details are not applicable.	03
Number of shares held in the Company as on date	Nil	Nil	Nil
Listed Entities from which the director has resigned as Director in past 3 years	Nil	Nil	Nil
Skills and capabilities required for the role and the manner in which director meets such requirements	Please refer to the explanatory statement	Please refer to the explanatory statement	Please refer to the details of skills/ expertise/competence of the Board of Directors as provided in the Corporate Governance Report

**By Order of the Board of Directors
For Oriental Aromatics Limited**

**Place: Mumbai,
Date: 27th May, 2024**

**Kiranpreet Gill
Company Secretary**

Registered Office:
133, Jehangir Building, 2nd Floor,
Mahatma Gandhi Road,
Mumbai- 400001.
CIN: L17299MH1972PLC285731
[E-mail: investors@orientalaromatics.com](mailto:investors@orientalaromatics.com)

BOARD'S REPORT

To the Members,

The Board of Directors is pleased to present the 52nd Annual Report of the Company along with the Audited Financial Statements (Standalone and Consolidated) for the financial year ended 31st March, 2024 ("FY 23-24") and the report of the Auditors thereon.

1. FINANCIAL HIGHLIGHTS:

The financial performance of the Company for the year ended 31st March, 2024 on a Standalone and Consolidated basis, is summarized below:

(₹ in Lakh)

Particulars	Standalone		Consolidated	
	2023-2024	2022-2023	2023-2024	2022-2023
Revenue from Operation	83,640.47	84,907.26	83,640.47	84,907.26
Other Income	732.56	576.88	728.05	572.81
Profit before exceptional items, depreciation and finance costs	5,466.40	6,091.35	5,421.72	5,994.15
Less : Depreciation and amortization expense	1,967.48	1,932.81	1,979.44	1,942.80
Profit before finance costs	3,498.92	4,158.54	3,442.28	4,051.35
Less: Finance costs	2,048.59	1,313.10	2,036.81	1,303.10
Profit before exceptional items and tax expenses	1,450.33	2,845.44	1,405.47	2,748.25
Less: Exceptional Items	-	-	-	-
Profit before tax	1,450.33	2,845.44	1,405.47	2,748.25
Less: Tax expense	502.15	782.97	495.05	773.96
Profit for the year	948.18	2,062.47	910.42	1,974.29
Attributable to :				
Equity shareholders of the Company	948.18	2,062.47	910.42	1,974.29
Other comprehensive income ('OCI') Income/(Loss)	(9.88)	(6.11)	(5.84)	(6.11)
Total comprehensive income	938.30	2,056.36	904.58	1,968.18
Balance in retained earnings at the beginning of the year	56,680.44	54,617.97	56,504.96	54,530.67
Add: Profit for the year (attributable to equity shareholders of the Company)	948.18	2,062.47	910.42	1,974.29
Less: Transfer to Items other comprehensive income	-	-	-	-
Less: Dividends including tax on dividend	168.27	-	168.27	-
Balance in retained earnings at the end of the year	57,460.35	56,680.44	57,247.11	56,504.96

2. OPERATIONAL PERFORMANCE/STATE OF COMPANY'S AFFAIRS:

a. Standalone Performance:

During the year under review, the revenue from operations of the Company stood at ₹83,640 lakh as against ₹ 84,907 lakh for the previous year, showing a decrease of 1.49 %.

The Company earned a Profit after tax of ₹ 948 lakh as against ₹ 2,062 lakh for the previous year, thereby registering a decline of 54.03%.

Due to decrease in the profit, the Earning per share (EPS) decreased from ₹ 6.13 in the previous year to ₹ 2.82 in the year under review.

The net worth of the Company increased to ₹ 58,676 Lakh at the end of the FY 2023-24 from ₹ 57,906 lakh at the end of FY 2022-23, thereby registering a growth of 1.33 %.

b. Consolidated Performance:

The consolidated total sales of the Company for the FY 2023-24, stood at ₹ 83,640 lakh as against ₹ 84,907 lakh for the previous year, showing a decrease of 1.49 %.

The Company earned a Consolidated Profit after tax of ₹ 910 lakh as against ₹ 1,974 lakh for the previous year, thereby registering a decline of 53.90%.

As a result of decrease in the consolidated profit, the Earning per share (EPS) also decreased from ₹ 5.87 in the previous year to ₹ 2.71 in the year under review.

The Consolidated net worth of the Company increased to ₹ 58,470 lakh at the end of the FY 2023-24 from ₹ 57,729 lakh at the end of FY 2022-23, thereby registering a growth of 1.28%.

The operational performance for the FY 2023-24 stood as below:

The Company experienced a decline in consolidated turnover in FY 2023-24 primarily due to an unusual drop in raw material prices, especially within the chemical sector, which led to a reduction in selling prices. Additionally, the imbalance between supply and demand exerted significant pressure on product pricing. The consolidated Profit after Tax for the Company stood at ₹ 910 lakh, registering a decrease of 53.90% from ₹ 1,974 lakh in the previous year. This decline was caused due to increased utility costs, higher utilization of working capital borrowing and an overall rise in manufacturing and finance costs.

The industry has seen substantial changes in its competitive landscape, with an influx of new players and expanded capacities leading to a softer demand environment. This has exerted pressure on selling prices due to an oversupply of products such as camphor, terpene chemicals, and specialty aroma ingredients. Looking ahead, it is expected that demand will remain soft in the coming quarters until the industry reaches a certain level of stabilization. Once this stability is achieved, the company plans to leverage the improved conditions. Meanwhile, demand is gradually recovering, leading to rising prices and ensuring the restoration of healthy profitability in specialty chemicals.

Oriental Aromatics remains committed to its philosophy of pursuing profitable growth. Our diversified and risk-mitigated range of products has enabled us to maintain nearly identical annual sales compared to the previous year. The company is dedicated to employing various strategies to achieve this goal, including efficient raw material procurement, reducing conversion costs, and continuous process reengineering. By continuously seeking opportunities for improvement and adaptation, we aim to sustain profitability within the market's dynamics.

3. DIVIDEND:

The Board of Directors has recommended a final dividend of ₹ 0.50/- per share (10%) of face value of ₹ 5/- each for FY 2023-24, for approval of the members at the ensuing 52nd Annual General Meeting. The dividend payout is in accordance with the Company's Dividend Distribution Policy. If approved, the dividend would be paid to the members whose name appear in the Register of Members as on Tuesday, 6th August, 2024. The total cash outflow would be ₹ 168.27 Lakh.

In terms of provisions of the Income Tax Act, 1961, dividends paid or distributed by the Company shall be taxable in the hands of the shareholders. Accordingly, the Company makes the payment of the proposed dividend after deduction of tax at source.

4. TRANSFER TO RESERVES:

The Company does not propose to transfer any amount (previous year NIL) to the reserves from surplus. An amount of ₹ 57,460.35 lakh (previous year ₹ 56,680.44 lakh) is proposed to be held as Retained Earnings.

5. SHARE CAPITAL:

a. Authorized Capital

The authorized share capital of the Company as on 31st March, 2024 stood at ₹ 35,00,00,000/- (Rupees Thirty-Five Crore only) comprising of 7,00,00,000 Equity shares of ₹ 5/- each.

b. Paid-Up Capital

The paid-up capital of the Company as on 31st March, 2024 stood at ₹ 16,82,67,880/- (Rupees Sixteen crore eighty-two lakh sixty-seven thousand eight hundred and eighty only) comprising of 3,36,53,576 shares of ₹ 5/- each.

During the year under review, the Company has not issued any:

- a) shares with differential rights
- b) sweat equity shares.

6. DEPOSITS COVERED UNDER CHAPTER V OF THE COMPANIES ACT, 2013:

During the year under review the Company has not accepted any Deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

7. FINANCIAL STATEMENT:

The audited standalone and consolidated financial statements for the year ended on 31st March, 2024 have been prepared in accordance with the Indian Accounting Standards (Ind AS) , provisions of the Companies Act, 2013 (hereinafter referred to as “The Act”) read with the Companies (Accounts) Rules, 2014 as amended from time to time and Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “SEBI Listing Regulations”). The estimates and judgements relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company’s state of affairs, profits and cash flows for the year ended 31st March, 2024. The Notes to the Financial Statements adequately cover the standalone and consolidated Audited Statements and form an integral part of this Report. The Audited financial statements together with Auditor’s Report form part of the Annual Report.

8. PERFORMANCE HIGHLIGHTS OF SUBSIDIARIES:

a. PT Oriental Aromatics (Indonesia)

The Company has only one overseas subsidiary namely PT Oriental Aromatics in Indonesia. Presently the Company is not doing any business. During the FY 2023-24, it recorded a total loss of ₹ 4.11 lakh due to administrative expenses. There are no associate companies within the meaning of section 2(6) of the Act.

b. Oriental Aromatics & Sons Limited

Oriental Aromatics & Sons Limited was incorporated as wholly owned subsidiary of Oriental Aromatics on 27th December, 2019 which is engaged in the business of Specialty Aroma Chemicals, flavors and fragrances. During FY 2023-24, it recorded a total loss of ₹ 33.66 lakh. In the month of March’ 24, the Company started the trial run production. The Company is expected to commence commercial production by H1 FY 2024-25

Pursuant to the provisions of Section 129 (3) of the Act, a statement containing the salient features of financial statements of the Company’s subsidiaries in Form AOC-1 is attached as “Annexure A” to the Board’s Report.

In accordance with Section 136 of the Companies Act, 2013, the audited Financial Statements, including the Consolidated Financial Statement and audited accounts of each of its subsidiaries, are available on the website of the Company at <https://www.orientalaromatics.com/subsidiaries.php>.

9. SECRETARIAL STANDARDS:

The Company has adhered to the applicable provisions of the Secretarial Standards - “SS-1” and “SS-2” relating to ‘Meetings of the Board of Directors’ and ‘General Meetings’ respectively issued by the Institute of Company Secretaries of India (“ICSI”).

10. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

Sustainability Reporting is an emerging discipline encompassing the disclosure and communication of an entity’s non-financial - environmental, social, and governance (ESG) performance and its overall impact. Pursuant to Regulation 34(2)(f) of SEBI Listing Regulations and SEBI Circulars dated May 05, 2021 and May 10, 2021, SEBI mandated reporting of Business Responsibility and Sustainability Report (BRSR). The disclosures as per BRSR relates to Company’s performance against the nine principles of the ‘National Guidelines on Responsible Business Conduct’ (NGBRCS).

The Business Responsibility and Sustainability Report / initiatives taken from an Environmental, Social and Governance perspective in the prescribed format is available as a separate section of this Report and a copy of which is available on the available on the Company’s website at <https://www.orientalaromatics.com/BSSR.php>.

11. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has implemented internal control systems that are aligned with the company’s size, scale, and operational characteristics. The Company has maintained a proper and adequate system of internal controls. Monitoring and assessment of internal controls across various functions is performed through continuous evaluations to ensure that the implemented internal control system is effective. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal auditor, corrective actions are undertaken in the respective areas and thereby strengthening the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

12. CREDIT RATING:

Based on a review of the developments, the Rating Committee of ICRA, after due consideration has revised the long-term rating to [ICRA]A- (pronounced ICRA A minus) from [ICRA]A (pronounced ICRA A) and has retained short-term rating at [ICRA]A2+ (pronounced ICRA A two plus). The Outlook on the long-term rating revised to Stable from Negative. Therefore, the credit rating assigned stood as below:

Sr. No.	Instrument	Rating Agency	Credit Ratings and Outlook	Rating assigned on
1	Long term fund-based – Term loan	ICRA	[ICRA]A- (Stable); downgraded from [ICRA]A (Negative); Outlook revised to Stable from Negative	6 th June, 2023
2	Long term/Short term – Fund based/Non fund based	ICRA	[ICRA]A-(Stable)/[ICRA]A2+; long-term rating downgraded from [ICRA]A (Negative); Outlook revised to Stable from Negative; short-term rating reaffirmed	6 th June, 2023

Rationale for revision in rating:

The revision in the rating for the bank lines of Oriental Aromatics Limited (OAL) reflects ongoing challenges such as heightened competitive pressures from increased domestic and Chinese camphor capacities, coupled with subdued demand in key international markets like Europe and America. These factors have led to elevated working capital requirements and increased reliance on external debt due to a significant debt-funded capital expenditure program. Additionally, profitability is vulnerable to fluctuations in raw material prices and adverse forex movements, despite some mitigation from natural hedges through exports.

Outlook:

ICRA had revised the outlook to Stable from Negative because the ratings continue to factor in the company's established market position in the Indian camphor and aroma chemical industry, its diversified product mix and exposure to different end-user industries. Further, the rating agency considered that the capex across all the facilities and the greenfield project at Mahad in Maharashtra would support revenue growth over a longer term.

13. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

There were no loans or guarantees given or securities provided by the Company except to its wholly owned subsidiary (WOS), Oriental Aromatics & Sons Limited, for which Section 186 of the Companies Act, 2013 is not applicable.

Further, the details of loans, guarantees and investments in WOS are given in Notes to the financial statements forming part of Annual Report.

14. RELATED PARTY TRANSACTIONS:

All Related Party Transactions that were entered into were in the ordinary course of business and on arm's length basis and approved by the Audit Committee. Certain transactions, which were repetitive in nature, were approved through omnibus route.

There were no material transactions of the Company with any of its related parties as per the Act. Therefore, the disclosure of the Related Party Transactions as required under Section 134(3)(h) of the Act in AOC-2 is not applicable to the Company for FY 2023-24 and, hence, the same is not required to be provided. Thus a disclosure in Form AOC-2 in terms of Section 134 of the Act is not required.

Disclosures with respect to related party transactions as per Indian Accounting Standards ("IND AS")-24 have been made in Note 41 to the Standalone Financial Statements.

The Company has in place the Policy on dealing with Related Party Transactions in terms of requirements of the Act and the SEBI Listing Regulations. The said Policy is available on the Company's website at: <https://www.orientalaromatics.com/corporate-governance.php>

15. BOARD, COMMITTEES OF THE BOARD AND OTHER INFORMATION:

The Board of the Company is comprised of eminent persons with proven competence and integrity. Besides the experience, strong financial acumen and leadership qualities, they have a significant degree of commitment towards the Company and devote adequate time to the meetings.

a. COMPOSITION:

The Board comprised of 7 (Seven) directors, out of which 4(four) were independent directors as on 31st March, 2024. As on the date of the report the Board comprises of 9 (Nine) directors, out of which 6 (six) are independent directors details thereof have been provided in the Corporate Governance Report.

b. APPOINTMENT/ RE-APPOINTMENT/CESSATION:

During the financial year 2023-24, Ms. Sapna Tulsiani (DIN: 00023934) was appointed as an Independent Director with effect from 10th August, 2023 for a period of four years till 9th August, 2027 and her appointment was approved by the members via Postal Ballot on 23rd September, 2023 .

The Board, upon recommendation of the Nomination and Remuneration Committee at its Meeting held on 27th May,, 2024, approved the appointment of Mr. Cyrus J. Mody (DIN: 07380723) as an Additional Director in the capacity of Non-Executive - Independent Director on the Board. His appointment is further recommended to the shareholders at the forthcoming Annual General Meeting for a period of five years w.e.f. 27th May, 2024.

The Board, upon recommendation of the Nomination and Remuneration Committee at its Meeting held on 27th May,, 2024, approved the appointment of Mr. Deepak Ramachandra (DIN: 10633078) as Additional Director in the capacity of Non-Executive - Independent Director on the Board. His appointment is further recommended to the shareholders at the forthcoming Annual General Meeting for a period of five years w.e.f. 27th May, 2024.

Re-appointment of Director retiring by rotation

In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Satish K Ray, Executive Director (DIN:00617950) of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Cessation

During the year under review, Ms. Amruda Nair (DIN: 06716791) ceased to be an Independent Director of the Company with effect from 03rd October, 2023 upon completion of her two terms, aggregating to ten years. Your Board places on record the deep appreciation for valuable services and guidance provided by her during her tenure of Directorship.

c. DECLARATION BY INDEPENDENT DIRECTORS:

All the Independent Directors of Company have given the declarations that they meet the criteria of Independence as prescribed pursuant to the provisions of Section 149(6) of the Companies Act, 2013 and Regulation 25(8) and 16(1)(b) of SEBI Listing Regulations, as amended from time to time and are independent of the management.

The Independent Directors have complied with the Code for Independent Directors prescribed under Schedule IV of the Companies Act, 2013 and SEBI Listing Regulations. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

d. BOARD MEETINGS:

During the year under review, four Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI Listing Regulations. Detailed information on the meetings of the Board has been provided in the Corporate Governance Report annexed hereto.

e. COMMITTEES OF THE BOARD:

The Company has constituted various Committees of the Board as required under the Companies Act, 2013 and the SEBI Listing Regulations. The details are given in the Corporate Governance Report which forms a part of this Annual Report.

f. FAMILARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

The Company has set Familiarization programme for Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc. The details of which are available on the website of the Company www.orientalaromatics.com.

The Weblink of the same is <https://www.orientalaromatics.com/familiarisation-programme.php>

For details of the Familiarization programme conducted, kindly refer Corporate Governance Report which forms part of this Annual Report.

g. EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS:

During the year, the Board carried out an annual evaluation of its performance as well as of the working of its committees and individual Directors, including the Chairman of the Board pursuant to the provisions of the Act and the SEBI Listing Regulations.

The exercise was carried out through a structured questionnaire prepared separately for the Board, Committees, Chairman and individual Directors. The Chairman's performance evaluation was carried out by Independent Directors at a separate meeting.

The parameters assessed included various aspects of the Board's functioning, such as effectiveness, information flow between Board members and the Management, quality and transparency of Board discussions, Board dynamics, Board composition and understanding of roles and responsibilities, succession and evaluation, and possession of required experience and expertise by Board members, among other matters. The performance of the Committees was evaluated on the basis of their effectiveness in carrying out their respective mandates.

h. During FY 2023-24, there was no change in the KMPs. In terms of the provisions of Section 2(51) and Section 203 of the Act, the following are the Key Managerial Personnel (KMP) of the Company as on 31st March, 2024:

- Mr. Dharmil A. Bodani - Chairman and Managing Director
- Mr. Shyamal A Bodani - Executive Director
- Mr. Satish Kumar Ray- Executive Director- Operations
- Mr. Parag K. Satoskar – Chief Executive Officer
- Mr. Girish Khandelwal - Chief Financial Officer
- Ms. Kiranpreet Gill - Company Secretary and Compliance Officer
- Ms. Anita Satoskar- Chief Technology Officer

(Designation of Ms. Anita Satoskar was changed with effect from 27th May, 2024 from Chief R& D Officer to Chief Technology Officer)

16. CORPORATE GOVERNANCE REPORT

A separate section on Corporate Governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance, forms a part of this Annual Report, as per SEBI Listing Regulations.

17. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under the provisions of SEBI Listing Regulations forms part of this Annual Report.

18. DIRECTOR'S RESPONSIBILITY STATEMENT: -

Pursuant to the requirements under 134(5) of the Companies Act, 2013, the Directors hereby state and confirm that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed and there have been no material departures.
- b. Such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent to give a true and fair view of the Company's state of affairs as at 31st March, 2024 and of the Company's profit for the year ended on that date.
- c. Proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The annual financial statements have been prepared on a going concern basis.
- e. That internal financial controls were laid down to be followed and that such internal financial controls were adequate and were operating effectively.
- f. Proper systems were devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. DISCLOSURES RELATED TO POLICIES:**a. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

Pursuant to Section 135 of the Companies Act, 2013 and the Rules made there under, the Board of Directors has constituted the Corporate Social Responsibility (CSR) Committee under the Chairmanship of Mr. Shyamal A. Bodani, Executive Director (DIN:00617950). The Company undertakes CSR activities in accordance with the CSR Policy. The Company has adopted a strategy for undertaking CSR activities either directly or through Keshavlal V. Bodani Education Foundation/ other implementing agencies, as deemed appropriate, and is committed to allocating at least 2% of average net profit of the last 3 years.

The Company has identified and adopted projects as per the activities included and amended from time to time in Schedule VII of the Companies Act, 2013. The Company's main focus area is promoting educational facilities for the students having learning disabilities by making contribution to Keshavlal V.Bodani Education Foundation. During the FY 2023-24, in addition to making contribution to Keshavlal V.Bodani Education Foundation, The Company also made contributions towards ensuring environmental sustainability, ecological balance, health care and sanitation, empowering Women, promotion of sports, rural development, old age home facilities for senior citizens.

The Corporate Social Responsibility Policy is available on the website of the Company and the web-link thereto is <https://www.orientalaromatics.com/documents/corporate-governance/policies/csr-policy.pdf>. During the FY 2023-24, the Company the amount of ₹ 166 Lakh towards the CSR initiatives. The disclosure relating to the amount spent and the details of the activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is provided in "Annexure B" forming part of this report and the web-link thereto is <https://www.orientalaromatics.com/csr-projects.php>

b. NOMINATION AND REMUNERATION POLICY:

In terms of the provisions of the Companies Act, 2013 and the SEBI Listing Regulations as amended from time to time, the policy on nomination and remuneration of Directors, Key Managerial Personnel, Senior Management and other Employees has been formulated by the Committee and approved by the Board by Directors.

The objective of the Policy is:

- i. to lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive/Non-Executive/Independent) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- ii. to specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
- iii. to recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- iv. to assist the Board in ensuring that the Board nomination process is in line with the diversity policy of the Board relating to gender, thought, experience, knowledge and perspectives.

The remuneration has been paid as per the Nomination and Remuneration Policy of the Company. The policy may be accessed on the website of the Company at www.orientalaromatics.com and weblink thereto is: <https://www.orientalaromatics.com/documents/corporate-governance/policies/NomNRemPol.pdf>

c. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has a vigil mechanism / Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The objective of the Policy is to explain and encourage the directors and employees to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct or Ethics Policy.

The policy may be accessed on the Company's website at www.orientalaromatics.com at the link: <https://www.orientalaromatics.com/documents/corporate-governance/policies/vigil-mechanism.pdf>

d. MATERIAL SUBSIDIARY POLICY:

Pursuant to the provisions of Regulation 16(1)(c) of the SEBI Listing Regulations the Company has adopted a Policy for determining Material Subsidiaries laying down the criteria for identifying material subsidiaries of the Company. The Company does not have any Material subsidiary.

The Policy may be accessed on the website of the Company at the link: <https://www.orientalaromatics.com/documents/corporate-governance/policies/POLMatSubsidiary.pdf>

e. RISK MANAGEMENT FRAMEWORK:**i. Risk Management Committee:**

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring the effectiveness. The Committee considers the risks that impact the mid-term to the long-term objectives of the business and provides an update to the Board on the Company's risks and mitigation plans outlined in the risk registers. The members may refer Corporate Governance report for Composition and Terms of reference of the Committee.

ii. Risk Management Policy:

The Company has adopted Risk Management Policy in compliance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations which promotes a proactive approach in analysis, reporting and mitigation of key risks associated with the business in order to ensure a sustainable business growth. It provides the Risk Management framework which is designed to protect and add value to the organization and its stakeholders through supporting the organization's objectives by improving decision making, planning and prioritization by comprehensive and structured understanding of business activity, volatility and project opportunity/threat.

The Risk Management Framework adopted by the Company provides comprehensive view of risk management to address risks inherent to strategy, operations, finance and compliance and their resulting organizational impact. The Risk Management framework comprises of:

- Risk management process and
- Risk management organization structure

The risk management process adopted by the Company has been tailored in accordance with the business processes of the organization. Risk Management Committee periodically reviews the Risk Management Policy of the Company so that the Management can control the risk through properly defined network. The responsibility for identification, assessment, management and reporting of risks and opportunities primarily rests with the business managers as they are best positioned to identify the opportunities and risks, they face, evaluate these and manage them on a day to day basis. The Risk Management Committee provides oversight and reports to the Board of Directors. Broadly categorizing, the process consists of the following stages/steps:

- Risk Assessment (identification, analysis & evaluation)
- Risk Treatment (mitigation plan)
- Monitoring, review and reporting
- Communication and consultation

The risk management organization structure including the key roles and responsibilities is summarized as follows:

Board of Directors:

The Board oversees the establishment and implementation of an adequate system of risk management across the Company.

Risk Management Committee:

- Risk Management Committee is chaired by Independent Director. The Committee seeks to identify the key business risks.
- It develops risk response processes and assesses adequacy of responses for the key risks identified through the risk management framework
- Ensures the implementation of risk mitigation plans
- Monitors the Key Risk Indicators (KRIs) of the Enterprise and Functional Level Key Risks.

Site Level Risk Management Committee:

The Committee sets the risk management procedures and coordinates with risk unit owners in reporting key risks to the Risk Management Committee.

Risk Unit Owners:

Risk unit owners in consultation with Officer in charge at a plant/unit assess the risk by determining its probability of occurrence and its impact with an objective of reporting key risks to the Site Level Risk Committee.

The Risk Unit owners are responsible for preparing and consolidating the report and the same is reviewed by the Site Level Risk Committee.

iii. Key Risks & Description:**- Financial Risks:**

The Company faces market, credit, foreign exchange, and liquidity risks..These risks are inherent in our business operations and require diligent management to ensure the Company's stability and success.

- Operational Risks:

The Company faces operational risks such as supply chain disruptions, high energy costs, production challenges (including manpower shortages), logistics issues, quality assurance problems, and risks of leakage, spillage, fire, and explosion. These risks are inherent in our business environment and can lead to potential disruptions and challenges. We are dedicated to actively managing these risks to protect our operations, ensure business continuity, and fulfill our commitments to stakeholders.

- Environment, Health & Safety Risks:

The Company faces Environment, Health & Safety risks, including climate change impacts, carbon emissions, infectious disease containment, and safety hazards like leakage, spillage, fire, explosion, and toxic releases. We are committed to proactively managing these risks and integrating responsible practices into our operations.

- Regulatory and Macroeconomic risk:

The Company is affected by changes in government policies and industry regulations. Volatile macroeconomic conditions, driven by geopolitical tensions, disrupt supply chains and raise commodity prices. Inflationary pressures also reduce consumer demand, further impacting the Company's operations.

The risk-related information outlined above in this section is not exhaustive. Other material risks are outlined in the Management Discussion and Analysis section and BRSR which forms a part of this Annual Report.

f. DIVIDEND DISTRIBUTION POLICY:

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has approved and adopted a Dividend Distribution Policy which endeavors for fairness, consistency and sustainability while distributing profits to the shareholders. The dividend recommended is in accordance with the Dividend Distribution Policy of the Company.

The Policy is available on the Company's website www.orientalaromatics.com at <https://www.orientalaromatics.com/documents/corporate-governance/policies/DivDistPolicy.pdf>

g. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, the Company has formed Internal Committees ('IC') at all its workplaces to address complaints pertaining to sexual harassment in accordance with the POSH Act. The Company has a detailed policy for prevention of sexual harassment which ensures a free and fair enquiry process. While maintaining the highest governance norms, the Company has appointed external committee member who has prior experience in the areas of women empowerment and prevention of sexual harassment.

The Directors state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. To build awareness in this area, the Company conducted awareness session for all the employees.

20. AUDITORS AND AUDITORS REPORTS:**a. STATUTORY AUDITORS:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Company had appointed at it's 51st Annual General Meeting held on 17th August, 2023, M/s Lodha & Co LLP (Firm Reg. No. 301051E/E300284), Chartered Accountants as statutory Auditors of the Company for a period of 5 years till the conclusion of conclusion of 56th Annual General Meeting.

The Auditors Report to the shareholders for the year under review does not contain any qualification, reservation, disclaimers or adverse remarks.

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and Rules framed thereunder.

b. SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Shreyans Jain & Co., Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for the FY 2023-24. The Report of the Secretarial Audit carried out is annexed herewith as "Annexure C".

The Secretarial Audit report, as issued by the auditors in Form MR-3 does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The Board has on the recommendation of the Audit Committee re-appointed M/s. Shreyans Jain & Co., Practicing Company Secretaries, as Secretarial Auditor, for conducting Secretarial Audit of the Company for the FY 2024-25.

c. COST AUDITOR:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit), Rules 2014, the Board had appointed M/s V. J. Talati & Co, Cost Accountants as cost auditors to conduct the audit of Cost accounting records for the FY 2023-24. The Cost Audit report for the FY 2022-23 was filed with Ministry of Corporate Affairs on 9th September, 2023.

The Board has on the recommendation of the Audit Committee, re-appointed M/s V. J. Talati & Co., Cost Accountants to conduct the audit of the cost accounting records of the Company for FY 2024-25 at a remuneration of ₹ 1,45,000/- plus Service Tax & re-imbursalment of out-of- pocket expenses. The remuneration is subject to the ratification of the Members in terms of Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and is accordingly placed for your ratification.

21. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

During the year under review, the Company has transferred a sum of ₹ 423,770 (Rupees Four lakh twenty-three thousand seven hundred and seventy only) to Investor Education and Protection Fund, in compliance with the provisions of Section 125 of the Companies Act, 2013. The said amount represents dividend for the FY 2015-16 which remained unclaimed by the members of the Company for a period exceeding 7 years from its due date of payment.

As per the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('IEPF Rules'), the Company has uploaded the information in respect of the unclaimed dividends as on 31st March, 2024 on the website of the Company at www.orientalaromatics.com and the weblink is: <https://www.orientalaromatics.com/unclaimed-dividend.php>

Pursuant to the provisions of Section 124 of the Act read with the IEPF Rules, all the shares on which dividends remain unpaid or unclaimed for a period of seven consecutive years or more shall be transferred to the demat account of the IEPF Authority as notified by the Ministry of Corporate Affairs. Accordingly, the Company has transferred 22,066 Equity Shares of face value ₹ 5/- per share to the demat account of the IEPF Authority during FY 2023-24.

The Company had sent individual notice to all the Members whose shares were due to be transferred to the IEPF Authority and had also published newspaper advertisements in this regard. The details of such shares transferred to IEPF are uploaded on the website of the Company at <https://www.orientalaromatics.com/unclaimed-dividend.php>

The Company has appointed a Nodal Officer and Deputy Nodal Officer under the provisions of IEPF, the details of which are available on the Company's website at <https://www.orientalaromatics.com/unclaimed-dividend.php>.

22. INSURANCE:

The Company's buildings, plant & machinery and inventories have been adequately insured. Loss of profit with respect to both factories has also been adequately insured.

23. ENVIRONMENTAL COMPLIANCE AND SAFETY:

The Company is deeply committed to pollution control, environmental protection, and sustainability throughout its manufacturing processes. By maximizing resource recovery, conserving water, and minimizing effluents and emissions, we are actively working to reduce our environmental impact. To ensure transparency and accountability, we submit the required analytical reports to local authorities, demonstrating our commitment to maintaining high environmental standards

The Company holds the Environmental Management Systems (EMS) ISO 14001:2015 certification, validating our efforts in establishing and maintaining an effective environmental management system. This certification enhances our environmental performance, helps achieve environmental objectives, and ensures compliance with regulatory obligations. By implementing an EMS, we demonstrate our commitment to continuous improvement in environmental performance and sustainable practices. The Company's focus on pollution control, environmental protection and sustainability, along with our compliance with environmental regulations, positions us as a responsible and environmentally conscious organization.

24. LISTING OF SECURITIES:

The Equity Shares of the Company are listed at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Shares are under compulsory dematerialization list of the Securities & Exchange Board of India. As on 31st March 2024, total 33020491 shares representing 98.12% of Companies Equity Share Capital have been dematerialized. The Company has paid Annual Listing fees for the FY 2024-25 to the stock exchanges where it is listed.

25. INDUSTRIAL RELATIONS:

The relations with the employees of the Company remained peaceful and cordial during the year under review.

26. ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March, 2024 is available on the Company's website at the link <https://www.orientalaromatics.com/inspection-documents.php>

27. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO:

The requisite information regarding conservation of energy, technology absorption and foreign exchange earnings and outgo in accordance with Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure - D".

28. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The information containing details of employees as required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached herewith as "Annexure - E".

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report.

Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection and any Member interested in obtaining a copy of the same may write to the Company Secretary.

29. GREEN INITIATIVE:

The Company has considered and adopted the initiative of going green minimizing the impact on the environment. To support the company's 'Green Initiative', members who have not yet registered their email addresses are requested to register the same with their Depository Participant's (DPs) in case the shares are held by them in electronic form and with our Registrar and Share Transfer Agent- Link Intime India Private Limited (RTA) in case the shares are held by them in physical form.

30. OTHER DISCLOSURES:

The Directors state that no disclosure or reporting is required in respect of the following items as they were either not applicable to the Company or there were no transactions/events on these matters during the year under review:

- i. No material changes and commitments affected the financial position of the Company between the end of the financial year and the date of this Report.

- ii. There has been no change in the nature of business of the Company as on the date of this report.
- iii. There was no revision in the financial statements.
- iv. The Managing Director & CEO of the Company did not receive any remuneration or commission from any of its subsidiaries.
- v. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- vi. There are no proceedings, pending under the Insolvency and Bankruptcy Code, 2016.
- vii. There was no instance of one-time settlement with any Bank or Financial Institution.

31. ACKNOWLEDGEMENT:

Your Directors would like to express their appreciation for the co-operation and assistance received from the Government authorities, banks and other financial institutions, vendors, suppliers, customers, shareholders and all other stakeholders during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the committed services of all the employees.

For and on behalf of the Board of Directors

Dharmil A. Bodani
Chairman and Managing Director
DIN: 00618333

Shyamal A. Bodani
Executive Director
DIN:00617950

Place: Mumbai

Dated: 27th May, 2024

ANNEXURE-A

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures

Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ lakh)

Particulars	Name of the subsidiaries	
	PT Oriental Aromatics	Oriental Aromatics & Sons Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	*Same reporting as that of Holding Company i.e. 31 st March, 2024 (₹ in lakh)	No
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	**IDR (190.20)	INR
Share capital	823.73	3200
Reserves & surplus	-898.43	-199.67
Total Assets	9.06	15,044.28
Total Liabilities	83.75	12,043.95
Investments	-	-
Total Income	0.00	13.14
Profit/(Loss) before taxation	-4.11	-40.77
Provision for taxation	-	-7.11
Profit/ (Loss) after taxation	-4.11	-33.66
Proposed Dividend	-	-
% of shareholding	99.86%	100%

NOTE: *Reporting period of PT Oriental Aromatics is 31st December. However due to Consolidation of Financial Accounts, Figures as on 31st March ended are taken into consideration.

** IDR = Indonesian Rupiah

For and on behalf of the Board of Directors

Dharmil A. Bodani
Chairman and Managing Director
DIN: 00618333

Shyamal A. Bodani
Executive Director
DIN: 00617950

Place: Mumbai

Date: 27th May, 2024

ANNEXURE-B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ('CSR') ACTIVITIES FOR THE FINANCIAL YEAR 2023-24

1. Brief outline on CSR Policy of the Company:

The Company has adopted a CSR policy in compliance with the provisions of the Companies Act 2013 and the same is also displayed on the Company's website at <https://www.orientalaromatics.com/documents/corporate-governance/policies/csr-policy.pdf>

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Shyamal A. Bodani (Chairman)	Executive Director	3	2
2	Mr. Harshvardhan A. Piramal (Member)	Non-Executive Independent Director	3	3
3	Ms. Amruda V. Nair* (Member)	Non-Executive Independent Director	3	2
4	Ms. Sapna U. Tulsiani**	Non-Executive Independent Director	3	1

* Ms. Amruda V. Nair ceased to be a member of the Committee with effect from close of business hours on 03rd October, 2023, upon completion of her tenure as an Independent Director.

** Ms. Sapna U. Tulsiani, Independent Director, has been appointed as a member of the Committee with effect from 03rd October, 2023.

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company: <https://www.orientalaromatics.com/csr-projects.php>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹ 8089.39 Lakhs
 (b) Two percent of average net profit of the company as per sub-section (5) of Section 135: ₹162 Lakhs
 (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years : NIL
 (d) Amount required to be set-off for the financial year, if any : NIL
 (e) Total CSR obligation for the financial year [(b)+(c)-(d)] : ₹162 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹165.95 Lakhs
 (b) Amount spent in Administrative Overheads : ₹ 0.05 Lakhs
 (c) Amount spent on Impact Assessment, if applicable : Not Applicable
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]. ₹166 Lakhs

(e) CSR amount spent or unspent for the Financial Year : ₹ 166 Lakhs

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
166 Lakhs	-	-			

(f) Excess amount for set-off, if any: Not Applicable

Sl. No.	Particular	Amount (in Rs.)
	Not Applicable	
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	162 Lakhs
(ii)	Total amount spent for the Financial Year	166 Lakhs
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	4 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NIL

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8	
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
					Not Applicable			

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No
 If Yes, enter the number of Capital assets created/ acquired : Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

ANNEXURE-C

FORM MR-3

Secretarial Audit Report of Oriental Aromatics Limited for the Financial Year ended 31st March, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Oriental Aromatics Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Oriental Aromatics Limited** having **CIN: L17299MH1972PLC285731** (hereinafter called "the Company") Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2024 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the audit period);**
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the audit period);**
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable to the Company during the audit period);**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered Address

Not Applicable

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/ Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

- 9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: Not Applicable

For and on behalf of the Board of Directors

Dharmil A. Bodani Chairman and Managing Director DIN: 00618333	Shyamal A. Bodani Chairperson CSR Committee DIN: 00617950
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Place: Mumbai
Date: 27th May, 2024

- g.** The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the audit period);**
- h.** The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during the audit period);
- (vi)** All other relevant laws as are applicable to the Company, a list of which has been provided by the management. The examination and reporting of these laws and rules are limited to whether there are adequate systems and processes in place to monitor and ensure compliance with those laws.

We have also examined compliance with the applicable clauses of the following and report as under:

- (i)** Secretarial Standards issued by the Institute of Company Secretaries of India in respect of board and general meetings
- (ii)** The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the Listing Agreement entered into by the Company with the Stock Exchanges; during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period are in compliance with the provisions of the Act;

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were carried through, while there were no dissenting views of members as verified from the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **Shreyans Jain & Co.**
Company Secretaries
Unique ID:S2011MH151000

Shreyans Jain
(Proprietor)
FCS No. 8519
C.P. No. 9801
UDIN: F008519F000445472
PR NO.1118/2021

Place: Mumbai
Date: 24.05.2024

Note: This report to be read with our letter of even date which is annexed as **Annexure -A** and forms part of this Report.

Annexure A: the Secretarial Audit Report of Oriental Aromatics Limited for the year 31st March, 2024

To,
The Members,
Oriental Aromatics Limited,

Our Secretarial Audit Report of even date is to be read along with this letter.

- 1.** It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
- 2.** We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3.** We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4.** Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
- 5.** The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6.** The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Shreyans Jain & Co.**
Company Secretaries
Unique ID:S2011MH151000

Shreyans Jain
(Proprietor)
FCS No. 8519
C.P. No. 9801
UDIN: F008519F000445472
PR NO.1118/2021

Place: Mumbai
Date: 24.05.2024

ANNEXURE-D

CONSERVATION OF ENERGY MEASURES REQUIRED FOR ORIENTAL AROMATICS LIMITED

A. CONSERVATION OF ENERGY:

i. Steps taken or impact on conservation of energy:

The Company has implemented energy efficiency improvement initiatives across all the units and offices by incorporating various measures to conserve energy and resources. It prioritizes energy conservation measures by regularly reviewing energy generation, consumption, and exerting control over their utilization. Our commitment to these initiatives reflects our dedication to responsible corporate practices and our understanding the need for sustainable development.

The following key initiatives have been undertaken by the Company towards conservation of energy:

- We are proposing to install multi-fuel (wood chip/ rice husk)-based boiler which will help us in consuming renewable source of energy.
- We are replacing steam jet ejectors which are high energy consuming with more efficient vacuum pumps
- Installing mechanical vapour recompression based effluent treatment system which will help in conservation of water and recycle 80% of the effluent water
- Centralization of utilities like thermic fluid heater instead of multiple sources to conserve energy.
- Conventional equipment with more energy efficient equipment in various process changes are made and replaced.
- Implementations of engineering controls to make process robust and safe process during operations.
- The process team of R&D works to decrease the batch time cycle of current processes thereby reducing energy consumption.
- Variable Frequency Drives (VFD) installation for vacuum pumps, reactors for energy saving.
- R&D team is constantly working on Green chemistry to modify current processes and to make OAL a green company.
- Working on reliable manufacturing synthesis, process innovation, development and safety.
- Process improvement for effluent reduction with an aim to make all our plants ZLD (zero liquid discharge) in the future.
- Installation of high efficiency (IE3-Internal Efficiency Standards) motors.
- Installation of Distributed Control Systems (DCS) controls to make process efficient and control batch times.
- Working on increasing yield, purity as per customer requirement, following short manufacturing process having atom efficiency, helps to decrease consumption of energy and carbon utilization in the environment.

ii. Steps taken by the Company for utilizing alternate sources of energy:

- Old steam jet ejectors will be replacing with oil vacuum pump to reduce effluent generation and consumption of water substantially. Improved operational methods and automation of lighting aimed to save consumption of power and fuel.

- New Sewage Treatment Plant/Agitated Thin Film Drier (STP/ATFD) under consideration for sustainability.
- Recycling of boiler & cooling tower blowdown through reverse osmosis (RO) plant is implemented thereby reducing hydraulic load on Effluent Treatment Plant (ETP).
- Process efficiency/performance improvement in many processes audited by Quality Assurance to reduce non-compliances & achieve customer satisfaction through conducting inspection & testing.
- The adoption of energy conservation measures indicated above have resulted in optimum efficiency in operation and saving & controlling in the cost of production.
- Green technology development is in process at pilot scale to commercial level for intermediates and finished products.
- We are proposing to install rice husk-based boiler which is renewable energy source

iii. The capital investment on energy conservation equipment:

6.46% of Capital Expenditure

B. RESEARCH AND DEVELOPMENT (R&D) AND TECHNOLOGY ABSORPTION:

i. Efforts made towards (R&D) and Technology Absorption:

- Our R&D facility in OAL is well equipped with latest infrastructure (laboratories), Literature resources, Instruments and Research technology which is necessary for research and new product development.
- Research and Development program works on reducing batch time cycle (BTC) of reaction, recycling of water, reusing recovered solvents and reducing effluent generation for products by 25-30%.
- We have also reduced cost of production of certain products by decreasing energy consumption in the range of 10-25%.
- Our R&D lab in Chandivali, Mumbai is a state-of-the-art synthesis lab dedicated to research on aroma chemicals having Head-space Gas Chromatography/Mass Spectrometry (GC-MS), Gas Liquid Chromatography (GLC), Digital Scanning Calorimetry Instruments (DSC), Short Path Distillation Unit (SPDU) and Sulphur analyser along with regular analytical set-up.
- Our R&D facilities in Chandivali & Vadodara together have total of 40 research associates who specialise in product development, regulatory compliance, analytical chemistry, and green chemistry.
- Both our R&D centres are recognised by the Department of Scientific & Industrial Research (DSIR) of the Government of India.
- Our Vadodara facility carries out high pressure reactions and has various lab scale fractionating columns for separation and adequate analytical facility like Gas Liquid Chromatography (GLC), GC-MS and other instruments to support the research work.
- It has well equipped bench scale laboratories to carry out various organic reactions like Aldol condensation, oxidation, reduction, hydrogenation, hydration, reactive distillation, acetylation, esterification, isomerization and many more in gm as well as in Kg scale.

- We also have well equipped Pilot scale laboratories to carry out various organic reaction validations and troubleshooting experiments of existing plant products.
- By doing quality research we improve the quality of product and decrease the cost of production.

ii. Specific areas in which R&D carried out by the Company during the FY 2023-24:

The focused areas of the Company’s R&D effort during FY 2023-24 include:

- Our R&D Centre has developed, modified number of new and existing molecules of Aroma Chemicals and have also commercialized some of the products in plant
- Recycling of Effluent in next batch makes reduction of overall effluent generation in plant
- Reduction of effluent costs by working on the ETP and using green chemistry to avoid water consumption. These efforts have resulted in improving quality of the products and reducing their manufacturing cost and energy consumption.
- Improvement of yields of existing products and new products by new technologies like green chemistry and continuous process.
- Reducing costs of production by recycling solvents, changing the new route synthesis and molar ratios
- Effluent treatment done using bio culture and MVR (Mechanical Vapour Re-compression) technology which makes plant zero liquid discharge.

These efforts have resulted in improving quality of the products, reducing their manufacturing cost and energy consumption.

iii. Benefits derived as a result of the above R&D:-

- New products have been launched commercially in the plant which has resulted in the top line growth of the company.
- R&D efforts have also helped for improvement in new developed process, cost reduction, utility, batch time cycle and energy consumption.
- The process improvement efforts have resulted in higher outputs at the plant levels.
- R&D efforts have helped in developing new Aroma chemicals and product delivery systems. A crucial part of the development phase is also ensuring that the new products meet guidelines and any statutory requirements.
- Process efficiency has resulted in decreased downtime for maintenance activity. Efforts in green chemistry and sustainability are helping us towards our goal of creating “Green plants”.
- Efforts in R&D have resulted in lower operating costs for the company.

iv. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- NIL

Total Expenditure incurred on Research and Development - The total expenditure for R & D during the year under review is ₹ 703.50 Lakh (Previous year ₹ 1018.65 Lakh) of which ₹ 4.42 Lakh (previous year ₹ 193.90 Lakh) is towards capital expenditure and ₹ 699.08 Lakh (previous year ₹ 824.75 Lakh) is towards revenue expenditure.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign exchange earnings and outgo during the year under review are as follows:

	(₹ in Lakh)
Foreign Exchange earned	35,747.90
Foreign Exchange used	25,347.97

For and on behalf of the Board of Directors

Dharmil A. Bodani
Chairman and Managing Director
DIN: 00618333

Shyamal A. Bodani
Executive Director
DIN: 00617950

Place: Mumbai

Date: 27th May, 2024

CORPORATE GOVERNANCE REPORT

The Board of Directors present the Company's Report on Corporate Governance for the Financial Year 23-24 ("FY 2023-24") as hereunder, pursuant to the provisions of Regulation 34(3) read with Schedule V(C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and other provisions as may be applicable.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The company's corporate governance philosophy drives the business strategies, ensuring fiscal accountability, ethical behavior, and fairness to all stakeholders. The Corporate Governance is ongoing process and your Company has always focused on good corporate governance, which is a key driver of sustainable corporate growth, long term value creation and trust. The management and employees of the Company are committed to uphold the core values of transparency, integrity, honesty and accountability.

The Company confirms the compliance of various provisions relating to Corporate Governance stipulated in Listing Regulations, the details of which are given below:

2. BOARD OF DIRECTORS:

2.1 Appointment and Tenure:

The Directors of the Company are appointed/re-appointed by the Board on recommendation of the Nomination and Remuneration Committee and approval of the Shareholders is sought at General Meetings or through Postal Ballot. At every Annual General Meeting, 1/3rd of Directors as are liable to retire by rotation, if eligible, offer themselves for re-election, in accordance with the provisions of Companies Act, 2013. Independent Directors are not liable to retire by rotation. The Executive Directors on the Board serve in accordance with the terms of their contracts of service with the Company.

2.2 Composition of Board of Directors and attendance record of each Director:

The Company has an optimum combination of Executive and Non-Executive Independent Directors including woman director. All the members of the Board are competent and are persons of repute with strength of character, professional eminence, having the expertise in their respective disciplines to deal with the management functions of the company.

As on 31st March 2024, the Company's Board consisted of 7 (Seven) Directors out of which 4 (Four) Directors were Non-Executive Independent Directors and 3 (Three) were Executive Directors including 1(One) Chairman who is also the Managing Director.

The composition of the Board of Directors of the Company is in conformity with Regulation 17 of Listing Regulations.

The details of composition of the Board, the attendance of the Directors at the Board Meetings held during the financial year ended 31st March, 2024 and the last Annual General Meeting (AGM) and the details of their other Directorships and Committee Chairmanships and Memberships are given below:

Name of Directors	Category	Position/ Designation	Attendance at meetings during FY 2023-24		*Other Directorships in Indian Companies as on 31.03.2024	**Committee Membership(s) / Chairmanship(s) in all Companies as on 31.03.2024	
			Board Meetings	51 st AGM held on 17 th August, 2023		Memberships	Chairmanships
Mr. Dharmil A. Bodani (DIN:00618333)	Promoter/ Executive Director	Chairman and Managing Director	4	Yes	2	3	0
Mr. Shyamal A. Bodani (DIN:00617950)		Executive Director	3	Yes	1	0	0

ANNEXURE- E

I. DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during the financial year 2023-24 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24:

Sr. No.	Name of Director/KMP	Designation	% Increase in Remuneration in the Financial Year 2023-24	Ratio of remuneration of each Director/to median remuneration of employees
1	Mr. Dharmil A. Bodani	Chairman and Managing Director	0	74.96
2	Mr. Shyamal A. Bodani	Executive Director	0	53.58
3	Mr. Satish Kumar Ray	Executive Director Operations	12.5	8.21
4	Mr. Girish Khandelwal	Chief Financial Officer	7	Not Applicable
5	Ms. Kiranpreet Gill	Company Secretary	10	Not Applicable
6	Mr. Parag Satoskar	Chief Executive Officer	0	Not Applicable
7	Ms. Anita Satoskar	Chief Research & Development Officer	0	Not Applicable

ii) The percentage increase in the median remuneration of employees in the financial year: Median pay increased to 8.08% in FY2023-24 in comparison with FY 2022-23.

iii) Number of permanent employees on the rolls of Company: There were 714 and 735 permanent employees including directors on the rolls of Company as on 31st March 2023 and 31st March, 2024 respectively.

iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year was 6.60% whereas the percentile increase in the managerial remuneration for the same financial year was 1.14%.

v) It is hereby affirmed that the remuneration paid to Directors, Key Managerial Personnel and other Employees is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Dharmil A. Bodani

Chairman and Managing Director

DIN: 00618333

Shyamal A. Bodani

Executive Director

DIN: 00617950

Place: Mumbai

Date: 27th May, 2024

Name of Directors	Category	Position/ Designation	Attendance at meetings during FY 2023-24		*Other Directorships in Indian Companies as on 31.03.2024	**Committee Membership(s) / Chairmanship(s) in all Companies as on 31.03.2024	
			Board Meetings	51 st AGM held on 17 th August, 2023		Memberships	Chairmanships
Mr. Satish Kumar Ray (DIN:07904910)	Executive Director	Executive Director-Operations	3	Yes	0	0	0
Mr. Harshvardhan A. Piramal (DIN:00044972)	Non-Executive Independent Director	Director	4	Yes	2	4	2
Mr. Prakash V. Mehta (DIN:00001366)		Director	3	No	5	8	3
Mr. Ranjit A. Puranik (DIN:00199353)		Director	3	No	1	3	1
***Ms. Sapna U. Tulsiani (DIN: 00023934)		Director	1	Yes	0	1	0
****Ms. Amruda V. Nair (DIN: 06716791)		Director	2	Yes	2	2	0

- *Directorships held by directors as mentioned above, excludes directorship in Oriental Aromatics Limited and also excludes directorship in Private Limited Companies, overseas companies and section 8 companies.
- **Committees considered are Audit Committee and Stakeholder Relationship Committee, including committees of Oriental Aromatics Limited. Committee memberships also include the Chairmanships.
- Mr. Dharmil A. Bodani and Mr. Shyamal A. Bodani are brothers. None of the other directors are related to each other.
- The number of Directorship(s), committee membership(s)/chairmanship(s) of all Directors is/are within the respective limits prescribed under the Companies Act, 2013 and Listing Regulations.
- Details of Directors(s) retiring or being appointed / re-appointed are given in Notice to Annual General Meeting

Change in Directorate during FY 2023-24:

- *** Ms. Sapna U. Tulsiani (DIN: 00023934) was appointed as an Independent Director w.e.f. 10th August, 2023.
- **** Ms. Amruda V. Nair (DIN: 06716791) ceased to be Director w.e.f. 03rd October, 2023 upon completion of her term as an Independent Director.

2.3 Details of Directorships in other listed Companies as on 31st March, 2024:

Sr. No.	Name of Directors	Name of the Listed Companies	Category of Directorship
1	Mr. Dharmil A. Bodani	TCFC Finance Limited	Non-Executive Director
2	Mr. Shyamal A. Bodani	NIL	-
3	Mr. Satish Kumar Ray	NIL	-
4	Mr. Harshvardhan A. Piramal	Morarjee Textiles Limited	Promoter/Executive Director

Sr. No.	Name of Directors	Name of the Listed Companies	Category of Directorship
5	Mr. Prakash V. Mehta	Advani Hotels & Resorts (India) Ltd.	Non-Executive/ Independent
		Bharat Bijlee Ltd.	Non-Executive/Independent
		Hikal Ltd.	Non-Executive/Independent
		Mukund Ltd.	Non-Executive/Independent
6	Mr. Ranjit A. Puranik	NIL	-
7	Ms. Sapna U. Tulsiani	NIL	-

2.4 Details of Skills/expertise/competence of the Board of Directors

- The Board has recognized the significance of various core skills, expertise, and competencies relevant to our business and sector. These encompass a wide range of areas including Business Development, Marketing and Communication, Engineering and Technical expertise, Finance and Accounting, Legal knowledge, Corporate Management, Strategic Management, Product Development, Administration, and Advisory skills. This diverse set of capabilities enables us to effectively navigate and excel in our industry, ensuring comprehensive and well-rounded decision-making.
- The following are the skill set with reference to its business and industry that are available with the Board:

Name of the Director	Expertise in specific Functional Area
Mr. Dharmil A. Bodani	Business Strategy, Corporate Management, Marketing, Finance and Technical skills in product selection on the chemical side of the business and creativity in Fragrance and flavour side of the business.
Mr. Shyamal A. Bodani	Strategy Management, Effective Marketing and Communication skills, General Corporate Management
Mr. Satish Kumar Ray	Policy Formulation, Advisory, Planning, and Executive Task related to HR, Commercial, Purchase, Store, Sales, Supply Chain, Tax related matters etc.
Mr. Harshvardhan A. Piramal	Entrepreneur, Business Development, Finance and Accounting, Technical, Administration and Advisory skills
Mr. Ranjit A. Puranik	Entrepreneur, Business Management, Financial, Technical, Marketing and Advisory skills
Mr. Prakash V. Mehta	Legal, Advocacy skills, Expertise in Joint Ventures & Foreign Collaborations and various Corporate Laws
Ms. Sapna Tulsiani	Sales, marketing, business development, product management, vendor development, strategy conceptualization and exports.
*Mr. Cyrus J. Mody	Financial analysis, project conceptualisation, Liaison, project execution, sales & marketing, strategic planning and management.
*Mr. Deepak Ramachandra	Financial analysis, Investment Banking, Effective liaison, Equity Trading, Sales & Marketing, Business development and distribution.

*Note: The Board, upon recommendation of the Nomination and Remuneration Committee at its Meeting held on 27th May, 2024, approved the appointment of Mr. Cyrus J. Mody (DIN:07380723) and Mr. Deepak Ramachandra (DIN: 10633078) as Additional Director in the capacity of Non-Executive - Independent Director on the Board. Their appointment is further recommended to the shareholders at the forthcoming Annual General Meeting for a period of five years w.e.f. 27th May, 2024.

2.5 Board Meetings:

During Financial year 2023-24, four Board Meetings were held and the gap between two meetings did not exceed 120 days. Board Meetings were held on 30th May, 2023, 10th August, 2023, 09th November, 2023, and 12th February, 2024.

2.6 Independent Directors:

The Nomination and Remuneration Committee diligently identifies individuals with exceptional expertise and independent standing in their respective fields to serve as Independent Directors on the Board. These individuals possess the qualifications, positive attributes, and area-specific expertise that are deemed necessary to contribute effectively to the Company's business and policy decisions. The Committee also takes into account the number of directorships and committee memberships held by these individuals in other companies. The Board carefully considers the Committee's recommendations and makes appropriate decisions regarding the appointment of Non-Executive Independent Directors. These Directors bring valuable experience and specialization in diverse fields, including legal, finance, and administration, enhancing the Board's overall capabilities.

During the FY 2023-24, the Company has received declarations on criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Confirmations under Regulation 16(1)(b) of Listing Regulations pursuant to amendment in the SEBI (LODR) Regulations, 2015 vide SEBI Circular dated 09th May, 2018, from the directors who have been classified as Independent Directors as on 31st March, 2024. In the opinion of the Board, all Independent Directors meet the criteria of Independence as laid down under Section 149(6) of the Companies Act 2013 and regulation 16(1) (b) of Listing Regulations, as amended from time to time and they are independent of management.

a. Number of Independent Directorships:

As per Regulation 17A of the Listing Regulations, Independent Directors of the Company do not serve as Independent Director in more than seven listed companies. Further, the Managing Director of the Company does not serve as an Independent Director in any listed entity.

b. Separate Meeting of Independent Directors:

During the year under review, the independent Directors met on 12th March, 2024, inter alia to discuss:

- i. Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
- ii. Evaluation of the performance of the Chairperson of the Company, taking into account the views of the Executive and Non-Executive Directors.
- iii. Evaluation of the quality, content and timeliness of the flow of information between the Management and the Board of Directors that is necessary for the Board to effectively and reasonably perform the duties.

The Meeting was attended by three Independent Directors.

c. Formal Letter of Appointment to the Independent Directors:

The Company has issued formal letters of appointment to all the Independent Directors on their appointment explaining inter- alia, their roles, responsibilities, code of conduct, functions and duties as Directors of the Company. The terms and conditions of appointment of Independent Directors have been hosted on the website of the Company i.e. www.orientalaromatics.com and the weblink thereto is <https://www.orientalaromatics.com/documents/corporate-governance/policies/terms-of-appointment-of-independent-directors.pdf>

d. Familiarisation Programme for Independent Directors:

The Company has set a comprehensive Familiarization Programme specifically designed for Independent Directors. This programme is structured to acquaint them with their roles, rights, and responsibilities within the Company. It also provides valuable insights into the industry dynamics, the Company's business model, and other relevant aspects. By participating in this programme, Independent Directors

gain a thorough understanding of their duties and are better equipped to contribute effectively to the Company's governance and strategic decision-making processes.

The details of the Familiarisation Programme for Independent Directors are posted on the website of the Company i.e www.orientalaromatics.com and the weblink thereto is <https://www.orientalaromatics.com/familiarisation-programme/DetailsofFP23-24.pdf>

Details of Familiarization Programme imparted to independent directors during the FY 2023-24 are as below:

Dates on which Familiarization programmes were held: 11th August, 2023 & 12th March, 2024

Areas covered: During the year, an Induction Programme was conducted for newly appointed Independent Director, all the Independent directors were updated on Companies Act & SEBI Regulations. Independent Directors were also briefed on topics like Business Strategy and socio-economic environment of the Company, Awards granted to the Company, Upcoming Projects of the Company, Update on New Products being Launched & Development of New customers, Key initiatives taken by the Company w.r.t Research & Development, Factory Operations, CSR & sustainability initiatives and Significant development in the Company. These briefings ensured that Independent Directors are well-informed about critical areas and could actively contribute to the Company's growth and decision-making processes.

Details of attendance of Independent Directors in Familiarisation Programme:

Sr No	Name of Independent Director	No. of programmes attended (during the year and on a cumulative basis till date)		No. of hours spent FY 2023-24 (during the year and on a cumulative basis till date)	
		During the year	Cumulative basis till date	During the year	Cumulative basis till date
1.	Mr. Prakash V. Mehta	2	5	2	6
2.	Mr. Harshvardhan A. Piramal	2	5	2	5
3.	Mr. Ranjit A. Puranik	2	6	2	6
4.	Ms. Sapna U. Tulsiani	1	1	1	1
5.	Ms Amruda Nair	1	5	1	5

**** Ms. Amruda Nair (DIN: 06716791) had attended one programme only as she ceased to be Director w.e.f. 03rd October, 2023.

2.7 Shareholding of Directors:

The details of shares held by Directors as on 31st March, 2024 are as under:

Name of Director	Designation	Number of shares held	% age of total Shareholding
Mr. Shyamal A. Bodani	Executive Director	12480000	37.08
Mr. Dharmil A. Bodani	Chairman & Managing Director	12478752	37.08
Ms. Sapna U. Tulsiani	Independent Director	850	00.00

None of the other Directors holds any shares in the Company as on 31st March, 2024.

2.8 Code of Conduct:

The Company has framed a code of conduct for the Non-Executive Directors, Executive Directors and Senior Management Personnel of the Company which is posted on website of the Company i.e www.orientalaromatics.com. All the Board Members and Senior Management of the Company have affirmed compliance with the code of conduct for the financial year ended 31st March, 2024. A declaration to this effect, duly signed by Mr. Parag Satoskar, Chief Executive Officer is annexed hereto.

2.9 Board meetings, Committee meetings and Procedures:

a. Decision making process:

The Board of Directors plays a crucial role in overseeing the Company's operations. It is responsible for setting and evaluating the strategic direction of the Company, assessing the effectiveness of management policies, and ensuring that the best interests of stakeholders are prioritized in the long term.

The Board has constituted several Committees such as Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Finance Committee, Share Transfer Committee etc.

In addition to the aforementioned committees the Board has also formulated internal ESG Committee to oversee the implementation of ESG initiatives.

b. Scheduling of Board Meetings:

A minimum of four Board Meetings are held every year. Additional meetings are held to meet business exigencies or urgent matters, and where permitted, resolutions are passed by circulation.

Dates for the Board Meetings in the ensuing year are decided well in advance.

c. Distribution of Board Agenda along with notes:

The Agenda, along with the explanatory notes, including information as specified in Part A of Schedule II to the Listing Regulations, is circulated to the Directors in advance for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to circulate any document in advance, the same is tabled before the meeting with permission of the Chairman. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are considered.

d. Recording Minutes of proceedings of meetings:

Draft minutes are prepared, circulated to all the Directors for their comments, finalized and entered in the Minutes Book by the Company Secretary and, thereafter, signed by the Chairman, in accordance with the applicable Secretarial Standard.

3. COMMITTEES

As mandated by the Companies Act, 2013 (the Act) and Listing Regulations, the Company has constituted an Audit Committee, a Stakeholders Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee. The functioning of these Committees is regulated by the mandatory terms of reference, roles and responsibilities and powers. The Minutes of the meetings of all these Committees are placed before the Board for noting.

3.1 AUDIT COMMITTEE:

The Audit Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors.

a. Composition of the Committee:

The Audit Committee comprises of five members, Mr. Harshvardhan A. Piramal, Mr. Prakash V. Mehta, Mr. Ranjit A. Puranik, and Ms. Sapna U. Tulsiani, Non- Executive Independent Directors and Mr. Dharmil A. Bodani, Executive Director. Mr. Harshvardhan A. Piramal is the Chairman of the Audit Committee.

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The members possess adequate knowledge of Accounts, Audit, and Finance etc.

b. Terms of Reference:

The terms of reference of the Committee, inter alia covers the matters specified under Regulation 18 of Listing Regulations as amended from time to time as well as specified in Section 177 of the Companies Act, 2013 read along with rules made thereunder. The Broad terms of reference of Audit Committee interalia are:

- i. oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- ii. recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity
- iii. approval of payment to statutory auditors for any other services rendered by the statutory auditors
- iv. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval
- v. monitoring the end use of funds raised through public offers and related matters
- vi. approval or any subsequent modification of transactions of the listed entity with related parties
- vii. scrutiny of inter-corporate loans and investments
- viii. valuation of undertakings or assets of the listed entity, wherever it is necessary
- ix. evaluation of internal financial controls and risk management systems
- x. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
- xi. to review the functioning of the whistle blower mechanism
- xii. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate
- xiii. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision
- xiv. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

In addition the powers and role of the Audit Committee are as laid down under Regulation 18 and Schedule II Part C of the Listing Regulations and Section 177 of the Companies Act, 2013.

c. Meeting Details:

During the year under review the Committee met four times i.e. on 30th May, 2023, 10th August, 2023, 09th November, 2023, and 12th February, 2024.

Necessary quorum was present at the meetings. The details of the attendance of Committee Members at the aforesaid meetings are as follows:

Name of Director	Category	No of Audit Committee Meetings Attended out of 4 held
Mr. Harshvardhan A. Piramal	Non-Executive Independent Director	4
Mr. Prakash V. Mehta	Non-Executive Independent Director	3
Mr. Ranjit A. Puranik	Non-Executive Independent Director	3
*Ms. Sapna A. Tulsiani	Non-Executive Independent Director	1
Mr. Dharmil A. Bodani	Executive Director	4
**Ms. Amruda V. Nair	Non-Executive Independent Director	2

*Ms. Sapna A. Tulsiani appointed as member of Audit Committee w.e.f. 03rd October, 2023

** Ms. Amruda V. Nair ceased to member of Audit Committee w.e.f. 03rd October, 2023 upon completion of her term as an Independent Director

The Audit Committee invites such executives as it considers appropriate to be present at its meetings. The statutory auditors are also invited to the meetings. The Company Secretary acts as a Secretary to the Committee.

3.2 NOMINATION & REMUNERATION COMMITTEE:

a. Composition of the Committee:

The Nomination and Remuneration Committee comprises of Mr. Harshvardhan A. Piramal, Mr. Prakash V. Mehta and Mr. Ranjit A. Puranik, Non -Executive Independent Directors. Mr. Harshvardhan A. Piramal is the Chairman of Committee.

The Committee's composition meets with requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

b. Terms of Reference:

The Broad terms of reference of the Committee inter alia, include the following:

- To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive and Non-Executive) and recommend to the Board, policy relating to the remuneration of the Directors, key managerial personnel and other employees;
- To formulate the criteria for evaluation of performance of Independent Directors and the Board;
- To devise a policy on Board diversity;
- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out evaluation of every director's performance.
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
- To recommend to the Board all remuneration payable to the senior management.

In addition the powers and role of the Nomination and Remuneration Committee are as laid down under Regulation 19 and Schedule II Part D of the Listing Regulations and Section 178 of the Companies Act, 2013.

c. Meeting Details:

During the year, under review the Committee met twice on 30th May, 2023, and 10th August, 2023. Necessary quorum was present at the meetings. The details of the attendance of Committee Members at the aforesaid meetings are as follows:

Name of Director	Category	No of Nomination and Remuneration Committee Meetings Attended out of 2 held
Mr. Harshvardhan A. Piramal	Non-Executive Independent Director	2
Mr. Prakash V. Mehta	Non-Executive Independent Director	2
Mr. Ranjit A. Puranik	Non-Executive Independent Director	1

d. Details of Remuneration paid to all Directors:

Remuneration payable to all the Directors is considered and is recommended by the Nomination and Remuneration Committee and is approved by the Board within the ceiling fixed by the members. The Nomination and remuneration policy of the Company as approved by the Board of Directors of the Company is uploaded on website of the Company i.e. www.orientalaromatics.com. Non- executive Directors are paid sitting fees for attending each of the meetings of the Board and its Committee(s) as per the provisions of the Companies Act, 2013 and the rules framed thereunder.

The details of Remuneration paid to the Directors during the Financial Year 2023-24 was as under:

i. Payment to Executive Directors

Payment of remuneration to the Executive Director is governed by the terms of appointment approved by the Board of Directors and the Members in terms of Sec 197, 198 and Schedule V to the Companies Act, 2013. Details of remuneration and perquisites paid to the Managing Director and Executive Directors for FY 2023-24 and their tenure are as follows:

(Amount in ₹)

Name	Position	Salary	Perquisites/ allowances and other contributions	Total	Tenure
Mr. Dharmil A. Bodani	Chairman & Managing Director	2,96,70,000	29,89,415	3,26,59,415	5 years (till 21.08.2028)
Mr. Shyamal A. Bodani	Executive Director	2,34,08,004	-	2,34,08,004	5 years (till 21.08.2028)
Mr. Satish Kumar Ray	Executive Director- Operations	31,53,089	-	31,53,089	5 years (till 15.08.2027)

ii. Payment to Non- Executive Directors

Non-Executive Directors are not paid remuneration in any form whether by way of commission or otherwise. They are paid only sitting fees for each meeting attended by them. The fees paid to Non- Executive Directors for the year ended 31st March, 2024 is as under:

Name of Directors	Sitting Fees (₹ in Lakh)
Mr. Harshvardhan A. Piramal	6.12
Mr. Prakash V. Mehta	4.68
Mr. Ranjit A. Puranik	4.44
*Ms. Sapna A. Tulsiani	1.32
**Ms. Amruda Nair	2.64
TOTAL	19.20

*Appointed as Independent Director w.e.f. 10th August, 2023.

**Ceased to be Director of the Company w.e.f. 03rd October, 2023 upon completion of her term as Independent Director

e. Performance Evaluation

In terms of the provisions of the Companies Act, 2013 and Listing Regulations, a structured questionnaire was prepared after taking into consideration the various aspects of the Board functioning like composition of the Board and its committees, culture, execution and performance of specific duties, obligations and governance.

The Board carried out an annual performance evaluation of its own performance, the individual Directors as well as the working of the Committees of the Board in its meeting held on 12th February, 2024 pursuant to the provisions of the Companies Act, 2013 and Guidance Note on Board Evaluation issued by Securities and Exchange Board of India.

Accordingly, the performance evaluation of board and committees was evaluated by the Board after seeking all inputs from all the directors on the basis of criteria such as composition, structure, effectiveness and functioning of the Board and its respective Committees.

The evaluation of every Director's performance was carried out by the entire Board excluding the director being evaluated in the Board Meeting held on 12th February, 2024.

In the separate meeting of Independent Directors held on 12th March, 2024, performance evaluation of the Chairperson and the Non-Independent Directors and Board as a whole was carried out taking into account views of executive and non- executive directors.

3.3 STAKEHOLDERS RELATIONSHIP COMMITTEE:

a. Composition of the Committee:

The Stakeholders Relationship Committee comprises of Mr. Harshvardhan A. Piramal, Mr. Ranjit A. Puranik, Non -Executive Independent Directors and Mr. Dharmil A. Bodani- Managing Director. Mr. Harshvardhan A. Piramal is the Chairman of Committee.

The Committee's composition meets with requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

b. Terms of Reference:

The Broad terms of reference of Stakeholders Relationship Committee interalia are:

- i. To resolve the grievances of the security holders of the listed entity including complaints related to name deletion/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc
- ii. To Review the measures taken for effective exercise of voting rights by shareholders.
- iii. To Review the adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent
- iv. To Review various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company

The terms of reference of the Committee have been aligned to Section 178 of Companies Act, 2013 and Regulation 20 and Schedule II Part D of the Listing Regulations.

c. Meeting Details:

During the year under review, the Committee met once on 10th August, 2023. Necessary quorum was present at the meetings. All the committee members attended the meeting.

d. Name and Designation of the Compliance Officer:

Ms. Kiranpreet Gill, Company Secretary is the Compliance Officer of the Company as required under Regulation 6 of the Listing Regulations.

e. Investor Grievance Redressal:

The Company had no investor complaint pending at the beginning of the year and had received 7 complaints during the year. All the 7 complaints were resolved during the year and no complaints remained unresolved at the end of the year.

Number of Investor Complaints unresolved at the beginning of the year	0
Number of Investor Complaints received during the year	7
Number of Investor Complaints resolved during the year	7
Number of pending Investor Complaints	0

The investors can register their complaints electronically by sending an email at the e-mail id cs@orientalaromatics.com or investors@orientalaromatics.com.

3.4 RISK MANAGEMENT COMMITTEE:

a. Composition of Committee:

The Risk Management Committee comprises of Mr. Prakash Mehta - Non -Executive Independent Directors, Mr. Shyamal A. Bodani- Executive Director and Mr. Parag K. Satoskar - Chief Executive Officer. Mr. Prakash Mehta is the Chairman of the Committee. The composition of this Committee is in compliance to Regulation 21(4) and Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

b. Terms of Reference:

The Broad terms of reference of the Committee inter alia, include the following:

- i. To formulate a detailed risk management policy
- ii. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- iii. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- iv. To periodically review the risk management policy.
- v. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

In addition the powers and role of the Risk Management Committee are as laid down under Regulation 21 and Schedule II Part D of the Listing Regulations.

c. Meeting Details:

During the year under review, the Committee met twice on 10th August, 2023 and 25th January, 2024. Necessary quorum was present at the meeting. The details of the attendance of Committee Members at the aforesaid meetings are as follows:

Name of Director	Category	No of Committee Meetings Attended out of 2 held
Mr. Prakash Mehta	Non-Executive Independent Director	2
Mr. Shyamal A. Bodani	Executive Director	2
Mr. Parag K. Satoskar	Chief Executive Officer	2

3.5 CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

a. Composition of the Committee:

The Corporate Social Responsibility Committee comprises of Mr. Harshvardhan A. Piramal, Ms. Sapna U. Tulsiani, Non -Executive Independent Directors and Mr. Shyamal A. Bodani- Executive Director who is also the Chairman of the Committee.

The composition of the Committee is in compliance with Section 135 of the Companies Act, 2013.

b. Terms of Reference:

The Corporate Social Responsibility formulates and recommends to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.

The Committee also recommends the amount of expenditure to be incurred on the activities mentioned in the CSR Policy. The committee is also responsible for decision making on business responsibility and sustainability related issues.

The terms of reference of the Corporate Social Responsibility Committee are in alignment with Section 135 of the Companies Act, 2013, and include implementation and monitoring of CSR activities.

c. Meeting Details:

During the year under review, the Committee met thrice on 30th May, 2023, 10th August, 2023 and 12th February, 2024. Necessary quorum was present at the meeting. The details of the attendance of Committee Members at the aforesaid meetings are as follows:

Name of Director	Category	No of Committee Meetings Attended out of 3 held
Mr. Harshvardhan A. Piramal	Non-Executive Independent Director	3
Mr. Shyamal A. Bodani	Executive Director	2
*Ms. Sapna U. Tulsiani	Non-Executive Independent Director	1
**Ms. Amruda V. Nair	Non-Executive Independent Director	2

*Ms. Sapna A. Tulsiani appointed as member of CSR Committee w.e.f. 03rd October, 2023

** Ms. Amruda V. Nair ceased to member of CSR Committee w.e.f. 03rd October, 2023 upon completion of her term as an Independent Director

3.6 Particulars of senior management of Oriental Aromatics Limited

Name of Senior Management Personnel	Designation
Mr. Parag Satoskar	Chief Executive Officer
Mr. Girish Khandelwal	Chief Financial Officer
Ms. Anita Satoskar	Chief Technology Officer
Ms. Kiranpreet Gill	Company Secretary & Compliance Officer
Mr. A K Mathur	Vice President- Technical
Ms. Savita Dalvi	Vice President- Sales F&F
*Mr. Roopesh Anchan	Vice President- Aroma Ingredients
Mr. Pravin Varade	Senior Manager-Project
Mr. Arun Kumar	Deputy General Manager -Production
Mr. Dharendra Bacchav	Deputy General Manager - HR
Mr. Ravi Mishra	Manager- IT

*Mr. Roopesh Anchan, was appointed as Vice President - Aroma Ingredients during the year on 09th November, 2023.

4. GENERAL BODY MEETINGS:

The last three Annual General Meetings were held as under:

AGM (Year)	Day, Date & Time	Venue	Particulars of Special Resolutions passed thereto
49 th AGM (2021)	Tuesday, 27 th July, 2021 At 11:00 A.M	Held via Video Conferencing; Deemed Venue: 133, Jehangir Building, 2 nd Floor, M.G. Road, Fort, Mumbai-400001	1. To revise the terms of appointment of Mr. Dharmil A. Bodani, Managing Director. 2. To revise the terms of appointment of Mr. Shyamal A. Bodani, Executive Director.
50 th AGM (2022)	Tuesday, 27 th July, 2022 At 11:00 A.M	Held via Video Conferencing; Deemed Venue: 133, Jehangir Building, 2 nd Floor, M.G. Road, Fort, Mumbai-400001	No Special Resolution was passed in this Meeting.
51 st AGM (2023)	Thursday, 17 th August, 2023 At 11:00 A.M	Held via Video Conferencing; Deemed Venue: 133, Jehangir Building, 2 nd Floor, M.G. Road, Fort, Mumbai-400001	1. Re-appointment of Mr. Dharmil A. Bodani as Managing Director. 2. Re-appointment of Mr. Shyamal A. Bodani as Executive Director.

POSTAL BALLOT:

Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:

The Postal Ballot was carried out as per the provisions of Section 110 read with Section 108 and other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI Listing Regulations and the Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, each as amended, and in accordance with the requirements prescribed by the Ministry of Corporate Affairs vide its General Circulars dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020, June 23, 2021, December 8, 2021, May 5, 2022 and December 28, 2022.

The Company had appointed CS Shreyans Jain of M/s Shreyans Jain & Co., Practicing Company Secretary, Mumbai (Membership No, FCS 8519) as Scrutinizer.

Following Resolutions were passed as special resolutions through postal ballot during the year 2023-24:

Sr No	Resolutions	Votes cast in favour		Votes cast against	
		No. of votes	%	No. of votes	%
1	Appointment of Ms. Sapna Uttam Tulsiani (DIN: 00023934), as an Independent Director of the Company	2,53,36,423	99.00	2,54,884	0.99

Procedure of Postal ballot:

- The postal ballot Notice along with the Explanatory Statement was sent only through electronic mode on 18th August, 2023 to all those members whose e-mail ids were registered with the Company/ Depository Participant;
- Facility of e-voting was provided to all the members of the Company pursuant to the provisions of the Companies Act, 2013 through electronic platform of National Securities Depository Limited (NSDL).

- iii. The remote e-voting period commenced at 9:00 am on 25th August, 2023 and concluded at 5:00 pm on , 23rd September, 2023.;
- iv. The report on the result of the postal ballot through remote e-voting for approving aforementioned resolutions was provided by the Scrutiniser on 25th September, 2023.
- v. The results of Postal Ballot are also displayed on the Company's website, www.orientalaromatics.com besides being communicated to the stock exchange and depository.

Details of special resolution proposed to be conducted through postal ballot:

No Special Resolution is proposed to be passed through Postal Ballot as on the date of this Annual Report.

5. MEANS OF COMMUNICATION:

- a. Quarterly/Annual Financial Results:** The Quarterly and Annual Financial Results of the Company are filed with the Stock Exchanges immediately after they are approved by the Board.
- b. News Releases:** The Quarterly / Annual Results of the Company are published in the prescribed proforma within 48 hours of the conclusion of the meeting of the Board in which they are considered, in Financial Express (English edition) & Loksatta (Marathi edition) in Mumbai. In addition to that, the Company also publishes notices, as required or mandated by SEBI/ MCA Circulars.
- c. Website:** The Company's website www.orientalaromatics.com contains a separate dedicated section "Investor Relations" where latest Shareholders information is available. The Quarterly/ Annual Results and official news releases are posted on the website in compliance with regulation 46 of Listing Regulations.
- d. Stock Exchange Intimations:** All price-sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed. The Company electronically files data such as Shareholding Pattern, Corporate Governance Report, Quarterly and Audited Annual Financial results, Corporate Announcements etc. on the BSE online portal, viz www.listing.bseindia.com and NSE online portal, viz. <https://neaps.nseindia.com/NEWLISTINGCORP/> within the time frame prescribed in this regard.
- e. Annual Report:** The Annual Report containing, inter alia, Audited Financial Statements, Directors' Report, Auditors' Report and other important information is sent to Members and others entitled thereto. The Management's Discussion and Analysis (MDA) Report and Business Responsibility & Sustainability Report forms part of the Annual Report. The Annual Report is also available on the Company's website www.orientalaromatics.com
- f. Analyst/Investor Meets :** The Managing Director & CEO and Chief Financial Officer hold quarterly briefs with analysts and shareholders where the Company's performance is discussed. The presentations made to the institutional investors and analysts, audio/video recording and transcript of the calls with analysts for quarterly/half-yearly/annual results are available on the Company's website at www.orientalaromatics.com and uploaded on the website of NSE & BSE.
- g. Letter & Reminders to Shareholders:** Pursuant to the provisions of the Act, the Company sends reminder letters to those shareholders whose unclaimed dividend/shares are liable to be transferred to the Investor Education and Protection Fund (IEPF) account. The Company has uploaded the names of the Members and the details of the unclaimed dividend by the Members on its website. Other Letters & Reminders are also communicated to the shareholders for various matters like updating their KYC, PAN, Email addresses, Updation of bank account and other details for dividend payment and TDS etc.

6. GENERAL SHAREHOLDER INFORMATION:

- a. 52nd Annual General Meeting** : **Day, Date, Time and Venue**
Wednesday, 21st August , 2024 at 11:00 a.m.
In accordance with the General Circulars issued by the MCA, the AGM will be held through VC/OAVM only
- b. Tentative Financial Calendar** : **1st April, 2024 - 31st March, 2025**
Financial Year :
Approval of Quarterly results for the quarter ending :
June, 2024 : 1st /2nd Week of August, 2024
September, 2024 : 1st /2nd Week of November, 2024
December, 2024 : 1st /2nd Week of February, 2025
March, 2025 : 1st /2nd Week of May, 2025
Note: The above dates are indicative.
- c. Date of Book closure / Record date** : Wednesday, 07th August, 2024 to Wednesday, 21th August, 2024 (both days inclusive)
- d. Dividend payment date** : On or after Monday, 26th August, 2024, if declared by the Members at the AGM
- e. Listed on** : **BSE Limited (BSE),**
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
National Stock Exchange of India Ltd (NSE),
Exchange Plaza, BandraKurla Complex, Bandra (East), Mumbai - 400051
The Company has duly paid the Annual Listing Fees to the respective Stock Exchanges for the year 2024-2025.
- f. Stock/Scrip Code/Symbol on BSE/NSE:** BSE: Scrip Code: 500078
NSE: SYMBOL: OAL
- g. ISIN** : INE959C01023
- h. Company Registration No. with ROC/ Ministry of Corporate Affairs (MCA)** : L17299MH1972PLC285731
- i. Registrar and Transfer Agents** : M/s Link Intime India Pvt. Ltd.
Corporate Office:
C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083
Tel: 022-49186270
Fax: 022-49186060
Website: www.linkintime.co.in
Email : rnt.helpdesk@linkintime.co.in

j. Dematerialization of shares : Out of 3,36,53,576 shares, 3,30,20,491 Shares equivalent to 98.12 % of the paid up capital of the Company have been dematerialized till 31st March, 2024. The details are as under:

	No of shares	% of Share Capital
CDSL	37,01,231	11.00%
NSDL	2,93,19,260	87.12%
Physical	633,085	1.88 %
Total	3,36,53,576	100.00%

k. Outstanding ADRs/ GDRs : The Company has not issued any ADRs/GDRs

l. Commodity Price Risk or Foreign

Exchange Risk and Hedging Activities : During the year 2023-2024, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The details of foreign currency exposure are disclosed in Note No. 39 (ii) to the Annual Accounts.

m. Plant Location

- i. Ambernath
Plot No. M-5, MIDC, Additional Ambernath Ind Area, Village - Jambhivli, Ambernath (E), Dist.- Thane 421 506, India.
- ii. Bareilly
P.O. Clutterbuckganj, Bareilly (U.P.) 243502, India.
- iii. Vadodara
Plot No. 3, GIDC Ind. Estate, Nandesari, Vadodara (Gujarat) 391 340, India.
- iv. R&D Lab- Chandivali
Unit No. 301, 302 & 303, G Wing, Tex Centre, Chandivali Farm Road, Chandivali, Andheri (E), Mumbai- 400072,
- v. Mahad (Unit of Oriental Aromatics & Sons Limited)
Plot No. FS-43, Additional MIDC, Mahad, Raigad-402309, Maharashtra.

n. Address for correspondence : **Registered Office:** 133, Jehangir Building, 2nd Floor, Mahatma Gandhi Road, Fort, Mumbai- 400 001.

o. Compliance Officer : Ms. Kiranpreet Gill,
Company Secretary & Compliance Officer
Tel: +91 22 43214000/4064
Email: cs@orientalaromatics.com
investors@orientalaromatics.com

p. Stock Price Data:

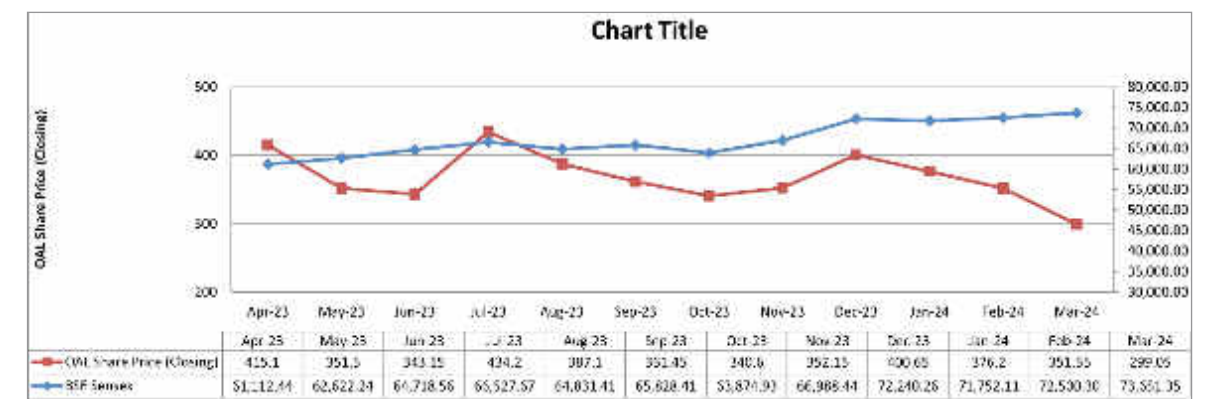
High, low Market Price on BSE Limited ("BSE") and National Stock exchange of India Limited ("NSE") during each month in the previous financial year in comparison with BSE Sensex and Nifty respectively is as follows:

High/Low during the financial year 2023-24:

Month	OAL Share Price (₹) on BSE			BSE Sensex (Closing)	OAL Share Price (₹) on NSE			Nifty (Closing)
	High	Low	Close		High	Low	Close	
Apr-23	428.35	341	415.1	61,112.44	424.9	340.7	412.15	18,065.00
May-23	421.45	336.25	351.5	62,622.24	417.6	333.55	349.45	18,534.40
Jun-23	361.6	310	343.15	64,718.56	363	309.7	343.05	19,189.05
Jul-23	502	317.8	434.2	66,527.67	503.2	321.75	433.95	19,753.80
Aug-23	477.6	359.3	387.1	64,831.41	477.3	362.35	386.7	19,253.80
Sep-23	402.75	352	361.45	65,828.41	407.9	352.35	361.65	19,638.30
Oct-23	399.55	327.4	340.6	63,874.93	394.45	326.6	339.05	19,079.60
Nov-23	367.5	328	352.15	66,988.44	369	330.05	353.05	20,133.15
Dec-23	415	339	400.65	72,240.26	415.85	337.2	400.2	21,731.40
Jan-24	425.6	371	376.2	71,752.11	424.9	366.5	377.05	21,725.70
Feb-24	429.95	342	351.55	72,500.30	396.5	348	351.75	21,982.80
Mar-24	374	296.65	299.05	73,651.35	359.95	293	298.05	22,326.90

q. Performance in Comparison:

The performance of the Company's shares relative to the BSE Sensex Index is given in the chart below:



The performance of the Company's shares relative to the NSE Nifty 50 is given in the chart below:



r. Shareholding Pattern as at 31st March, 2024.

Shareholding Pattern as on quarter ended 31st March, 2024.

Category	No of Equity Shares held	Percentage of Shareholding
A. Promoters Holding		
1. Promoters		
a. Indian Promoters	24960000	74.167%
b. Foreign Promoters	0	0.000%
2. Persons acting in concert	0	0.000%
Sub- Total	24960000	74.167%
B. Non- Promoters Holding		
1. Institutional Investors		
a. Mutual Funds and UTI	130159	0.387%
b. Alternate Investment Funds	0	0.000%
c. Banks, Financial Inst, Insurance Company, NBFC's registered with RBI (Central/State Govt. Inst./Non-Govt. Inst.)	628	0.002%
d. FIIs Holding/FPI	34159	0.102%
Sub- Total	164946	0.490%
2. Others Holding		
a. Bodies Corporate	405021	1.204%
b. Indian Public	6431236	19.110%
c. HUF	407860	1.212%
d. NRIs/OCBs/Foreign Nationals	218325	0.649%
e. Clearing member	69	0.000%
f. Trusts & Charitable Institutions	160951	0.478%
g. IEPF	710856	2.112%
h. Transit -Account- Unclaimed / Suspense Account	126560	0.376%
i. LLP	67731	0.201%
j. KMP	21	0.000%
Sub- Total	8528630	25.342%
GRAND TOTAL (A+B)	33653576	100.000%

s. Distribution Schedule on Scrip Value as on 31st March, 2024:

Shares of Nominal Value	No. of Holders	% of Holders	Total Amount	% of Amount
Upto 5000	24777	95.757	13476475	8.009
5001 to 10000	613	2.369	4470925	2.657
10001 to 20000	264	1.020	3800290	2.258
20001 to 30000	68	0.263	1665630	0.990
30001 to 40000	34	0.131	1201950	0.714
40001 to 50000	23	0.089	1058490	0.629
50001 to 100000	51	0.197	3576620	2.126
100001 to above	45	0.174	139017500	82.617
TOTAL	25875	100.000	168267880	100.000

t. Share Transfer System:

Pursuant to SEBI circular dated January 25, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service request from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition etc. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR - 4, the format of which is available on the Company's website at <https://www.orientalaromatics.com>

After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares.

If the shareholders fail to submit the dematerialization request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation. In view of the aforesaid, Members who are holding shares in physical form are hereby requested to convert their holdings in electronic mode to avail various benefits of dematerialization.

u. Secretarial Audit and Other Certificates

M/s Shreyans Jain & Co., Practicing Company Secretaries, has conducted a secretarial audit of the Company for FY 2023-24. Their Audit Report confirms that the Company has complied with the applicable provisions of the Act and the Rules made thereunder, its Memorandum and Articles of Association, SEBI Listing Regulations and the other applicable SEBI Regulations. The Secretarial Audit Report forms part of the Board's Report as an Annexure.

In accordance with the SEBI Circular dated February 8, 2019 and additional affirmations required under Circulars issued by NSE and BSE dated March 16, 2023 and April 10, 2023 read with Regulation 24A of the SEBI Listing Regulations, the Company has obtained an Annual Secretarial Compliance Report from CS Shreyans Jain of Shreyans Jain & Co., Practicing Company Secretaries, confirming compliances with all applicable SEBI Regulations, Circulars and Guidelines for the year ended March 31, 2024.

The Company obtains from CS Shreyans Jain of Shreyans Jain & Co., Practicing Company Secretary, yearly Certificate of Compliance with share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the said Certificate with the stock exchange.

M/s Shreyans Jain & Co., Practicing Company Secretaries, has carried out a quarterly Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL & CDSL and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

v. National Electronic Clearing Service (NECS) Facility:

The Company, with respect to payment of dividend to shareholders shall endeavour to remit the dividend payment through National Electronic Clearing Service (NECS) to the shareholders having accounts with Branches of Banks covered under CBS (Core Banking Solution).

Equity Shareholders holding shares in physical form, who wish to avail the NECS facility, may send their NECS mandate to the Company's R & T Agent, in the event they have not done so earlier. Equity Shareholders holding shares in electronic mode may send the NECS mandate form to the concerned Depository Participant (DP) directly.

w. Transfer to Investor Education protection Fund (IEPF):

A) Transfer of unclaimed/unpaid dividend:

Under the provisions of Section 124 of the Companies Act 2013, amounts that remain unclaimed for a period of seven (7) years are to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. In view of the same, dividend of Rs. 4,23,770 pertaining to FY 2015-16 which remained unpaid or unclaimed was transferred to the IEPF Authority on 22nd November, 2023.

The unclaimed amounts that are due for transfer to the IEPF are as follows:

Financial Year	Date of declaration of Dividend	Unclaimed dividend amount as on 31 st March 2024 (Amount in ₹)	Due date of Transfer to IEPF
2016-2017	25 th September 2017	441873	30.10.2024
2017-2018	24 th September, 2018	384884	30.10.2025
2018-2019	25 th September, 2019	530414	30.10.2026
2019-2020	09 th March, 2020	1308470	15.04.2027
2020-2021	18 th November, 2020	1412229	24.12.2027
2021-2022	09 th December, 2021	855007	15.01.2029
2022-2023	17 th August, 2023	272424	23.09.2030

Members can check the details of the unclaimed dividend amount on the website of the Company: www.orientalaromatics.com. The said information is also available on the Ministry of Corporate Affairs website www.mca.gov.in. Members who have not claimed their dividend amount may approach the RTA of the Company, Link Intime India Pvt. Ltd. for obtaining payments thereof immediately before they are due to be transferred to the IEPF Authority.

B) Transfer of Shares:

In terms of the provisions of section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, all the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more as provided under sub section (6) of Section 124 were transferred to the Special demat account of IEPF Authority. Accordingly, 22,066 shares were transferred to IEPF Account on 11th December, 2023. The Company had sent notices to all such members in this regard and published newspaper advertisement and thereafter transferred the shares to the IEPF during the Financial year 2023-24. The details of the shareholders whose shares are transferred to IEPF Authority has been uploaded on the Company's website i.e. www.orientalaromatics.com

Further, upon transfer of shares all the benefits if any, accruing on such shares shall also be credited to Demat account of IEPF.

The shares and unclaimed dividend transferred to the IEPF can however be claimed back by the concerned shareholders from the IEPF Authority after complying with the procedure under the IEPF Rules. The Member/ Claimant is required to make an online application to the IEPF Authority in the Form IEPF-5 (available on iepf.gov.in) along with the requisite fees as decided by the IEPF Authority from time to time.

x. Details of Credit Rating provided by ICRA for the Bank facilities availed by the Company:

Sr. No.	Instrument	Type	Rating Agency	Credit Ratings and Outlook	Rating Assigned on
1.	Fund based Term Loan	Long term	ICRA	[ICRA]A-(Stable)	6 th June, 2023
2.	Fund-based/ Non-Fund based limits	Long term/ Short term	ICRA	[ICRA]A-(Stable) / [ICRA]A2+;	6 th June, 2023

7. OTHER DISCLOSURES:

a. Related Party Transactions (RPT)

There have been no materially significant Related Party Transactions that may have potential conflict with the interests of the Company at large. Transactions with related parties have also been disclosed in the notes of the Financial Statements.

Policy for transactions with related parties has been displayed on the Company's website www.orientalaromatics.com and weblink thereto is <https://www.orientalaromatics.com/documents/corporate-governance/policies/policy-on-related-party-transactions.pdf>

b. Statutory Compliance, Penalties and Strictures

There were no instances of any material non-compliance nor have any penalties, strictures been imposed by Stock Exchange or SEBI or any other statutory authority during the last three years on any matter related to the capital markets.

c. Whistleblower policy/Vigil mechanism:

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of Listing Regulations. The Company has established vigil mechanism for directors and employees to report genuine concerns regarding unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The said mechanism also provides for the safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee. We affirm that no employee of the company has been denied access to the audit committee. The said Vigil Mechanism has been hosted on the website of the Company at www.orientalaromatics.com and the weblink thereto is <https://www.orientalaromatics.com/documents/corporate-governance/policies/vigil-mechanism.pdf>

d. Determination of Materiality:

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) the Company has adopted a policy on determination of materiality of any event and/ or information which are required to be disclosed to the Stock Exchanges. The objective of the policy is to ensure timely and adequate disclosure of material events and information as per Regulation 30 of the Listing Regulations. The purpose of the following policy is to institutionalise the process of identification and dissemination of any material information and/or event under clause (i) of sub regulation (4) of Regulation 30 of the Listing Regulations to enable investors to carry out their decision making by considering all important parameters. The said policy has been hosted on the website of the Company at www.orientalaromatics.com and the weblink thereto is <https://www.orientalaromatics.com/documents/corporate-governance/policies/policy-for-determination-of-materiality.pdf>

e. Determination of Material Subsidiary:

Pursuant to the provisions of Regulation 16(1)(c) of the Listing Regulations the Company has adopted a Policy for determining Material Subsidiaries laying down the criteria for identifying material subsidiaries of the Company. The Company did not have any material subsidiary during the Financial Year 2023-2024. The Policy may be accessed on the website of the Company at the link: <https://www.orientalaromatics.com/documents/corporate-governance/policies/POLMatSubsidiary.pdf>

f. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: Not Applicable

g. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount : Not Applicable

h. Details of compliance with mandatory and non-mandatory requirements of Listing Regulations:

The Company has complied with in all material respects and adopted the mandatory requirements as laid down under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation 46 of the Listing Regulations. Following is the status of the compliance with non-mandatory (Discretionary) requirements;

- Audit Qualifications;**

During the year under review, there were no Audit qualifications on the Company's financial statements. The Company shall endeavor to continue to have unqualified financial statements.

- Reporting of Internal Auditor:**

In accordance with the provisions of Section 138 of the Companies Act, 2013, the Internal Auditors of the Company report to the Audit Committee. Quarterly Internal Audit Reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

i. Compliance with Accounting Standards;

In the preparation of financial statements, the company has followed the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 read with relevant rules thereunder. The Significant Accounting policies which are consistently applied have been set out in the notes to the financial statements.

j. Insider Trading Regulations:

The Company has adopted an insider trading policy to regulate, monitor and report trading by insiders under SEBI (Prohibition of Insider Trading) Regulations, 2015. This Policy also includes practices and procedures for fair disclosure of unpublished price sensitive information, initial and continual disclosure and the same is hosted on the website of the Company i.e. at www.orientalaromatics.com and the weblink thereto is:

<https://www.orientalaromatics.com/documents/corporate-governance/policies/Code-of-Conduct-for-Prevention-of-Insider-Trading.pdf>

Pursuant to the provisions of the SEBI (PIT) Regulations, the Company is also maintaining a Structured digital database.

k. Commodity Price risk and Commodity hedging activities:

The Company has adequate risk assessment and minimization system in place for commodities. The Company does not have material exposure of any commodity and accordingly no hedging activities for the same are carried out.

l. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A): Not Applicable

m. A certificate from a Company Secretary in practice that none of the Directors on the board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority.

The certificate of Company Secretary in practice is attached herewith as part of this report.

n. Where the Board has not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year: Not Applicable

o. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all the entities in the network firm/network entity of which the statutory auditor is a part:

Details relating to fees paid to the statutory auditors are given in Note No. 32 to the standalone financial statements and Note No. 30 to the consolidated financial statements

p. Disclosures in relation to the sexual Harassment of Women at Workplace (Prevention, prohibition and Redressal) Act, 2013:

There were no complaints filed and disposed of during the year and pending as on 31st March, 2024

q. CEO/CFO Certification:

As required by Regulation 17(8) of the SEBI Listing Regulations, the Chief Executive Officer and the Chief Financial Officer have submitted a Certificate to the Board of Directors in the prescribed format for the financial year ended 31st March 2024 confirming the correctness of the financial statements and cash flow statement, and adequacy of the internal control measures and reporting of matters to the Audit Committee.

r. The details with respect to demat suspense account/unclaimed suspense account:

Particulars	No. of Shareholders	No. of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on June 26, 2023.	751	127856
Number of Shareholders who approached the Company for transfer of shares from suspense account during the year.	12	1660
Number of Shareholders to whom shares were transferred from the suspense account during the year.	10	1560
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2024.	741	126296

Note : 1,27,856 shares got dematerialised on 26th June, 2023.

For and on behalf of the Board of Directors

Dharmil A. Bodani
Chairman and Managing Director
DIN: 00618333

Shyamal A. Bodani
Executive Director
DIN:00617950

Place: Mumbai
Dated: 27th May, 2024

DECLARATIONS

Compliance with the Code of Business Conduct and Ethics

As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Code of Business Conduct and Ethics for the year ended 31st March, 2024.

For and on behalf of the Board of Directors

Parag Satoskar
Chief Executive Officer

Place: Mumbai

Date: 27.05.2024

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Oriental Aromatics Limited

The Corporate Governance Report prepared by **Oriental Aromatics Limited** ('the Company') for the year ended March 31, 2024 contains details as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Management's Responsibility for compliance with the conditions of Listing Regulations:

The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), Standards on auditing specified under Section 143(10) of the Companies Act, 2013 and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on the procedures performed by us and to the best of our information and according to explanations given to us and representations made by the management, in our opinion, we certify that the Company has complied, in all material respects, with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on Use

The certificate is addressed to and provided to the Members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **Lodha & Co. LLP**
Firm Registration No.- 301051E/E300284
Chartered Accountants

R.P. Baradiya
Partner
Membership No. 04401
UDIN:- 24044101BKCLSB4122

Place: Mumbai
Date: May 27, 2024

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of,
ORIENTAL AROMATICS LIMITED,
133, Jehangir Building, 2nd Floor,
Mahatma Gandhi Road, Fort,
Mumbai - 400 001, Maharashtra.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ORIENTAL AROMATICS LIMITED** having CIN: **L17299MH1972PLC285731** and having registered office at 133, Jehangir Building, 2nd Floor, Mahatma Gandhi Road, Fort, Mumbai - 400 001, Maharashtra (hereinafter referred to as the **"Company"**) produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2024** have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in the Company
1.	Mr. Dharmil Anil Bodani	00618333	22/08/2008
2.	Mr. Shyamal Anil Bodani	00617950	22/08/2008
3.	Mr. Harshvardhan Ashok Piramal	00044972	22/08/2008
4.	Mr. Ranjit Anand Puranik	00199353	30/09/2008
5.	Mr. Satishkumar Ray	07904910	16/08/2017
6.	Mr. Prakash Vasantlal Mehta	00001366	05/08/2011
7.	Ms. Sapna Uttam Tulsiani	00023934	10/08/2023

Ensuring the eligibility of / for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Shreyans Jain & Co.**
Company Secretaries
Unique ID: S2011MH151000

Shreyans Jain
(Proprietor)
FCS No. 8519 / C.P. No. 9801
UDIN: F008519F000368661
PR NO.1118/2021

Place: Mumbai
Date: 14.05.2024

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

Business Responsibility and Sustainability Reporting (BRSR) is the practice of companies disclosing information about their environmental, social, and governance (ESG) performance. It goes beyond financial reporting to provide stakeholders with a comprehensive view of a company's non-financial impacts and contributions to sustainable development. BRSR covers topics such as environmental impact, social responsibility, and governance practices, aiming to promote transparency and accountability.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identification Number (CIN) of the Listed Entity	L17299MH1972PLC285731
2.	Name of Listed Entity	Oriental Aromatics Limited ("OAL/ Company")
3.	Year of incorporation	07 th April, 1972
4.	Registered office address	133, Jehangir Building, 2 nd floor, Mahatma Gandhi Road, Fort, Mumbai-400001
5.	Corporate office address	Mumbai-400001
6.	E-mail	cs@orientalaromatics.com; investors@orientalaromatics.com
7.	Telephone	+91 22 43214000
8.	Website	www.orientalaromatics.com
9.	Financial year for which the reporting is done	1 st April, 2023 to 31 st March, 2024
10.	Name of the Stock Exchange(s) where shares are listed	1. BSE Limited - Scrip Code : 500078 2. National Stock Exchange of India Limited, Symbol : OAL
11.	Paid-up Capital	INR 1682.68 Lakh
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Kiranpreet Gill, +91 22 66556000; cs@orientalaromatics.com Company Secretary & Compliance Officer 133, Jehangir Building, 2 nd floor, Mahatma Gandhi Road, Fort, Mumbai 400001
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone basis
14.	Name of assurance provider	NA
15.	Type of assurance obtained	NA

II. Products/Services

16. Details of business activities (accounting for 90% of the turnover)

S. No.	Description of main activity	Description of business activity	% of turnover of the entity
1	Manufacturing	Manufacturing of Chemical and chemical products including Flavors, Fragrances, Specialty Aroma Ingredients, Camphor & Terpene Chemicals.	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover)

S. No.	Product/service	NIC Code	% of total turnover contributed
1	Camphor & Terpene Chemicals	20118	33%
2	Fragrances & Flavours	20118	27%
3	Specialty Aroma Chemicals	20118	30%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of Plants	Number of Offices	Total
National	5*	1**	6
International	-	1#	1

* Including plant of our wholly owned subsidiary i.e Oriental Aromatics & Sons Ltd located at Mahad, Maharashtra & R&D Lab at Chandivali, Mumbai

** Registered /Corporate Office at Mumbai, Maharashtra

Subsidiary in Indonesia - PT Oriental Aromatics

Note: The Company has 2 subsidiaries, including 1 subsidiary outside India. There is no direct participation of the subsidiaries in the BRSR initiatives as presently there are no business operations being undertaken.

19. Markets served by the entity

a. Number of locations

Locations	Numbers
National (No. of States)	28
International (No. of Countries)	35

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports contribute to 44% of the total turnover of the entity.

c. A brief on types of customers

Oriental Aromatics Limited caters to a diverse range of customers across various industries. Some of the main types of customers that the company serves include FMCG industry, personal care, fine fragrances, aroma chemicals, puja samagri market and pain management.

IV. Employees

20. Details as at the end of Financial year:

a. Employees and workers (Including differently abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	%(B/A)	No. (C)	%(C/A)
EMPLOYEES						
1.	Permanent (D)	561	474	84.5%	87	15.5%
2.	Other than permanent (E)	5	4	80%	1	20%
3.	Total employees (D+E)	566	478	84.5%	88	15.5%
WORKERS						
4.	Permanent (F)	174	173	99.4%	1	0.6%
5.	Other than permanent (G)	945	871	92.16%	74	7.83%
6.	Total workers (F+G)	1119	1044	93.30%	75	6.70%

b. Differently abled employees and workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	%(B/A)	No. (C)	%(C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	0	0	0%	0	0%
2.	Other than permanent (E)	0	0	0%	0	0%
3.	Total differently abled Employees (D + E)	0	0	0%	0	0%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0%	0	0%
5.	Other than permanent (G)	0	0	0%	0	0%
6.	Total differently abled workers (F + G)	0	0	0%	0	0%

21. Participation/Inclusion/ Representation of Women

	Total (A)	No. and Percentage of Females	
		No. (B)	% (B/A)
Board of Directors	7	1	14%
Key Management Personnel*	4	2	50%

22. Turnover rate for permanent employees and workers

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	30.01%	28.41%	29.72%	35.86%	25.27%	34.10%	25.59%	13.76%	23.34%
Permanent workers	22%*	0%	22%	6.56%	0%	6.56%	6.44%	0%	6.44%

*The variation in % of permanent workers is high as compared to last year due to few workers being promoted to employees.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility Initiatives of the listed entity? (Yes/No)
1.	PT Oriental Aromatics (Indonesia)	Subsidiary	99.86%	No
2.	Oriental Aromatics & Sons Limited	Subsidiary	100%	

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(a) Turnover (in Rs.) (23-24) : ₹ 8,43,73,02,858

(b) Net worth (in Rs.) (23-24) : ₹ 5,86,75,95,561

*(Note: The Turnover mentioned above includes Revenue from operations as well as other income sources)

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) * (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	The mechanism is in place to receive concerns from community via email at info@orientalaromatics.com, which are worked upon and redressed accordingly.	0	0	-	0	0	-
Investors (other than shareholders)	Yes	0	0	-	0	0	-
Shareholders	Yes, Shareholders can register their grievances with the Company or its RTA. The Details of the same are at http://www.orientalaromatics.com/investors-grievances-contacts.php . Further grievances can also be lodged with SEBI at https://scores.gov.in/scores/Welcome.html	7	0	-	9	0	-
Employees and workers	Yes, The mechanism is in place to receive concerns from employees and workers via email at info@orientalaromatics.com, which are worked upon and redressed. The employees & workers can register their grievances via email at dhirendra@orientalaromatics.com / info@orientalaromatics.com	0	0	-	0	0	-
Customers	Yes, the company has a mechanism to handle and address customer complaints. The customers can register their grievances via email at sales.mumbai@orientalaromatics.com and info@orientalaromatics.com	42	0	-	18	0	All complaints resolved.
Value Chain Partners	The mechanism is in place to receive concerns from value chain partners via email at info@orientalaromatics.com, which are worked upon and redressed accordingly.	0	0	-	0	0	-

Note: Web-link for grievance redress policy that forms part of BRSR Policy that can be accessed at <https://www.orientalaromatics.com/documents/corporate-governance/policies/BusinessResponsibilityPolicy1920.pdf>

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial Implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate Change and Emissions	Risk	The chemical industry faces the risk of plant emissions, environmental degradation, and social repercussions. Such incidents can profoundly affect the company's business operations and revenue streams. Therefore, ensuring proper treatment of plant emissions is critical to mitigating adverse impacts and safeguarding the company's reputation and financial stability.	By engaging in energy efficient technologies, OAL targets to reduce the greenhouse gases. Renewable energy such as biomass boilers are put in place to reduce dependency on fossil fuels. Additionally, OAL has committed to SBTi projects and obtained CDP and EcoVadis certification.	Negative
2	Energy Management	Opportunity	The Company with continuous process reengineering and by monitoring its energy requirements of finished goods tries to optimise energy consumptions during product development which in turn helps in reducing the manufacturing costs. There is an opportunity to increase the renewable energy mix, having a positive impact on the environment as well as increasing the company's reputation as an environmentally conscious company.	-	Positive
3	Occupational Health & Safety	Risk	Occupational Health and Safety are of immense concern at OAL as there are high volumes of hazardous chemicals used and produced in the factories which can severely impact the company socially by endangering workers' well-being, leading to accidents, injuries, and even fatalities. Such incidents tarnish the company's reputation, erode employee trust, and invite public scrutiny, ultimately damaging relationships with stakeholders and undermining community confidence in the company's operations.	OAL has a robust Occupational Health & Safety system and has adopted ISO 45001 for the management of Health & Safety across its operations. We continue to drive improvements in process safety management by taking necessary steps. A safety committee has been set up to take care of the occupational hazards. All our plants and offices are regularly assessed on health and safety and working conditions.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial Implications of the risk or opportunity (Indicate positive or negative implications)
4	Employee Well-being and Satisfaction	Opportunity	Prioritizing employee wellbeing and satisfaction promotes a socially responsible environment. It reduces turnover rates, boosts morale, and enhances productivity. By fostering a healthy work-life balance, providing support systems, and investing in employee development, the company contributes to societal welfare, strengthens community ties, and upholds ethical labour standards.	-	Positive
5	Training and Development	Opportunity	Training and development in a chemical manufacturing company enhances safety, improves efficiency, ensures regulatory compliance, foster innovation, and boost employee morale, leading to higher productivity and reduced operational risks. At OAL, regular trainings and awareness programs are conducted in a timely manner. The events include multiple training programs such as behavioural, ESG awareness, soft skills to improve employee's skills and overall development.	-	Positive
6	Product Safety and Quality	Risk	Product Safety and Quality is of paramount importance due to the nature of the product and the industry it serves. If the company fails to deliver high-quality and safe products, it could result in detrimental impacts on both the company and various stakeholders, including the environmental and social dimensions. This is particularly crucial for chemical products like camphor and others, as subpar quality or safety measures could lead to severe consequences for all involved parties.	To look after the product quality and safety of its products, OAL has stringent quality control, regular audits, employee training, compliance with regulatory standards, robust safety protocols, supplier quality management, advanced monitoring technology, and continuous improvement of processes and safety measures.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial Implications of the risk or opportunity (Indicate positive or negative implications)
7	Corporate Governance and Regulatory Compliance	Risk	OAL's core business revolves around manufacturing chemical products, resulting in the generation of hazardous waste alongside other waste materials. Given the stringent regulations governing such industries, any non-compliance could incur penalties, fines, and significantly disrupt the company's operations. Therefore, adherence to regulatory standards is imperative to ensure smooth functioning and uphold the integrity of OAL's operations. Effective corporate governance ensures compliance with all relevant laws and regulations governing the company, thereby reducing the risk of penalties and protecting the company's reputation from severe repercussions	To mitigate the risk of non-compliance, OAL ensures transparency, accountability, and ethical conduct by establishing clear guidelines and processes for decision-making, risk management, and regulatory compliance. Effective corporate governance practices builds trust among stakeholders, enhancing our reputation and credibility in the market. By upholding principles of integrity, fairness, and responsibility at all levels of the organization, we create a culture of good governance that supports long-term sustainability and value creation.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

S. No.	Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes										
1.	a. Whether the entity’s policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	http://www.orientalaromatics.com/documents/corporate-governance/policies/BusinessResponsibilityPolicy1920.pdf								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	All policies confirm to the applicable laws of the country, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and National Guidance on Responsible Business Conduct. Following are few of the certifications adopted by OAL and mapped to each principle: <ul style="list-style-type: none"> • FSSAI (P2) • US FDA (P2) • REACH (P2) • WHO GMP (P2) • ISO 45001 (P3) • ISO 14001 (P6) • ECOVADIS (P2, P3, P4, P5, P6) • NGRBC (P7) • ISO 9001 (P9) • Halal (P9) • Kosher (P9) 								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Refer to Environmental & sustainable practises at OAL in Annual Report on Pg No. 30-33								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not Applicable								
Governance, leadership and oversight										
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Please refer to the ‘Message from the Chairman and Managing Director’ section in the Annual Report 2023-24 on Pg No: 10.								
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Dharmil A. Bodani BRSR Head info@orientalaromatics.com								
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No/ NA). If yes, provide details.	Yes. The CSR Committee is responsible for the reviewing, monitoring and overseeing and decision making on sustainability related issues. Further, OAL has a specific internal ESG committee which works closely with CSR Committee in implementing the Business Responsibility and Sustainability (BRSR) Policy.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/ Any other Committee									Frequency (Annually / Half yearly /Quarterly/ Any other-please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Committee of the Board									Annually								
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Committee of the Board									Quarterly								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency.	N	FSSAI US FDA REACH WHO GMP	ISO 45001	N	N	ISO 14001	N	N	Kosher Halal ISO 9001	NA	INTERTEK DEUTSCHLAND GMBH, GPC - GLOBAL PRODUCT COMPLIANCE EUROPE	TUV SUD SOUTH ASIA PVT. LTD.	NA	NA	TUV SUD SOUTH ASIA PVT. LTD.	NA	NA	STAR KOSHER, LPPOM MUI - MAJELIS ULAMA INDONESIA HALAL

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/ No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

(This principle focuses on the importance of ethical conduct and transparency in business operations. Companies should follow ethical business practices and adhere to high standards of integrity. They should also be transparent about their activities, operations, and financial reporting, as well as be accountable for their actions)

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	3	ESG awareness, Financial and operational performance of the Company	100%
Key Managerial Personnel	3	ESG awareness, Financial and operational performance of the Company	100%
Employees other than BOD and KMPs	75	Human Rights, POSH, Health and Safety, Emergency, Technical, Behavioural and Soft skills.	100%
Workers	203	Health and Safety awareness and trainings on emergency, technical, behavioural and soft skills	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format

Monetary					
Particular	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil

Non-Monetary					
Particular	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	Nil	Nil	Nil	Not applicable	
Punishment	Nil	Nil	Nil	Not applicable	

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:

Yes, an Anti-Corruption and Anti-Bribery Policy is there in place.

The policy addresses the zero-tolerance approach to fraud, corruption and bribery and is committed to doing business ethically and fairly. The Executive Board is committed to supporting the implementation of this policy and programs. This policy aims to establish the highest standards of business ethics.

The policy applies to all OAL workers, officers, managers and directors and contractors. Any person who thinks there has been a violation of this policy can contact the compliance team at cs@orientalaromatics.com.

Any OAL employee who violates the Anti-Bribery & Anti-Corruption Policy shall face disciplinary action that could end their employment or other relationship with the Company. Restitution may also be required, and individual personnel may be the subject of civil or criminal action. OAL is committed to make complainants feel safe, respected, and protected when raising complaints. This promotes a culture of accountability and enables to address issues promptly and effectively.

If Yes, provide a web link to the policy, if available -Web link of the Anti- Corruption or anti bribery policy is place

<https://www.orientalaromatics.com/documents/corporate-governance/policies/Anti%20Bribery%20&%20Anti%20Corruption%20Policy.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2023-24	FY 2022-23
Directors	Nil	Nil
Key Managerial Personnel (KMPs)		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil		Nil	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not applicable.

8. Number of days of accounts payables in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	48	48

9. Openness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	18.27%	17.03%
	b. Number of trading houses where purchases are made from	67	54
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	68.58%	82.14%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	16.58%	12.52%
	b. Number of dealers / distributors to whom sales are made	368	386
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	81.54%	80.74%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0	0
	b. Sales (Sales to related parties / Total Sales)	0	0
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	67.77%	0
	d. Investments	0	100%

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe.

(This principle highlights the importance of sustainable and safe production practices. Companies should strive to minimize the environmental impact of their activities and ensure that their products and services are safe for consumers and the environment.)

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2023-24	FY 2022-23	Details improvement of in environmental and social impacts
R&D	33%	100%	The expenditure % covers salary of employees hired for doing research & process optimisation to improve the environmental and social impacts of our product.
Capex	6.46%	10.37%	Recent upgrades have been implemented to enhance energy efficiency and environmental sustainability. A total condensate recovery system has been installed at Bareilly to optimize energy usage. Additionally, a sewage treatment plant at Bareilly is now operational, contributing to environmental protection by recycling wastewater for gardening purposes. Variable frequency drives have been introduced to further reduce energy consumption. At Baroda, a stack gas monitoring system has been set up as a pollution control measure to monitor and manage emissions effectively.

2. a. Does the entity have procedures in place for sustainable sourcing (Yes/No)

Yes,

b. If yes, what percentage of inputs were sourced sustainably?

61%

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for

(a) Plastics (including packaging)	Plastic packaging is sent to waste disposal service providers under the supervision of the State Pollution Control Board.
(b) E-waste	This is not applicable as the Company is not reclaiming any electronic items, and any e-waste generated on site is given to certified vendors for safe disposal.
(c) Hazardous waste	OAL's products are treated as consumables by its customers, who manufacture value-added products. The Company has limited scope for reclaiming any hazardous waste generated by its products at the end of its life cycle.
(d) other waste	Not applicable

4. a. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No)

Yes, we have EPR registration no. for Ambernath and Bareilly Unit. For other units, the Company has applied for EPR registration and same is under process.

b. If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?

Yes, the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards.

c. If not, provide steps taken to address the same

Not Applicable

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains.

(This principle emphasizes the importance of employee well-being. Companies should provide safe and healthy working conditions, fair wages, and opportunities for career development to all employees in their value chains, including suppliers, contractors, and temporary workers.)

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	474	452	95%	474	100%	NA	NA	0%	0%	0%	0%
Female	87	84	97%	87	100%	87	100%	NA	NA	0%	0%
Others	0	0	0%	0	0%	NA	NA	NA	NA	0%	0%
Total	561	536	95.5%	561	100%	87	100%	0%	0%	0%	0%
Other than Permanent employees											
Male	4	4	100%	4	100%	NA	NA	0	0%	0%	0%
Female	1	1	100%	1	100%	1	100%	NA	NA	0%	0%
Others	0	0	0%	0	0%	NA	NA	NA	NA	0%	0%
Total	5	5	100%	5	100%	1	100%	0	0%	0%	0%

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	173	173	100%	173	100%	NA	NA	0%	0%	0%	0%
Female	1	1	100%	1	100%	1	100%	NA	NA	0%	0%
Others	0	0	0%	0	0%	NA	NA	NA	NA	0%	0%
Total	174	174	100%	174	100%	1	100%	0%	0%	0%	0%
Other than Permanent workers											
Male	871	871	100%	871	100%	NA	NA	0%	0%	0%	0%
Female	74	74	100%	74	100%	74	100%	NA	NA	0%	0%
Others	0	0	0%	0	0%	NA	NA	NA	NA	0%	0%
Total	945	945	100%	945	100%	74	100%	0%	0%	0%	0%

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.31%	0.31%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year:

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	92%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI*	100%	100%	Y	100%	100%	Y
Others - Superannuation**	0	0	NA	0	0	NA

*The actual ESI coverage is 16.43% for employees and 95.08% for workers. The 100% coverage shown in the above table represents the full extent of ESI applicability, as the remaining individuals are exempt from ESI coverage under the Employees' State Insurance Corporation Act, 1948 (ESIC).

**The company extends NPS instead of superannuation scheme to its employees at their option, out of the total remuneration.

3. Accessibility of workplaces:

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. OAL is dedicated towards promoting diversity in the workforce and ensuring that all employees are treated equally and with respect. We strive to create an inclusive work environment that is welcoming to everyone. Our facilities are designed to be inclusive and accessible to people with disabilities as per the provisions of The Rights of Persons with Disabilities Act, 2016. During the year, infrastructure at the Bareilly plant was completed and the infrastructure at Baroda plant is anticipated to finish by Q1-FY 24-25. Rampage, signage and washrooms were constructed for person with disabilities. We are also working to improve all necessary premises to make them more accessible to differently abled employees and workers.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. The web-link to the policy is as follows:

<https://www.orientalaromatics.com/documents/corporate-governance/policies/Equal%20Employment%20Opportunity%20Policy.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0%	0%	0	0
Female	100%	100%	0	0
Total	100%	100%	0	0

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:

Category	Yes/No	If Yes, then give details of the mechanism in brief
Permanent Workers	Yes	As a part of the Employee well-being policy which forms part of our BRSR Policy, aligned with HR Policy, POSH Policy and Employee Grievance Mechanism, any grievances or complaints shall be reported to the respective location HR. If the same is not resolved within the stipulated time, then same shall be escalated to the Corporate HR. The Corporate HR then reports to management on the resolution of grievances or complaints and outlines any corrective actions taken. Location wise contact details are displayed on Notice boards at the respective plant locations. The Corporate HR can be contacted at: dhirendra@orientalaromatics.com (Mr. Dhirendra Bacchav, DGM- HR)
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
Male	474	0	0%	443	0	0%
Female	87	0	0%	84	0	0%
Others	0	0	0%	0	0	0%
Total	561	0	0%	527	0	0%
Total Permanent Workers						
Male	173	141	81%	177	177	100%
Female	1	0	0%	0	0	100%
Others	0	0	0%	0	0	100%
Total	174	141	81%	177	177	100%

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	478	442	92%	286	60%	452	293	65%	85	19%
Female	88	51	58%	59	67%	85	6	7%	35	41%
Others	0	0	0%	0	0%	0	0	0%	0	0%
Total	566	493	87%	345	61%	537	299	56%	120	22%
Workers										
Male	1044	1044	100%	1044	100%	177	82	46%	7	4%
Female	75	75	100%	75	100%	0	0	0%	0	0%
Others	0	0	0%	0	0%	0	0	0%	0	0%
Total	1119	1119	100%	1119	100%	177	82	46%	7	4%

Note: Total workers and total employees are inclusive of other than permanent employees and other than workers.

9. Details of performance and career development reviews of employees and workers:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	474	474	100%	452	452	100%
Female	87	87	100%	85	85	100%
Others	0	0	0%	0	0	0%
Total	561	561	100%	537	537	100%
Workers						
Male	173	173	100%	758	0	0%
Female	1	1	100%	7	0	0%
Others	0	0	0%	0	0	0%
Total	174	174	100%	765	0	0%

Note: The above data of FY 2023-24 includes only permanent employees and permanent workers.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No)

Yes. The Company has implemented an Occupational Health and Safety management system that covers and applies to all employees and contractual workers. The company is IMS (i.e. Integrated Management System) certified wherein the Company's operational facilities are ISO 45001 (an international Occupational Health and Safety standard) certified by independent audit agencies. Following training & activities are done time to time:

1. Mock Fire drills
2. Annual Health check-up (with tie ups with nearby hospitals)
3. POSH Trainings
4. Maintenance of an incident register

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

We prioritize the identification and mitigation of risks through our audit system, which includes internal and external audits focusing on environmental and occupational health and safety parameters. The Company has appropriate procedures to assess risk on routine and non-routine basis:

- Work Permit System
- Job Safety Analysis
- Safety Inspections and Audits
- Incident Investigation and Analysis
- Employee Involvement and Reporting
- Hazard Identification & Risk Assessment (HIRA)
- Management of Change
- Safety Committee
- Toolbox Talk & Safety Training

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Yes/No)

Yes.

- Reporting of unsafe condition & unsafe acts (Safety Observations)
- Near Miss Reporting
- Toolbox Talk
- Safety Committee meeting

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No). If yes, the Coverage such systems?

Yes.

- Medclaim Policy Family for employee & family members
- Yoga & Meditation session for employees for physical and mental wellness
- Blood tests and eye tests conducted for employees and workers.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employee	0	0
	Workers	0	0
Total recordable work-related injuries	Employee	5	1
	Workers	5	2
No. of fatalities	Employee	0	0
	Workers	0	0
High-consequence work-related injury or ill health (excluding fatalities)	Employee	0	0
	Workers	0	0

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy work place:

The Health, Safety & Environment (HSE) department at the manufacturing units is headed by the respective Plant Heads. The Plant Head has the overall responsibility for the implementation of the requirements of the HSE standards. The Company has adopted ISO 45001, an internationally recognized standard for occupational health and safety management systems. The Plant Head is supported by HSE Head & HSE Officers to ensure the effective management of process-related risks, promoting safety and preventing incidents. The company has adopted:

- HIRA (Hazard Identification & Risk Assessment)
- Safety Audit by Third Party
- Execution of all the high-risk jobs through a work permit system
- Conduct of Safety Committee Meetings
- Regular Safety Training to employee
- Employee transport facility

13. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%*
Working Conditions	100%**

* (ISO 45001 internal as well as external audit)

** (Third Party Safety Audit as per IS 14489)

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.

There were no incidents where corrective action was required to be taken. .

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

(This principle highlights the importance of stakeholder engagement. Companies should consider the interests and perspectives of all stakeholders, including shareholders, employees, customers, suppliers, and the communities in which they operate. They should also be responsive to stakeholder concerns and feedback.)

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity:

The Company identifies any individual, group, or institution that contributes to its business chain as a major stakeholder. Key stakeholders include:

- Customers
- Employees
- Suppliers and value chain partners
- Shareholders
- Government and regulators
- Non-governmental organizations (NGOs/NPOs)

The process of identifying these key stakeholders involves input and comments from all departments within the Company, as well as senior management. This collaborative approach ensures a thorough review is conducted to recognize the most important stakeholders in the company's activities.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other- Please Specify)	Frequency of engagement (Annually, Half-yearly, Quarterly, others- Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Exhibitions , Customer feedback surveys, In-person meetings/letters, Company websites, Product information on packaging, Conferences, Email, SMS	Others- Frequent & need-basis	The Company recognizes that understanding its customers' needs is crucial for setting the quality and pricing of its products. Customer demands also fuel the creation of new and innovative products. Additionally, the Company aims to reduce the environmental and social impacts of its products, helping customers achieve their sustainability objectives.
Employees	No	Emails, Video messages, Internal Communication platforms, Team meetings, One-to-one meetings/ briefings, Trainings,, Notice Boards	Others- Frequent & need-basis	- The Company aims to enhance employee engagement and communication by promoting collaborative working, diversity, and well-being at the workplace. - The Company also seeks to provide employees with opportunities for accelerated career growth.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other- Please Specify)	Frequency of engagement (Annually, Half-yearly, Quarterly, others- Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers & Value chain partners	No	Supplier evaluation questionnaires, Contractual meetings, Email, SMS, Website, Phone calls, Video Conferencing Meetings.	Others- Frequent & need-basis	The Company's goals include creating maximum opportunities for suppliers throughout the value chain, embedding sustainability into procurement decisions, and sourcing high-quality raw materials and services at competitive prices.
Shareholders/ Research Analysts	No	Annual General Meeting, Annual Reports, One-to-one meetings, Quarterly conference calls, Investor conferences, emails, phone calls and website.	Others- Frequent & need-basis	The Company aims to reveal both financial and non-financial factors to offer valuable information that creates substantial long-term value for investors and shareholders. Additionally, the Company engages with all stakeholders to understand their priorities and address their queries and concerns, thereby enhancing business practices.
Governments & Regulatory Bodies	No	Press Releases, Quarterly Results, Annual Reports including BRSR Report, Stock Exchange filings, , Statutory Filings.	Others- Frequent & need-basis	The Company strives to boost its sustainability performance and ensure better compliance with relevant regulations. It also seeks to aid nation-building through its products and taxes, while supporting government initiatives through corporate social responsibility (CSR) and local community contributions.
NGOs/ NPOs & Other groups	No	CSR initiatives, Telephonic discussions, Emails, Personal visits.	Others- Frequent & need-basis	The Company plans to collaborate with experts for the successful execution of CSR programs and to routinely discuss and share updates to enhance the current initiatives.

PRINCIPLE 5: Businesses should respect and promote human rights

This principle focuses on the importance of human rights. Companies should respect and promote human rights, including the rights to freedom of expression, association, and privacy. They should also prevent and address human rights violations in their operations and value chains.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of Employees / workers covered (D)	% (D / C)
Employees						
Permanent	561	405	72%	527	286	54%
Other than Permanent	5	5	100%	10	0	0%
Total Employees	566	410	72.4%	537	286	53%
Workers						
Permanent	174	46	26.44%	177	17	10%
Other than Permanent	945	42	4.44%	588	0	0%
Total Workers	1119	88	7.86%	765	17	2%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	Total (A)	FY 2023-24				FY 2022-23				
		Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	474	0	0%	474	100%	443	0	0%	443	100%
Female	87	0	0%	87	100%	84	0	0%	84	100%
Total	561	0	0%	561	100%	527	0	0%	527	100%
Other than Permanent										
Male	4	0	0%	4	100%	9	0	0%	9	100%
Female	1	0	0%	1	100%	1	0	0%	1	100%
Total	5	0	0%	5	100%	10	0	0%	10	100%
Workers										
Permanent										
Male	173	0	0%	173	100%	177	0	0%	177	100%
Female	1	0	0%	1	100%	0	0	0%	0	100%
Total	174	0	0%	174	100%	177	0	0%	177	100%
Other than Permanent										
Male	871	871	100%	0	0%	581	581	100%	0	0%
Female	74	74	100%	0	0%	7	7	100%	0	0%
Total	945	945	100%	0	0%	588	588	100%	0	0%

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	3	2,34,08,000	0	0
Key Managerial Personnel	2	96,33,874	2	74,35,528
Employees other than BoD and KMP	473	4,20,072	86	5,36,568
Workers	1044	1,79,100	75	1,52,292

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	13.52%	12.70%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues:

The Human Resource Head and the individual plant heads hold the responsibility for looking after any human rights issues caused or contributed to by the business.

Additionally, the company has formed POSH Policy in which location wise POSH committees have been formed along with an external committee member who also represents a NGO. The POSH Committee carries out Quarterly Review where all the human right issues related to female employees are discussed and corrective actions taken on the same is informed to the Management by the corporate HR.

Likewise, OAL's all manufacturing facilities have safety and canteen committees to look after and solve the overall Human Rights issues related to Food and work place safety.

Any grievances / complaints with respect to non-compliance with the Policy shall be reported to the Corporate HR. The company has established and defined internal procedures to redress grievances related to Employees and workers.

The Corporate HR can be contacted at:

dhirendra@orientalaromatics.com

(Mr. Dhirendra Bacchav, DGM- HR)

The Company values honesty, integrity, and ethical behaviour as the foundation for long-term trust.

Respect for human rights is critical in upholding these fundamental concepts. The Company is committed to protecting and upholding human rights.

For more information, refer to our BRSR Policy which includes the Human Rights Policy and Equal Employment Opportunity Policy.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	-	-	-	-	-	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Oriental Aromatics is dedicated to employee well-being through its stringent Prevention of Sexual Harassment (POSH) Policy. This policy ensures that complainants' human rights are protected, preventing any adverse consequences related to discrimination or harassment. It guarantees confidentiality and anonymity for all complainants, supported by an Internal Complaints Committee that conducts inquiries while safeguarding the identities of all involved. Regular sensitization programs on discrimination and sexual harassment prevention further reinforce this commitment.

The POSH Policy also features location-specific committees which comprises of NGO representative. These committees conduct quarterly reviews to address human rights issues concerning female employees, implementing corrective actions as necessary. The outcomes of these reviews and actions taken are reported to management by the Corporate HR.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No/NA)

Yes.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others - please specify	-

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

There were no cases where corrective action was required.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

(This principle emphasizes the importance of environmental stewardship. Companies should minimize their impact on the environment, conserve natural resources, and promote environmental sustainability. They should also take steps to restore and rehabilitate degraded ecosystems.)

Essential Indicators

1. Details of total energy consumption (in GigaJoules or multiples) and energy intensity, in the following format:

Parameter	(In Joules or multiples)	
	FY 2023-24	*FY 2022-23
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D)	89,846.64	91,064.65
Total fuel consumption (E)	7,68,116.26	8,03,604.19
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	8,57,962.90	8,94,668.83
Total energy consumed (A+B+C+D+E+F)	8,57,962.90	8,94,668.83
Energy intensity per rupee of turnover (Total energy consumed (GJ) / Revenue from operations (in rupees))	0.000101687	0.000104659
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed (in GJ)/ Revenue from operations adjusted for PPP (in rupees))	0.002056108	0.002116206
Energy intensity in terms of physical output (Total energy consumed (in GJ) per unit of production (in metric tonnes))	61.63969394	59.12038789
Energy intensity (optional) - the relevant metric may be selected by the entity	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?	No	
If yes, name of the external agency.	NA	

*Note: The energy number for FY 2022-23 has been updated due to change in energy factors.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Yes/No)

No.

If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	1,63,286	1,95,039
(iii) Third party water	1,93,243	1,57,897
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	3,56,529	3,52,936
Total volume of water consumption (in kilolitres)	2,28,200	*2,28,430
Water intensity per rupee of turnover	-	-
(Total water consumption (in KL)/ Revenue from operations (in rupees))	0.000027047	0.000026722
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)		
(Total water consumption (in KL) / Revenue from operations adjusted for PPP (in rupees))	0.000546881	0.000540317
Water intensity in terms of physical output		
Total water consumption (in KL) per unit of production (in metric tonnes)	16.39	15.09482588
Water intensity (optional) - the relevant metric may be selected by the entity	-	-

*Note:*Methodology for calculation for water consumption for FY 2022-23 has been updated (water consumption= water withdrawal - water discharge)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No)

No

If yes, name of the external agency.

NA

4. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
No treatment	-	-
With treatment - please specify level of treatment	-	-
(ii) To Groundwater	88,443	81,535
No treatment	-	-
With treatment - Tertiary treatment	88,443	81,535
(iii) To Seawater	-	-
No treatment	-	-
With treatment - please specify level of treatment	-	-
(iv) Sent to third parties	39,886	42,971
No treatment- (High Concentrated Effluent to common spray dryer)	9,569	8,664
With treatment - (High Concentrated Effluent to CETP with primary, secondary and tertiary)	30,317	34,307
(v) Others	-	-
No treatment	-	-
With treatment - please specify level of treatment	-	-
Total water discharged (in kilolitres)	1,28,329	1,24,506
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)	No	
If yes, name of the external agency.	NA	

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes The Ambernath plant has successfully implemented a Zero Liquid Discharge (ZLD) mechanism. This innovative approach ensures that no liquid waste is discharged from the plant. Instead, the water is recycled and utilized for irrigation and flushing purposes, effectively conserving this valuable resource.

In line with our commitment to water conservation, we have taken proactive measures at our Bareilly and Baroda Plants. Through our reuse and recycle approach, we aim to optimize water consumption and minimize wastewater generation. We envisage implementing ZLD in both these plants to enhance the coverage of ZLD practices across the company. These initiatives reflect our recognition of the importance of water as a critical resource, and our dedication to water conservation.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	ppm	74.674	34.60
SOx	Mg/Nm3	38.36667	20.40
Particulate matter (PM 10)	ppm	49	62.75
Particulate matter (PM 2.5)			
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others - please specify			
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N)		Yes	
If yes, name of the external agency.		1. Enviro-Tech services 2. Bhagwati Enviro Care Pvt. Ltd. 3. Sky Lab, Bhiwandi 4. Sky Lab Analytical Laboratory.	

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) *	Metric tonnes of CO2 equivalent	26,268.76	31,606
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	17,869.50	20,376
Total Scope 1 and Scope 2 emissions per rupee of turnover	(Total Scope 1 and Scope 2 GHG emissions (TCO2e / Revenue from operations (in rupees))	0.000005231	0.000006081
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	(Total Scope 1 and Scope 2 GHG emissions (TCO2e)/ Revenue from operations adjusted for PPP (in rupees))	0.000105777	0.000122956
Total Scope 1 and Scope 2 emission intensity in terms of physical output	MTCO2e per metric tonne	3.17107941	3.43500958

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity	-	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)		No	
If yes, name of the external agency.		NA	

*Biogenic emission fuel consumed in FY23-24 is 54,238.80 TCO2e

8. Does the entity have any project related to reducing Green House Gas emission? (Yes/ No). If yes, then provide details.

Yes. OAL strives to address the climate change risks arising out of greenhouse gas emission by taking up energy efficiency and renewable energy projects in its plants. The Company has invested in a biomass-based boiler to meet its steam requirements and reduce its dependence on fossil fuel. The company regularly takes up various energy efficiency initiatives at the plants by adopting energy efficient technologies for reducing greenhouse gas emission. The company's commitment to climate action and minimizing environmental impact is demonstrated through their Carbon Disclosure Project (CDP) certification, where they received a B-rating in the Management band.

This is higher than the Asia regional average of C, enabling OAL to progress in environmental stewardship by benchmarking and comparing their climate governance practices with their peers.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	142.73	26.28
E-waste (B)	0.93	4.57
Bio-medical waste (C)	0	0.50
Construction and demolition waste (D)	0	0
Battery waste (E)	0.07	0.41
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	13,004.27	17,541.27
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	1,084.30	239.50
Total (A+B + C + D + E + F + G + H)	14,232.28	17,812.53
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000001687	0.000002084
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.000034108	0.000042133
Waste intensity in terms of physical output	1.022	1.177
Waste intensity (optional) - the relevant metric may be selected by the entity	-	-

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY 2023-24	FY 2022-23
(i) Recycled	0	0
(ii) Re-used	0*	14,777
(iii) Other recovery operations	13,811.20	2,329
Total	13,811.20	17,106

* Waste recycled and reused in the year FY23-24 is considered in other recovery options

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	FY 2023-24	FY 2022-23
(i) Incineration	0	108
(ii) Landfilling	310.91	265
(iii) Other disposal operations	110.19	69
Total	421.10	442

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N)

If yes, name of the external agency.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The manufacturing process produces wastes, which comprises of plastic and steel drums, ETP sludge, distillation residue, glass roll, boiler ash, solid waste from building and demolition, e-waste, and plastic garbage. In light of this, the company has implemented efforts to ensure responsible waste management procedures. Our goal is to avoid the disposal of huge volumes of waste by implementing techniques that recycle used materials and reintroduce excess material back into the manufacturing process. The company follows the '3R' principle, which aims to reduce, reuse, and recycle garbage.

We dispose of hazardous garbage using legal and environmentally safe methods, and we sell non-hazardous material to licensed recyclers. We handle all trash in accordance with the Consent to Operate/Hazardous trash authorization for each location. To reduce the generation of hazardous waste, the organization uses a "Reduce, Reuse, Recycle, Recovery, and Disposal" approach that is refined on a regular basis. The Company either sends hazardous waste to authorized recyclers, disposes of it at Treatment Storage and Disposal Facilities (TSDF), or sells it to other companies as raw material.

Discarded batteries are disposed as buy back through authorized dealers. The plastic waste is properly collected, segregated and stored at designated place and is disposed through authorized vendors and e-waste is sent to certified recyclers only.

The construction and demolition waste is collected, segregated and reused wherever required inside the premises.

We are planning to install a composter to treat the canteen and employee's residual waste.

We have ETP and STP installed at all our sites. The wastewater is reused for gardening otherwise released in the Nagar Nigam sewage system. The sludge generated in ETP waste is sent to a certified third party, and STP waste is used for gardening.

Recognizing the importance of water as a resource, we undertake several initiatives to optimize the consumption and reduce resultant wastewater generation through our reuse or recycle approach at our Bareilly and Baroda Plant. Effluent generated at Bareilly and Baroda is treated in Effluent Treatment Plant (ETP) followed by treatment in RO plant. The company has installed Effluent Treatment Plant (ETP), Reverse Osmosis (RO) plant to recover 70%-80% of the water from ETP effluent which is recycled to process. Currently we are recycling 30% pure condensate against total steam consumption of 175 TPD (tonnes per day). Bareilly plant recycles wash water within the same process, thus saving on almost 5 -10% of fresh water.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

None of the projects undertaken by OAL in FY 2023-24 required Environmental Impact Assessments (EIA).

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N/NA).

Yes

If not, provide details of all such non-compliances, in the following format:

Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable			

Leadership Indicators

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)*	Metric tonnes of CO2 equivalent	3,80,435.94	-
Total Scope 3 emissions per rupee of turnover	(Total Scope 3 emissions / Total revenue from operations)	0.00004509	-
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity Units of Production (Metric Tonnes)	(Total Scope 3 emissions / Total units of production)	27.332132	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)		No	
If yes, name of the external agency.		NA	

**Scope 3 Categories includes emission from Category-1 Purchased Goods & Services, Category-2 Capital Goods, Category-4 Upstream Transportation & Distribution, Category 5- Waste Generated, Category-6 Business Travel, Category-7 Employee Commuting, Category-9 Downstream Transportation & Distribution

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

(This principle highlights the importance of responsible advocacy. Companies should engage in policy advocacy in a responsible and transparent manner, and avoid engaging in activities that could undermine the public interest or the democratic process.)

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations:

The Company has affiliations with 9 (Nine) trade and industry chambers / associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National/ International)
1.	Indian Institute of Packaging (IIP)	National
2.	Industrial Entrepreneurs Memorandum (IEM) certificate	National
3.	Chemexcil (RCMC)	National
4.	Bombay Chamber of Commerce and Industry	National
5.	Indian Chemical Council (ICC)	National
6.	Flavors and Fragrance Association of India	National
7.	International Federation of Essential Oil and Aroma Trade	National
8.	International Fragrance Association	National
9.	Export Inspection Agency	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities:

Name of authority	Brief of the case	Corrective action taken
There were no cases where corrective action was needed to be taken.		

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

(This principle emphasizes the importance of promoting inclusive and equitable economic development. Companies should create economic opportunities for all, including disadvantaged and marginalized groups. They should also contribute to the development of local communities and support social and economic empowerment.)

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Nil	Nil	Nil	Nil	Nil	Nil

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Nil	Nil	Nil	Nil	Nil	Nil	Nil

3. Describe the mechanisms to receive and redress grievances of the community.

OAL recognizes its social duty and promotes inclusive growth and equitable development for all stakeholders. It passionately thinks that expanding together responsibly will contribute to the success of its business.

The Value Chain Partners and Communities Grievance Redressal Policy along with the BRSR Policy highlights the grievance redressal mechanism of the community. It discusses the process of receiving and resolving community complaints and grievances. The unit-level Human Resource/Admin Department communicates with the community on a number of issues such as health care, education, sustainability, rural development, and so on, and any concerns received are addressed and resolved.

Any complaint or grievance received from the community shall be reported to DGM-HR for Registered office locations and to the factory managers at the respective plants as mentioned below:

OAL Registered Office & R&D Lab: dhirendra@orientalaromatics.com / info@orientalaromatics.com

Ambarnath : jignesh@orientalaromatics.com

Bareilly: jpathak@orientalaromatics.com

Vadodara: jigar_patel@orientalaromatics.com

Grievances related to CSR shall be reported to the Chairman of the CSR Committee Mr. Shyamal A. Bodani, at info@orientalaromatics.com.

With a focus on community needs and concerns, we try to reduce our environmental, societal, and communal impact while contributing to society through carefully selected CSR programs.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	8.89%	6.19%
Directly from within India	47.05%	35.52%*

* Sourced directly from within the district and neighbouring districts

5. Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

	FY 2023-24	FY 2022-23
Rural	35.21%	35.04%
Semi-urban	10.35%	10.67%
Urban	26.51%	22.33%
Metropolitan	27.93%	31.96%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban/metropolitan)

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

(This principle highlights the importance of responsible consumer engagement. Companies should provide safe, high-quality products and services, and ensure that they are marketed and sold ethically and responsibly. They should also be transparent about their products and services, and provide consumers with the information they need to make informed choices.)

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback:

Oriental Aromatics has a comprehensive system in place to handle consumer complaints and feedback as part of its Integrated Management System. Customers are invited to complete a feedback form, which covers various aspects of our performance, including quality, quantity, delivery schedule, assistance provided by service personnel, and communication. Customers rate each aspect from excellent to poor, providing us with valuable insights into our strengths and areas for improvement.

Customers may file a complaint via letter or email, which is further analyzed by the management. Upon receipt of a complaint, an acknowledgment is immediately sent to the customer. Depending on the nature of the complaint—whether technical or commercial— either the Accounts department or the Plant Head, will take necessary action. Finally, the required corrective measures are implemented and communicated back to the customer.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	42	0	-	18	0	Product and transportation

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No). If available, provide a web link of the policy

Yes,

<https://www.orientalaromatics.com/documents/corporate-governance/policies/Cyber%20Security%20Policy.pdf>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on the safety of products/services:

There were no issues where corrective actions needed to be taken.

7. Provide the following information relating to data breaches

a. Number of instances of data breaches along-with impact	0
b. Percentage of data breaches involving personally identifiable information of customers	0%
c. Impact, if any, of the data breaches	Not Applicable

STANDALONE FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

To The Members of

Oriental Aromatics Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Oriental Aromatics Limited ("the Company"), which comprises of Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matters	Auditor's response
1.	<p>Goodwill on Amalgamation - Impairment (Rs.4497.72 lakhs as on March 31, 2024):</p> <p>The Company is required to annually test the amount of goodwill for impairment. This annual impairment test was significant to our audit because the balance of Rs. 4,497.72 lakhs as on March 31, 2024, relating to a cash generating unit, is material to the standalone financial statements. In addition to that, since the assessment process is judgmental by nature, it is based on assumptions on future market and/or economic conditions.</p> <p>The assumptions used included future cash flow projections, discount rates, perpetuity and sensitivity analysis.</p>	<p>Our audit procedures in relation to management's impairment assessment included:</p> <ul style="list-style-type: none"> - Assessing the valuation methodology and understanding of the processes followed by the management for determining the recoverable amount of the cash generating unit for which the goodwill is recognized. - Reviewed the inputs used in the Model by examining the underlying data and validating the future projections by comparing past projections with actual results. - Reviewed the discount rate and long-term growth rates used in the forecast including comparison to economic and industry forecasts where appropriate. - Performed sensitivity analysis on these key assumptions to assess potential impact of downside in the underlying cash flow forecasts and assessed the possible mitigating actions identified by management. - We also assessed the disclosures provided by the Company in relation to its annual impairment test in Note no. 48 to the standalone financial statements. <p>These procedures performed, gave us a sufficient evidence to enable us to rely on the accounting for goodwill impairment for the purpose of our audit of the Standalone financial statements.</p>
2	<p>Information Technology (IT) Systems and Controls :</p> <p>(Refer note 55 to standalone financial statements)</p> <p>During the year the Company has implemented SAP, a new Enterprise Resource Planning (ERP) System. The new system is fully integrated financial accounting and reporting system.</p> <p>The implementation of ERP has a risk of loss of integrity of key financial data being migrated and elimination of traditional controls without replacing them with the new effective controls measures, monitoring of IT controls which are relating to critical business processes such as purchase, production, sales, inventory and including recording of transactions, which could lead to financial errors or mis-statements and inaccurate financial reporting and also there is risk that automated accounting procedures and related IT manual controls might not work.</p> <p>We have accordingly designated this another focus area in the audit.</p>	<p>Our audit procedures in relation to implementation of SAP :</p> <p>We have performed procedures to ensure the migration of financial data between old system and new system.</p> <ul style="list-style-type: none"> -Our audit approach consists of testing of design and operating effectiveness of internal controls and substantive testing around the new ERP system. -We have performed the test of controls regarding the appropriateness of system access and an effective maker and checker system built in the ERP system for proper authorizations of transactions and posting of accounting entries. <p>The combination of these tests of controls and procedures performed, gave us a sufficient evidence to enable us to rely on the operations of ERP system for the purpose of the audit of the standalone financial statements.</p>

Information Other than the Standalone Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board report, Business responsibility Report, Corporate Governance report and Shareholder's information, but does not include the standalone financial statement and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do 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 and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is 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 financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The 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

Our objectives are to obtain reasonable assurance about whether the financial statements 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.
- 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 control 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 the management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 upto the date of our auditor's report. However, future events or conditions may cause the entity 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 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter :

The comparative standalone financial information of the Company for the year ended March 31, 2023 has been audited by the predecessor auditor who has expressed an unmodified opinion on those financial statements vide their report dated May 30, 2023 and opening balances have been considered based on such audited standalone financial statements.

Our opinion on the standalone financial statements and our report on the other legal and regulatory requirements below is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. Pursuant to 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 "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records except for the matters stated in the paragraph 2(h)(vi) (a) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014 (as amended).
 - (c) The Balance sheet, the Statement of Profit & Loss (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
 - (e) On the basis of the written representation received from the directors as on March 31, 2024 taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a Directors 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 "B".
 - (g) 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(16) of the Act.
 - (h) With respect to the matters to be included in the Auditor's report in accordance with the 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 the impact of pending litigations on its financial position in its standalone financial statements. [Refer Note No. 36 to standalone financial statements]
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring the amounts required 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 entities ("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 [Refer Note No. 52 (e) to standalone financial statements]
- (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 entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that 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; [Refer Note No. 52 (f) to standalone financial statements]
- (c) Based on such audit procedures that 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) above contain any material misstatement.
- v. (a) The final dividend paid by the Company during the year declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
- (b) The Board of Directors of the Company has proposed final dividend for the financial year 2023-24 which is subject to the approval of the Members at the ensuing annual general meeting. The dividend recommended by the Board is in accordance with Section 123 of the Act to the extent it applies to the recommendation of dividend [Refer note no. 53 to standalone financial statements].
- vi. (a) Based on our examination which included test checks, the Company has used 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 that, audit trail feature is not enabled for direct changes to data in the underlying database and in the application when using certain privileged access rights. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software. (Refer note no. 57 to standalone financial statements)
- (b) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **Lodha & Co LLP**
Chartered Accountants
Firm registration No. -301051E/E300284

R.P. Baradiya
Partner
Membership No. 044101
UDIN:- 24044101BKCLRZ5856

Place: Mumbai
Date: May 27, 2024

Annexure “A” referred to in “Report on Other Legal and Regulatory Requirements” section of our report to the members of Oriental Aromatics Limited for the year ended March 31, 2024:

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

- i. (a). In respect of Company’s Property, Plant and Equipment (PPE) and Intangible Assets:
 - (A) The Company has maintained proper records, showing full particulars including quantitative details and situation of Property, Plant and Equipment (PPE).
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has carried out physical verification of the PPE at all its locations. In our opinion, the frequency of verification is reasonable, considering the size of the Company and nature of its PPE. Pursuant to the such physical verification of PPE carried out during the year, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination and records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and hence reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and based on our examination of the records of the Company, 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 and hence reporting under clause 3(i)(e) of the Order is not applicable to the Company. [Refer Note No.52(a) to standalone financial statements]
- ii. (a) The inventories have been physically verified by the management at reasonable intervals during the year . Inventory lying with third parties and in-transit as on 31st March, 2024 have been verified by the management with reference to confirmation or statement of account or correspondence obtained from the third parties and /or subsequent receipt of inventory by the Company/customers. The procedures of physical verification of the inventories and its coverage followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business. As per the information and explanations given to us, no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on physical verification of inventories as compared to book records.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of Rs 5 crore, in aggregate from banks on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the financial statements, the monthly returns/statements filed by the Company during the year with such banks are broadly, in all material respects, in agreement with the books of account. The Company has not been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate from financial institutions on the basis of security of current assets.
- iii. During the year, in respect of Investment made, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:
 - a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has provided loans and corporate guarantee during the year as per the details given below:

Particulars	Loans	Corporate Guarantee
	₹ in lakh	
A. Aggregate amount granted / provided during the year		
- Wholly owned Subsidiary	3,910.00	8,000.00*
- Joint Venture	-	-
- Others	-	-

Particulars	Loans	Corporate Guarantee
	₹ in lakh	
Balance outstanding as at balance sheet date		
- Wholly owned Subsidiary	3,910.00	8,000.00*
- Joint Venture	-	-
- Others	-	-

* borrowings from the bank in respect of the aforesaid guarantee provided to the wholly owned subsidiary is ₹ 3,352.39 lakh as on March 31, 2024

The Company has not provided any security during the year.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the investment made, loans given and corporate guarantee given are in the ordinary course of business and accordingly in our opinion, prima facie, not prejudicial to the Company’s interest. The Company has not given any security.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given to a wholly owned subsidiary, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loan or advances in the nature of loans whose overdues are outstanding for more than ninety days. Hence reporting under clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loan or advances in the nature of loans in respect of which renewal or extension or fresh loans granted to settle the overdues of existing loans given to the same parties. Hence reporting under clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year, 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. According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company , has complied with the provisions of Section 186 of the Act in respect of grant of loan, making of investments and providing guarantees to the extent applicable, to its wholly owned subsidiary . The Company has not provided any securities under Section 186 of the Act. Further, the Company has not given any loans, or provided guarantees or securities, as specified under Section 185 of the Act.
- v. No deposits have been accepted by the Company within the meaning of directives issued by RBI (Reserve Bank of India) and Section 73 to 76 or any other relevant provisions of the Act and rules framed thereunder.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to rules made by the Central Government for the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the Company’s products and services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we are not required to and therefore, have not made a detailed examination of the cost records with a view to determine whether they are accurate and complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees’ State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues to the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a year of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no dues as referred in clause vii (a) above which have not been deposited on account of any dispute except the following:

Name of Statute	Nature of dues	Amount ₹ in Lakh	Period to which the amount relates	Forum where dispute is pending
The Central Sales Tax Act, 1956 and Sales Tax / VAT / Entry Tax- Acts of various states	Sales tax	459.65	2015-16 to 2016-17	Department has filed appeal with Hon'ble High Court, Allahabad
The Central Excise Act, 1944	Excise Duty and Penalty	12.39#	2007-08 to 2011-12	Central Excise & Service Tax Appellate Tribunal, Karnataka

net of deposit of ₹ 1.38 lakh

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and hence reporting under clause 3(viii) of the Order is not applicable to the Company. [Refer Note No. 52(d) to standalone financial statements]
- ix. (a) Based on our audit procedures and on the basis of information and explanations given to us, we are of the opinion that the Company has not defaulted in the repayment of loans or other borrowings or in the repayment of interest thereon to the lenders and hence reporting under clause 3(ix) (a) of the Order is not applicable to the Company.
- (b) On the basis of information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared as willful defaulter by any bank or financial institution or other lender. [Refer Note No. 52(g) to standalone financial statements]
- (c) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, money raised by way of term loans were applied for the purposes for which these were obtained.
- (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, in respect of funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and hence reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) Based on our audit procedures and on the basis of information and explanations given to us, during the year the Company has not raised any funds on the pledge of securities held in its subsidiaries and hence reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money by way of Initial public offer or further public offer (including debt instrument) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment, private placement of shares or fully or partly convertible debentures during the year or in the recent past and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- (b) During the year, no report under sub section 12 of Section 143 of the Act has been filed in Form ADT-4 as prescribed in Rule 13 of Companies (Audit and Auditors) rules, 2014 with the Central Government.
- (c) Based on our audit procedures performed and according to the information and explanations given to us, no whistle blower complaints have been received during the year by the Company, hence reporting under clause 3 (xi) (c) of the Order is not applicable to the Company.

- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all the transactions with related parties are in compliance with Section 177 and 188 of the Act and all the details have been disclosed in the standalone financial statements as required by the applicable Accounting Standards (Refer Note no. 41 to the standalone financial statements).
- xiv. (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports for the year under audit issued to the Company during the year and till date, in determining nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable to the Company.
- (b) In our opinion, there is no core investment company within the "Companies in the Group" as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses during the financial year covered by our audit and as also in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year and hence reporting under clause 3 (xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements 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.
- xx. According to the information and explanations given to us and based on our examination of the records of the Company, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year and hence reporting under clause 3 (xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of the audit of Standalone Financial Statements and hence no comment in respect of the said clause has been included in this report.

For **Lodha & Co LLP**
Chartered Accountants
Firm registration No. -301051E/E300284

R.P. Baradiya
Partner
Membership No. 044101
UDIN:- 24044101BKCLRZ5856

Place: Mumbai
Date: May 27, 2024

Annexure “B” referred to in “Report on Other Legal and Regulatory Requirements” section of our report to the Members of Oriental Aromatics Limited for the year ended March 31,2024:

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of the Oriental Aromatics Limited (“the Company”) as of March 31, 2024 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

The Board of Directors of the Company 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 component of internal control stated in the Guidance Note on Audit of Internal Financial Controls 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

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 deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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 entity are being made only in accordance with authorisations of management; (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the entity’s assets that could have a material effect on the financial statements and (iv) also provide us reasonable assurance by the internal auditors through their internal audit reports given to the organization from time to time.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

In our opinion, the best of our information and according to the explanations given to us, the Company has, broadly 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 31,2024, based on the internal control over financial reporting criteria established by the Company considering the essential Component of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Lodha & Co LLP**
Chartered Accountants
Firm registration No. -301051E/E300284

R.P. Baradiya
Partner
Membership No. 044101
UDIN:- 24044101BKCLRZ5856

Place: Mumbai
Date: May 27, 2024

STANDALONE BALANCE SHEET

AS ON 31ST MARCH 2024

Particulars	Note	(in ₹ Lakh)	
		As on 31 st March, 2024	As on 31 st March, 2023
I ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	2	20,680.40	20,888.43
(b) Capital work - in - progress	2	5,374.00	3,686.69
(c) Goodwill on amalgamation	48	4,497.72	4,497.72
(d) Intangible assets	3	495.01	454.80
(e) Intangible assets under development	3	-	23.60
(f) Right of use - Lease	4	719.70	787.65
(g) Financial Assets :			
i) Investment in subsidiaries	5	3,200.00	3,200.00
ii) Loan to subsidiary	6	3,910.00	-
iii) Other financial assets	7	572.87	417.68
(h) Income tax assets (Net)		888.91	1,023.96
(i) Other non - current assets	8	395.98	440.27
Total Non-Current Assets		40,734.59	35,420.80
2 Current assets			
(a) Inventories	9	27,629.76	36,773.37
(b) Financial Assets :			
(i) Trade receivables	10	19,036.10	19,071.17
(ii) Cash and cash equivalents	11	347.90	958.82
(iii) Bank balances other Than (ii) above	12	124.86	119.14
(iv) Other current financial assets	13	78.28	65.34
(c) Other current assets	14	5,051.32	6,420.50
Total Current Assets		52,268.22	63,408.34
TOTAL ASSETS		93,002.81	98,829.14
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	15	1,682.68	1,682.68
(b) Other equity	16	61,757.74	60,987.71
Total Equity		63,440.42	62,670.39
2 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	1,833.34	3,164.00
(ii) Lease Liabilities	42	106.10	166.16
(b) Provisions	18	413.99	289.58
(c) Deferred tax liabilities (net)	33	2,772.59	2,745.56
Total Non Current Liabilities		5,126.02	6,365.30
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	15,223.16	19,720.15
(ii) Lease Liabilities	42	60.06	53.32
(iii) Trade Payables	20		
(A) Total outstanding dues of micro enterprises and small enterprises;		1,012.18	939.56
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		7,166.90	7,758.81
(iv) Other financial liabilities	21	464.60	948.63
(b) Other current liabilities	22	283.35	165.79
(c) Provisions	23	226.12	207.19
Total Current Liabilities		24,436.37	29,793.46
Total Liabilities		29,562.39	36,158.75
TOTAL EQUITY AND LIABILITIES		93,002.81	98,829.14

Material accounting policies and accompanying notes form an integral part of standalone financial statements 1-58

As per our attached Report of even date
For Lodha & Co. LLP
Chartered Accountants
Firm Registration No. - 301051E/E300284

R. P. Baradiya
Partner

For and on behalf of Board of Directors

Dharmil A. Bodani **Shyamal A. Bodani**
Chairman & Managing Director Executive Director
DIN : 00618333 DIN: 00617950

Date : 27th May, 2024
Place : Mumbai

Parag Satoskar **Girish Khandelwal** **Kiranpreet Gill**
Chief Executive Officer Chief Financial Officer Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Note	(in ₹ Lakh)	
		Year ended 31 st March, 2024	Year ended 31 st March, 2023
I Income			
Revenue from operations	24	83,640.47	84,907.26
Other income	25	732.56	576.88
Total Income		84,373.03	85,484.14
II Expenses			
Cost of materials consumed	26	53,253.68	63,068.53
Changes in inventories of finished goods and work-in progress	27	3,893.79	(5,391.44)
Manufacturing and operating costs	28	11,176.17	10,987.00
Employee benefits expense	29	5,380.99	5,266.13
Finance costs	30	2,048.59	1,313.10
Depreciation and amortization expense	31	1,967.48	1,932.81
Other expenses	32	5,202.00	5,462.57
Total expenses		82,922.70	82,638.70
III Profit before tax		1,450.33	2,845.44
IV Tax expense			
Current tax		404.36	700.09
Deferred tax charge/(credit)		30.36	36.08
Tax in respect of earlier years		67.43	46.80
V Profit for the year		948.18	2,062.47
VI Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Actuarial gain/(loss)		(13.21)	(8.17)
Tax impact (charge)/credit on actuarial gain/(loss)		3.33	2.06
Other Comprehensive Income		(9.88)	(6.11)
VII Total Comprehensive Income for the year		938.30	2,056.35
VIII Earnings per equity share of ₹ 5 each	34		
Basic and Diluted (in ₹)		2.82	6.13

Material accounting policies and accompanying notes form an integral part of standalone financial statements 1-58

As per our attached Report of even date
For Lodha & Co. LLP
Chartered Accountants
Firm Registration No. - 301051E/E300284

R. P. Baradiya
Partner

For and on behalf of Board of Directors

Dharmil A. Bodani **Shyamal A. Bodani**
Chairman & Managing Director Executive Director
DIN : 00618333 DIN: 00617950

Date : 27th May, 2024
Place : Mumbai

Parag Satoskar **Girish Khandelwal** **Kiranpreet Gill**
Chief Executive Officer Chief Financial Officer Company Secretary

STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2024

Sr. No.	Particulars	Note No.	(in ₹ Lakh)	
			For the year ended 31 st March, 2024	31 st March, 2023
A)	Cash Flow from Operating Activities			
	Net Profit before Tax		1,450.33	2,845.44
	Adjustments for:			
	Depreciation and amortization expense		1,967.48	1,932.81
	Interest and Other Finance Cost		2,048.59	1,313.10
	Loss on discarding / sale of assets (Net)		2.44	3.35
	Provision for doubtful debts and bad debts		-	2.36
	Sundry balances Written back / Excess Provision Written back		(57.32)	(220.82)
	Unrealised Foreign Exchange rate difference		(13.21)	59.97
	Operating Profit before Working Capital Changes		5,398.31	5,936.21
	Adjustments for:			
	(Increase)/Decrease in Trade & Other Receivables		1,398.36	623.57
	(Increase)/Decrease in Inventories		9,143.61	(8,080.14)
	Increase/(Decrease) in Trade Payables & Provisions		(261.41)	393.40
	Cash generated from Operating Activities before tax paid		15,678.87	(1,126.96)
	Direct Taxes (Paid) - net of refund		(336.74)	(1,001.58)
	Net Cash flow from Operating Activities (A)		15,342.13	(2,128.54)
B)	Cash Flow from Investing Activities			
	Purchase of Property, Plant and Equipment		(3,790.71)	(3,607.57)
	Proceeds from Sale of Property, Plant and Equipment		40.08	23.24
	Loan to Wholly Owned Subsidiary		(3,910.00)	-
	Investment in Wholly Owned Subsidiary		-	(1,760.00)
	Net Cash (used in)/from Investing Activities (B)		(7,660.63)	(5,344.33)
C)	Cash Flow from Financing Activities			
	Proceeds/(Repayment) of long term borrowings	45	(1,333.33)	(500.00)
	Proceeds/(Repayment) of short term borrowings (Net)	45	(4,503.12)	9,263.31
	Dividend Paid		(168.27)	-
	Payment of lease liabilities	42	(69.53)	(65.13)
	Interest and Other Finance Cost		(2,218.17)	(892.20)
	Net Cash (used in)/from Financing Activities (C)		(8,292.42)	7,805.98
	Net increase/(decrease) in cash and cash equivalents (A + B + C)		(610.92)	333.11
	Opening balance of Cash & cash equivalents	11	958.82	625.71
	Closing balance of Cash & cash equivalents	11	347.90	958.82

Material accounting policies and accompanying notes form an integral part of standalone financial statements 1-58

As per our attached Report of even date For Lodha & Co. LLP Chartered Accountants Firm Registration No. - 301051E/E300284

For and on behalf of Board of Directors

R. P. Baradiya
Partner

Dharmil A. Bodani
Chairman & Managing Director
DIN : 00618333

Shyamal A. Bodani
Executive Director
DIN: 00617950

Date : 27th May, 2024
Place : Mumbai

Parag Satoskar
Chief Executive Officer

Girish Khandelwal
Chief Financial Officer

Kiranpreet Gill
Company Secretary

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2024

a EQUITY SHARE CAPITAL

(in ₹ Lakh)				
As at 31 st March 2023	Changes in Equity Share Capital due to prior period errors	Balance at the beginning of the period	Change during the year 2023-24	As at 31 st March 2024
1,682.68	-	1,682.68		1,682.68
As at 31 st March 2022	Changes in Equity Share Capital due to prior period errors	Balance at the beginning of the period	Change during the year 2022-23	As at 31 st March 2023
1,682.68	-	1,682.68		1,682.68

b OTHER EQUITY

(in ₹ Lakh)						
Particulars	NOTE	Capital Reserve on Amalgamation	General Reserve	Retained Earnings	Items of other comprehensive income - Actuarial gains / (loss)	Total
Balance as at 1st April, 2022		266.74	4,275.12	54,617.97	(228.48)	58,931.35
Changes in Other Equity due to prior period errors		-	-	-	-	-
Balance at the beginning of the period		266.74	4,275.12	54,617.97	(228.48)	58,931.35
Profit for the year		-	-	2,062.47	-	2,062.47
Other Comprehensive Income for the year		-	-	-	(6.11)	(6.11)
Balance as at 31st March, 2023		266.74	4,275.12	56,680.43	(234.59)	60,987.70
Profit for the year		-	-	948.18	-	948.18
Other Comprehensive Income for the year		-	-	-	(9.88)	(9.88)
Final dividend paid		-	-	(168.27)	-	(168.27)
Balance as at 31st March, 2024		266.74	4,275.12	57,460.34	(244.47)	61,757.73

Material accounting policies and accompanying notes form an integral part of standalone financial statements 1-58

As per our attached Report of even date For Lodha & Co. LLP Chartered Accountants Firm Registration No. - 301051E/E300284

For and on behalf of Board of Directors

R. P. Baradiya
Partner

Dharmil A. Bodani
Chairman & Managing Director
DIN : 00618333

Shyamal A. Bodani
Executive Director
DIN: 00617950

Date : 27th May, 2024
Place : Mumbai

Parag Satoskar
Chief Executive Officer

Girish Khandelwal
Chief Financial Officer

Kiranpreet Gill
Company Secretary

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

Background and Operations

Oriental Aromatics Limited is a Public limited Company and based at Mumbai, Maharashtra, India. It is incorporated under Companies Act, 1956, now Companies Act, 2013 ("the Act.") and its shares are listed on BSE Limited and National Stock Exchange Limited. The Company is having 3 manufacturing facilities at Ambarnath - Maharashtra, Bareilly - Uttarpradesh, Vadodara - Gujarat and are engaged in the manufacturing and sale of Fine chemicals i.e. camphor, perfumery & specialty aroma chemicals, fragrances and flavours.

1 STATEMENT OF MATERIAL ACCOUNTING POLICIES AND PRACTICES :

(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 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 for the following:

- 1) certain financial assets and liabilities that is measured at fair value;
- 2) assets held for sale - measured at fair value less cost to sell;
- 3) defined benefit plans - plan assets 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.

The estimates and judgments that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

- i. Provisions and contingent liabilities - refer note (k)
- ii. Measurement of defined benefit obligations - refer note (m)
- iii. Impairment of goodwill on amalgamation - refer note (w)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

(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.

Depreciation is provided on the straight-line method applying the useful lives as prescribed in part C of Schedule II to the Companies Act, 2013. The range of estimated useful lives of Property, Plant & Equipment's are as under:

Category	Useful Life
Buildings (including roads)	5 - 60 Years
Plant & Equipment	5 - 25 Years
Furniture & Fixture	10 Years
Office Equipment	2 - 5 Years
Vehicles	8 - 10 Years
Computer	2 - 6 Years

The useful lives mentioned above have been technically evaluated which represents the period over which the management expects to use these assets. The Company reviews the useful lives and residual value at each reporting date.

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

(d) Intangible assets

Intangible assets are stated at cost, less accumulated amortisation and impairments, if any.

Amortisation method

The group amortizes Intangible assets with a useful life using the straight-line method over the period of 3 to 5 years from the date of acquisition.

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

(e) Lease

As a lessee

The Company's leased asset primarily consist of leases for Land and Buildings. The Company assesses whether a contract is or contains a lease, at inception of a 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.

At the date of commencement of the lease, the Company recognises 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 leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(f) 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.

(g) 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.

(h) Inventories

Inventories include Raw Material, Work-in-Progress, finished goods, Stores & spares, Consumables and Packing Materials are valued at lower of cost and net realisable value.

Raw Materials - Cost include cost of purchases and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using Moving Weighted Average basis.

Finished Goods/Work-in-progress - cost includes cost of direct material, labour, other direct cost and a proportion of fixed manufacturing overheads allocated based on the normal operating capacity but excluding borrowing costs. Cost is determined on quarterly weighted average cost basis.

Stores, Spare Parts, Consumables, Packing Materials - cost is determined on Moving Weighted Average basis.

(i) 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

(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 recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing Branch and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forwardlooking estimates are analysed. For financial assets other than trade receivables, the Company recognises 12-month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition.

The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL. Impairment loss allowance including ECL or reversal recognized during the period is recognized as income/ expense in the Statement of Profit and Loss.

This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The impairment loss is presented as an allowance in the balance sheet as a reduction from the net carrying amount of the trade- receivable, loan, deposits and lease receivable respectively.

(iv) De-recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

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.

Borrowings

Borrowings are initially recognised at net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

(j) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to revenue.

(k) 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.

(l) 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

Other operating revenue - Export incentives -

Export Incentives under the, "Duty Draw back Scheme" , etc. are 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.

(m) Employee benefits

Defined Contribution Plans such as Provident Fund etc., are charged to the Profit and Loss Account as incurred.

Defined Benefit Plans - The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- b) Net interest expense or income

Re-measurement comprising of actuarial gains and losses arising from:

- (a) Re-measurement of Actuarial(gains)/losses
- (b) Return on plan assets, excluding amount recognized in effect of asset ceiling
- (c) Re-measurement arising because of change in effect of asset ceiling are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Other Long term Employee Benefits are recognised in the same manner as Defined Benefit Plans.

Termination benefits are recognised as and when incurred. However, the termination benefits which fall due more than twelve months after the Balance Sheet date are discounted using the yield on Government Bonds.

(n) Foreign currency transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(o) 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

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 excepted 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

(p) 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.

(q) Research and Development

Revenue expenditure, including overheads on Research and Development, is charged out as an expense through the natural heads of account in the year in which incurred. Expenditure which results in the creation of capital assets is taken as Fixed Assets and depreciation is provided on such assets which are depreciable.

(r) 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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

(s) 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.

(t) 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.

(u) Segment Report

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker(CODM).

The Company has identified its Chairman and Managing Director as CODM who is responsible for allocating resources and assessing performance of the operating segments and makes strategic decisions.

(v) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset. In case a non-monetary asset is given free of cost it is recognised at a fair value. When loan or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is recognized as government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

(w) Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non financial assets are impaired. If any such indication exists, the Company estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

2 Property, Plant and Equipment

Particulars	(In ₹ Lakh)							Total
	Freehold Land	Buildings	Plant & Equipment	Office Equipment	Furniture & Fixtures	Vehicles	Computers	
Gross Carrying Amount / Deemed Cost								
As at 31st March 2023	4.74	6,702.29	20,980.09	475.45	918.91	955.93	186.79	30,224.19
Additions	-	217.01	1,203.63	35.92	51.94	34.57	30.23	1,573.30
Disposals	-	-	106.24	16.37	-	24.31	0.58	147.50
As at 31st March 2024	4.74	6,919.30	22,077.48	495.00	970.85	966.19	216.44	31,650.00
Accumulated Depreciation :								
As at 31st March 2023	-	1,715.97	6,031.78	355.93	676.94	416.33	138.81	9,335.76
Depreciation charge for the year	-	209.04	1,276.75	40.00	72.73	108.19	31.42	1,738.13
Disposals/Adjustment	-	-	64.75	15.87	-	23.09	0.58	104.29
As at 31st March 2024	-	1,925.01	7,243.78	380.06	749.67	501.43	169.65	10,969.60
Net Carrying Amount :								
As at 31st March 2023	4.74	4,986.32	14,948.30	119.52	241.97	539.61	47.97	20,888.43
As at 31st March 2024	4.74	4,994.29	14,833.70	114.94	221.18	464.76	46.79	20,680.40

Particulars	(In ₹ Lakh)							Total
	Freehold Land	Buildings	Plant & Equipment	Office Equipment	Furniture & Fixtures	Vehicles	Computers	
Gross Carrying Amount / Deemed Cost								
As at 31st March 2022	4.74	6,589.47	19,488.65	399.41	884.27	857.98	148.80	28,373.31
Additions	-	44.74	1,616.41	45.05	58.60	123.77	40.19	1,928.76
Disposals	-	3.52	43.80	5.08	0.01	31.82	3.12	87.35
As at 31st March 2023	-	71.60	(81.17)	36.07	(23.95)	6.00	0.92	9.47
Accumulated Depreciation :								
As at 31st March 2022	-	1,466.31	4,797.61	312.69	596.40	330.14	112.03	7,615.18
Depreciation charge for the year	-	252.17	1,267.34	48.10	80.54	103.33	29.88	1,781.36
Disposals	-	2.51	33.17	4.86	-	17.14	3.10	60.78
As at 31st March 2023	-	1,715.97	6,031.78	355.93	676.94	416.33	138.81	9,335.76
Net Carrying Amount :								
As at 31st March 2022	4.74	5,123.16	14,691.03	86.72	287.87	527.85	36.76	20,758.13
As at 31st March 2023	4.74	4,986.32	14,948.30	119.52	241.97	539.61	47.97	20,888.43

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

Notes:

- For information on property, plant and equipment offered as security by the Company, refer to note number - 35
- For information on Capital Commitment, refer to note number - 37
- Breakup of Capital work in progress comprises of assets under installation/construction which are as under :-**

(in ₹ Lakh)

Particulars	As on 31-Mar-24	As on 31-Mar-23
Plant & Equipment	3,068.92	1,866.08
Buildings	1,096.75	835.79
Directly attributable cost relating to project:		
Salary Expenses	511.70	271.98
Professional Fees	402.96	474.86
Borrowings Cost	258.45	208.05
Other Expenses	35.22	29.93
Total	5,374.00	3,686.69

D. Capital work-in-progress ageing schedule

(in ₹ Lakh)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years*	Total
As at 31st March 2024					
Projects in progress	2,281.28	2,318.29	361.51	412.92	5,374.00
Projects temporarily suspended	-	-	-	-	-
Total	2,281.28	2,318.29	361.51	412.92	5,374.00
As at 31st March 2023					
Projects in progress	2,598.94	512.07	408.35	167.33	3,686.69
Projects temporarily suspended	-	-	-	-	-
Total	2,598.94	512.07	408.35	167.33	3,686.69

*Delayed due to changes in products process and engineering design.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

3 Intangible assets

(in ₹ Lakh)					
Particulars	Products Registration & Development	Technical Knowhow	Computer Software	Total	Intangible Asset Under Development*
Gross Carrying Amount / Deemed Cost					
As at 31st March 2023	361.86	1,464.49	302.74	2,129.09	23.60
Additions	159.73	-	41.89	201.62	-
Disposals/Adjustment/Transfer	-	-	-	-	23.60
As at 31st March 2024	521.59	1,464.49	344.63	2,330.71	-
Accumulated Amortisation					
As at 31st March 2023	90.19	1,464.49	119.62	1,674.30	-
Amortisation charge for the year	119.22	-	42.18	161.40	-
As at 31st March 2024	209.41	1,464.49	161.80	1,835.70	-
Net Carrying Amount					
As at 31st March 2023	271.68	-	183.12	454.80	23.60
As at 31st March 2024	312.18	-	182.83	495.01	-

Particulars	Products Registration & Development	Technical Knowhow	Computer Software	Total	Intangible Asset Under Development*
Gross Carrying Amount / Deemed Cost					
As at 31st March 2022	219.88	1,464.61	105.17	1,789.67	40.62
Additions	141.92	-	197.62	339.54	179.72
Disposals/Adjustment/Transfer	(0.06)	0.13	0.05	0.12	196.74
As at 31st March 2023	361.86	1,464.49	302.74	2,129.09	23.60
Accumulated Amortisation					
As at 31st March 2022	20.63	1,464.49	102.46	1,587.58	-
Amortisation charge for the year	69.56	-	17.16	86.72	-
As at 31st March 2023	90.19	1,464.49	119.62	1,674.30	-
Net Carrying Amount					
As at 31st March 2022	199.26	0.13	2.71	202.10	40.62
As at 31st March 2023	271.68	-	183.12	454.80	23.60

* Represents computer software under development having ageing for a period less than one year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

4 Right of use - Lease

(in ₹ Lakh)			
Particulars	Lease-Land	Lease-Buildings	Total
Gross Carrying Amount / Deemed Cost			
As at 31st March 2023	631.83	428.24	1,060.07
Additions	-	-	-
As at 31st March 2024	631.83	428.24	1,060.07
Accumulated Amortisation			
As at 31st March 2023	55.87	216.54	272.41
Amortisation charge for the year	8.05	59.91	67.96
As at 31st March 2024	63.92	276.45	340.37
Net Carrying Amount			
As at 31st March 2023	575.96	211.70	787.66
As at 31st March 2024	567.91	151.79	719.70

Particulars	Lease-Land	Lease-Buildings	Total
Gross Carrying Amount / Deemed Cost			
As at 31st March 2022	631.83	180.26	812.09
Additions	-	247.98	247.98
As at 31st March 2023	631.83	428.24	1,060.07
Accumulated Amortisation			
As at 31st March 2022	47.82	159.86	207.68
Amortisation charge for the year	8.05	56.68	64.73
As at 31st March 2023	55.87	216.54	272.41
Net Carrying Amount			
As at 31st March 2022	584.01	20.40	604.41
As at 31st March 2023	575.96	211.70	787.66

Notes: Refer Note No. 42 for Leases.

5 Investment in Subsidiaries

(in ₹ Lakh)		
Particulars	As on 31st March, 2024	As on 31st March, 2023
Investment in Equity share of Subsidiaries		
Unquoted (Carried at cost less impairment allowance)		
Oriental Aromatics & Sons Limited - Wholly owned Subsidiary 3,20,00,000 (P.Y. 3,20,00,000) shares at ₹ 10 each fully paid up	3,200.00	3,200.00
PT Oriental Aromatics (Includes ₹ 782.21 on account of Conversion of Loan into series B share Capital) (13,52,500 shares (P.Y. 13,52,500 shares) of US\$ 1 each fully paid up.)	934.09	934.09
Less: Aggregate amount of diminution in value of investment	(934.09)	(934.09)
Total	3,200.00	3,200.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

6 Loans to Subsidiary

Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
(Unsecured, Considered good unless otherwise stated)		
Loan to Wholly owned Subsidiary	3,910.00	-
Rate of Interest 8% p.a. Loan and interest thereon are receivable between end of first year to two years (for business purposes)		
Total	3,910.00	-

7 Non Current - Other Financial Assets

Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
(Unsecured, Considered good unless otherwise stated)		
Security Deposits	232.12	199.28
Bank Deposits with maturity more than 12 months (Offered as Security against Bank Guarantee given to Electricity Department)	213.16	200.67
Interest Accrued but not due from Subsidiary Company	109.86	-
Recoverable in respect of acquired business	17.73	17.73
Total	572.87	417.68

8 Other non - current assets

Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
(Unsecured, Considered good unless otherwise stated)		
Capital advances	369.30	413.59
Prepaid Expense	26.68	26.68
Total	395.98	440.27

9 Inventories

Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Raw Materials	9,236.01	13,495.47
Raw Materials - in Transit	762.07	1,961.13
Work-in-progress	5,829.07	7,125.74
Finished goods	6,582.47	10,045.53
Finished goods - in Transit	3,577.85	2,711.72
Stores, Spares and Packing Materials	1,642.50	1,400.42
Stores, Spares and Packing Materials - in Transit	-	33.37
Total	27,629.76	36,773.37

Notes:

- Refer Note 35 for the details in respect of inventories hypothecated/mortgaged as security for borrowings.
- Inventories are written down considering nature of inventory, ageing, disposal of plan and net realisable value. Write-down of inventories amounted to ₹ 746.60 lakh (P.Y. ₹ 941.18 lakh). These write downs have been recognised as an expense under Raw Material Consumption and Changes in inventories of finished goods and work-in progress, as the case may be, in statement of Profit and Loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

10 Trade receivables

Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Trade Receivables considered good - Unsecured	19,036.10	19,071.17
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired	188.79	188.79
Total Purpose	19,224.89	19,259.95
Less: Allowance for bad and doubtful debts	(188.79)	(188.79)
Total	19,036.10	19,071.17

Refer Note no. 35 for Trade Receivables offered as security, Note no.39(ii) for Currency Risk, Note 39(iii) for Credit Risk & Ageing schedule and Note no. 41 for related party disclosure

11 Cash and cash equivalents

Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Balances with Banks		
- In current accounts	333.43	932.99
Cash on hand	14.47	25.83
Total	347.90	958.82

12 Other Bank Balances

Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Unpaid Dividend	52.06	55.07
Margin Money Accounts (Offered as Security against Bank Guarantee given to Government Authorities)	18.38	17.34
Term deposits with original maturity more than 3 months and less than 12 months	54.42	46.73
Total	124.86	119.14

13 Current - Other Financial Assets

Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
(Unsecured, Considered good unless otherwise stated)		
Interest accrued on fixed deposit and others	3.51	2.73
Loan to staff	68.15	46.93
Insurance claim receivable	1.43	1.69
Other Receivable - Deposit and Government grant	5.19	13.99
Total	78.28	65.34

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

14 Other current assets

Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
(Unsecured, Considered good unless otherwise stated)		
Export benefit receivables	23.78	18.79
GST Receivable	2,752.22	4,692.01
Advances to Suppliers	1,375.40	1,015.18
Advances to Staff	46.30	38.42
Prepaid expenses	529.96	523.49
Receivable from Wholly owned Subsidiary Company (Refer Note no. 41)	323.66	132.61
Total	5,051.32	6,420.50

15 Equity Share capital

a) Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Authorised		
Equity shares	3,500.00	3,500.00
As at 31st March, 2024 - 7,00,00,000 no. of shares at ₹ 5 each.		
As at 31st March, 2023 - 7,00,00,000 no. of shares at ₹ 5 each.		
	3,500.00	3,500.00
Issued, subscribed and fully paid up		
Equity shares	1,682.68	1,682.68
As at 31st March, 2024 - 3,36,53,576 no. of shares at ₹ 5 each.		
As at 31st March, 2023 - 3,36,53,576 no. of shares at ₹ 5 each.		
Total	1,682.68	1,682.68

b) Rights of Equity Shareholders

- The Company has one class of equity shares having a par value of ₹ 5 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	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Equity Shares :		
Balance as at the beginning of the year	3,36,53,576	3,36,53,576
Balance as at the end of the year	3,36,53,576	3,36,53,576

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

Particulars	As on 31-March-2024		As on 31-March-2023	
		No. of Equity Shares	Equity Shares %	No. of Equity Shares
Dharmil A. Bodani	1,24,78,752	37.08%	1,24,78,752	37.08%
Shyamal A. Bodani	1,24,80,000	37.08%	1,24,80,000	37.08%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

e) The details of Shares held by promoters at the end of the year

Particulars	As on 31-March-2024			As on 31-March-2023		
	No. of Equity Shares	Equity Shares %	% Change during the year	No. of Equity Shares	Equity Shares %	% Change during the year
Dharmil A. Bodani	1,24,78,752	37.08%	-	1,24,78,752	37.08%	-
Shyamal A. Bodani	1,24,80,000	37.08%	-	1,24,80,000	37.08%	-
Veer Dharmil Bodani	624	0.00%	-	624	0.00%	-
Yuvraj Dharmil Bodani	624	0.00%	-	624	0.00%	-

- f) For a period of 5 years immediately preceding the balance sheet date, the company has not issued bonus shares/bought back shares/ issued shares for consideration other than cash.

16 Other Equity

Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
A. Summary of Other Equity balance.		
Capital Reserve On Amalgamation	266.74	266.74
General Reserve	4,275.12	4,275.12
Retained Earnings	57,460.35	56,680.44
Other comprehensive income	(244.47)	(234.59)
Total	61,757.74	60,987.71

B. Nature and purpose of reserves

- Capital Reserve on Amalgamation :** During business combination, the excess of net assets taken over the cost of consideration paid is treated as capital reserve.
- General Reserve :** The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act
- Retained Earnings :** Retained earnings are the profits that the Company has earned till date, less any transfer to general reserve, dividends or other distribution paid to shareholder.
- Items of other Comprehensive income :** Difference between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustment within the plans, are recognised in 'Other Comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

17 Non Current Financial Liabilities - Borrowings

Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Secured		
Term loan from a Bank	1,833.34	3,164.00
Rate of interest range from 7.50% - 9.11% (P.Y. 5.50% - 8.90%) per annum		
Total	1,833.34	3,164.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

Loan Repayment Schedule

Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Payable within 1 year (Refer Note No. 19)	1,333.33	1336.00
Payable between 1 to 2 years	1,333.33	1333.00
Payable between 2 to 5 years	500.01	1831.00
Payable in 19 instalments (P.Y. 27 Instalments)		
Total	3,166.67	4,500.00

(For details of security offered - Refer Note No.35)

18 Provisions

Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Provision for employee benefits :		
Provision for Gratuity	139.33	57.51
Provision for Compensated Absences	274.66	232.07
Total	413.99	289.58

Refer Note no. 43 for Defined benefit plans

19 Current Financial Liabilities - Borrowings

Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Secured		
Current Maturity of long term debt	1,333.33	1,336.00
Working Capital Loan from Banks	13,889.83	18,384.15
Rate of interest range from 5.58% -9.75% (P.Y. 4.5% - 8.90%) per annum		
Total	15,223.16	19,720.15

For terms and conditions - Refer Note No.35 and 39(iv)

20 Trade payables

Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Due to micro, small and medium enterprises ("MSME")	1,012.18	939.56
Due to creditors other than micro, small and medium enterprises	7,166.90	7,758.81
Total	8,179.08	8,698.37

Refer Note no. 41 for related party disclosure

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

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:

Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
1) Principal amount due and remaining unpaid	1,012.18	939.56
2) Interest due on above and the unpaid interest	3.23	1.23
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	-	-

Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As on 31st March 2024						
MSME Creditors	829.88	182.30	-	-	-	1,012.18
Creditors other than MSME	3,732.23	3,392.60	31.29	5.58	5.20	7,166.90
Disputed dues - MSME Creditors	-	-	-	-	-	-
Disputed dues - Creditors other than MSME	-	-	-	-	-	-
Total	4,562.11	3,574.90	31.29	5.58	5.20	8,179.08

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As on 31st March 2023						
MSME Creditors	58.64	880.92	-	-	-	939.56
Creditors other than MSME	1,442.48	6,292.70	9.85	3.01	10.77	7,758.81
Disputed dues - MSME Creditors	-	-	-	-	-	-
Disputed dues - Creditors other than MSME	-	-	-	-	-	-
Total	1,501.12	7,173.62	9.85	3.01	10.77	8,698.37

21 Other financial liabilities

Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Interest accrued on borrowings	69.43	89.15
Unclaimed dividend	52.05	55.07
Payable towards capital expenditure	343.12	804.41
Total	464.60	948.63

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

22 Other Current liabilities

Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Advance from customers	140.85	58.68
Statutory dues	142.50	107.11
Total	283.35	165.79

23 Provisions

Particulars	(in ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Provision for employee benefits :		
Provision for Gratuity	201.48	185.44
Provision for Compensated Absences	24.64	21.75
Total	226.12	207.19

Refer Note no. 43 for Defined benefit plans

24 Revenue from Operations

Particulars	(in ₹ Lakh)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Sale of Manufactured Products		
Contracted Price	83,770.81	85,035.56
Less: Trade Discount, Volume Rebate etc	(589.86)	(456.29)
	83,180.95	84,579.27
Other operating revenues		
Export Incentives	348.39	189.75
Process waste sale	105.00	126.44
Royalty Income	6.13	11.80
Total	83,640.47	84,907.26

25 Other income

Particulars	(in ₹ Lakh)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Rent and Compensation	15.22	6.21
Foreign Exchange Gain (net)	639.41	345.16
Liability/Provision no longer required, written back	57.32	220.82
Other non-operating income	20.61	4.69
Total	732.56	576.88

26 Cost of materials consumed

Particulars	(in ₹ Lakh)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Raw Materials consumed	53,253.68	63,068.53
Total	53,253.68	63,068.53

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

27 Changes in inventories of finished goods and work-in progress

Particulars	(in ₹ Lakh)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Opening inventories		
Finished goods	12,757.24	8,801.57
Work-in-progress	7,125.74	5,689.97
Closing inventories		
Finished goods	(10,160.12)	(12,757.24)
Work-in-progress	(5,829.07)	(7,125.74)
Total	3,893.79	(5,391.44)

28 Manufacturing and Operating Costs

Particulars	(in ₹ Lakh)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Consumption of Spares Parts and Packing Materials	1,954.53	1,760.21
Power and Fuel	5,573.80	5,177.78
Licence Fees (Technical Knowhow)	425.76	469.61
Other Manufacturing and Operating Expenses	2,508.50	2,759.21
Repairs to Buildings	216.09	194.31
Repairs to Machinery	497.49	625.88
Total	11,176.17	10,987.00

29 Employee benefits expense

Particulars	(in ₹ Lakh)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Salaries and wages	4,678.25	4,599.73
Contribution to provident fund and other funds	243.81	236.42
Defined benefit plan expense	198.84	167.36
Workmen and Staff welfare expenses	260.09	262.62
Total	5,380.99	5,266.13

30 Finance costs

Particulars	(in ₹ Lakh)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest expense - Refer note no. 56	1,891.13	1,036.35
Foreign Exchange loss on borrowings	75.36	209.25
Other borrowing costs	82.10	67.50
Total	2,048.59	1,313.10

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

31 Depreciation and amortization expense

Particulars	(in ₹ Lakh)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Depreciation on Property, Plant and Equipment	1,738.12	1,781.36
Amortization on Right to use - leases	67.96	64.73
Amortization on Intangible assets	161.40	86.72
Total	1,967.48	1,932.81

32 Other expenses

Particulars	(in ₹ Lakh)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Rent	3.38	3.32
Insurance	329.74	320.12
Rates and taxes	207.11	130.65
Repairs & maintenance others	92.00	81.45
Auditors' remuneration and expenses*	25.95	18.80
Legal and professional expenses	500.90	472.71
Testing Fees	263.85	264.18
Directors sitting fees	19.20	25.56
Bad debts	-	8.63
Less:- provision utilised against bad debts	-	(8.63)
Provision for doubtful debts	-	2.36
Freight expenses	1,792.44	1,999.25
Commission on sales	218.40	209.99
Sales promotion expenses	169.07	449.13
Travelling expenses	414.48	545.85
Corporate social responsibility expenses - Refer note no. 46	166.00	211.82
Net loss on sale / discard of property, plant and equipment	2.44	3.35
Miscellaneous expenses	997.04	724.03
Total	5,202.00	5,462.57

*Auditors' remuneration and expenses

Particulars	31st March, 2024	31st March, 2023
- Audit fees	15.00	12.50
- Tax Audit Fees	4.00	-
- Limited review fees	6.00	6.00
- Certification fees	0.15	0.05
Reimbursement of out-of-pocket expenses	0.80	0.25
Total	25.95	18.80

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

33 Income Taxes

Particulars	(in ₹ Lakh)	
	2023-24	2022-23
Current tax	404.36	700.09
Deferred tax	30.36	36.08
Tax impact charge/(credit) on actuarial gain/(loss)	(3.33)	(2.06)
Tax in respect of earlier years	67.43	46.80
Total income tax expense/(credit)	498.82	780.91

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

Reconciliation of effective tax rate	(in ₹ Lakh)	
	2023-24	2022-23
Profit before tax	1,450.33	2,845.44
Enacted income tax rate in India	25.17%	25.17%
Tax expense Computed as per above rate	365.05	716.20
Tax Expense Recognised in Statement of Profit and Loss	498.82	780.91
Differences due to:		
-Tax in respect of earlier years	67.43	46.80
- Expenses not allowable for tax purposes	42.37	53.32
- Others	23.97	(35.41)
Total income tax expense/(credit)	498.82	780.91

C. Movement in Deferred tax (assets)/liabilities during the year ended March 31, 2024 :

Particulars	(in ₹ Lakh)		
	As on 31-Mar-2023	(Credit)/charge in Statement of Profit and Loss	As on 31-Mar-2024
Expenses allowable for tax purposes on payment	(181.75)	8.31	(173.43)
Difference in written down value of PPE as per books and as per Income Tax	2,927.31	18.71	2,946.02
Deferred Tax Liability/(Asset)	2,745.56	27.03	2,772.59

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

Particulars	(in ₹ Lakh)		
	As on 31-Mar-2022	(Credit)/charge in Statement of Profit and Loss	As on 31-Mar-2023
Expenses allowable for tax purposes on payment	(128.26)	(53.49)	(181.75)
Difference in written down value of PPE as per books and as per Income Tax	2,837.74	89.57	2,927.31
Deferred Tax Liability/(Asset)	2,709.48	36.08	2,745.56

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

34 Earnings per share

Particulars	(in ₹ Lakh)	
	2023-24	2022-23
Earnings Per Share has been computed as under:		
Profit for the year	948.18	2,062.47
Weighted average number of equity shares outstanding (in Numbers)	3,36,53,576	3,36,53,576
Basic and diluted Earnings Per Share (₹)	2.82	6.13
(Face value of ₹ 5 per share)		

35 Assets offered as security

Particulars	(in ₹ Lakh)	
	2023-24	2022-23
The carrying amounts of assets offered as security for current and non-current borrowings are:		
Current Assets		
Trade receivables	19,036.10	19,071.17
Inventories	27,629.76	36,773.37
Total Current assets offered as security	46,665.86	55,844.54
Non Current Assets		
Land and Buildings	236.71	187.49
Furniture, fittings and equipment	136.83	124.96
Plant and Machinery	12,072.22	12,645.87
Others	55.39	34.83
Total non-current assets offered as security	12,501.15	12,993.15
Total assets offered as security	59,167.01	68,837.69

36 Contingent liabilities and commitments (to the extent not provided for)

Particulars	(in ₹ Lakh)	
	2023-24	2022-23
Contingent Liabilities		
Claims against the Company not acknowledged as debts in respect of:-		
- Disputed Labour Claims	267.75	290.55
- Corporate Gurantee of Rs. 8000 Lacs given in respect of borrowings by the wholly owned subsidiary (Amount to the extent of outstanding borrowings against the said gurantee)	3,352.39	-
Where Company is in appeal		
- Disputed Excise Duty Matters*	13.78	13.78
- Disputed Income Tax Matters*	398.86	398.86
Where Department is in appeal		
- Disputed Sales Tax Matters*	459.65	459.65
- Disputed Income Tax Matters*	54.83	54.83
Total	4,547.26	1,217.67

* upto the date of demand

The Company's pending litigations comprise of claims against the Company and proceedings pending with Tax and other Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements the Company does not reasonably expect the outcome of these proceedings to have a material impact on its financial statements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

37 Commitments

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

Particulars	(in ₹ Lakh)	
	As on 31-March-2024	As on 31-March-2023
Property, plant and equipment	1,168.46	958.23
Less: Capital advances	(369.30)	(413.59)
Net Capital commitments	799.16	544.65

B. Refer note no. 42 for commitments of lease liabilities.

38 Company has incurred following expenses on its in house Research & Development Facility :

(A) R & D Facility in Vadodara (approved u/s 35 (2AB) of Income Tax Act, 1961) :-

Accounts Head	(in ₹ Lakh)	
	2023-24	2022-23
(i) Capital Expenses included in various heads :		
Buildings	-	13.70
Plant & Machinery	3.07	13.44
Furniture & Fixtures	-	28.56
Computer and Computer Software	-	0.55
Total	3.07	56.25
(ii) Revenue Expenses included in various heads :		
Other Manufacturing and Operating Exp	30.44	145.89
Employee Benefit Expenses	167.17	150.51
Depreciation	20.20	26.00
Other Expenses	25.48	31.60
Total	243.29	354.00

(B) R & D Facility in Mumbai (Approved U/s 35 (2AB) of Income Tax Act, 1961.

Accounts Head	(in ₹ Lakh)	
	2023-24	2022-23
(i) Capital Expenses included in various heads :		
Accounts Head		
Plant and Machinery	-	79.20
Office Equipment	-	0.19
Computer and Computer Software	1.35	1.39
Vehicles	-	56.87
Total	1.35	137.65
(ii) Revenue Expenses included in various heads :		
Cost of Material Consumed	28.01	40.89
Employee Benefit Expenses	290.09	295.23
Building Rent	39.28	37.42
Depreciation	39.30	33.10
Other Expenses	59.11	64.11
Total	455.79	470.75

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

39 Financial risk management objectives and policies

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.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company's market risk is managed by Senior Management, who evaluates and exercises independent control over the entire process of market risk management. The Senior Management recommend risk management objectives and policies, which are approved by the Audit Committee. The activities of Senior Management include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

i. Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk			(in ₹ Lakh)	
Particulars	31st March, 2024	31st March, 2023		
Borrowings bearing variable rate of interest - as on reporting date	17,056.50	22,884.15		

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

Interest rate sensitivity			(in ₹ Lakh)	
Particulars	2023-24	2022-23		
50 bp increase in interest rate - decrease in profits	99.85	92.05		
50 bp decrease in interest rate - Increase in profits	(99.85)	(92.05)		

ii. Market Risk- Foreign currency risk.

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

Derivative instruments hedged and unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting date			(Foreign currency In lakh)	
Particulars	31st March, 2024	31st March, 2023		
Forward contracts	-	-		

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

(b) Particulars of unhedged foreign currency exposures as at the reporting date

As at 31st March 2024		(Foreign currency In lakh)			
Particulars	GBP	CHF	USD	EURO	
Trade Receivable	-	-	93.81	-	
Trade payables	-	0.13	23.87	1.83	
Borrowings	-	-	41.12	-	
Cash and Bank balances	-	-	0.60	-	

As at 31st March 2023		(Foreign currency In lakh)			
Particulars	GBP	CHF	USD	EURO	
Trade Receivable	-	-	107.70	0.06	
Trade payables	-	0.23	12.77	-	
Borrowings	-	-	72.71	-	
Cash and Bank balances	-	-	0.19	-	

Foreign Currency Risk Sensitivity

A change of 1% in Foreign currency would have following Impact on profit before tax

Particulars	2023-24		2022-23	
	1% Increase	1% decrease	1% Increase	1% decrease
EURO	(1.65)	1.65	0.05	(0.05)
USD	24.52	(24.52)	16.98	(16.98)
CHF	(0.13)	0.13	(0.18)	0.18
Increase / (decrease) in profit or loss	22.75	(22.75)	16.85	(16.85)

iii. Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

Ageing of Trade Receivables

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
		(in ₹ Lakh)					
As on 31st March 2024							
1) Undisputed – considered good	12,467.69	6,108.47	416.50	43.44	-	-	19,036.10
2) Undisputed – credit impaired	-	-	-	47.76	2.75	2.66	53.17
3) Disputed – credit impaired	-	-	-	-	0.03	135.59	135.62
Subtotal	12,467.69	6,108.47	416.50	91.21	2.78	138.25	19,224.89
Less: Provision for doubtful trade receivables	-	-	-	47.76	2.78	138.25	188.79
Total	12,467.69	6,108.47	416.50	43.44	-	-	19,036.10

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
		(in ₹ Lakh)					
As on 31st March 2023							
1) Undisputed – considered good	13,898.51	5,131.30	41.36	-	-	-	19,071.17
2) Undisputed – credit impaired	-	-	44.33	3.41	0.02	5.40	53.16
3) Disputed – credit impaired	-	-	-	0.04	0.10	135.50	135.63
Subtotal	13,898.51	5,131.30	85.69	3.44	0.12	140.90	19,259.96
Less: Provision for doubtful trade receivables	-	-	44.33	3.44	0.12	140.90	188.79
Total	13,898.51	5,131.30	41.36	-	-	-	19,071.17

Movement in provisions of doubtful debts

Particulars	(in ₹ Lakh)	
	2023-24	2022-23
Opening provision	188.79	195.06
Add:- Additional provision made	-	2.36
Less:- Provision utilised against bad debts	-	(8.63)
Closing provision	188.79	188.79

Concentration Risk Disclosure

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

The Company had two (P.Y. three) customers whose revenue individually represented 10% or more of the Company's total revenue, or whose accounts receivable balances individually represented 10% or more of the Company's total accounts receivable, as follows:

Particulars	(in ₹ Lakh)	
	2023-24	2022-23
Balance receivable from top 3 customers (P.Y. 3 customers)	4,248.27	8,491.99
% of Total Trade Receivable	22.32%	44.61%
Revenue from top 2 customers (P.Y. 3 customers)	21,115.34	32,408.45
% of Total Revenue	25.25%	38.75%

iv. Liquidity Risk

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the companies short - term, medium term and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by maturing the profiles of assets and liabilities. The table provides details regarding the remaining contractual maturities of Company's financial liabilities.

Particulars	(in ₹ Lakh)			
	Less than 1 Year/On Demand	1- 5 Years	More than 5 Years	Total
As at March 31, 2024				
Non Current Liabilities				
Borrowings	1,333.33	1,833.34	-	3,166.67
Lease Liabilities	60.06	106.10	-	166.16
Total Non current Liabilities	1,393.39	1,939.44	-	3,332.83
Current Liabilities				
Borrowings	13,889.83	-	-	13,889.83
Trade Payables	8,179.08	-	-	8,179.08
Other Financial Liabilities	464.60	-	-	464.60
Total Current Liabilities	22,533.52	-	-	22,533.52

Particulars	(in ₹ Lakh)			
	Less than 1 Year/On Demand	1- 5 Years	More than 5 Years	Total
As at March 31, 2023				
Non Current Liabilities				
Borrowings	1,336.00	3,164.00	-	4,500.00
Lease Liabilities	53.32	166.16	-	219.48
Total Non current Liabilities	1,389.32	3,330.16	-	4,719.48
Current Liabilities				
Borrowings	18,384.15	-	-	18,384.15
Trade Payables	8,698.37	-	-	8,698.37
Other Financial Liabilities	948.63	-	-	948.63
Total Current Liabilities	28,031.16	-	-	28,031.16

Financing arrangements

The Company had access to following undrawn Borrowing facilities at end of reporting period:

Particulars	(in ₹ Lakh)	
	31st March, 2024	31st March, 2023
Term Loan Borrowings	-	10,000.00
Working Capital Borrowings	13,990.17	9,415.85

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

40 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.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts."

The fair values for loans, security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

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'2024

(in ₹ Lakh)

Particulars	Non Current	Current	Total	Routed through P & L	Routed through OCI	Carrying at amortised cost	At Cost*	Total
Financial Assets								
Investments in Subsidiary	3,200.00		3,200.00	-	-	-	3,200.00	3,200.00
Loan to Subsidiary	3,910.00		3,910.00	-	-	3,910.00		3,910.00
Other Financial Assets	572.87		572.87	-	-	572.87	-	572.87
Trade receivable		19,036.10	19,036.10	-	-	19,036.10	-	19,036.10
Cash and Cash equivalents		347.90	347.90	-	-	347.90	-	347.90
Other Bank Balance		124.86	124.86	-	-	124.86	-	124.86
Other Current financial assets		78.28	78.28	-	-	78.28	-	78.28
	7,682.87	19,587.14	27,270.01	-	-	24,070.01	3,200.00	27,270.01
Financial Liabilities								
Borrowings	1,833.34	15,223.16	17,056.50	-	-	17,056.50	-	17,056.50
Lease Liabilities	106.10	60.06	166.16	-	-	166.16	-	166.16
Trade Payables	-	8,179.08	8,179.08	-	-	8,179.08	-	8,179.08
Other Financial Liabilities	-	464.60	464.60	-	-	464.60	-	464.60
	1,939.44	23,926.91	25,866.35	-	-	25,866.35	-	25,866.35

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

Financial Assets and Liabilities as at 31st March'2023

(in ₹ Lakh)

Particulars	Non Current	Current	Total	Routed through P & L	Routed through OCI	Carrying at amortised cost	At Cost*	Total
Financial Assets								
Investments in Subsidiary	3,200.00	-	3,200.00	-	-	-	3,200.00	3,200.00
Other Financial Assets	417.68	-	417.68	-	-	417.68	-	417.68
Trade receivable	-	19,071.17	19,071.17	-	-	19,071.17	-	19,071.17
Cash and Cash equivalents	-	958.82	958.82	-	-	958.82	-	958.82
Other Bank Balance	-	119.14	119.14	-	-	119.14	-	119.14
Other Current financial Assets	-	65.34	65.34	-	-	65.34	-	65.34
	3,617.68	20,214.47	23,832.15	-	-	20,632.15	3,200.00	23,832.15
Financial Liabilities								
Borrowings	3,164.00	19,720.15	22,884.15	-	-	22,884.15	-	22,884.15
Lease Liabilities	166.16	53.32	219.48	-	-	219.48	-	219.48
Trade Payables	-	8,698.37	8,698.37	-	-	8,698.37	-	8,698.37
Other Financial Liabilities	-	948.63	948.63	-	-	948.63	-	948.63
	3,330.16	29,420.48	32,750.64	-	-	32,750.64	-	32,750.64

*Cost less aggregate amount of diminution in value of investment

41 Related Parties Disclosure

a) Parties where control exists

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

Subsidiary : Oriental Aromatics & Sons Limited, India

b) Other Parties with whom the Company has entered into transactions during the year :

i) Enterprises over which Key Managerial Personnel are able to exercise significant influence

Keshavlal V. Bodani Education Foundation.

Vaishnavi Chemicals Private Limited

ii) Key Management personnel and relatives :

Mr. Dharmil A. Bodani
(Chairman and Managing Director)

Mr. Girish Khandelwal (Chief Financial Officer)

Mr. Shyamal A. Bodani (Executive Director)

Mrs. Kiranpreet Gill (Company Secretary)

Mr. Satish Ray (Executive Director - Operations)

Mrs. Indira Bodani (Relative of KMP)

Mr Bhadreshkumar Pandya
(Executive Director - Operations till 15.08.22)

Mrs. Anita Satoskar (Chief R&D Officer)

Mr. Parag Satoskar (Chief Executive Officer)

iii) Non-Executive Independent Director:

Mr. Harshvardhan A. Piramal

Mr. Prakash V. Mehta

Mr. Ranjit A. Puranik

Ms. Amruda V. Nair

Ms. Sapna Tulsiani (w.e.f. 10.08.2023)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

Transaction with the Related Parties

1 Compensation to Key Management Personnel

(in ₹ Lakh)

Sr No	Particulars	2023-24	2022-23	Balance as on 31-Mar-2024	Balance as on 31-Mar-2023
1	Short term employee benefits	921.03	926.91	(33.39)	(50.15)
2	Post-employment benefits*	-	-	-	-

*Key Managerial Personnel and Relatives of Key Managerial Personnel who are under the employment of the company are entitled to post employment benefits and other long term benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

2 Disclosure in respect of material transaction with related parties

(in ₹ Lakh)

Sr No	Particulars	Nature of transaction	2023-24	2022-23	Balance as on 31-Mar-2024	Balance as on 31-Mar-2023
1	PT. Oriental Aromatics	Sales/Receivable	-	-	-	-
		Investment in Share Capital	-	-	-	-
2	Oriental Aromatics & Sons Limited	Investment in Equity Share	-	1,760.00	3,200.00	3,200.00
		Loan to Subsidiary Company	3,910.00	-	3,910.00	-
		Corporate Gurantee Given (to the extent of Outstanding Borrowing)	3,352.39	-	3,352.39	-
		Reimbursement of Expenses	806.24	192.93	914.85	132.61
		Interest Income	122.07	-	109.86	-
		Rent Income	0.15	-	0.15	-
		Sale of Capital Goods	276.76	-	276.76	-
3	Keshavlal V. Bodani Education Foundation	Sale of Raw Material	34.30	-	34.30	-
		Donation (Included in CSR Expenses)	155.00	205.32	-	-
4	Mr. Dharmil A. Bodani	Remuneration	326.59	325.30	(7.09)	(17.62)
5	Mr Shyamal A. Bodani	Remuneration	234.08	234.08	(4.50)	(18.04)
6	Mr Bhadreshkumar Pandya	Remuneration	-	15.16	-	-
7	Mr. Satish Ray	Remuneration	31.53	29.34	(1.69)	(0.13)
8	Mr. Parag Satoskar	Remuneration	121.99	122.24	(6.84)	(3.25)
9	Ms. Anita Satoskar	Remuneration	121.99	122.24	(6.84)	(5.68)
10	Mr. Girish Khandelwal	Remuneration	63.47	59.23	(5.02)	(4.19)
11	Ms. Kiranpreet Gill	Remuneration	21.38	19.32	(1.41)	(1.24)
12	Ms. Indira Bodani	Remuneration	27.62	27.62	(1.15)	(1.63)
13	Non-Executive Independent Director	Directors sitting fees	19.20	25.56	-	-
14	Vaishnavi Chemicals Private Limited	Rent Expenses	30.24	30.24	(13.61)	(2.26)

Note :

- No amounts in respect of related party have been written off/provided for during the year, except for recoverable (₹ 68.82 Lakh) and investment (₹ 934.09 Lakh) in PT. Oriental Aromatics which was provided for in earlier years.
- Related parties relationship have been identified by the management and relied upon by the auditors.
- Terms and conditions of transactions: the transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions and market rates.
- Figures in brackets represents amount payable.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

42 LEASES

Under Ind AS 116, the nature of expenses in respect of operating leases has changed from "lease rent" to "depreciation cost" and "finance cost" for the right-to-use assets and for interest accrued on lease liability respectively

The weighted average lessee's incremental borrowing rate applied to the lease liabilities is 9%.

Following are the changes in the carrying value of right of use assets for the year ended

(in ₹ Lakh)

Particulars	Type of Right to Use assets		Total
	Building	Land	
Balance as at 31st March 2022	20.40	584.01	604.41
Addition during the year	247.98	-	247.98
Depreciation and amortisation expenses (Refer Note 4)	56.68	8.05	64.73
Balance as at 31st March 2023	211.70	575.96	787.66
Addition during the year	-	-	-
Depreciation and amortisation expenses (Refer Note 4)	59.91	8.05	67.96
Balance as at 31st March 2024	151.79	567.91	719.70

Following is the movement in lease liabilities during the year

(in ₹ Lakh)

Particulars	2023-24	2022-23
Opening Balance	219.48	23.61
Additions	-	247.98
Interest accrued during the year	16.21	13.02
Deletions	-	-
Payment of lease liabilities	69.53	65.13
Closing Balance	166.16	219.48
- Current lease liabilities	60.06	53.32
- Non- current lease liabilities	106.10	166.16

Break-up of the contractual maturities of lease liabilities on an undiscounted basis:

(in ₹ Lakh)

Particulars	2023-24	2022-23
Less than one year	71.49	69.53
One to five years	115.42	186.91
More than 5 years	-	-

Short-term leases expenses incurred for the year ended:

(in ₹ Lakh)

Particulars	2023-24	2022-23
Rental expense	3.38	3.32

Lease hold Land - lease period ranging from 30 to 99 years.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

43 Disclosure pursuant to Ind AS 19 - Employee benefits

I. DEFINED BENEFIT PLANS :

A. Balance Sheet

(in ₹ Lakh)

Particulars	As on 31-Mar-2024	As on 31-Mar-2023
Present value of plan liabilities	802.71	687.33
Fair value of plan assets	461.90	444.38
Plan liability net of plan assets	340.81	242.95

B. Movements in plan assets and plan liabilities

(in ₹ Lakh)

Particulars	Plan Assets	Plan liabilities	Plan liability net of plan assets
As at 1st April 2023	444.38	687.33	242.95
Current service cost	-	67.09	67.09
Employer contributions	21.35	-	(21.35)
Return on plan assets	2.27	-	(2.27)
Interest cost	-	50.73	50.73
Interest income	32.60	-	(32.60)
Actuarial (gain)/loss arising from changes in demographic assumptions	-	20.78	20.78
Actuarial (gain)/loss arising from changes in financial assumptions	-	11.74	11.74
Actuarial (gain)/loss arising from experience adjustments	-	3.74	3.74
Benefit payments	(38.70)	(38.70)	-
As at 31st March 2024	461.90	802.71	340.81

Particulars	Plan Assets	Plan liabilities	Plan liability net of plan assets
As at 1st April 2022	464.65	636.36	171.71
Current service cost	-	57.79	57.79
Employer contributions	6.71	-	(6.71)
Return on plan assets	(0.73)	-	0.73
Interest cost	-	44.42	44.42
Interest income	32.43	-	(32.43)
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	-	(19.56)	(19.56)
Actuarial (gain)/loss arising from experience adjustments	-	27.00	27.00
Benefit payments	(58.68)	(58.68)	-
As at 31st March 2023	444.38	687.33	242.95

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

C. Statement of Profit and Loss

(in ₹ Lakh)

Particulars	2023-24	2022-23
Employee Benefit Expenses:		
Current service cost	67.09	57.79
Total	67.09	57.79
Finance cost/(income)	18.13	11.99
Net impact on the Profit / (Loss) before tax	85.23	69.78
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net	(2.27)	0.73
Actuarial gains/(losses) arising from changes in financial assumptions	11.74	(19.56)
Experience gains/(losses) arising on pension plan and other	3.74	27.00
Net impact on the Other Comprehensive Income before tax	13.21	8.17

D. Investment details of plan assets

(in ₹ Lakh)

Particulars	As on 31-Mar-2024	As on 31-Mar-2023
Manage by Life Insurance Corporation	461.90	444.38

E. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

(in ₹ Lakh)

Particulars	As on 31-Mar-2024	As on 31-Mar-2023
Financial Assumptions		
Discount rate	7.20%	7.46%
Salary Escalation Rate	6.00%	6.00%
Number of Active Members	721	712
Per Month Salary For Active Members	201.48	185.45
<i>Weighted Average Duration of the Projected Benefit Obligation</i>	7	7

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality (2012-14) (Urban) Ultimate table Mortality in Retirement : LIC Buy-out Annuity. Rates & UK Published PA (90) Annuity Rates suitably adjusted for Indian Lives.

F. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

(in ₹ Lakh)

As on 31-Mar-2024	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	PVO DR+1%	759.48	851.57
Salary Escalation Rate	PVO ER+1%	846.79	762.61
Employee Turnover	PVO ET+1%	806.68	798.18

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

As on 31-Mar-2023	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	PVO DR+1%	599.08	678.49
Salary Escalation Rate	PVO ER+1%	674.31	601.91
Employee Turnover	PVO ET+1%	640.75	631.40

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

G. The defined benefit obligations shall mature after year end 31st March, 2024 as follows:

Year ending 31 March,	Amount
2025	119.63
2026	82.26
2027	90.77
Thereafter	1,076.21

The defined benefit obligations shall mature after year end 31st March, 2023 as follows:

Year ending 31 March,	Amount
2024	102.33
2025	60.78
2026	86.64
Thereafter	954.57

II. COMPENSATED ABSENCES:

The Company permits encashment of compensated absence accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Company, for outstanding balance of leave at the balance sheet date is determined and provided on the basis of actuarial valuation as at the balance sheet date performed by an independent actuary. The Company doesn't maintain any plan assets to fund its obligation towards compensated absences. Compensated absences charges for the year is ` 86.18 lakhs (Previous year Rs. 74.15 lakhs) to the statement of profit and loss.

44 Capital risk management

The Company's objectives when managing capital are to

- » safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- » maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt

The Company's strategy is to maintain a minimum gearing ratio. The gearing ratios were as follows:

Particulars	(in ₹ Lakh)	
	As on 31-Mar-2024	As on 31-Mar-2023
Net Debt (Net of cash and cash equivalent of ₹ 347.90 lakhs (Previous year ₹ 958.82 lakhs))	16,708.60	21,925.34
Equity	63,440.42	62,670.39
Total Capital Employed	80,149.02	84,595.73
Gearing Ratio	20.85%	25.92%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

45 Debt Reconciliation

(in ₹ Lakh)

Particulars	For the year ended 31-Mar-2024		For the year ended 31-Mar-2023	
	Term Loan	Working Capital Loan	Term Loan	Working Capital Loan
Opening Debt	4,500.00	18,384.15	5,000.00	8,934.88
Cash Flow during the year	(1,333.33)	(4,503.12)	(500.00)	9,263.31
Foreign Exchange (Gain)/loss	-	8.80	-	185.96
Closing Debt	3,166.67	13,889.83	4,500.00	18,384.15

46 Corporate Social Responsibility

(in ₹ Lakh)

Particulars	2023-24	2023.24
Amount required to be spent as per Section 135 of Companies Act, 2013	162.00	211.82
Amount Spent during the year		
Construction/Acquisition of assets	-	-
On purpose other than above	166.00	211.82
Excess amount spent under section 135 (5)		
Carried forward Opening Balance Excess/(Short)	-	-
Amount required to be spent during the year	162.00	211.82
Actual amount spent/incurred during the year	166.00	211.82
Carried forward Closing Balance Excess/(Short)	4.00	-
Nature of CSR activities	Education, Health, Empowering Women, Environmental sustainability & Hygiene	
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	155.00	205.32

47 Operating segment

The Company is engaged in the business of manufacture of Fine Chemicals, considering its business activities primarily operated within India and reviewed by the Chairman and Managing Director to make decisions about resources to be allocated to the segment and assess its Performance. Accordingly, the Company has only one business segment.

The information relating to revenue from external customers of its single reportable segment has been disclosed as below:

a. Revenue from operations

(in ₹ Lakh)

Particulars	2023-24	2022-23
Within India	45,316.53	47,985.62
Outside India	38,323.94	36,921.64
Total	83,640.47	84,907.26

b. Non-current operating assets

All non-current assets of the Company are located in India.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

48 Impairment testing of Goodwill on Amalgamation

Goodwill on amalgamation of ₹ 4,497.72 Lakh is relating to the merged business of its fragrance and flavours division ('CGU').

Goodwill is not amortised, instead it is tested for impairment annually or more frequently if indicators of impairment exist. The recoverable amount is determined based on value-in-use calculation which require the use of certain assumptions. The calculation use cash flow projections based on management approved cash flow projections for the 3-5 years period. Cash flow post that is extrapolated using the estimated growth rates. As a result of impairment test for the year ended 31st March 2024, no goodwill impairment was identified as the fair value of the CGU to whom goodwill is relating to exceed their respective carrying amount. An analysis of the sensitivity of the changes in key parameters (cash flows, Discount rate and Long term average growth rate), based on reasonable probable assumptions, did not result in any probable scenario in which the recoverable amount of the CGU would decrease below the carrying amount.

Key assumption used as at March 31, 2024 and March 31, 2023

Discount rate - 11.5% (P.Y. 11.5%)

Terminal Growth rate - 5% (P.Y. 5%)

49 Ratios Analysis:

Particulars	Measure	Current year Numerator (in ₹ Lakh)	Current year Denominator (in ₹ Lakh)	2023-24	2022-23	% Variance	Explanation for change in ratio by more than 25%
Liquidity Ratio:							
Current Ratio (Current Assets/Current Liabilities)	Times	52,268.22	24,436.37	2.14	2.13	0.42%	N.A.
Solvency Ratio:							
Debt Equity Ratio (Total Debt/Shareholder's Equity)	Times	17,056.50	63,440.42	0.27	0.37	-27.34%	Decrease in borrowing during the year
Debt Service Coverage Ratio Earnings available for debt service / Finance Cost paid+Repayment of long term borrowings with in a year+Repayment towards lease liabilities)	Times	4,733.84	3,441.98	1.38	2.04	-32.58%	Decrease in short term borrowings during the year and also decrease in earnings.
Profitability Ratio:							
Net Profit ratio (Profit After Tax/Revenue from operation)*100	Percentage	948.18	83,640.47	1.13%	2.43%	-53.35%	Due to increase in prices of all input costs as well as reduction in sales realisation.
Return on Equity Ratio (Net Profits after taxes/ Average Total Equity)*100	Percentage	948.18	63,055.40	1.50%	3.35%	-55.11%	Due to reduction in profit.
Return on Capital employed (Earnings before Interest & tax excluding other income / Average Capital Employed)*100	Percentage	2,766.36	83,025.73	3.33%	4.47%	-25.46%	Due to reduction in Profit.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Measure	Current year Numerator (in ₹ Lakh)	Current year Denominator (in ₹ Lakh)	2023-24	2022-23	% Variance	Explanation for change in ratio by more than 25%
Return on investment (Profit after tax / Average Total Equity)*100	Percentage	948.18	63,055.40	1.50%	3.35%	-55.11%	Due to reduction in profit.
Utilization Ratio:							
Inventory Turnover ratio (Cost of materials consumed+ Changes in inventories of finished goods and work-in progress+Power and Fuel + Consumption of Spares Parts)/(Average Inventory)	Times	64,675.80	32,201.57	2.01	1.97	1.95%	N.A.
Trade Receivables turnover ratio (Revenue from operations / Average Trade Receivables)	Times	83,640.47	19,053.64	4.39	4.40	-0.23%	N.A.
Trade Payables turnover ratio (Cost of materials consumed+ Changes in inventories of finished goods and work-in progress+Power and Fuel + Consumption of Spares Parts) / (Average Trade Payable)	Times	64,675.80	8,438.73	7.66	7.66	0.05%	N.A.
Net capital turnover ratio (Revenue from operations / Average Working Capital - Inventories+Trade Receivables- Trade Payables)	Times	83,640.47	42,816.47	1.95	1.95	0.18%	N.A.

50 Statements submitted with the Banks

The Company has borrowings from banks on the basis of security of current assets - Inventories and the details are as under :

Particulars	As on 31st March 2024	As on 31st March 2023
(a) whether quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts	Yes	Yes
(b) if not, summary of reconciliation and reasons of material discrepancies, if any	Not Applicable	Not Applicable

51 Relationship with Struck Off companies

The Company has not entered into transaction with struck off companies under Section 248 of the Companies Act, 2013.

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- No proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder.
 - The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
 - The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
 - There were no transactions relating to previously unrecorded income that have been surrendered and disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

- e) The Company has not advanced or loaned to or invested in funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend to 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 to or on behalf of the Ultimate Beneficiaries.
- f) The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- directly or indirectly lend to 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.
- g) The Company has not been declared wilful defaulter by any bank or financial Institution or other lender.
- 53** The Board of directors of the Company has recommended the payment of dividend on equity shares of ₹ 5 each @ ₹ 0.50 per shares for the year ended 31st March 2024. The final dividend shall be subject to approval of shareholders at the ensuing Annual General Meeting.
- 54** The Standalone Financial Statements have been approved by the Board of Directors in its meeting held on 27th May, 2024.
- 55** During the year ended March 31, 2023, the Company has implemented new ERP for all its location effective from November 1, 2022 except for one location which has been implemented from December 1, 2022 and therefore, had to compute the valuation of inventories of Raw materials, Packing Materials and Stores and Spares on weighted average basis as against previously followed on FIFO basis, the impact whereof is immaterial on profit before tax for the year ended March 31, 2023.
- 56** Finance cost for the year ended March 31, 2024 includes ₹ 251.17 lakh being interest charged pertaining to the GST demand for financial year 2017-18 and 2018-19 on reassessment of Bills of entry in respect of import under Advance licenses.
- 57** The Company uses an accounting software and a payroll application 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 accounting software and the payroll application, except that audit trail feature is not enabled at the database level for the payroll application and HANA database.. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software and payroll application. Presently, the log has been activated at the application and the privileged access to HANA database continues to be restricted to limited set of users who necessarily require this access for maintenance and administration of the database
- 58** 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 lakh rupees.”

Signatures to Notes 1 to 58 which form an integral part of the financial statement.

For and on behalf of Board of Directors

Dharmil A. Bodani
Chairman & Managing Director
DIN : 00618333

Shyamal A. Bodani
Executive Director
DIN: 00617950

Date : 27th May, 2024
Place : Mumbai

Parag Satoskar
Chief Executive Officer

Girish Khandelwal
Chief Financial Officer

Kiranpreet Gill
Company Secretary

CONSOLIDATED FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

To The Members of

Oriental Aromatics Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Oriental Aromatics Limited ("the Holding Company") and its subsidiaries (hereinafter referred as "the Group") which comprises of consolidated Balance Sheet as at March 31, 2024, the consolidated statement of Profit & Loss (including other comprehensive income), the consolidated Statement of changes in equity and the consolidated Statement of cash flow for the year then ended (Refer "Other Matters" section below), and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 the accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2024, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 Consolidated Financial Statements* section of our report. We are independent of the Group 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 consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matters	Auditor's response
1.	<p>Goodwill on Amalgamation - Impairment (₹ 4497.72 lakh as on March 31, 2024):</p> <p>The Holding Company is required to annually test the amount of goodwill for impairment. This annual impairment test was significant to our audit because the balance of ₹ 4497.72 lakh as on March 31, 2024, relating to a cash generating unit, is material to the consolidated financial statements. In addition to that, since the assessment process is judgmental by nature as it is based on assumptions on future market and/or economic conditions.</p> <p>The assumptions used included future cash flow projections, discount rates, perpetuity and sensitivity analysis.</p>	<p>Our audit procedures in relation to management's impairment assessment included:</p> <ul style="list-style-type: none"> - Assessing the valuation methodology and understanding of the processes followed by the management for determining the recoverable amount of the cash generating unit for which the goodwill is recognized. - Reviewed the inputs used in the Model by examining the underlying data and validating the future projections by comparing past projections with actual results, including discussions with management. - Reviewed the discount rate and long-term growth rates used in the forecast including comparison to economic and industry forecasts where appropriate. - Performed sensitivity analysis on these key assumptions to assess potential impact of downside in the underlying cash flow forecasts and assessed the possible mitigating actions identified by management. - We also assessed the disclosures provided by the Group in relation to its annual impairment test in Note no. 48 to the standalone financial statements. <p>These procedures performed, gave us a sufficient evidence to enable us to rely on the accounting for goodwill impairment for the purpose of our audit of the Consolidated financial statements.</p>
2	<p>Information Technology (IT) Systems and Controls: (Refer note 55 to standalone financial statements)</p> <p>During the year the Holding Company has implemented SAP, a new Enterprise Resource Planning (ERP) System. The new system is fully integrated financial accounting and reporting system.</p> <p>The implementation of ERP has a risk of loss of integrity of key financial data being migrated and elimination of traditional controls without replacing them with the new effective controls measures, monitoring of IT controls which are relating to critical business processes such as purchase, production, sales, inventory and including recording of transactions, which could lead to financial errors or mis-statements and inaccurate financial reporting and also there is risk that automated accounting procedures and related IT manual controls might not work.</p> <p>We have accordingly designated this another focus area in the audit.</p>	<p>Our audit procedures in relation to implementation of SAP</p> <p>We have performed procedures to ensure the migration of financial data between old system and new system.</p> <p>-Our audit approach consists of testing of design and operating effectiveness of internal controls and substantive testing around the new ERP system.</p> <p>-We have performed the test of controls regarding the appropriateness of system access and an effective maker and checker system built in the ERP system for proper authorizations of transactions and posting of accounting entries.</p> <p>The combination of these tests of controls and procedures performed, gave us sufficient evidence to enable us to rely on the operations of ERP system for the purpose of the audit of the consolidated financial statements.</p>

Information Other than the Consolidated Financial Statements and auditor's report thereon

The Holding Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Board's Report including Annexures to the Board report but does not include the consolidated financial statement and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing

our opinion on whether the Holding Company and its subsidiaries has adequate internal financial control 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 the management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 consolidated 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 entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 consolidated financial statements.

We communicate with those charged with governance of the Holding Company of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters:

- We did not audit the financial statements of one foreign subsidiary included in the consolidated financial statements of the Group whose financial statements reflects total assets of Rs. 9.06 lakhs as at March 31, 2024; total income of Rs. Nil, net profit/(loss) (total comprehensive income) of Rs. (4.11) lakhs and net cash inflow/(outflow) of Rs.(0.17) lakhs for the year ended March 31, 2024 as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of other auditor.
- The comparative consolidated financial information of the Group for the year ended March 31, 2023 has been audited by the predecessor auditor who has expressed an unmodified opinion on those financial statements vide their report dated May 30, 2023 and opening balances have been considered based on such audited consolidated financial statements.

Our opinion on the consolidated financial statements and our report on the other legal and regulatory requirements below is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. 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 purposes of our audit.
 - (b) In our opinion, proper books of account as required by law maintained by the Group have been kept so far as it appears from our examination of those books and records except for the matters stated in the paragraph 1(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014 (as amended)
 - (c) The Consolidated Balance sheet, the Consolidated Statement of Profit & Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary as on March 31, 2024, taken on record by the Board of Directors of the Holding Company and its subsidiary incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on March 31, 2024 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 Holding Company and its Indian subsidiary and the operating effectiveness of such controls, please refer Annexure B of the standalone audit report, which is applicable to the Group, attached with the standalone financial statements included in this annual report.
 - (g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group to its directors during the year is in accordance with the provisions of Section 197(16) of the Act.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements. [Refer Note No. 36 to the standalone financial statements]
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary.
 - iv. (a) The respective managements of the Holding Company and its subsidiary which is incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their 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 Holding Company or by any of the such subsidiary to or in any other person or entity, including foreign entities ("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 Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. [Refer Note No. 52(e) to standalone financial statements]
 - (b) The respective managements of the Holding Company and its subsidiary which is incorporated in India whose financial statements have been audited under the Act, have represented that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts,

no funds have been received by the Holding Company and by any of the such subsidiary from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary 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; [Refer Note No. 52(f) to standalone financial statements]

- (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to the notice that has caused to believe that the representations under sub-clause (a) and (b) above contain any material misstatement.
- v. (a) The final dividend paid by the Holding Company during the year declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
- (b) The Board of Directors of the Holding Company has proposed final dividend for the financial year 2023-24 which is subject to the approval of the Members at the ensuing annual general meeting. The dividend recommended by the Board is in accordance with Section 123 of the Act to the extent it applies to the recommendation of dividend [Refer note no. 53 to standalone financial statements].
- vi. (a) Based on our examination which included test checks, the Holding Company and its one Indian subsidiary incorporated in India, has used 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 that, audit trail feature is not enabled for direct changes to data in the underlying database and in the application when using certain privileged access rights. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software used by the Holding Company and its one Indian subsidiary incorporated in India. (Refer note no. 37 to consolidated financial statements)
- (b) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.
- vii. According to the information and explanations given to us and based on the Companies (Auditor's Report) Order, 2020 ("CARO") issued of holding company and one of the Indian subsidiary included in the consolidated financial statements to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in the respective CARO reports of Holding Company and such Indian subsidiary.

For **Lodha & Co LLP**
Chartered Accountants
Firm registration No. -301051E/E300284

R.P. Baradiya
Partner
Membership No. 044101
UDIN: 24044101BKCLSA1235

Place: Mumbai
Date : May 27, 2024

CONSOLIDATED BALANCE SHEET

AS ON 31ST MARCH 2024

Particulars	Note	(in ₹ Lakh)	
		As on 31st March, 2024	As on 31st March, 2023
I ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	2	20,702.54	20,912.11
(b) Capital work - in - progress	2	17,323.17	5,240.91
(c) Goodwill on amalgamation		4,497.72	4,497.72
(d) Intangible assets	3	495.01	454.80
(e) Intangible assets under development	3	-	23.60
(f) Right of use - Lease	4	1,331.86	1,406.42
(g) Financial Assets :			
Other financial assets	5	753.37	701.41
(h) Income tax assets (Net)		889.62	1,025.44
(i) Other non - current assets	6	671.23	440.27
Total Non-Current Assets		46,664.52	34,702.68
2 Current assets			
(a) Inventories	7	27,716.94	36,773.37
(b) Financial Assets :			
(i) Trade receivables	8	18,053.03	19,003.75
(ii) Cash and cash equivalents	9	1,063.15	1,599.44
(iii) Bank balances other Than (ii) above	10	144.36	119.14
(iv) Other current financial assets	11	106.46	73.12
(c) Other current assets	12	5,746.98	6,374.72
Total Current Assets		52,830.92	63,943.54
TOTAL ASSETS		99,495.44	98,646.22
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	13	1,682.68	1,682.68
(b) Other equity	14	61,552.18	60,811.60
Total Equity		63,234.86	62,494.28
2 Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	5,185.73	3,164.00
(ii) Lease Liabilities		106.10	166.16
(b) Provisions	16	413.99	289.58
(c) Deferred tax liabilities (net)		2,738.47	2,717.80
Total Non Current Liabilities		8,444.29	6,337.54
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	15,223.16	19,720.15
(ii) Lease Liabilities		60.06	53.32
(iii) Trade Payables	18		
(A) Total outstanding dues of micro enterprises and small enterprises;		1,039.43	939.56
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		7,155.26	7,752.77
(iv) Other financial liabilities	19	3,779.18	958.39
(b) Other current liabilities	20	326.85	173.81
(c) Provisions	21	232.35	216.40
Total Current Liabilities		27,816.29	29,814.40
Total Liabilities		36,260.58	36,151.94
TOTAL EQUITY AND LIABILITIES		99,495.44	98,646.22

Material accounting policies and accompanying notes form an integral part of consolidated financial statements 1-39

As per our attached Report of even date
For Lodha & Co. LLP
Chartered Accountants
Firm Registration No. - 301051E/E300284

R. P. Baradiya
Partner

For and on behalf of Board of Directors

Dharmil A. Bodani
Chairman &
Managing Director
DIN : 00618333

Shyamal A. Bodani
Executive Director
DIN: 00617950

Parag Satoskar
Chief Executive
Officer

Girish Khandelwal
Chief Financial
Officer

Kiranpreet Gill
Company Secretary

Date : 27th May, 2024
Place : Mumbai

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Note	(in ₹ Lakh)	
		For the year ended 31st March, 2024	For the year ended 31st March, 2023
I Income			
Revenue from operations	22	83,640.47	84,907.26
Other income	23	728.05	572.81
Total Income		84,368.52	85,480.07
II Expenses			
Cost of materials consumed	24	53,253.68	63,068.53
Changes in inventories of finished goods and work-in progress	25	3,893.79	(5,391.44)
Manufacturing and operating costs	26	11,176.17	10,987.00
Employee benefits expense	27	5,390.14	5,284.06
Finance costs	28	2,036.81	1,303.10
Depreciation and amortization expense	29	1,979.45	1,942.80
Other expenses	30	5,233.01	5,537.77
Total expenses		82,963.05	82,731.82
III Profit before tax		1,405.47	2,748.25
IV Tax expense			
Current tax		404.36	700.09
Deferred tax charge/(credit)		23.26	27.07
Tax in respect of earlier years		67.43	46.80
V Profit for the year		910.42	1,974.29
VI Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Actuarial gain/(loss)		(8.43)	(8.17)
Tax impact (charge)/credit on actuarial gain/(loss)		2.59	2.06
Other Comprehensive Income		(5.84)	(6.11)
VII Total Comprehensive Income for the year		904.58	1,968.18
<i>Attributable to the owners of the parent's company</i>			
VIII Earnings per equity share of ₹ 5 each	32		
Basic and Diluted (in ₹)		2.71	5.87

Material accounting policies and accompanying notes form an integral part of consolidated financial statements 1-39

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Firm Registration No. - 301051E/E300284

R. P. Baradiya
Partner

For and on behalf of Board of Directors

Dharmil A. Bodani
Chairman &
Managing Director
DIN : 00618333

Shyamal A. Bodani
Executive Director
DIN: 00617950

Parag Satoskar
Chief Executive
Officer

Girish Khandelwal
Chief Financial
Officer

Kiranpreet Gill
Company Secretary

Date : 27th May, 2024
Place : Mumbai

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2024

Sr. No.	Particulars	Note No.	(in ₹ Lakh)	
			For the year ended 31st March, 2024	For the year ended 31st March, 2023
A)	Cash Flow from Operating Activities			
	Net Profit before Tax		1,405.47	2,748.25
	Adjustments for:			
	Depreciation and amortization expense		1,979.45	1,942.80
	Interest and Other Finance Cost		2,036.80	1,303.10
	Loss on discarding / sale of assets (Net)		2.44	3.35
	Provision for doubtful debts and bad debts		-	2.36
	Sundry balances written back / Excess provision written back		(57.32)	(220.82)
	Unrealised Foreign Exchange rate difference		2.58	64.07
	Operating Profit before Working Capital Changes		5,369.42	5,843.11
	Adjustments for:			
	(Increase)/Decrease in Trade & Other Receivables		247.11	337.12
	(Increase)/Decrease in Inventories		9,056.44	(8,080.14)
	Increase/(Decrease) in Trade Payables & Provisions		(156.67)	671.38
	Cash generated from Operating Activities before tax paid		14,516.30	(1,228.53)
	Direct Taxes (Paid) Net of Refund Received		(335.97)	(1,001.49)
	Net Cash flow from Operating Activities (A)		14,180.33	(2,230.02)
B)	Cash Flow from Investing Activities			
	Purchase of Property, Plant and Equipment		(9,936.72)	(4,669.84)
	Proceeds from Sale of Property, Plant and Equipment		40.08	23.24
	Net Cash (used in)/from Investing Activities (B)		(9,896.64)	(4,646.60)
C)	Cash Flow from Financing Activities			
	Proceeds/(Repayment) of long term borrowings		2,019.06	(500.00)
	Proceeds/(Repayment) of short term borrowings (Net)		(4,503.12)	9,263.31
	Dividend Paid		(168.27)	-
	Payment of lease liabilities		(69.53)	(65.13)
	Interest and Other Finance Cost		(2,098.12)	(883.36)
	Net Cash (used in)/from Financing Activities (C)		(4,819.98)	7,814.82
	Net increase in cash and cash equivalents (A + B + C)		(536.29)	938.20
	Opening balance of Cash & cash equivalents	9	1,599.44	661.24
	Closing balance of Cash & cash equivalents	9	1,063.15	1,599.44

Material accounting policies and accompanying notes form an integral part of consolidated financial statements 1-39

As per our attached Report of even date
For Lodha & Co. LLP
Chartered Accountants
Firm Registration No. - 301051E/E300284

R. P. Baradiya
Partner

For and on behalf of Board of Directors

Dharmil A. Bodani Chairman & managing Director
DIN : 00618333
Shyamal A. Bodani Executive Director
DIN: 00617950

Date : 27th May, 2024
Place : Mumbai

Parag Satoskar Chief Executive Officer
Girish Khandelwal Chief Financial Officer
Kiranpreet Gill Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2024

a EQUITY SHARE CAPITAL

(in ₹ Lakh)				
As at 31st March 2023	Changes in Equity Share Capital due to prior period errors	Balance at the beginning of the period	Change during the year 2023-24	As at 31st March 2024
1,682.68	-	1,682.68		1,682.68
As at 31st March 2022	Changes in Equity Share Capital due to prior period errors	Balance at the beginning of the period	Change during the year 2022-23	As at 31st March 2023
1,682.68	-	1,682.68		1,682.68

b OTHER EQUITY

(in ₹ Lakh)							
Particulars	NOTE	Reserves and Surplus			Items of other comprehensive income		Total
		Capital Reserve on Amalgamation	General Reserve	Retained Earnings	Actuarial gains / (losses)	Foreign Currency Translation Reserve	
Balance as at 1st April, 2022		266.74	4,275.12	54,530.66	(228.48)	(4.73)	58,839.32
Changes in Equity due to prior period errors		-	-	-	-	-	-
Balance at the beginning of the period		266.74	4,275.12	54,530.66	(228.48)	(4.73)	58,839.32
Profit for the year		-	-	1,974.29	-	-	1,974.29
Other Comprehensive Income for the year		-	-	-	(6.11)	-	(6.11)
Translation reserve for the year		-	-	-	-	4.10	4.10
Balance as at 31st March, 2023		266.74	4,275.12	56,504.95	(234.59)	(0.63)	60,811.60
Changes in Equity due to prior period errors		-	-	-	-	-	-
Balance at the beginning of the period		266.74	4,275.12	56,504.95	(234.59)	(0.63)	60,811.60
Profit for the year		-	-	910.42	-	-	910.42
Other Comprehensive Income for the year		-	-	-	(5.84)	-	(5.84)
Translation reserve for the year		-	-	-	-	4.27	4.27
Final dividend paid		-	-	(168.27)	-	-	(168.27)
Balance as at 31st March, 2024		266.74	4,275.12	57,247.10	(240.43)	3.64	61,552.18

Material accounting policies and accompanying notes form an integral part of Consolidated financial statements 1-39

As per our attached Report of even date
For Lodha & Co. LLP
Chartered Accountants
Firm Registration No. - 301051E/E300284

R. P. Baradiya
Partner

For and on behalf of Board of Directors

Dharmil A. Bodani Chairman & managing Director
DIN : 00618333
Shyamal A. Bodani Executive Director
DIN: 00617950

Date : 27th May, 2024
Place : Mumbai

Parag Satoskar Chief Executive Officer
Girish Khandelwal Chief Financial Officer
Kiranpreet Gill Company Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

1 General Information :

The consolidated financial statements comprise financial statements of Oriental Aromatics Limited (“the Holding Company”) and its subsidiaries (hereinafter referred to as “the Group”) for the year ended 31st March, 2024.

The holding Company is a Public limited company and based at Mumbai, Maharashtra, India. It is incorporated under Companies Act, 1956 now Companies Act, 2013 (“the Act.”) and its shares are listed on BSE Limited and National Stock Exchange Limited. The Company is having 3 manufacturing facilities at Ambernath - Maharashtra, Bareilly - Uttarpradesh, Vadodara - Gujarat and they are engaged in the manufacturing and sale of Fine chemicals i.e. camphor, perfumery & specialty aroma chemicals, fragrances and flavours.

2 STATEMENT OF MATERIAL ACCOUNTING POLICIES AND PRACTICES :

I. Statement of compliance:

The Consolidated financial Statements of the Group which comprise the Balance Sheet as at 31st March, 2024, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended 31st March, 2024, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as Consolidated Financial Statements’) have been prepared in accordance with Indian Accounting Standards prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter (‘Ind AS’), the provisions of the Companies Act, 2013 (‘the Act’) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Consolidated Financial Statements have been approved by the Board of Directors in its meeting held on 27th May, 2024.

II. PRINCIPLES OF CONSOLIDATION

(i) Subsidiaries:

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

- (ii) The acquisition method of accounting is used to account for business combinations by the group.
- (iii) Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Deferred tax asset has been created on unrealized stock reserve.
- (iv) Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.
- (v) The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

- (vi) When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

III. Foreign currency transactions

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity’s functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group’s foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On disposal of foreign operations (i.e. a disposal of the Group’s entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.”

- IV For other accounting policies - Refer Material accounting policies mentioned in the standalone financial statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

2 Property, Plant and Equipment

Particulars	(In ₹ Lakh)							Total
	Freehold Land	Buildings	Plant & Equipment	Office Equipment	Furniture & Fixtures	Vehicles	Computers	
Gross Carrying Amount / Deemed Cost								
As at 31st March 2023	4.74	6,702.29	20,980.16	478.10	939.66	955.94	194.24	30,255.12
Additions	-	217.01	1,203.63	36.33	51.94	34.57	33.66	1,577.14
Disposals	-	-	106.24	16.37	-	24.31	0.58	147.50
As at 31st March 2024	4.74	6,919.30	22,077.55	498.06	991.60	966.20	227.32	31,832.27
Accumulated Depreciation :								
As at 31st March 2023	-	1,715.97	6,031.80	356.66	680.18	416.33	142.07	9,343.01
Depreciation charge for the year	-	209.04	1,276.77	40.59	74.97	108.19	33.95	1,743.51
Disposals/Adjustment	-	-	64.75	15.87	-	23.09	0.58	104.29
As at 31st March 2024	-	1,925.01	7,243.82	381.38	755.15	501.43	175.44	10,982.23
Net Carrying Amount :								
As at 31st March 2023	4.74	4,986.32	14,948.36	121.44	259.48	539.62	52.16	20,912.11
As at 31st March 2024	4.74	4,994.29	14,833.73	116.68	236.45	464.77	51.88	20,702.54

Particulars	(In ₹ Lakh)							Total
	Freehold Land	Buildings	Plant & Equipment	Office Equipment	Furniture & Fixtures	Vehicles	Computers	
Additions								
As at 31st March 2022	4.74	6,589.47	19,488.72	402.06	905.02	857.99	155.71	28,403.71
Additions	-	44.74	1,616.41	45.05	58.60	123.77	40.73	1,929.30
Disposals	-	3.52	43.80	5.08	0.01	31.82	3.12	87.35
Adjustment	-	71.60	(81.17)	36.07	(23.95)	6.00	0.92	9.47
As at 31st March 2023	4.74	6,702.29	20,980.16	478.10	939.66	955.94	194.24	30,255.12
Accumulated Depreciation :								
As at 31st March 2022	-	1,466.31	4,797.62	312.91	597.50	330.14	112.84	7,617.32
Depreciation charge for the year	-	252.17	1,267.35	48.61	82.68	103.33	32.33	1,786.47
Disposals	-	2.51	33.17	4.86	-	17.14	3.10	60.78
As at 31st March 2023	-	1,715.97	6,031.80	356.66	680.18	416.33	142.07	9,343.01
Net Carrying Amount :								
As at 31st March 2022	4.74	5,123.16	14,691.10	89.16	307.52	527.85	42.86	20,786.39
As at 31st March 2023	4.74	4,986.32	14,948.36	121.44	259.47	539.61	52.16	20,912.11

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

Notes:

- For information on property, plant and equipment offered as security by the Group, refer note number 34
- For information on Capital Commitment, refer to note number - 33
- Breakup of Capital work in progress comprises of assets under installation/construction which are as under :-**

Particulars	(In ₹ Lakh)	
	As on 31-Mar-24	As on 31-Mar-23
Plant & Equipment	9,548.00	2,289.74
Buildings	4,890.84	1,503.34
Directly attributable cost relating to project:		
Salary Expenses	511.71	271.98
Professional Fees	767.12	678.36
Borrowings Cost	380.52	208.05
Other Expenses	1,200.40	289.44
Losses/expenses relating to Trial Run	24.58	-
Total	17,323.17	5,240.91

D. Capital work-in-progress ageing schedule

Particulars	(In ₹ Lakh)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years*	Total
As on 31st March 2024					
Projects in progress	12,676.23	3,467.24	766.78	412.92	17,323.17
Projects temporarily suspended	-	-	-	-	-
Total	12,676.23	3,467.24	766.78	412.92	17,323.17
As on 31st March 2023					
Projects in progress	3,747.89	917.34	408.35	167.33	5,240.91
Projects temporarily suspended	-	-	-	-	-
Total	3,747.89	917.34	408.35	167.33	5,240.91

*Delayed due to changes in products process and engineering design.

- In the month of March 24, the Subsidiary Company started its trial run production which was duly informed to the MPCB (Maharashtra Pollution Control Board). The Subsidiary is expected to commence commercial production by end of July 24.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

3 Intangible assets

(In ₹ Lakh)					
Particulars	Products Registration & Development	Technical Knowhow	Computer Software	Total	Intangible Asset Under Development*
Gross Carrying Amount / Deemed Cost					
As at 31st March 2023	361.86	1,464.49	302.74	2,129.09	23.60
Additions	159.73	-	41.89	201.61	-
Disposals/Adjustment	-	-	-	-	23.60
As at 31st March 2024	521.59	1,464.49	344.62	2,330.70	-
Accumulated Amortisation					
As at 31st March 2023	90.19	1,464.49	119.62	1,674.29	-
Amortisation charge for the year	119.22	-	42.18	161.40	-
As at 31st March 2024	209.41	1,464.49	161.80	1,835.69	-
Net Carrying Amount					
As at 31st March 2023	271.68	-	183.12	454.80	23.60
As at 31st March 2024	312.18	-	182.83	495.01	-
Particulars	Products Registration & Development	Technical Knowhow	Computer Software	Total	Intangible Asset Under Development*
Gross Carrying Amount / Deemed Cost					
As at 31st March 2022	219.88	1,464.61	105.17	1,789.67	40.62
Additions	141.92	-	197.62	339.54	179.72
Disposals	(0.06)	0.13	0.05	0.12	196.74
As at 31st March 2023	361.86	1,464.49	302.74	2,129.09	23.60
Accumulated Amortisation					
As at 31st March 2022	20.63	1,464.49	102.46	1,587.57	-
Amortisation charge for the year	69.56	-	17.16	86.72	-
As at 31st March 2023	90.19	1,464.49	119.62	1,674.29	-
Net Carrying Amount					
As at 31st March 2022	199.26	0.13	2.71	202.10	40.62
As at 31st March 2023	271.68	-	183.12	454.80	23.60

* Represents computer software under development having ageing for a period less than one year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

4 Right of use - Lease

(In ₹ Lakh)			
Particulars	Lease-Land	Lease-Buildings	Total
Gross Carrying Amount / Deemed Cost			
As at 31st March 2023	1,259.12	428.23	1,687.35
Additions	-	-	-
As at 31st March 2024	1,259.12	428.23	1,687.35
Accumulated Amortisation			
As at 31st March 2023	64.39	216.54	280.93
Amortisation charge for the year	14.65	59.91	74.56
As at 31st March 2024	79.05	276.45	355.49
Net Carrying Amount			
As at 31st March 2023	1,194.73	211.69	1,406.42
As at 31st March 2024	1,180.08	151.78	1,331.86
Particulars	Lease-Land	Lease-Buildings	Total
Gross Carrying Amount / Deemed Cost			
As at 31st March 2022	1,048.99	180.26	1,229.25
Additions	210.13	247.97	458.10
As at 31st March 2023	1,259.12	428.23	1,687.35
Accumulated Amortisation			
As at 31st March 2022	51.47	159.86	211.33
Amortisation charge for the year	12.92	56.68	69.60
As at 31st March 2023	64.39	216.54	280.93
Net Carrying Amount			
As at 31st March 2022	997.52	20.40	1,017.92
As at 31st March 2023	1,194.73	211.69	1,406.42

Notes: Refer Note No. 42 of the standalone financial statements for Leases.

5 Non Current - Other Financial Assets

(In ₹ Lakh)		
Particulars	As on 31st March, 2024	As on 31st March, 2023
Non-current		
Considered good		
Security Deposits with Government and Others	497.48	463.51
Bank Deposits with maturity more than 12 months	238.16	220.17
(Offered as Security against Bank Guarantee given to Electricity Department)		
Recoverable in respect of acquired business	17.73	17.73
Total	753.37	701.41

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

6 Other non - current assets

Particulars	(In ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Capital advances	644.55	413.59
Prepaid Expense	26.68	26.68
Total	671.23	440.27

7 Inventories

Particulars	(In ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Raw Materials	9,279.19	13,495.47
Raw Materials - in Transit	762.07	1,961.13
Work-in-progress	5,862.23	7,125.74
Finished goods	6,582.27	10,045.52
Finished goods - in Transit	3,577.85	2,711.72
Stores, Spares and Packing Materials	1,653.33	1,400.42
Stores, Spares and Packing Materials - in Transit	-	33.37
Total	27,716.94	36,773.37

Notes:

- 1 Refer Note 34 for the details in respect of inventories hypothecated/mortgaged as security for borrowings.
- 2 Inventories are written down considering nature of inventory, ageing, disposal of plan and net realisable value. Write-down of inventories amounted to ₹ 746.60 lakhs (P.Y. ₹ 941.18 lakhs). These write downs have been recognised as an expense under Raw Material Consumption and Changes in inventories of finished goods and work-in progress, as the case may be, in statement of Profit and Loss.

8 Trade receivables

Particulars	(In ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Trade Receivables considered good - Unsecured	18,053.03	19,003.75
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired	188.79	188.79
Less: Allowance for bad and doubtful debts	(188.79)	(188.79)
Total	18,053.03	19,003.75

Refer standalone financial statements for Trade Receivable Aging, Currency Risk and Credit Risk and Refer Note No. 34 for Trade Receivables offered as Securities

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

9 Cash and cash equivalents

Particulars	(In ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Balances with Banks		
- In current accounts	1,048.68	1,573.62
Cash on hand	14.47	25.83
Total	1,063.15	1,599.44

10 Other Bank Balances

Particulars	(In ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Unpaid Dividend	52.06	55.07
Margin Money Accounts	37.88	17.34
(Offered as Security against Bank Guarantee given to Government Authorities)		
Term deposits with original maturity more than 3 months and less than 12 months	54.42	46.73
Total	144.36	119.14

11 Other Financial Assets - Current

Particulars	(In ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Interest accrued on fixed deposit and others	25.31	3.89
Loan to staff	68.15	46.93
Insurance claim receivable	1.44	1.69
Other Receivable - Deposit and Government grant	11.56	20.61
Total	106.46	73.12

12 Other current assets

Particulars	(In ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Export benefit receivables	23.77	18.79
Balances with GST	3,756.86	4,778.71
Advances to Suppliers	1,386.47	1,015.18
Advances to Staff	47.53	38.42
Prepaid expenses	532.35	523.61
Total	5,746.98	6,374.72

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

13 Equity Share capital

	(In ₹ Lakh)	
a)	As on 31-March-2023	As on 31-March-2022
Authorised		
Equity shares	3,500.00	3,500.00
As at 31st March,2024 - 7,00,00,000 no. of shares at ₹ 5 each.		
As at 31st March,2023 - 7,00,00,000 no. of shares at ₹ 5 each.		
	3,500.00	3,500.00
Issued, subscribed and fully paid up		
Equity shares	1,682.68	1,682.68
As at 31st March,2024 - 3,36,53,576 no. of shares at ₹ 5 each.		
As at 31st March,2023 - 3,36,53,576 no. of shares at ₹ 5 each.		
Total	1,682.68	1,682.68

b) Rights of Equity Shareholders

- The Holding Company has one class of equity shares having a par value of ₹ 5 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 Holding Company, the equity shareholders are eligible to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Reconciliation of number of shares

Particulars	As on 31-March-2024	As on 31-March-2023
Equity Shares :		
Balance as at the beginning of the year	3,36,53,576	3,36,53,576
Balance as at the end of the year	3,36,53,576	3,36,53,576

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

Particulars	As on 31-March-2024		As on 31-March-2023	
	No. of Equity Shares	Equity Shares %	No. of Equity Shares	Equity Shares %
Dharmil A. Bodani	1,24,78,752	37.08%	1,24,78,752	37.08%
Shyamal A. Bodani	1,24,80,000	37.08%	1,24,80,000	37.08%

e) The details of Shares held by promoters at the end of the year

Particulars	As on 31-March-2024			As on 31-March-2023		
	No. of Equity Shares	Equity Shares %	% Change during the year	No. of Equity Shares	Equity Shares %	% Change during the year
Dharmil A. Bodani	1,24,78,752	37.08%	-	1,24,78,752	37.08%	-
Shyamal A. Bodani	1,24,80,000	37.08%	-	1,24,80,000	37.08%	-
Veer Dharmil Bodani	624	0.00%	-	624	0.00%	-
Yuvraj Dharmil Bodani	624	0.00%	-	624	0.00%	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

f) For a period of 5 years immediately preceding the balance sheet date, the company has:

For a period of 5 years immediately preceding the balance sheet date, the company has not issued bonus shares/bought back shares/ issued shares for consideration other than cash.

14 Other Equity

Particulars	(In ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
A. Summary of Other Equity balance.		
Capital Reserve On Amalgamation	266.74	266.74
General Reserve	4,275.12	4,275.12
Retained Earnings	57,247.10	56,504.96
Other comprehensive income	(240.43)	(234.59)
Foreign Currency Translation Reserve	3.65	(0.63)
Total	61,552.18	60,811.60

B. Nature and purpose of reserves

- Capital Reserve on Amalgamation :** During business combination, the excess of net assets taken over the cost of consideration paid is treated as capital reserve.
- General Reserve :** The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act.
- Retained Earnings :** Retained earnings are the profits that the Company has earned till date, less any transfer to general reserve, dividends or other distribution paid to shareholder.
- Foreign Currency Translation Reserve :** This reserve contains the accumulated balance of foreign exchange differences arising on monetary items that, in substance, form part of the Group's net investment in a foreign operation whose functional currency is other than indian rupees. Exchange differences previously accumulated in this reserve are reclassified to profit or loss on disposal of the foreign operation.
- Items of other Comprehensive income :** Difference between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustment within the plans, are recognised in 'Other Comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

15 Non Current Financial Liabilities - Borrowings

Particulars	(In ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Secured		
Term loan from a Bank	5,185.73	3,164.00
Rate of interest range from 7.50% - 9.11% (P.Y. 5.50% - 8.90%) per annum		
Total	5,185.73	3,164.00

Loan Repayment Schedule

Particulars	(In ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Payable within 1 year (Refer Note No. 17)	1,333.33	1,336.00
Payable between 1 to 2 years	2,059.68	1,333.00
Payable between 2 to 5 years	1,840.96	1,831.00
Payable between 5 to 7 years	1,285.08	-
Total	6,519.05	4,500.00

(For details of security offered - Refer Note No.34)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

16 Non Current Financial Liabilities - Others

Particulars	(In ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Provision for employee benefits :		
Provision for Gratuity	139.33	57.51
Provision for Compensated Absences	274.66	232.07
Total	413.99	289.58

Refer Note no. 36 for Defined benefit plans

17 Current Financial Liabilities - Borrowings

Particulars	(In ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Secured		
Current maturities of long-term debt	1,333.33	1,336.00
Working Capital Loan from Banks	13,889.83	18,384.15
Total	15,223.16	19,720.15

(For details of security offered - Refer Note No.34)

18 Trade payables

Particulars	(In ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Due to micro enterprises and small enterprises	1,039.43	939.56
Due to creditors other than micro enterprises and small enterprises	7,155.26	7,752.77
Total	8,194.69	8,692.33

Refer Note no. 35 for related party disclosure

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:

Particulars	(In ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
1) Principal amount remaining unpaid	1,039.43	939.56
2) Interest due on above and the unpaid interest	3.23	1.23
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	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

Trade Payables ageing schedule

Particulars	(in ₹ Lakh)					
	Not due	Outstanding for following periods from due date of payment				
Less than 1 year		1-2 years	2-3 years	More than 3 years		
As on 31st March 2024						
MSME Creditors	829.88	209.55	-	-	-	1,039.43
Creditors other than MSME	3,732.23	3,380.96	31.29	5.58	5.20	7,155.26
Disputed dues - MSME Creditors	-	-	-	-	-	-
Disputed dues - Creditors other than MSME	-	-	-	-	-	-
Total	4,562.11	3,590.51	31.29	5.58	5.20	8,194.69

Particulars	(in ₹ Lakh)					
	Not due	Outstanding for following periods from due date of payment				
Less than 1 year		1-2 years	2-3 years	More than 3 years		
As on 31st March 2023						
MSME Creditors	58.64	880.92	-	-	-	939.56
Creditors other than MSME	1,442.48	6,286.66	9.85	3.01	10.77	7,752.77
Disputed dues - MSME Creditors	-	-	-	-	-	-
Disputed dues - Creditors other than MSME	-	-	-	-	-	-
Total	1,501.12	7,167.58	9.85	3.01	10.77	8,692.33

19 Other financial liabilities

Particulars	(In ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Interest Accrued but not Due on Borrowings	89.12	89.15
Unclaimed Dividend	52.06	55.07
Payable towards capital expenditure	3,638.00	814.16
Total	3,779.18	958.39

20 Other Current liabilities

Particulars	(In ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Advance from customers	140.85	58.68
Statutory dues	186.00	115.13
Total	326.85	173.81

21 Provisions

Particulars	(In ₹ Lakh)	
	As on 31st March, 2024	As on 31st March, 2023
Provision for employee benefits :		
Provision for Gratuity	203.29	190.39
Provision for Compensated Absences	29.06	26.01
Total	232.35	216.40

Refer Note no. 36 for Defined benefit plans

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

22 Revenue from Operations

Particulars	(In ₹ Lakh)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Sale of Manufactured Products		
Contracted Price	83,770.81	85,035.56
Less: Trade Discount, Volume Rebate etc	(589.86)	(456.29)
	83,180.95	84,579.27
Other operating revenues		
Export Incentives	348.39	189.75
Process waste sale	105.00	126.44
Royalty Income	6.13	11.80
Total	83,640.47	84,907.26

23 Other income

Particulars	(In ₹ Lakh)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Rent and Compensation	15.07	6.21
Interest on Income Tax Refund	-	0.05
Foreign Exchange Gain (net)	635.05	341.04
Liability/Provision no longer required, written back	57.32	220.82
Other non-operating income	20.61	4.70
Total	728.05	572.81

24 Cost of materials consumed

Particulars	(In ₹ Lakh)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Raw Materials consumed	53,253.68	63,068.53
Total	53,253.68	63,068.53

25 Changes in inventories of finished goods and work-in progress

Particulars	(In ₹ Lakh)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Opening inventories		
Finished goods	12,757.24	8,801.57
Work-in-progress	7,125.74	5,689.97
Closing inventories		
Finished goods	(10,160.12)	(12,757.24)
Work-in-progress	(5,862.22)	(7,125.74)
Total	3,860.64	(5,391.44)
Transfer to Capital work in progress due to trial run	(33.15)	-
Total	3,893.79	(5,391.44)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

26 Manufacturing and Operating Costs

Particulars	(In ₹ Lakh)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Consumption of Spares Parts and Packing Materials	1,954.53	1,760.21
Power and Fuel	5,573.80	5,177.78
License Fees (Technical Knowhow)	425.76	469.61
Repairs to Buildings	216.09	194.31
Repairs to Machinery	497.49	625.88
Other Manufacturing and Operating Expenses	2,508.50	2,759.21
Total	11,176.17	10,987.00

27 Employee benefits expense

Particulars	(In ₹ Lakh)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Salaries and wages	4,682.98	4,610.66
Contribution to provident fund and other funds	244.13	237.45
Defined benefit plan expense	200.65	172.60
Workmen and Staff welfare expenses	262.38	263.35
Total	5,390.14	5,284.06

28 Finance costs

Particulars	(In ₹ Lakh)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest expense	1,877.99	1,025.02
Foreign Exchange loss on borrowings - attributable to Interest	75.36	209.25
Other borrowing costs	83.46	68.84
Total	2,036.81	1,303.10

29 Depreciation and amortization expense

Particulars	(In ₹ Lakh)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Depreciation on Property, Plant and Equipment	1,743.49	1,786.48
Amortization on Right to use - leases	74.56	69.60
Amortization on Intangible assets	161.40	86.72
Total	1,979.45	1,942.80

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

30 Other expenses

Particulars	(In ₹ Lakh)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Rent	5.42	4.76
Insurance	329.74	320.12
Rates and Taxes	218.42	152.32
Repairs & Maintenance Others	92.09	81.45
Auditor's Remuneration and Expenses	30.58	22.46
Legal and Professional Expenses	506.31	472.20
Testing Fees	263.85	264.18
Directors Sitting Fees	19.20	25.56
Bad Debts	-	8.63
Less:- Provision utilised against bad debts	-	(8.63)
Provision for doubtful Debts	-	2.36
Freight Expenses	1,792.44	1,999.25
Commission on Sales	218.40	209.99
Sales Promotion Expenses	169.07	449.13
Travelling Expenses	415.47	547.25
Corporate Social Responsibility Expenses	166.00	211.82
Net Loss on Sale / Discard of Property, Plant and Equipment	2.44	3.35
Miscellaneous Expenses	1,003.58	771.58
Total	5,233.01	5,537.77

31 Composition of the Group

Information about the composition of the Group is as follows:

Particulars	Place of Incorporation	Shareholding (In %)	
		As at 31st March 2024	As at 31st March 2023
Oriental Aromatics & Sons Limited (Business to be commencement)	India	100%	100%
PT Oriental Aromatics (Proposed to be Liquidated) (Business of Aroma Chemicals)	Indonesia	99.86%	99.86%

32 Earnings per share

Particulars	(In ₹ Lakh)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Earnings Per Share has been computed as under:		
Profit for the year	910.42	1,974.29
Weighted average number of equity shares outstanding (in Numbers)	3,36,53,576	3,36,53,576
Basic and diluted Earnings Per Share (₹)	2.71	5.87
(Face value of ₹ 5 per share)		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

33 Capital Commitments

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

Particulars	(In ₹ Lakh)	
	As at 31st March 2024	As at 31st March 2023
Property, plant and equipment	1,878.49	1,745.90
Less: Capital advances	(644.55)	(413.59)
Net Capital commitments	1,233.94	1,332.32

34 Assets offered as security

(in ₹ Lakh)

The carrying amounts of assets offered as security for current and non-current borrowings are:

Particulars	(in ₹ Lakh)	
	2023-24	2022-23
Current Assets		
Trade receivables	19,036.10	19,071.17
Inventories	27,716.94	36,773.37
Total Current assets offered as security	46,753.05	55,844.54
Non Current Assets		
Land and Buildings	848.87	187.49
Furniture, fittings and equipment	158.93	124.96
Plant and Machinery	12,072.26	12,645.87
Capital Work-in-progress	11,949.17	-
Others	55.39	34.83
Total non-current assets offered as security	25,084.62	12,993.15
Total assets offered as security	71,837.66	68,837.69

35 Related Parties Disclosure

Parties with whom the Company has entered into transactions during the year :

i) Enterprises over which Key Managerial Personnel are able to exercise significant influence

Keshavlal V. Bodani Education Foundation.

Vaishnavi Chemicals Private Limited

ii) Key Management personnel and relatives :

Mr. Dharmil A. Bodani
(Chairman and Managing Director)

Mr. Shyamal A. Bodani
(Executive Director)

Mr. Satish Ray
(Executive Director - Operations)

Mr Bhadreshkumar Pandya
(Executive Director - Operations till 15.08.22)

Mr. Parag Satoskar
(Chief Executive Officer)

Mr. Girish Khandelwal
(Chief Financial Officer)

Mrs. Kiranpreet Gill
(Company Secretary)

Mrs. Indira Bodani
(Relative of KMP)

Mrs. Anita Satoskar
(Chief R&D Officer)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

iii) Non-Executive Independent Director:

Mr. Harshvardhan A. Piramal

Mr. Prakash V. Mehta

Mr. Ranjit A. Puranik

Ms. Amruda V. Nair

Ms. Sapna Tulsiani (w.e.f. 10.08.2023)

Transaction with the Related Parties

1 Compensation to Key Management Personnel

(in ₹ Lakh)					
Sr No	Particulars	2023-24	2022-23	Balance as on 31-Mar-2024	Balance as on 31-Mar-2023
1	Short term employee benefits	921.03	926.91	(33.39)	(50.15)
2	Post-employment benefits*	-	-	-	-

*Key Managerial Personnel and Relatives of Key Managerial Personnel who are under the employment of the company are entitled to post employment benefits and other long term benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

2 Disclosure in respect of transaction with related parties

(in ₹ Lakh)						
Sr No	Particulars	Nature of transaction	2023-24	2022-23	Balance as on 31-Mar-2024	Balance as on 31-Mar-2023
1	Keshavlal V. Bodani Education Foundation	Donation (Included in CSR Expenses)	155.00	205.32	-	-
2	Mr. Dharmil A. Bodani	Remuneration	326.59	325.30	(7.09)	(17.62)
3	Mr Shyamal A. Bodani	Remuneration	234.08	234.08	(4.50)	(18.04)
4	Mr Bhadreshkumar Pandya	Remuneration	-	15.16	-	-
5	Mr. Satish Ray	Remuneration	31.53	29.34	(1.69)	(0.13)
6	Mr. Parag Satoskar	Remuneration	121.99	122.24	(6.84)	(3.25)
7	Ms. Anita Satoskar	Remuneration	121.99	122.24	(6.84)	(5.68)
8	Mr. Girish Khandelwal	Remuneration	63.47	59.23	(5.02)	(4.19)
9	Ms. Kiranpreet Gill	Remuneration	21.38	19.32	(1.41)	(1.24)
10	Ms. Indira Bodani	Remuneration	27.62	27.62	(1.15)	(1.63)
11	Non-Executive Independent Director	Directors sitting fees	19.20	25.56	-	-
12	Vaishnavi Chemicals Private Limited	Rent Expenses	30.24	30.24	(13.61)	(2.26)

Note :

- No amount in respect of related party have been written off/provided/written back for during the year.
- Related parties relationship have been identified by the management and relied upon by the auditors.
- Terms and conditions of transactions: the transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions and market rates.
- Figures in brackets represents amount payable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

36 Disclosure pursuant to Ind AS 19 - Employee benefits

I. DEFINED BENEFIT PLANS :

A. Balance Sheet

Particulars	(in ₹ Lakh)	
	As on 31-Mar-2024	As on 31-Mar-2023
Present value of plan liabilities	804.53	692.28
Fair value of plan assets	461.90	444.38
Plan liability net of plan assets	342.63	247.90

B. Movements in plan assets and plan liabilities

Particulars	(in ₹ Lakh)		
	Plan Assets	Plan liabilities	Plan liability net of plan assets
As at 1st April 2023	444.38	692.28	247.90
Current service cost	-	68.37	68.37
Employer contributions	21.35	-	(21.35)
Return on plan assets	2.27	-	(2.27)
Interest cost	-	51.10	51.10
Interest income	32.60	-	(32.60)
Actuarial (gain)/loss arising from changes in demographic assumptions	-	20.78	20.78
Actuarial (gain)/loss arising from changes in financial assumptions	-	11.79	11.79
Actuarial (gain)/loss arising from experience adjustments	-	(1.10)	(1.10)
Benefit payments	(38.70)	(38.70)	-
As at 31st March 2024	461.90	804.53	342.62

Particulars	(in ₹ Lakh)		
	Plan Assets	Plan liabilities	Plan liability net of plan assets
As at 1st April 2022	464.65	638.33	173.68
Current service cost	-	60.77	60.77
Employer contributions	6.71	-	(6.71)
Return on plan assets	(0.73)	-	0.73
Interest cost	-	44.42	44.42
Interest income	32.43	-	(32.43)
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	-	(19.56)	(19.56)
Actuarial (gain)/loss arising from experience adjustments	-	27.00	27.00
Benefit payments	(58.68)	(58.68)	-
As at 31st March 2023	444.38	692.28	247.90

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

C. Statement of Profit and Loss

(in ₹ Lakh)

Particulars	2023-24	2022-23
Employee Benefit Expenses:		
Current service cost	68.37	60.77
Total	68.37	60.77
Finance cost/(income)	18.50	11.99
Net impact on the Profit / (Loss) before tax	86.88	72.76
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net	(2.27)	0.73
Actuarial gains/(losses) arising from changes in financial assumptions	11.79	(19.56)
Experience gains/(losses) arising on pension plan and other	(1.10)	27.00
Net impact on the Other Comprehensive Income before tax	8.42	8.17

D. Investment details of plan assets

(in ₹ Lakh)

Particulars	As on 31-Mar-2024	As on 31-Mar-2023
Manage by Life Insurance Corporation	461.90	444.38

E. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

(in ₹ Lakh)

Particulars	As on 31-Mar-2024	As on 31-Mar-2023
Financial Assumptions		
Discount rate	7.20%	7.46%
Salary Escalation Rate	6.00%	6.00%
Number of Active Members	746	721
Per Month Salary For Active Members	201.48	185.45
Weighted Average Duration of the Projected Benefit Obligation	7	7

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality (2012-14) (Urban) Ultimate table Mortality in Retirement : LIC Buy-out Annuity Rates & UK Published PA (90) Annuity Rates suitably adjusted for Indian Lives.

F. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

As on 31-Mar-2024	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	PVO DR+1%	759.46	851.79
Salary Escalation Rate	PVO ER+1%	847.01	762.42
Employee Turnover	PVO ET+1%	806.63	798.23
As on 31-Mar-2023	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	PVO DR+1%	599.08	678.49
Salary Escalation Rate	PVO ER+1%	674.31	601.91
Employee Turnover	PVO ET+1%	640.75	631.40

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

G. The defined benefit obligations shall mature after year end 31st March, 2024 as follows:

Year ending 31 March,	Amount
2025	119.63
2026	82.26
2027	90.80
Thereafter	1,080.96

The defined benefit obligations shall mature after year end 31st March, 2023 as follows:

Year ending 31 March,	Amount
2024	102.33
2025	60.78
2026	86.64
Thereafter	954.57

II. COMPENSATED ABSENCES:

The Company permits encashment of compensated absence accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Company, for outstanding balance of leave at the balance sheet date is determined and provided on the basis of actuarial valuation as at the balance sheet date performed by an independent actuary. The Company doesn't maintain any plan assets to fund its obligation towards compensated absences. Compensated absences charges for the year is ₹ 86.34 lakh (Previous year ₹ 76.40 lakh) to the statement of profit and loss.

37 The Group uses 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 accounting software, except that audit trail feature is not enabled at the database level for SAP HANA database. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software. Presently, the log has been activated at the application and the privileged access to SAP HANA database continues to be restricted to limited set of users who necessarily require this access for maintenance and administration of the database

38 There are only two subsidiaries company including one foreign subsidiary company with insignificant transactions. The accounting policies and notes to accounts being similar to that of the holding company as stated in standalone financial statements are not appended hereto.

39 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 lacs rupees.

Signatures to Notes 1 to 39 which form an integral part of the financial statement.

For and on behalf of Board of Directors

Dharmil A. Bodani
Chairman & Managing Director
DIN : 00618333

Shyamal A. Bodani
Executive Director
DIN: 00617950

Date : 27th May, 2024
Place : Mumbai

Parag Satoskar
Chief Executive Officer

Girish Khandelwal
Chief Financial Officer

Kiranpreet Gill
Company Secretary

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 realting to subsidiary and joint venture companies for the year ended March 31, 2024

Sr No	Name of the Subsidiary Company	Date of acquisition/ incorporation	Reporting Currency	Exchange Rate	Share Capital	Reserves	Total Assets	Total Liabilities	Investments Turnover	Loss Before Taxation	Provision for Taxation	Loss after Taxation	Dividend	% Equity Interest
1	PT Oriental Aromatics	07-Mar-13	Rupiah	0.005	823.73	(898.43)	9.06	83.75	-	(4.11)	-	(4.11)	-	99.86%
2	Oriental Aromatics & Sons Limited	27-Dec-19	INR	1.000	3,200.00	(199.67)	15,044.28	12,043.95	-	(40.77)	(7.11)	(33.66)	-	100.00%

Oriental Aromatics Ltd.

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