



## PROSPECTUS

Dated July 15, 2023

Fixed Price Issue

Please read section 26 of the Companies Act, 2013



## KHAZANCHI JEWELLERS LIMITED

Corporate Identification Number: U36911TN1996PLC034918

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON
No: 130, NSC Bose Road, Sowcarpet, Chennai-600 079	No: 52, NSC Bose Road, Ground Floor, Sowcarpet, Chennai 600 079	Sakshi Jain, +91 44 4201 5915, Company Secretary and Compliance Officer
EMAIL	TELEPHONE	WEBSITE
info@khazanchi.co.in	+91 44 4201 5915	www.khazanchi.co.in

**OUR PROMOTERS: TARACHAND MEHTA, GOUTHAM, TARACHAND MEHTA AND SONS, GOUTHAM HUF AND FANCY DEVI****DETAILS OF THE PUBLIC ISSUE**

TYPE	FRESH ISSUE SIZE (₹ IN LAKHS)	OFS SIZE	TOTAL ISSUE SIZE (₹ IN LAKHS)	ELIGIBILITY- 6(1)/6(2) & SHARE RESERVATION AMONG QIBs, NIIs & RIIs
Fresh Issue	69,10,000 Equity Shares aggregating to ₹9674.00 Lakhs	Nil	₹9674.00 Lakhs	The Issue is being made pursuant to Regulation 229(2) of the SEBI ICDR Regulations. The post Issue face value capital of the Company exceeds ₹1000.00 Lakhs and upto Rs. 2500.00 Lakhs.

**DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF SHARES****RISKS IN RELATION TO THE FIRST ISSUE**

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10 each, and the Issue Price is 14 times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager as stated in "Basis for Issue Price" on page 82 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISK**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 23 of this Prospectus.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

**LISTING**

The Equity Shares issued through this Prospectus are proposed to be listed on the SME Platform of the BSE Limited in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. Our Company has received approval from BSE for using its name in the Prospectus for listing the Equity Shares pursuant to letter no. LO|SME-IPO|MJ|IP|145|2023-24 dated July 13, 2023. For the purpose of this Issue, BSE shall be the designated stock exchange.

**LEAD MANAGER TO THE ISSUE**

NAME AND LOGO	CONTACT PERSON	EMAIL AND TELEPHONE
 <b>MARK</b> Mark Corporate Advisors Private Limited	Niraj Kothari	Tel. No.: +91 22 2612 3208 Email ID: smeipo@markcorporateadvisors.com

**REGISTRAR TO THE ISSUE**

NAME	CONTACT PERSON	EMAIL AND TELEPHONE
 <b>CAMEO</b> Cameo Corporate Services Limited	Ms. Sree Priya K	Tel. No.: +91 44 4002 0700/0710/2846 0390 Email ID: investor@cameoindia.com

**ISSUE PROGRAMME**

ISSUE OPENS ON: Monday, July 24, 2023	ISSUE CLOSES ON: Friday, July 28, 2023
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**PROSPECTUS**  
Dated July 15, 2023  
Fixed Price Issue  
Please read section 26 of the Companies Act, 2013



## KHAZANCHI JEWELLERS LIMITED

Our company was incorporated as private limited Company under the name "Khazanchi Jewellers Private Limited" under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 25, 1996 issued by Registrar of Companies, Chennai, Tamil Nadu. Our Company was subsequently converted into a public limited company pursuant to approval of the Shareholders at an Extraordinary General meeting held on January 23, 2023 and consequently, the name of our Company was changed to "Khazanchi Jewellers Limited" and a Fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company was issued by Registrar of Companies, Chennai, Tamil Nadu on April 27, 2023. The Corporate Identification Number of our Company is U36911TN1996PLC034918. For further details on Incorporation and changes in the registered office of our company, please refer to the chapter titled "History and Certain Corporate Matters" on page 116 of this Prospectus.

**Registered Office:** No. 130, NSC Bose Road, Sowcarpet, Chennai – 600 079, Tamil Nadu, India; **Tel:** +91 44 4201 5915;

**E-mail:** info@khazanchi.co.in **Website:** www.khazanchi.co.in

**Contact Person:** Ms. Sakshi Jain, Company Secretary and Compliance Officer

**OUR PROMOTERS: TARACHAND MEHTA, GOUTHAM, TARACHAND MEHTA AND SONS, GOUTHAM HUF AND FANCY DEVI**

### DETAILS OF THE ISSUE

**INITIAL PUBLIC OFFERING OF 69,10,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH ("EQUITY SHARES") OF KHAZANCHI JEWELLERS LIMITED ("KHAZANCHI" OR "OUR COMPANY" OR "THE ISSUER") FOR CASH AT A PRICE OF ₹140/- PER EQUITY SHARE (INCLUDING A PREMIUM OF RS. 130/- PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING TO ₹9674.00 LAKHS ("THE ISSUE") OF WHICH 3,46,000 EQUITY SHARES AGGREGATING UPTO ₹484.40 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF 65,64,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT AN ISSUE PRICE OF ₹140/- PER EQUITY SHARE AGGREGATING TO ₹9189.60 LAKHS ("NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.92% AND 26.52% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO CHAPTER TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 199 OF THIS PROSPECTUS.**

### THE FACE VALUE OF THE EQUITY SHARES IS ₹10/- EACH AND THE ISSUE PRICE IS 14 TIMES OF THE FACE VALUE

In terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Issue is allocated for Retail Individual Investors and the balance shall be offered to individual applicants other than Retail Individual Investors and other investors including corporate bodies or institutions, QIBs and Non-Institutional Investors. However, if the aggregate demand from the Retail Individual Investors is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid applications being received from them at or above the Issue Price. Additionally, if the Retail Individual Investors category is entitled to more than 50% on proportionate basis, the Retail Individual Investors shall be allocated that higher percentage. All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details of the respective bank accounts and / or UPI IDs, in case of RIIs, if applicable, which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" beginning on page 208 of this Prospectus. A copy will be filed with the Registrar of Companies as required under Section 26 of the Companies Act, 2013

### RISK IN RELATON TO THE FIRST ISSUE

This being the first public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the Equity Shares of our Company is ₹10 each and the Issue Price is 14] times of face value per Equity Share. The Issue Price (will be determined and justified by our Company in consultation with the Lead Manager, as stated under chapter titled "Basis for Issue Price" beginning on page 82 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 23 of this Prospectus.

### ISSUERS ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

### LISTING

The Equity Shares offered through the Prospectus are proposed to be listed on the SME Platform of BSE Limited i.e., BSE SME. Our Company has received "In-Principle" approval from the BSE for using its name in the offer document for the listing of the Equity Shares, pursuant to letter no. LO|SME-IPO|MJ|IP|145|2023-24 dated July 13, 2023. For the purpose of the Issue, the Designated Stock Exchange shall be BSE.

#### LEAD MANAGER TO THE ISSUE



##### **MARK CORPORATE ADVISORS PRIVATE LIMITED**

404/1, The Summit Business Bay, Sant Janabai Road (Service Lane),  
Off W. E. Highway, Vile Parle (East), Mumbai-400 057. Maharashtra, India

**Tel. No.:** +91 22 2612 3208

**Email ID:** smeipo@markcorporateadvisors.com

**Investor Grievance Email ID:** investorgrievance@markcorporateadvisors.com

**Contact Person:** Niraj Kothari

**Website:** www.markcorporateadvisors.com

**SEBI Reg. No.:** INM000012128

#### REGISTRAR TO THE ISSUE



##### **CAMEO CORPORATE SERVICES LIMITED**

Subramanian Building, No. 01, Club House Road,  
Chennai-600 002,Tamil Nadu, India.

**Tel. No.:** +91 44 4002 0700/0710/2846 0390

**Email ID:** investor@cameoindia.com

**Investor Grievance Email ID:** investor@cameoindia.com

**Contact Person:** Sree Priya K.

**Website:** www.cameoindia.com

**SEBI Registration No.:** INR000003753

#### ISSUE OPENS ON

**Monday, July 24, 2023**

#### ISSUE CLOSES ON

**Friday, July 28, 2023**

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## SECTION I – GENERAL

### **DEFINITIONS AND ABBREVIATIONS**

*This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, Act, regulation, rules, guidelines or our Articles of Association, Memorandum of Association, policies shall be to such legislation, Act or regulation, as amended from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.*

*Notwithstanding the foregoing, terms used in “Statement of Special Tax Benefits”, “Restated Financial Statements”, “Outstanding Litigations and Material Developments”, “Key Industry Regulations and Policies” “Basis for Issue Price”, “Our Business” and “Main Provisions of Articles of Association” on pages 85, 138, 180, 108, 82, 97 and 231 respectively of this Prospectus, shall have the meaning ascribed to such terms in these respective sections.*

### **GENERAL TERMS**

<b>TERM</b>	<b>DESCRIPTION</b>
Khazanchi / The Company / Our Company / The Issuer / Khazanchi Jewellers Limited	Khazanchi Jewellers Limited, a company incorporated under the Companies Act, 1956 having its Registered Office at No. 130, NSC Bose Road, Ground Floor, Sowcarpet, Chennai – 600 079, Tamil Nadu, India.
We / us / our	Unless the context otherwise indicates or implies, refers to our Company
You / Your/ Yours	Prospective Investors in this Issue

### **COMPANY RELATED TERMS**

<b>Term</b>	<b>Description</b>
AOA/ Articles/ Articles of Association	Articles of Association of Our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in the section titled “Our Management” on page 119 of this Prospectus.
Auditor or Statutory Auditor	The statutory auditor of our Company, being M/s. PSDY &Associates, Chartered Accountants having their offices at 10, Annai Velankanni Street, Kamaraj Nagar, Puducherry – 605 011
Banker to the Company	HDFC Bank Limited and Kotak Mahindra Bank Limited
Board of Directors/ the Board / our Board/ Director(s)	The Board of Directors of Our Company, including all duly constituted Committee(s) thereof
Chief Executive Officer (CEO)	The Chief Executive Officer of our Company being Mr. Aashish Mehta
Chief Financial Officer (CFO)	The Chief Financial Officer of our Company being Mr. Vikas Mehta
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Ms. Sakshi Jain
Corporate office	No: 52, NSC Bose Road, Ground Floor, Sowcarpet, Chennai 600 079
CIN	Corporate Identification Number
Director(s)	Director(s) of our Company, unless otherwise specified
Equity Shareholders/ shareholders	Persons/ Entities holding Equity Shares of our Company
Equity Shares	Equity Shares of our Company of face value of ₹10/- each fully paid up unless otherwise specified in the context thereof.
Equity Shareholders	Persons / entities holding Equity Shares of our Company
Executive Director” or “Whole-time Director”	A whole-time director / executive director of our Company. For further details, see “Our Management” on page 119 of this Prospectus

<b>Term</b>	<b>Description</b>
Group Companies	Such Companies as are included in the chapter titled “Our Group Companies” beginning on page 133 of this Prospectus
Independent Director	A non-executive, independent Director as per the Companies Act, 2013 and the Listing Regulations, namely Mrs Bijal Durgavale and Mr Narresh Mahendra Kumar Jain
ISIN	International Securities Identification Number, in this case being INE0OWC01011
Key Managerial Personnel (KMP)	Key managerial personnel of our Company in terms of Regulation 2 (1) (bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013 and as identified in chapter titled “Our Management” beginning on page 119 of this Prospectus.
KPI	Key Performance Indicator
Managing Director or MD	The Managing Director of our Company, being Mr. Tarachand Mehta
Materiality Policy	The policy adopted by our Board for identification of group companies of our Company, outstanding litigation and outstanding dues to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The committee of the Board of Directors constituted as the Company’s Nomination & Remuneration Committee in accordance with Section 178(1) of the Companies Act, 2013 and the SEBI Listing Regulations, as described in the chapter titled “Our Management” on page 119 of this Prospectus
Non-Executive Director	A Director, not being an Executive Director
Peer Reviewed Auditors	The Peer Reviewed Auditors of our Company, currently being M/s. PSDY & Associates, Chartered Accountants having their offices at 10, Annai Velankanni Street, Kamaraj Nagar, Puducherry – 605 011
Promoter or our Promoter	Promoters of our Company being Mr Tarachand Mehta, Mr. Goutham, Tarachand Mehta and Sons, Goutham HUF and Mrs Fancy Devi
Promoter Group	Persons and entities constitute our promoter group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations and as enlisted in the chapter titled “Our Promoter and Promoter Group” beginning on page 128 of this Prospectus.
Registered Office	The Registered office of our Company situated at No.130 NSC Bose Road, Sowcarpet, Chennai – 600 079, Tamil Nadu, India
RoC / Registrar of Companies	The Registrar of Companies, Chennai, Block No.6,B Wing, 2 <sup>nd</sup> Floor, Shastri Bhavan, 26 Haddows Road, Chennai 600 034, Tamil Nadu, India
Restated Financial Information / Restated Financial Statements	Restated Financial Information along with Report dated July 06, 2023 from the Peer Review Certified Auditor – M/s. PSDY & Associates, Chartered Accountants, for the financial years ended March 31, 2023, March 31, 2022 and 2021 which comprises the restated summary statement of assets & liabilities, the restated statement of profit and loss and restated summary statement of cash flows along with all the schedules and notes thereto restated in accordance with the requirements of Section 26 of Part 1 of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended and included in “Financial Information” on page 138 of this Prospectus.
Shareholders	The equity shareholders of our Company whose names are entered into (i) the register of members of our Company; or (ii) the records of a depository as a beneficial owner of Equity Shares.
Stakeholders Relationship Committee	The committee of the Board of Directors constituted as the Company’s Stakeholders’ Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 and the SEBI Listing Regulations, as described in section titled “Our Management” on page 119 of this Prospectus.
Wilful Defaulter / Fraudulent Borrower	A wilful defaulter or a fraudulent borrower as defined in Regulation 2(1) (III) of the SEBI ICDR Regulations.

## Issue Related Terms

<b>Term</b>	<b>Description</b>
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf
Acknowledgement Slip	The acknowledgement slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Bid cum Application Form.
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to the Issue of the Equity Shares to successful Applicants.
Allottee(s)	Successful Allottees to whom Equity Shares have been Allotted.
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allotment Date	Date on which Allotment is made
Allottees	The successful applicant to whom the Equity Shares are being / have been allotted
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus. <u>All the applicants should make application through ASBA only</u>
Application Amount	The amount at which the prospective investors shall apply for Equity Shares of our Company in terms of this Prospectus
ASBA / Application Supported by Blocked Amount	An application for subscribing to the Issue, along with an authorization to self-certified syndicate bank to block the application money in the specified bank account maintained with such SCSB and includes the account of UPI applicants which is blocked upon acceptance of a UPI Mandate Request made by the UPI Applicants using the UPI Mechanism
ASBA Account	Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB or account of the UPI Applicant blocked upon acceptance of UPI Mandate Request by UPI Applicant using the UPI Mechanism to the extent of the Application Amount.
ASBA Applicant(s)	Any prospective investors in the Issue who intend to submit the Application through the ASBA process
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus
ASBA form/ Bid Cum Application	An application form, (with or without the use of UPI ID, as applicable) whether physical or electronic, used by Applicants which will be considered as the application for Allotment in terms of the Prospectus.
Banker(s) to the Issue	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Sponsor Bank and Public Issue Account Bank(s), as the case may be.
Banker(s) to the Issue and Sponsor Bank Agreement	Agreement dated June 30, 2023 entered into by our Company, the Registrar to the Issue, the Lead Manager and the Banker(s) to the Issue for the appointment of the Sponsor Bank in accordance with the UPI Circulars, transfer of funds to the Public Issue Account(s) and where applicable, refunds of the amounts collected from Applicants, on the terms and conditions thereof
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicant(s) under the Issue and which is described under chapter titled "Issue Procedure" beginning on page 208 of this Prospectus.
Bid Lot	1000 Equity Shares and in multiples of 1000 Equity Shares thereafter
Bidding Centre	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs.
Broker Centres	Broker centres notified by the Stock Exchanges where Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchange.
Business Days	Monday to Friday (except Public Holidays)
CAN or Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.

Term	Description
Collecting Depository Participant or CDP	A depository participant, as defined under the Depositories Act, 1996 and registered under Section 12 (1A) of the SEBI Act and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR /CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Collecting Registrar and Share Transfer Agents / CRTAs	Registrar to an issue and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Compliance Officer	The Company Secretary of our Company, Ms Sakshi Jain
Controlling Branches	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
Collection Centres	Centres at which the Designated intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Demographic Details	Details of the Applicants including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details and UPI ID, wherever applicable.
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996.
Depository Participant / DP	A depository participant as defined under the Depositories Act
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> ) duly updated from time to time.
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of UPI applicants using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue.
Designated Intermediary(ies) / Collecting Agents	In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI applicants where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such applicant using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIBs (not using the UPI mechanism), Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.
Designated Market Maker	SVCM Securities Private Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations
Designated RTA Locations	Such centres of the RTAs where the Applicant can submit the Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> ) and updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	SME Platform of BSE Limited ("BSE SME").
DP ID	Depository Participant's Identity Number.

<b>Term</b>	<b>Description</b>
“Draft Prospectus”	Draft Prospectus dated June 07, 2023, issued in accordance with the SEBI ICDR Regulations
Eligible FPI(s)	FPIs that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices
Eligible NRI(s)	NRIs from such jurisdiction outside India where it is not unlawful to make an Issue offer or invitation under the Issue and in relation to whom this Prospectus constitutes an invitation to subscribe for the Equity Shares issued herein on the basis of the terms thereof.
Eligible QFI(s)	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation to participate in the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to Equity Shares issued thereby, and who have opened dematerialized accounts with SEBI registered qualified depository participants, and are deemed as FPIs under SEBI FPI Regulations.
Escrow Account	Account(s) opened with the Banker(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account(s) will be opened, in this case being Axis Bank Limited.
First/sole Applicant	Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint Applications, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Fraudulent Borrower	A company or person, as the case may be, categorised as a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on a fraudulent borrowers issued by the RBI
Fresh Issue	Issue of 69,10,000 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ 140/- per Equity share (including premium of ₹ 130/- per Equity Share) aggregating to ₹9,674.00 Lakhs by our Company.
FII/ Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
FPI/ Foreign Portfolio Investor	Foreign Portfolio Investor as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document	The General Information Document for investing in public issues, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 and the circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 notified by SEBI and included in “Issue Procedure” on page 208 of this Prospectus. The General Information Document shall be available on the websites of the Stock Exchange and the Lead Manager
Issue Agreement	The agreement dated June 02, 2023 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	The date on which the Issue closes for subscription being Friday, July 28, 2023
Issue Opening Date	The date on which the Issue opens for subscription being Monday, July 24, 2023
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their applications inclusive of any revision thereof. Provided however that the applications shall be kept open for a minimum of three (3) Working Days for all categories of Applicants. Our Company, in consultation with the Lead Manager, may decide to close applications by QIBs one (1) day prior to the Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Issue Opening Date was published
Issue Price	The price at which the Equity Shares are being issued by our Company and in consultation with the Lead Manager under this Prospectus being ₹140/- per Equity Share.
Issue Proceeds	Gross Proceeds to be raised by our Company through this Issue being up to ₹9,674.00 Lakhs, for further details please refer chapter title “Objects of the Issue” on page 75 of this Prospectus.
LM / Lead Manager	Lead Manager to the Issue, in this case being Mark Corporate Advisors Private Limited
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and BSE Limited

Term	Description
Lot Size	The Market lot and Trading lot for the Equity Share is 1,000 and in multiples of 1,000 thereafter; subject to a minimum allotment of 1,000 Equity Shares to the successful applicants
Market Maker Reservation Portion	The Reserved portion of 3,46,000 Equity shares of ₹10/- each at an Issue Price of ₹140/- aggregating to ₹484.40 Lakhs for Designated Market Maker in the Public Issue of our Company
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager and our Company dated June 27, 2023
Mobile Applications	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Bids using the UPI Mechanism.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Net Issue (excluding Market maker portion) of 65,60,000 Equity Shares of ₹10/- each at price of ₹ 140/- per Equity Shares aggregating to ₹ 9,189.60 Lakhs
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, see "Objects of the Issue" on page 75 of this Prospectus
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Non-Institutional Investor	All Investors, including Category III FPIs that are not QIBs or Retail Individual Investors, who have applied for Equity Shares for an amount of more than ₹ 2,00,000 but not including NRIs other than Eligible NRIs.
"Non-Resident Indians" or "NRI(s)"	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs registered with SEBI
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Other Investors	Investors other than Retail Individual Investors. These include individual Applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	The bank account opened with the Banker to the Issue i.e. Axis Bank Limited under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date.
"Qualified Institutional Buyers" or "QIBs" or "QIB Applicants"	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Application Amount (excluding refund to Applicants) shall be made.
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being Axis Bank Limited . Refunds through NECS, NEFT, direct credit, NACH or RTGS, as applicable.
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated

<b>Term</b>	<b>Description</b>
	November 10, 2015, and the UPI circular, as per the lists available on the websites of BSE and NSE
Registrar /Registrar to the Issue	Registrar to the Issue being Cameo Corporate Services Limited, having their office at Subramanian Building, No. 01, Club House Road, Chennai- 600 002, Tamil Nadu.
Registrar Agreement	The agreement dated May 22, 2023 entered by our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Resident Indian	A person resident in India, as defined under FEMA.
Retail Individual Investors / RIIs/Retail Individual Applicants/RIBs	Individual Applicants (including HUFs and Eligible NRIs) or minors applying through their natural guardians whose apply for Equity Shares in the Issue is not more than ₹200,000/-
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Application Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Applicants and Non-Institutional Investors are not allowed to withdraw or lower their application (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Investors can revise their Applications during the Issue Period and withdraw their Applications until Issue Closing Date
“Self-Certified Syndicate Banks” or “SCSBs”	(i) the banks registered with the SEBI which offer the facility of ASBA and the list of which is available on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> ) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time. (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a>
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and includes the agreement to be entered into between our Company and the Stock Exchange in relation to listing of further issued Equity Shares on such Stock Exchange.
SME Exchange	A trading platform of a recognized stock exchange having nationwide trading terminals permitted by SEBI to list the specified securities issued in accordance with the SEBI ICDR Regulation s and includes stock exchange granted recognition for this purpose but does not include the Main Board
Specified Locations	Collection centres where the SCSBs shall accept application forms, a list of which is available on the website of the SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and will be included in the Application Form.
Sponsor Bank	Sponsor Bank means a Banker to the issue registered with SEBI which is appointed by issuer to act as conduit between the Stock Exchanges and NPCI (National in order to push the mandate collect request and /or payment instructions of the retail investors into the UPI, the sponsor bank in this case being Axis Bank Limited.
Specified Securities	The Equity Shares being issued through this Prospectus
“Systemically Important Non-Banking Financial Company” or “NBFC-SI”	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
TRS or Transaction Registration Slip	The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid
Underwriter	Mark Corporate Advisors Private Limited
Underwriting Agreement	The Agreement dated June 27, 2023 entered into between the Underwriters and our Company.
Unified Payments Interface (UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant

Term	Description
	transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
UPI Circulars	Circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as amended by its Circular number SEBI/HO/CED/DIL/CIR/2016/26 dated January 21, 2016 and Circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, April 5, 2022 Circular, April 20, 2022 Circular, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard from time to time.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI ID Linked bank account	Account of the RIIs, bidding in the Issue using the UPI mechanism, which will be blocked upon acceptance of UPI Mandate request by RIIs to the extent of the appropriate Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The Application mechanism that is used by Retail Individual Investors to make Applications in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.
UPI Mandate Request	Mandate request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Days	All days on which commercial banks in Mumbai are open for business. In respect of announcement of Price Band and Bid/Issue Period, Working Day shall mean all days, excluding Saturdays, Sundays, and public holidays, on which commercial banks in Mumbai are open for business. In respect of the time period between the Bid/ Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, Working Day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays in India, as per circulars issued by SEBI.

#### Technical and Industry Related Terms

Term	Description
Carat	The unit for determining weight of gemstones, 1 carat being equal to 0.2 grams
CAD	Computer Aided Design
CAM	Computer Aided Manufacture
CIF	Cost, Insurance and Freight
GJC	Gem and Jewellery Domestic Council
GJEPC	Gem & Jewellery Export Promotion Council
IGI	International Gemological Institute
IGJS	International Gems and Jewellery Show
IIJS	India International Jewellery show
PLI	Productivity Linked Incentive
PMC	Precious Metal Clay

Term	Description
PMI	Purchasing Managers' Index

**Conventional and General Terms / Abbreviations**

Term	Description
“Rs.” or “Rs.” or “Rupees” or “INR” or “₹”	Indian Rupees
A.Y./AY	Assessment Year
A/C	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AoA	Articles of Association
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Application Supported by Blocked Amount
Associate	A person who is an associate of the issuer and as defined under the Companies Act, 2013
Authorized Dealers	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
Bn	Billion
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CARO	Companies (Auditor's Report) Order, 2016
Category I Foreign Portfolio Investors	FPIs who are registered as - Category I foreign portfolio investors under the SEBI FPI Regulations
Category II Foreign Portfolio Investors	FPIs who are registered as - Category II foreign portfolio investors under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices.
CC	Cash Credit
CCI	The Competition Commission of India
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CGST	Central GST
CIN	Corporate Identification Number
Cm	Centimetre
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013
Companies Act, 1956	Companies Act, 1956
Companies Act, 2013	The Companies Act, 2013, published on August 29, 2013 and as amended from time to time
Consolidated FDI Policy	The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
COPRA	Consumer Protection Act, 1986.
Copyright Act	Copyright Act, 1957.
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020.
CS	Company Secretary
CSR	Corporate Social Responsibility
CEO	Chief Executive Officer
CST	Central Sales Tax
CY	Calendar year.

Term	Description
DDT	Dividend Distribution Tax.
Depositories	NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited); Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identity Number
DTC	Direct Tax Code, 2013
EBITDA	Earnings before interest, tax, depreciation and amortization
EBITDA Margin	EBITDA divided by revenue from operations (net).
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPA	The Environment Protection Act, 1986
EPFA	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
Essential Commodities Act	Essential Commodities Act, 1955.
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
ER Act	The Equal Remuneration Act, 1976
ESI Act	The Employees' State Insurance Act, 1948
F.Y./FY	Financial Year
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under.
FEM Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FEMA 2000	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
FII(s)	Foreign Institutional Investor, as defined under the FII Regulations and registered with the SEBI under applicable laws in India
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
FIs	Financial Institutions
FPI(s)	Foreign Portfolio Investor means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board Of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992
FTP	Foreign Trade Policy
Fugitive economic offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
FV	Face Value
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
GOI/ Government	Government of India
Gratuity Act	The Payment of Gratuity Act, 1972
GST	Goods and Services Tax

<b>Term</b>	<b>Description</b>
GST Act	The Central Goods and Services Tax Act, 2017
GSTIN	Goods and Services Tax Identification Number
HNI	High Net worth Individual
HUF	Hindu Undivided Family
I. T. Act	The Income Tax Act, 1961, as amended.
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations/Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS/ Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
India	Republic of India
IST	Indian Standard Time
INR	Indian National Rupee
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
IT Authorities	Income Tax Authorities
IT Rules	The Income Tax Rules, 1962, as amended from time to time
ID Act	The Industrial Disputes Act, 1947
IE Act	The Indian Easements Act, 1882
IEM	Industrial Entrepreneurs Memorandum
IFSC	Indian Financial System Code
IGST	Integrated GST
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
KMP	Key Managerial Personnel
KVA	Kilovolt-ampere
Listing Regulations / SEBI Listing Regulations/ SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Ltd.	Limited
MCA	The Ministry of Corporate Affairs, GoI
MCI	Ministry of Commerce and Industry, GoI
MWA	Minimum Wages Act, 1948
Mn	Million
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
MICR	Magnetic Ink Character Recognition
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
MoA	Memorandum of Association
N/A or N.A.	Not Applicable
NAV	Net Asset Value
NBFC	Non-Banking Finance Company
NI Act	Negotiable Instruments Act, 1881
NOC	No Objection Certificate
NR	Non Resident
NRE Account	Non Resident (External) Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time.
NRO Account	Non Resident (Ordinary) Account
NSDL	National Securities Depository Limited

<b>Term</b>	<b>Description</b>
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
ODI	Overseas Direct Investment
p.a.	per annum
P/E Ratio	Price Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
Pvt.	Private
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
PCB(s)	Pollution Control Board(s)
Provident Fund	Provident fund for employees managed by the Employee's Provident Fund Organisation in India.
PIL	Public Interest Litigation
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
R&D	Research & Development
Registration Act	The Indian Registration Act, 1908
Regulation S	Regulation S under the U.S. Securities Act
RoC	Registrar of Companies, Jaipur, Rajasthan.
RoNW	Return on Net Worth
ROE	Return on Equity
Rs. / INR /₹	Indian Rupees
R&D	Research & Development
RTGS	Real Time Gross Settlement
SARFAESI	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contracts (Regulation) Act, 1956 as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 / 2019 as applicable
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as repealed pursuant to the SEBI (AIF) Regulations.
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI Takeover Regulations /Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended

<b>Term</b>	<b>Description</b>
SGST	State GST
Sec	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
TNW	Total Net Worth
TRS	Transaction Registration Slip
U.S. GAAP	Generally accepted accounting principles in the United States of America
u/s	Under Section
UIN	Unique Identification Number
UOI	Union of India
UPI	Unified payments interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account.
US/ U.S. / USA/United States	United States of America
USD / US\$ / \$	United States Dollar, the official currency of the United States of America
VAT	Value Added Tax
VCF / Venture Capital Fund	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations.
w.e.f.	With effect from
WDV	Written Down Value
WTD	Whole-time Director
Wilful defaulter / Fraudulent Borrower	A wilful defaulter, as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
YoY	Year over year

## CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

### Certain Conventions

All references in this Prospectus to “India” are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

All references in this Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

Unless otherwise specified, any time mentioned in this Prospectus is in Indian Standard Time (“IST”).

Unless stated otherwise, all references to page numbers in this Prospectus are to the page numbers of this Prospectus. In this Prospectus, our Company has presented numerical information in “Lakhs”. One Lakh represents 1,00,000.

### Financial Data

Unless the context requires otherwise, the financial information in this Prospectus is derived from our Restated Financial Information for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, together with the summary statement of significant accounting policies, and other explanatory information thereon prepared in accordance with Indian GAAP and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. For further information, see “*Restated Financial Information*” beginning on page 138 of this Prospectus.

In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references in this Prospectus to the terms Fiscal or Fiscal Year or Financial Year are to the 12 months ended March 31 of such year. Unless stated otherwise, or the context requires otherwise, all references to a “year” in this Prospectus are to a calendar year.

There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company’s financial data. The degree to which the financial information included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Prospectus should accordingly be limited. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 23, 97 and 168, respectively, and elsewhere in this Prospectus have been calculated on the basis of amounts derived from our Restated Standalone and Consolidated Financial Information.

### Non-Generally Accepted Accounting Principles Financial Measures

Certain Non-GAAP Measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, Direct Costs, PAT Margin, CAGR and others, have been included in this Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. We compute and disclose such Non-GAAP Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be

considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardised term, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. These Non-GAAP Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies

### Currency and Units of Presentation

All references to:

- (a) "Rupees" or "Rs." or "INR" or "₹" are to Indian Rupee, the official currency of the Republic of India;
- (b) "USD" or "US\$" or "\$" are to United States Dollar, the official currency of the United States;
- (c) "GBP" or "£" are to the pound sterling, the official currency of the United Kingdom;
- (d) "EURO" or "€" are Euro Currency.

All references to the word 'Lakh' or 'Lac', means 'One hundred thousand' and the word 'Million' means 'Ten Lakhs' and the word 'Crore' means 'Ten Million' and the word 'Billion' means 'One thousand Million'.

In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Restated Consolidated Financial Information in decimals have been rounded off to the two decimal place. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than Lakhs, such figures appear in this Prospectus in such denominations as provided in the respective sources.

### Exchange Rates

This Prospectus may contain conversion of certain other currency amounts into Indian Rupees. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between Rupee and US\$

(In Rupees)			
Currency	As on March 31, 2023	As on March 31, 2022	As on March 31, 2021
1 US\$@	82.22	75.81	73.50
1 Euro@	89.61	84.66	86.10

@Figures are rounded off to two decimals

(Source: RBI/ FBIL Reference Rate)

### Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Prospectus has been obtained and derived from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Accordingly, no investment decision should be made on the basis of this information. Although, we believe that the industry and market data used in this Prospectus is reliable, neither we nor the Lead Manager nor any of its affiliates or advisors have prepared or verified it independently. Further the extent to which the market and industry data used in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed under section titled "*Risk Factors*" on page 23 of this Prospectus. Accordingly, investment decisions should not be based on such information.

## FORWARD-LOOKING STATEMENTS

This Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, *inter alia*, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- our ability to effectively manage our expanded operations or pursue our growth strategy and our business prospects;
- our inability to identify new premises for new showrooms, manufacturing facilities or offices on commercially acceptable terms;
- any adverse change in regulations and/or policies of the Reserve Bank of India regulating sourcing of gold under the gold loan scheme;
- non-availability or high cost of quality gold bullion and diamonds;
- Our inability to keep pace with the rapid changes in technology;
- significant fluctuations in the price of gold and diamonds;
- inability to continue to implement our marketing and advertising initiatives and brand building exercises or to successfully establish and market our proposed new branded jewellery line;
- our ability to attract and retain skilled designers, craftsmen and sales personnel;
- inability to obtain sufficient working capital to fund our operations and growth;
- changes in competition in our industry;
- Inability to protect our intellectual property or any third-party claims in relation to any infringement of our existing intellectual property;
- Inability to cater to the evolving consumer preferences in India and abroad; and
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economics.

For further discussion of factors that could cause the actual results to differ from the expectations, see “*Risk Factors*”, “*Our Business*”, “*Industry Overview*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 23, 97, 88 and 168 respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to the investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, the investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect current views as of the date of this Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Lead Manager, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company and the Lead Manager will ensure that the investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

## SECTION II - SUMMARY OF THE ISSUE DOCUMENT

*This section is a general summary of the terms of the issue and of certain disclosures included in this Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including the sections titled “Risk Factors”, “Our Business”, “Industry Overview”, “Capital Structure”, “The Issue”, “Objects of the Issue”, “Our Promoter and Promoter Group”, “Financial Information”, “Outstanding Litigation and Other Material Developments”, “Issue Structure” and “Issue Procedure” on pages 23, 97, 88, 52, 38, 75, 128, 138, 180, 206 and 208 respectively of this Prospectus.*

### **Summary of our Business**

Our company is a prominent player in the Indian jewellery industry, with a strong presence in both wholesale and retail sectors. We specialize in the production and sale of a wide range of jewellery products, including gold jewellery, diamond jewellery, precious stones, and other fancy jewellery and bullion in the form of coins and bars. Our jewellery business has a rich history spanning over three decades in the Indian jewellery industry. Our promoters are experienced entrepreneurs with over 25 years of expertise in the field. We offer a diverse range of jewellery products and is dedicated to designing, manufacturing, and selling high-quality jewellery that includes necklaces, chains, rings, earrings, bangles, bracelets, pendants, nose pins, mangalsutras, and kadas. Our focus is on creating exquisite wedding jewellery and other pieces suitable for festive occasions.

For more details, please see Chapter titled “*Our Business*” on page 97 of this Prospectus.

### **Summary of our Industry**

India’s gems and jewellery market size was at US\$ 78.50 billion in FY21. Growth in exports is mainly due to revived import demand in the export market of the US and fulfilment of orders received by numerous Indian exhibitors during the Virtual Buyer-Seller Meets (VBSMs) conducted by GJEPC.

India’s gems and jewellery exports reached US\$ 39.14 billion in 2021-22, a 54.13% rise from the previous year. In October 2022, India’s gems and jewellery exports was at US\$ 1.48 billion. The Government of India is aiming at US\$ 70 billion in jewellery export in the next five years (until 2025), up from US\$ 35 billion in 2020.

For further details relating to our Industry, see the Chapter titled “*Industry Overview*” on page 88 of this Prospectus.

### **Our Promoters**

As on the date of this Prospectus, our Promoters are, Mr. Tarachand Mehta, Mr. Goutham, Tarachand Mehta and Sons, Goutham HUF and Mrs Fancy Devi. For further details, see “*Our Promoter and Promoter Group*” on page 128 of this Prospectus.

### **Size of the Issue**

<b>Issue</b>	69,10,000 Equity shares of ₹10/- each for cash at a price of ₹ 140/- per Equity share aggregating to ₹9,674.00 Lakhs
<b>Of which:</b>	
<b>Market Maker Reservation Portion</b>	3,46,000 Equity shares of ₹10/- each for cash at a price of ₹ 140/- per Equity share aggregating to ₹ 484.40 Lakhs
<b>Net Issue</b>	65,64,000 Equity shares of ₹10/- each for cash at a price of ₹ 140/- per Equity share aggregating to ₹ 9,189.60 Lakhs

For further details, see “*The Issue*” on page 38 of this Prospectus.

## Objects of the Issue

The Net Proceeds are proposed to be used in the manner set out in in the following table:

Sr. No.	Particulars	(₹. In Lakhs)
1.	To finance the establishment of the new show room at Chennai, Tamil Nadu, India	
a.	<i>Estimated capital expenditure</i>	862.23
b.	<i>Estimated inventory cost for the new showroom to be opened</i>	2000.00
	<b>Total (a+b)</b>	<b>2862.23</b>
2.	Funding the working capital requirements of the existing operations of our Company	5500.00
3.	General Corporate Purposes	1200.00
	<b>Total</b>	<b>9562.23</b>

For further details, please refer to chapter titled “*Objects of the Issue*” on 74 of this Prospectus.

## Pre-Issue Shareholding of our Promoters / Promoter Group as a percentage of the paid-up capital of the Company

Set forth is the Pre-Issue shareholding of our Promoter and Promoter Group as a percentage of the paid-up share capital of the Company

Sr. No.	Particulars	Pre-Issue	
		Number of Shares	Percentage
<b>Promoters</b>			
1	Tarachand Mehta	26,14,886	14.66
2	Goutham	20,28,571	11.37
3	Tarachand Mehta and Sons	17,05,714	9.56
4	Goutham HUF	4,65,714	2.61
5	Fancy Devi	10,85,714	6.09
<b>Promoter Group</b>			
6	Sanjay Kumar	13,83,457	7.76
7	Rajesh Kumar	8,90,000	4.99
8	Pramila Mehta	8,78,571	4.93
9	Vikas Mehta	6,94,285	3.89
10	Rajesh Kumar HUF	11,00,000	6.17
11	Vikash Mehta HUF	11,61,428	6.51
12	Sanjay Kumar HUF	6,00,000	3.36
13	Aashish Mehta	1,42,850	0.80
14	Ashok Kumar HUF	7,14,285	4.00
15	Ashok Kumar Mehta	7,85,714	4.40
16	Pooja Mehta	71,428	0.40
17	Ranjana	1,14,285	0.64
18	Sampatraj Mehta	71,428	0.40
19	Santhosh Kumari	2,57,142	1.44
20	Savitha Kumari	1,85,714	1.04
21	Mamta	4,28,571	2.40
22	Ghisulal Jain*	4,57,143	2.56
	<b>Total</b>	<b>1,78,36,900</b>	<b>100.00</b>

\*Expired on July 08, 2023

For further details, see “*Capital Structure*” on page 52 of this Prospectus.

## Summary of Restated Financial Statements

The details of our Equity Share capital, Net Worth, Net Asset Value per Equity Share and total borrowings as at March 31, 2023, March 31, 2022 and March 31, 2021, , derived from the Restated Financial Statements are as follows:

Particulars	(₹ in Lakhs except per share data or unless otherwise stated)		
	2023	2022	2021
Equity Share capital	993.12	993.12	993.12
Net worth <sup>(1)</sup>	3604.99	2,871.53	2,544.91
Total income	48181.65	25,799.75	38,242.89
Profit After Tax	756.49	326.62	275.58

Particulars	For year ended March 31,		
	2023	2022	2021
Basic earnings per share (Face Value of ₹10/- each) (in ₹) <sup>(2)</sup>	7.62	3.29	2.77
Diluted earnings per share (Face Value of ₹10/- each) (in ₹) <sup>(3)</sup>	7.62	3.29	2.77
Return on Net Worth for equity shareholders (%)	20.98	11.37	10.83
Net Asset Value per Equity Share (in ₹) <sup>(4)</sup>	36.30	28.91	25.63
Total borrowings <sup>(5)</sup>	8462.47	8,412.38	7,480.12

\*Not Annualised

<sup>(1)</sup> Net Worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet.

<sup>(2)</sup> Basic earnings per share (₹) = Profit/(loss) for the year/period divided by total weighted average number of equity shares outstanding during the year/period.

<sup>(3)</sup> Diluted earnings per share (₹) = Profit/(loss) for the year/period divided by total weighted average number of diluted equity shares outstanding during the year/period

<sup>(4)</sup> Net Asset Value per Share = Restated Equity attributable to equity holders as at year/period end divided by total number of Equity Shares outstanding at the end of the year/period

<sup>(5)</sup> Total Borrowings = Non-current borrowings + current borrowings.

For further details, see "Restated Financial Information" on page 138 of this Prospectus.

### Qualification of Auditors

There are no qualifications included by our Statutory Auditors in the financial statements which have not been given effect to in the Restated Financial Statements.

### Summary of Outstanding Litigations and Material Developments

A summary of outstanding litigation proceedings involving our Company, our Promoter, Directors, and Group Companies as on the date of this Prospectus as disclosed in the section titled "Outstanding Litigations and Other Material Developments" on page 180 of this Prospectus in terms of the SEBI ICDR Regulations and the materiality policy is provided below:

Name of the Entity	Criminal Proceedings	Tax Proceedings	Statutory and Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in Lakhs)
<b>Company</b>						
By the Company	-	-	-	-	4	235.00
Against the Company	-	-	-	-	2	-
<b>Promoters</b>						
By the Promoters	-	-	-	-	-	-
Against the Promoters	-	-	-	-	1	-
<b>Directors</b>						
By the Directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-
<b>Subsidiaries</b>						
By the Subsidiary	-	-	-	-	-	-
Against the Subsidiary	-	-	-	-	-	-
<b>Group Companies</b>						
By Group Companies- (single case against Promoter group Company)	-	-	-	-	1	-
Against Group Companies	-	-	-	-	-	-

### Risk Factors

For details relating to Risk Factors Please refer Section titled "Risk Factors" on page 23 of this Prospectus.

### **Summary of Contingent Liabilities**

As per the restated financial statement of the company there are no Contingent Liabilities of the Company for the financial years ended on March 31, 2023, March 31, 2022, and March 31, 2021.

For further details, see “*Restated Financial Statements*” on page 138 of this Prospectus.

### **Summary of Related Party Transactions**

A summary of the related party transactions entered into by us—Related Party Disclosures, derived from our Restated Financial Statements, is detailed below:

#### Details of Director's Remuneration

Name of Related Party	March 31, 2023	March 31, 2022	March 31, 2021	Nature of Transaction
Goutham Chand	5.10	5.10	5.10	Remuneration
Tarachand Mehta	5.10	5.10	5.10	Remuneration

#### Details of Trade Purchases and sales

Particulars	31.03.2023	31.03.2022	31.03.2021	Nature of Transaction
Sales - Pathik Sales Pvt ltd (Taxable Value)	7,368.84	154.77	24.50	Sales
Credit Notes - Pathik Sales Pvt Ltd (Taxable Value)	93.27	-	-	-
Sales- Khazanchi Silvers Pvt Ltd (Taxable Value)	10.40	-	1,568.46	Sales
Purchases - Pathik Sales Pvt ltd (Taxable Value)	21,869.65	14,669.76	8,866.28	Purchases
Purchases - Khazanchi Silvers Pvt ltd (Taxable Value)	238.80	-	305.63	Purchases

#### Details of Rent Received:

Name of Related Party	March 31, 2023	March 31, 2022	March 31, 2021	Nature of Transaction
Khazanchi Silvers Pvt ltd	36.00	36	32	Rent Received

#### Details of Interest Paid:

Name of Related Party	March 31, 2023	March 31, 2022	March 31, 2021	Nature of Transaction
Aashish Kumar S	4.27	0.99	1.56	Interest Paid
Ashok Kumar	15.63	14.96	10.09	Interest Paid
Ashok Kumar (HUF)	18.35	11.91	10.09	Interest Paid
Dikshita	1.22	5.75	8.25	Interest Paid
Fancy Devi	4.90	4.13	7.79	Interest Paid
Ghisulalji	13.98	8.71	8.38	Interest Paid
Goutham Chand	17.13	16.18	13.43	Interest Paid
Goutham Chand (HUF)	7.71	4.79	11.51	Interest Paid
Mamta Kumari G	11.69	7.80	8.78	Interest Paid
Minal Mehta	4.95	2.07	3.13	Interest Paid
Pooja Mehta	2.22	0.74	0.00	Interest Paid
Pramila Mehta	1.70	1.76	1.21	Interest Paid
Rajesh Kumar	2.27	4.96	10.86	Interest Paid
Rajesh Kumar (HUF)	14.81	9.23	7.51	Interest Paid
Ranjana	4.03	3.20	4.82	Interest Paid
Sampatraj Mehta	2.47	1.69	0.00	Interest Paid
Sanjay Kumar (HUF)	18.08	11.30	9.92	Interest Paid
Sanjay Kumar	4.18	3.94	8.28	Interest Paid
Santhosh Kumari	6.65	4.52	7.25	Interest Paid
Savitha	6.80	5.18	8.88	Interest Paid
Sutaliya Finance Pvt Ltd	77.00	88.38	123.71	Interest Paid
Tarachand Mehta	20.55	13.94	14.16	Interest Paid
Tarachand Mehta & Sons(Huf)	15.75	14.72	11.67	Interest Paid
Vikas Mehta	7.89	5.83	11.64	Interest Paid
Vikas Mehta HUF	14.54	9.06	7.16	Interest Paid
Yaashi	0.41	0.25	0.00	Interest Paid
Ghisi Bai	0.00	0.00	8.84	Interest Paid
Ghisulal Jain huf	0.00	0.00	3.39	Interest Paid

#### Details of Unsecured Loans Received

Name of Related Party	March 31, 2023	March 31, 2022	March 31, 2021	Nature of Transaction
Ashok Kumar ( HUF)	254.84	209	199	Loan
Dikshita	-	96.76	98.34	Loan
Ghisulalji	170.55	152.96	145.13	Loan
Pramod Metha	-	31.41	28.70	Loan
Rajesh Kumar ( HUF)	196.58	161.87	154.10	Loan
Sanjay Kumar (HUF)	216.80	198.52	188.35	Loan

Name of Related Party	March 31, 2023	March 31, 2022	March 31, 2021	Nature of Transaction
Savitha	76.10	81.04	94.63	Loan
Vikas Mehta HUF	175.17	159.08	150.93	Loan
Aashish Kumar S	60.86	39.19	9.06	Loan
Ashok Kumar	282.54	263.73	251.66	Loan
Fancy Devi	69.77	54.31	80.90	Loan
Geeth	4.57	4.56	4.56	Loan
Goutham Chand (HUF)	104.11	84.17	79.86	Loan
Jai	14.97	14.97	14.97	Loan
Jiya	4.66	4.66	4.66	Loan
Kuldeep	3.85	3.85	3.85	Loan
Mamta Kumari G	156.94	132.28	132.80	Loan
Minal Mehta	59.79	54.41	29.58	Loan
Pooja Mehta	26.97	4.32	4.66	Loan
Pramila Mehta	11.10	5.34	18.87	Loan
Rajesh Kumar	4.92	84.24	91.46	Loan
Ranjana	43.45	50.10	58.37	Loan
Saiyam S/o Gouiham	2.76	2.76	2.76	Loan
Sampatraj Mehta	29.21	26.99	28.70	Loan
Sanjay Kumar	91.14	72.80	49.42	Loan
Santhosh Kumari	96.41	75.34	76.87	Loan
Tarachand Mehta & Sons (HUF)	285.79	257.50	245.75	Loan
Vikas Mehta - Loan	92.04	90.19	143.13	Loan
Yaashi - Loan	4.83	4.46	4.23	Loan
Ghisulal Jain HUF - Loan	0.00	-	-	Loan
Sakunthala - Loan	0.00	-	-	Loan
Sutaliya finance Pvt Ltd	1000	-	-	Loan
Goutham Chand	300.18	287.05	270.52	Loan
Trachand Mehta	187.47	242.56	244.57	Loan
Khazanchi Silvers Private limited	0.00	385.00	467.57	Balance Outstanding of Trade Purchases
Pathik Sales Private Limited	1,757.31	1,001.23	1,005.65	Balance Outstanding of Trade Purchases

For further details, see “*Restated Financial Statements—Note 30 – Related Party Transaction*” on page 162 of this Prospectus.

### Financing Arrangements

There have been no financing arrangements whereby our Promoter, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Prospectus.

### Weighted Average Price of Equity Shares acquired by our Promoters

The weighted average price of equity shares acquired by our Promoters in the last one year is set forth in the table below:

Sr. No	Name of the Promoter	Weighted average Cost of acquisition (In ₹)*
1	Tarachand Mehta	35.00
2	Goutham	35.00
3	Tarachand Mehta and Sons	35.00
4	Goutham HUF	35.00
5	Fancy Devi	35.00

\*As certified by PSDY & Associates, Chartered Accountants, by way of their certificate dated July 13, 2023.

### Average cost of Acquisition of Promoters

The average cost of acquisition of Equity Shares by our Promoters is set forth in the table below:

Sr. No	Name of the Promoter	Number of Shares held	Average Cost of Acquisition (in ₹)*
1	Tarachand Mehta	26,14,886	12.46
2	Goutham	20,28,571	17.89
3	Tarachand Mehta and Sons	17,05,714	21.46
4	Goutham HUF	4,65,714	23.47
5	Fancy Devi	10,85,714	11.51

\*As certified by PSDY & Associates, Chartered Accountants, by way of their certificate dated July 13, 2023.

### **Details of Pre-IPO Placement**

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Prospectus till the listing of the Equity Shares.

### **Issue of Equity Shares for consideration other than Cash in the last one (1) year**

Except for issue of 79,05,700 Equity Shares of face value Rs. 10/- per share at a premium of Rs. 25/- per share against conversion of loan, we have not issued any Equity Shares for consideration other than cash during last one year from the date of this Prospectus except as under:

Sr. No.	Particulars	Number of Shares	Percentage
<b>Promoters</b>			
1	Tarachand Mehta	5,14,286	6.51
2	Goutham	8,28,571	10.48
3	Fancy Devi	1,85,714	2.35
4	Tarachand Mehta and Sons	7,85,714	9.94
5	Goutham HUF	2,85,714	3.61
<b>Promoter Group</b>			
6	Sanjay Kumar	2,42,857	3.07
7	Pramila Mehta	28,571	0.36
8	Vikas Mehta	2,34,285	2.96
9	Rajesh Kumar HUF	5,00,000	6.33
10	Vikas Mehta HUF	4,71,428	5.96
11	Sanjay Kumar HUF	6,00,000	7.59
12	Aashish Mehta	1,42,850	1.81
13	Ashok Kumar HUF	7,14,285	9.04
14	Ashok Kumar Mehta	7,85,714	9.94
15	Pooja Mehta	71,428	0.90
16	Ranjana	1,14,285	1.45
17	Sampatraj Mehta	71,428	0.90
18	Santhosh Kumari	2,57,142	3.25
19	Savitha Kumari	1,85,714	2.35
20	Mamta	4,28,571	5.42
21	Ghisulal Jain	4,57,143	5.78
	<b>Total</b>	<b>79,05,700</b>	<b>100.00</b>

### **Split / Consolidation of Equity Shares in the last one (1) year**

Our Company has not undertaken any split or consolidation of Equity Shares during the last one year from the date of this Prospectus.

### **SEBI Exemption**

Our company has not applied or received any exemption from complying with any provisions of securities laws of SEBI.

### SECTION III - RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry and segments in which we currently operate or propose to operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our businesses, results of operations, financial condition and cash flows. If any or a combination of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our businesses, results of operations, financial condition and cash flows could be adversely affected, the trading price of our Equity Shares could decline and you may lose all or part of your investment. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with "Our Business", "Industry Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 97, 88 and 168 of this Prospectus respectively, as well as the financial, statistical and other information contained in this Prospectus.

Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. For details, see "Forward-Looking Statements" on page 16 of this Prospectus.

*The following factors have been considered for determining the materiality of Risk Factors:*

- Some events may not be material individually but may be found material collectively;
- Some events may have material impact qualitatively instead of quantitatively;
- Some events may not be material at present but may have material impact in future.

Unless stated otherwise, industry and market data used in this section have been obtained or derived from publicly available information as well as industry publications and sources. Our financial year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular financial year are to the 12 months ended March 31 of that year. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

*The risk factors are classified as under for the sake of better clarity and increased understanding*

#### INTERNAL RISK FACTORS

##### Risks relating our business

###### 1. We are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities.:

We are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities. We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition. A summary of the pending civil and other proceedings involving the Company is provided below:

Name of the Entity	Criminal Proceedings	Tax Proceedings	Statutory and Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	(₹ in Lakhs)	
						Aggregate amount involved (Rs in Lakhs)	
<b>Company</b>							
By the Company	-	-	-	-	4	235.00	
Against the Company	-	-	-	-	2	-	
<b>Promoters</b>							
By the Promoters	-	-	-	-	-	-	
Against the Promoters	-	-	-	-	-	1	

Name of the Entity	Criminal Proceedings	Tax Proceedings	Statutory and Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in Lakhs)
<b>Directors</b>						
By the Directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-
<b>Subsidiaries</b>						
By the Subsidiary	-	-	-	-	-	-
Against the Subsidiary	-	-	-	-	-	-
<b>Group Companies</b>						
By Group Companies-(single case against Promoter group Company)	-	-	-	-	1	-
Against Group Companies	-	-	-	-	-	-

The amounts claimed in these proceedings have been disclosed to the extent ascertainable. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

For further details of legal proceedings involving the Company, please see “Outstanding Litigations and Material Developments” beginning on page 180 of this Prospectus.

**2. *The non-availability or high cost of quality gold bullion, silver, diamonds and other precious and semi-precious stones may have an adverse effect on our business, results of operations and financial condition.***

Timely procurement of materials such as gold bullion, silver, diamonds and other precious and semi-precious stones, as well as the quality and the price at which they are procured, play an important role in the successful operation of our business. Gold used in our operations, is primarily sourced from nominated banks and bullion dealers. An increase in the price of gold may result in an increase in our income from sales assuming such increases do not adversely affect sales volumes. However, a significant increase in the price of gold or a negative outlook on future gold prices could, in the short term, adversely affect our sales volumes. We may also require specific quality raw materials including silver, precious and semi-precious stones for specific jewellery design. Accordingly, our business is affected by the availability, cost and quality of raw materials. A sudden fall in the market price of diamonds and other precious and semi-precious stones may affect our ability to recover our procurement costs. Conversely, an increase in the price of diamonds and other precious and semi-precious stones could lead to a decrease in demand for a particular jewellery and/or a decrease in our profit margins. The prices and supply of these and other materials depend on factors beyond our control, including general economic conditions, competition, production levels and regulatory factors such as import duties. Currently, the RBI permits only certain banks and authorised dealers in India to import precious metals such as gold for the purposes of extending gold metal loans to domestic jewellery manufacturers who are not exporters, subject to certain conditions and we are subject to the rates of interest charged by these banks. We cannot assure you that we will be able to procure quality raw materials at competitive prices or at all. Further, any rise in prices of raw materials used by us may cause customers to delay their purchases, thereby adversely affecting our business, operations and financial condition.

**3. *Our Promoters and certain of our directors may have interest in entities, which are engaged in lines of business similar to that of our Company. Any conflict of interest which may occur between our business and the activities undertaken by such entities could adversely affect our business and prospects.***

As on the date of this Prospectus, sons and brothers of our Promoter & Managing Director, Mr Tarachand Mehta have interests in entities, which are engaged in lines of business similar to that of our Company. They are shareholders and directors in Khazanchi Silvers Private Limited & Pathik Sales Private Limited, which is engaged in the similar line of business as our Company in a limited way. While there is presently no conflict, there is no assurance that our Promoter, Directors, their family members and the entities with they are associated will not provide competitive services or otherwise compete in business lines in which we are already present or will enter into in the future. Such factors may have an adverse effect on the results of our operations and financial condition.

**4. Our business depends on our Promoters and senior management and our ability to attract and retain sales personnel. Any attrition rate of our senior management may affect our business growth.**

We believe that the experience of our Promoters and senior management has been critical to our success and business growth over the years. Their in-depth knowledge of the market and the business operations have ensured our growth in the business. As a result, any loss of the services of any of our Promoters or senior management could materially and adversely affect our business, financial condition and results of operations. Attracting, hiring and retaining experienced and qualified senior management with years of experience in this business sector could require increasing compensation and benefits payable to such personnel, which could affect our operational costs and accordingly, our financial condition and results of operations.

Our success is also dependent on our ability to attract, hire, train and retain experienced and skilled sales personnel with adequate and proper knowledge of the product. In the jewellery industry, the level and quality of sales personnel and customer service are key competitive factors and an inability to recruit, train and retain suitably qualified and skilled sales personnel who maintain consistency in our standards of customer service and overall operations could adversely impact our reputation, business prospects and results of operations.

**5. We have entered into loan agreements, which contain conditions and restrictions on our operations, additional financing and capital structure.**

As of June 30, 2023, our total secured outstanding debt, was ₹4,589.83 Lakhs. We have availed loans from HDFC Bank and Kotak Mahindra Bank. The financing agreements governing such facilities include conditions and restrictive covenants that require us to obtain consents, approvals, no-objections or waivers from lenders prior to carrying out specified activities or entering into certain transactions or events. It may also impose a duty on us to intimate them of certain transactions or events. Additionally, under such financing agreements, we are also required to comply with certain financial covenants, such as maintaining prescribed financial ratios at all times. Undertaking any transaction or events which are restricted as provided herein above, without the consent of our lenders or non-compliance with any of the covenants of our financing agreements, constitute defaults under the relevant financing agreements and will entitle the respective lenders to declare a default against us and enforce remedies under the terms of the financing agreements as stated. This can include, among others, acceleration in repayment of the amounts outstanding under the financing agreements, enforcement of any security interest created under the financing agreements and taking possession of the assets given as security in respect of the financing agreements. Further, we cannot assure you that we will be able to obtain approvals to undertake any of these activities as and when required or to comply with such covenants or other covenants in the future in a timely or guaranteed manner.. For details of our borrowings, see “Financial Indebtedness” on page 178 of this Prospectus.

**6. Failure to manage our inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity.**

For our business operations, our results of operations are dependent on our ability to effectively manage our inventory. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and purchase new inventory accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of merchandise or an accumulation of excess inventory. Further, if we fail to sell the inventory we manufacture or purchase, we may be required to recycle our inventory, which would have an adverse impact on our income and cash flows.

**7. Our Company has experienced negative cash flow in the past and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.**

Our Company has experienced negative net cash flow in operating and financing activities in the recent past, the details of which are provided below:

(₹in Lakhs)

Particulars	Restated Financial Information for the Period / Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Net Cash Flow from / (used in) Operating Activities	579.90	(113.46)	451.26
Net Cash Flow from / (used in) Investment Activities	(121.56)	(390.14)	425.23
Net Cash Flow from / (used in) Financing Activities	(593.45)	509.52	(757.95)

We may incur negative cash flows in the future which may have a material adverse effect on our business, prospects, results of operations and financial condition. For details, please refer “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” of our Company on page 168 of this Prospectus.

**8. Our Company has availed unsecured loan from our Promoters and others, which is repayable on occurrence of certain conditions.**

As per the restated financial statements as on March 31, 2023, our Company has availed total sum of ₹4,028.38 Lakhs as unsecured loans from our promoters and others to meet the fund requirements of our Company. Such unsecured loan is interest bearing, which may be recalled at any time. We cannot assure you that our Promoters and the other lenders will not demand repayment of unsecured loans extended to us. In the event, they seek a repayment of the unsecured loans, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all and this, may adversely affect our cash flow and financial condition.

**9. Our Promoters and members of the promoter group have provided personal guarantees to secure certain of our loan facilities, which if revoked or invoked may require alternative guarantees, repayment of amounts due or termination of the facilities.**

As on the date of filing of this Prospectus, our Promoters and several members of the promoter group have provided personal guarantees as security to secure some of our existing borrowings and may continue to provide similar guarantees in the future. Such personal guarantees have not been invoked or revoked and are currently valid. In addition, our Promoters may be required to liquidate their respective shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company. Lenders for such facilities may require alternative guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. We may not be successful in procuring alternative guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition. For details on personal guarantee given by Promoters and members of the promoter group of our Company see “Financial Indebtedness” on page 178 of this Prospectus.

**10. We are dependent upon few suppliers for purchase and sale of bullion, supply of our raw material and a few customers for the supply of our finished products. In an eventuality where our suppliers are unable to deliver us the required materials in a time bound manner as we lose one or more customers, it may have a material adverse effect on our business operations and profitability.**

We have dealt with few suppliers of bullion and ornaments. For the financial year ended on March 31, 2023 and March 31, 2022, our top 5 suppliers contributed around 84.09% and 89.22% respectively of our purchase of bullion and top 5 customers of bullion contributed around 71.12% and 31.80% respectively of our sales. Out of the total purchase and sales of bullion, 60.88% of our total purchase in March 31, 2023 and 68.21% of our total purchase in March 31, 2022 and 58.35% of our total sales for the year ended March 31, 2023 was from Pathik Sales Private Limited, which is our Related Party. Our top 5 suppliers of Ornaments contributed to 35.63% and 32.52% for the year ended March 31, 2023 and March 31, 2022 respectively. Our top 5 customers for Ornaments contributed 32.60% of our sales in the year ended March 31, 2023 and 17.82% for the year ended March 31, 2022.

In the event of a delay, inadequacy or default in deliveries by any of our vendors, we may not be able to source our products on an adequate and timely basis or on commercially acceptable terms. A major disruption to the timely and adequate suppliers of products could adversely affect our business, results of operations and financial condition. Any problems faced by our suppliers which could result in delays or non-adherence to quality requirements could adversely impact our ability to meet our customers' requirements in time and our operations would be affected to the extent we are unable to line up supplies from alternate suppliers.

**11. Our income and sales are subject to seasonal fluctuations and lower income in a peak season may have a disproportionate effect on our results of operations and may have a negative impact on our business.**

Our sales have historically exhibited certain seasonal fluctuations, reflecting higher sales volumes and profit margins during festival periods and other specific occasions such as Akshay Tritiya, Dussehra, Dhanteras and Diwali. Any slowdown in demand for our jewellery during peak seasons or failure by us to accurately anticipate and prepare for such seasonal fluctuations could have a material adverse effect on our business, financial condition and results of operations.

**12. We have relied on the affidavits provided by our promoter for their education qualifications and experience.**

Our Promoter Mr Tarachand Mehta and Mrs. Fancy Devi have not been able to provide any certificates regarding their educational qualification and experience. We have relied on affidavits provided by them for the disclosure regarding their education qualification and experience in this Prospectus.

**13. We have significant working capital requirements and may require additional capital and financing in the future. Our operations could be curtailed if we are unable to obtain required additional capital and financing when needed.**

Our business requires a substantial amount of working capital, primarily to finance our inventory, including the purchase of raw materials. Moreover, we may need working capital for the expansion of our business at regular intervals due to our business requirements. Our Sanctioned Working Capital limit (i.e., Cash Credit Loan) as of June 30, 2023 were ₹3,400 Lakhs and the outstanding Working Capital loan as on June 30, 2023 were ₹3,388.65 Lakhs. We may need to raise additional capital from time to time, depending on business requirements. Some of the factors that may require us to raise additional capital include (i) business growth; (ii) unforeseen events beyond our control; and (iii) significant depletion in our existing capital base due to unusual operating losses.

While we do not anticipate seeking additional financing in the immediate future as a part of our plan post the initial public offering, any additional equity financing may result in dilution to the holders of the Equity Shares. Further, additional debt financing may impose affirmative and negative covenants that restrict our freedom to operate our business, including covenants such as:

- (a) limit our ability to pay dividends or require us to seek prior consent for the payment of dividends;
- (b) require us to dedicate a portion of our cash flow from operations to payments on our debt;
- (c) limit our flexibility in planning for a growth and change in business.

For details regarding our working capital facilities, see “Financial Indebtedness” on page 178 of this Prospectus.

**14. We are required to maintain various licences and permits for our business.**

Our business is subject to applicable government regulations and legislations and we require certain statutory and regulatory approvals, licences, registrations and permissions for operating our business. These permits, licences and approvals may also be tied to numerous conditions and terms, obtaining some of which may be time consuming and may incur high cost.

We cannot assure you that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, which may lead to cancellation, revocation or suspension of relevant permits, licenses, registrations and approvals. There is no assurance in the future that the permits, licenses, registrations and approvals applied for or held by us will be issued, approved or renewed in a prompt manner, or at all, under applicable laws.

Further, applications for approvals, licences, registrations and permissions for operating our business need to be made within certain timeframes and are often subject to the discretion of relevant authorities. If we are unable to make applications or renew or obtain necessary permits, licences and approvals on acceptable terms, in a timely manner, at a reasonable cost, or at all or in the event we fail to comply with the terms and conditions therein, it could materially and adversely affect our financial condition and results of operations, including cancellation, revocation or suspension of relevant permits, licenses, registrations and approvals and the imposition of penalties by relevant authorities. For details, see “Government and Other Approvals” on Page 184 of this Prospectus.

**15. Our operations are concentrated only in one (1) area in India i.e., Chennai, Tamil Nadu. Our results of operations could be materially and adversely affected if facility is disrupted.**

All our operations including our Registered Office are based at Chennai, Tamil Nadu. Due to the concentration of our people and other resources at one unit, our results of operations could be materially and adversely affected if the facility is damaged as a result of a natural disaster, including an earthquake, flood, fire, or other event that disrupts our business or causes material damage to our property. Further, any disruption of transport services and other infrastructure problems may halt or hinder our administrative operations. Since we do not have any back-up facilities, it could be difficult for us to maintain or resume our operations quickly in the aftermath of such a disaster / event.

**16. We may be subject to fraud, theft, employee negligence or similar incidents.**

Our operations may be subject to incidents of theft or damage to inventory in transit, prior to or during showroom stocking and display and otherwise. Our industry typically encounters some inventory loss on account of employee theft, shoplifting, robbery, vendor fraud, credit card fraud and general administrative error. We maintain large amounts of inventory at our showroom at all times. Although, we have set up various state of the art security

measures at every possible level, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition.

Additionally, in case of losses due to theft, fire, breakage or damage that may be caused by other casualties, flood, earthquake or any other natural calamities, there can be no assurance that we will be able to recover from our insurers the full or adequate amount of any such loss that we may suffer in a timely manner. If we incur a significant inventory loss due to third-party or employee theft and if such loss exceeds the limits of, or is subject to an exclusion from, coverage under our insurance policies, it could have an adverse effect on our business, results of operations and financial condition.

***17. The objects of the Offer have not been appraised by any bank or financial institution. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control. Any variation in the utilization of the Net Proceeds or in the terms of the conditions as disclosed in this Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.***

We propose to utilise the Net Proceeds for opening of proposed showroom with the inventory thereon, working capital requirements for our existing operations and general corporate purposes. For details, see "Objects of the Offer" on page 75 of this Prospectus. The deployment of the Net Proceeds would be based on management estimates, prevailing circumstances of our business & market conditions. The Objects of the Offer have not been appraised by any bank or financial institution. Accordingly, at this stage, we cannot determine with any certainty if we will require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Prospectus without obtaining the Shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds and any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations.

***18. We have in the past entered into related party transactions and may continue to do so in the future.***

We have in the course of our business entered into, and will continue to enter into, several transactions with our related parties, which include loans, lease advances and guarantees given by our Company. For details, see "Other Financial Information - Related Party Transactions" on page. 162 of this Prospectus. We cannot assure you that we will receive similar terms in our related party transactions in the future. While we believe that all such related party transactions that we have entered into are legitimate business transactions conducted on an arms' length basis, we cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. Any further transactions with our related parties could involve conflicts of interest. Further, we cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on business and financial results, including because of potential conflicts of interest or otherwise.

***19. We operate in a competitive market and face competition from other jewellery retailers. Any increase in competition may adversely affect our business and financial condition.***

The markets in which we operate are highly competitive. Our competitors include both organised pan-India jewellers as well as unorganized local players in the various markets in which we operate. See "Industry Overview" on page 88 of this Prospectus. Some of our competitors have achieved significant recognition for their brand names due to their presence over the years. In addition, some of our competitors in smaller local markets have advantages of having strong reputations and established trust with customers due to various factors and presence over the years, which could be difficult for us to challenge or replicate in a sustained manner in the future. Our Company faces competition from existing jewellery retailers, both organised and unorganised, and potential entrants to the jewellery retail industry that may adversely affect our competitive position and our profitability. We expect competition could increase with new entrants coming into jewellery industry, who may have more flexibility in responding to changing business and economic conditions, and existing players consolidating their positions. Some of our competitors may have access to significantly greater resources, including the ability to spend more on advertising and marketing and hence the ability to compete more effectively.

We face competition across our business activities from varied peers. Further, although e-commerce space is not currently a major competitive channel in the jewellery sector, we may face increased competition from e-commerce in the future. Some of our competitors are larger and have greater financial resources or a more experienced management team than us. Competitors may, whether through consolidation or growth, present more credible

integrated or lower cost solutions than we do, which may have a negative effect on our sales. Further, our competitors may set up showrooms in the vicinity of our existing showrooms and may offer their products at lower prices, resulting in a decreasing of sales of our products. We cannot assure you that we can continue to compete effectively with our competitors. Our failure to compete effectively, including any delay in responding to changes in the industry and market, together with increased spending on advertising will affect our business, results of operations and financial condition. We believe that our principal competitive factors include brand name, quality of product, product style, product range, innovation, display, multiple choice, price transparency and competitiveness, various schemes, personalised service to our customers, scalability of production, store location and accessibility, designs suited to local preferences and choices, varied and efficient employee strength base, advertising and promotion. We cannot give any assurances that we will be able to compete successfully on all of these factors against existing or future competitors in the future.

**20. *Jewellery purchases are discretionary and are often perceived to be a luxury purchase. Any factor which may bring discretionary spending by consumers under pressure may adversely affect our business, results of operations and financial condition.***

Jewellery purchases are typically high-value, luxury purchases and depend on consumers' discretionary spending power. Various factors affect discretionary consumer spending, including economic conditions, perceptions of such conditions by consumers, economic outlook, employment, the level of consumers' disposable income, the savings ratio, business conditions, inflation levels, interest rates, consumer debt and asset values, availability of credit and levels of taxation, among others. Most of our customers are individuals who purchase jewellery for personal use. Additionally, gold and diamond jewellery are not perceived to be a necessity, which may result in a significant fall in demand in the case of adverse economic conditions, as opposed to demand for those goods that are perceived as a necessity. Any such fall in demand or a decline in the general economic conditions in India or our international markets or conditions, which may bring discretionary spending by consumers under pressure could adversely affect our business, financial condition and results of operations.

**21. *We could face customer complaints or negative publicity about our customer service.***

Customer complaints or negative publicity about our customer service could diminish consumer confidence in, and the attractiveness of, our Company and brand and affect our sales and growth. We believe in providing quality product and services to our customers at all times. However, we have in the past experienced customer complaints, which we endeavour to resolve through prompt and effective customer service methods in a timely manner and satisfy the customer needs and grievances. Any inability by us to properly manage or train our sales staff, employees and managerial personnel who handle customer complaints and disputes could compromise our ability to handle customer complaints effectively in the future. If we do not handle customer complaints effectively, our reputation may suffer, and we may lose our customers' confidence, which could have a material adverse effect on our business, financial condition and results of operations.

**22. *We do not register our jewellery designs under the Designs Act, 2000 and we may fail to protect our jewellery designs that may be unique and relative to our brand.***

We select the jewellery designs from amongst the designs made by the designing team, based on market trends and our requirements in each of our retail showrooms. Due to the competitive nature of the jewellery retail markets in which we operate, innovative designs remain the key differentiators, which therefore possess short life span. Consequently, jewellery designs change on a frequent basis and hence we do not register these designs under the Designs Act, 2000. Our designs therefore are not protected under the Designs Act, 2000 and if competitors copy our designs it could lead to loss of income, which could adversely affect our reputation and our results of operations. If our competitors copy our designs, in particular the designs of our products available on our website or the designs given to third-party contractors, it could lead to an imitation of our product at a lower quality and lower price and leading to

loss of revenue, which could adversely affect our results of operations and financial condition. Additionally, there is a possibility that designs developed by us may inadvertently infringe on the intellectual property rights of third parties unknowingly, which may expose us to legal proceedings.

**23. *Our insurance may be insufficient to cover all losses associated with our business operations.***

Our business entails handling of huge inventory and high value products. It is imperative in our business that adequate insurance coverage is taken. Our insurance policies currently cover our Stock of jewellery items, employee fidelity, raw material and cash in storerooms, transit and while being handled by our employees, including with respect to fire and special perils. We have insurance coverage for ₹23,810.10 Lakhs. Notwithstanding the complete

insurance coverage that we carry, there may be a possibility that we may not be fully insured against certain business risks and to the extent required.

There are many events that could significantly impact our operations, or expose us to third-party liabilities, for which we may not be adequately insured. Though, we never had any instances of insurance claims in the past, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part, or on time. For details of our insurances, see “Our Business” on page 97 of this Prospectus.

**24. If our Company is unable to protect its intellectual property, or if our Company infringes on the intellectual property rights of others, our business may be adversely affected.**

Our Company’s success largely depends on our brand name and brand image; we have therefore trademarked our logo differentiating our Company’s services from that of our competitors. Our current trademark and logo, is owned by our Company under the provisions of the Trademarks Act, 1999, and we have made an application to register the same with the Registry of Trademarks. Our trademarks may be subject to counterfeiting or imitation which would adversely impact our reputation and lead to loss of customer confidence, reduced sales and higher administrative costs.

Further our group Company Khazanchi Silvers Private Limited uses the same trade mark and this could lead to loss of customers.

We cannot assure you that any third party will not misuse our brand name or logo. In case of any misuse of our brand name, we may have to prosecute such third parties which could be time consuming and the outcome of such litigations may not always be in our favor. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect its intellectual property, which could adversely affect our business, results of operations and financial condition. We may also be subject to litigation in case other parties decide to proceed against us believing that there has been an unauthorized use of a trademark / logo which they believe that they own. For further details, please refer to the chapter titled “Our Business” on page 97 of this Prospectus.

**25. We have not commissioned an industry report for the disclosures made in the chapter titled “Industry Overview” and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.**

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the chapter titled “Industry Overview” on 88 of this Prospectus. . We have made disclosures in the said chapter on the basis of the relevant industry related data available online for which consents have not been obtained. We have not independently verified such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Letter of Offer. Further, the industry data mentioned in this Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Prospectus in this context.

**26. Our Promoters, certain of our Directors and Key Managerial Personnel hold Equity Shares in our Company and are therefore interested in our Company's performance in addition to their remuneration and reimbursement of expenses.**

Our Promoters and members of our Promoter Group will continue to retain control over our Company after completion of the Issue, which will allow them to influence the outcome of matters submitted for approval of our shareholders. Certain of our Directors (including our individual Promoters) hold equity interests in our Company, in addition to regular remuneration or benefits and reimbursement of expenses. We cannot assure you that our Promoters and Directors will exercise their rights as shareholders to the benefit and best interest of our Company. Following the completion of the Issue, our Promoters and members of our Promoter Group will continue to hold approximately 72.08 % of our post-Offer Equity Share Capital. As a result, they will have the ability to significantly influence matters requiring shareholders’ approval, including the ability to appoint Directors to our Board of Directors and the right to approve significant actions at Board and at shareholders’ meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our MOA and AOA, and any assignment or transfer of our interest in any of our licenses. We cannot assure you that our Promoters will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our

business. For details on the interest of our Promoters and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see “Our Management” and “Our Promoters and Promoter Group” on pages 119 and 128 respectively of this Prospectus.

**27. We do not own our Registered Office from where we operate.**

Our Company does not own its Registered Office situated at No. 130, NSC Bose Road Sowcarpet Chennai, Tamil Nadu- 600079. For further details in relation to our Properties, please refer to the section titled – Land and Property in the chapter titled “Our Business” on page 97 of this Prospectus. We cannot assure that we will be able to renew our leases on commercially favourable terms or at all in future. We also cannot assure you that we will be permitted to use any of our leased properties on a continuous basis. In the event that we are required to vacate the aforementioned premises, we would be required to make alternative arrangements for new offices and other infrastructure and we cannot assure that the new arrangements will be on commercially acceptable terms. In the event, we are unable to continue to use the premises or renew the lease agreement on favourable terms or at all, we may suffer disruption in our business and administrative operations, which may have an adverse effect on the business, financial condition and results of operations on our Company.

**28. The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.**

Since, the Proceeds from Issue is less than ₹10,000 lakh, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

**29. We have issued Equity Shares during the last 12 months at a price which may be below the Issue price.**

We have issued certain Equity shares in the last twelve months at a price which may be lower than the Issue Price. Details of such issuances are given in the table below:

Date of Allotment	Number of Equity Shares Allotted	Face Value (in ₹)	Issue Price (in ₹)	Reason of Allotment	Benefits accrued to the Company	Category	Allottees	Number of equity shares allotted to each allottee
26.05.2023	79,05,700	10/-	35/-	Conversion of unsecured loans	Reduction in Borrowings	Under section 62(1)(c) Promoter/ Promoter Group/ Non-Promoter	Tarachand Mehta Goutham Sanjay Kumar Fancy Devi Pramila Mehta Vikas Mehta Rajesh Kumar HUF Tarachand Mehta and Sons Vikas Mehta HUF Goutham HUF Sanjay Kumar HUF Aashish Mehta Ashok Kumar HUF Ashok Kumar Mehta Pooja Mehta Ranjana Sampatraj Mehta Santhosh Kumari Savitha Kumari Mamta Ghisulal Jain	5,14,286 8,28,571 2,42,857 1,85,714 28,571 2,34,285 5,00,000 7,85,714 4,71,428 2,85,714 6,00,000 1,42,850 7,14,285 7,85,714 71,428 1,14,285 71,428 2,57,142 1,85,714 4,28,571 4,57,143

**30. The average cost of acquisition of Equity Shares by our Promoters is lower than the price determined at time of registering the Prospectus.**

Our Promoters average cost of acquisition of Equity Shares in our Company is lower than the Price as may be decided by the Company in consultation with the LM. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title “Capital Structure” on page 52 of this Prospectus.

**31. The outbreak of COVID-19, or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations.**

The outbreak, or threatened outbreak, of any severe epidemic caused due to viruses (particularly the COVID-19) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our customers and suppliers, which could adversely affect our business, financial condition and results of operations. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of the COVID-19 remain uncertain and could be severe. Our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts. If any of our employees were suspected of contracting the COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of the COVID-19 will cause an economic slowdown and it is possible that it could cause a global recession. The spread of the COVID-19 has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, partners, and suppliers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed.

The extent to which the COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the corona virus and the actions taken globally to contain the corona virus or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. We are still assessing our business operations and system supports and the impact COVID-19 may have on our results and financial condition, but there can be no assurance that this analysis will enable us to avoid part or all of any impact from the spread of COVID-19 or its consequences, including downturns in business sentiment generally or in our sector in particular. The degree to which COVID-19 impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people.

#### **ISSUE SPECIFIC RISK FACTORS**

**32. Our Equity Shares have never been publicly traded, and may experience price and volume fluctuations following the completion of the Issue. Further, our Equity Shares may not result in an active or liquid market and the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Issue Price or at all.**

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for our Equity Shares will develop or, if developed, does not guarantee the liquidity of such market for the Equity Shares. Investors might not be able to rapidly sell the Equity Shares at the quoted price if there is no active trading in the Equity Shares. The Issue Price of the Equity Shares has been determined by our Company by the Fixed Price Method and is based on a numerous factor. The market price of the Equity Shares may be subject to significant fluctuations in response to,

among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

**33. *Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized in excess of ₹1,00,000/- on the sale of listed equity shares on a stock exchange held for more than 12 months will be subject to long term capital gains tax in India at the specified rates in case STT was paid on the sale transaction. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of Securities Transaction Tax (“STT”), on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

**34. *Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.***

Under the Companies Act, 2013 a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the laws of the jurisdiction the investors are located in do not permit them to exercise their pre-emptive rights without filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor’s benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

**35. *Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.***

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors’ fiduciary duties, responsibilities and liabilities, and shareholders’ rights may differ from those that would apply to a company in another jurisdiction. Shareholders’ rights under Indian law may not be as extensive and widespread as shareholders’ rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

**36. *There is no guarantee that our Equity Shares will be listed in a timely manner or at all.***

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Issue and until Allotment of Equity Shares pursuant to this Issue. In accordance with current regulations and circulars issued of SEBI, our Equity Shares are required to be listed on stock exchanges within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

**37. *The requirements of being a listed company may strain our resources.***

We are not a listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an

unlisted company. We will be subject to the SEBI Listing Regulations which will require us to file audited annual and limited reviewed half yearly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

**38. Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by us may dilute your shareholding and any sales of the Equity Shares by our major shareholders may adversely affect the trading price of the Equity Shares.**

We may be required to finance our growth, whether organic or inorganic, through future equity issues. Any future equity issuances by us, including a primary Issue, may lead to the dilution of investors' shareholdings in us. Any future issuances of Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options, if any, issued by us in future sales of the Equity Shares by any of our major shareholders or the disposal of Equity Shares by our major shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through issuance of the Equity Shares or incurring additional debt.

There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of the Equity Shares. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares. There can also be no assurance that any substantial shareholder, including our Promoter will not dispose of, encumber, or pledge their Shares.

## **EXTERNAL RISK FACTORS**

**39. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.**

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

We are dependent on domestic, regional and global economic and market conditions, where some of our revenue from operations is generated. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic and regional economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates. Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

**40. Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.**

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19 and man-made disasters, including acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India or states to who we sell our products could have a negative effect on us. Further, the ongoing Russia-Ukraine conflict may also have adverse impact on our supply chain. However, the long-term risks associated with the conflict is not clear as of the date of this Prospectus. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. A worsening of the current outbreak of COVID-19 pandemic or future outbreaks of COVID-19 virus or a similar contagious disease could adversely affect the global economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

**41. If there is any change in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have a material adverse effect on our financial position, business and results of operations.**

The Government of India may implement new laws or other regulations that could affect the jewellery industry, which could lead to new compliance requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. To the extent that we are entitled to certain tax benefits in India which are available for a limited period of time, our profitability will be affected if such benefits will no longer be available, or are reduced or withdrawn prematurely or if we are subject to any dispute with the tax authorities in relation to these benefits or in the event, we are unable to comply with the conditions required to be complied with in order to avail ourselves of each of these benefits. In the event that any adverse development in the law or the manner of its implementation affects our ability to benefit from these tax incentives, our business, results of operations, financial condition and prospects may be adversely affected.

**42. A downgrade in ratings of India, may affect the trading price of the Equity Shares.**

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any further adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of the Equity Shares.

**43. Political changes could adversely affect economic conditions in India.**

Our Company is incorporated in India and derives the majority of its revenue from operations in India and the majority of its assets are located in India. Consequently, our performance and the market price of the Equity Shares may be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;

- epidemic, pandemic or any other public health in India or in countries in the region or globally, including in India's various neighbouring countries;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- other significant regulatory or economic developments in or affecting India or its consumption sector;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- logistical and communications challenges;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms or on a timely basis; and
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

**44. If inflation were to rise in India, we might not be able to increase the prices of our products at a proportional rate in order to pass costs on to our customers thereby reducing our margins.**

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages, costs of rent and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, there can be no assurance that Indian inflation levels will not worsen in the future.

**45. A third-party could be prevented from acquiring control of us post this Issue, because of anti-takeover provisions under Indian Law**

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Issue. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of Takeover Regulations.

**46. Investors may not be able to enforce a judgment of a foreign court against us, our Directors, the LM or any of their directors and executive officers in India respectively, except by way of a lawsuit in India.**

Our Company is a company incorporated under the laws of India and a majority of our Directors are located in India. A majority of our assets, our Key Managerial Personnel and officers are also located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 ("CPC"). India is not party to any international treaty in relation to the recognition or

enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the Indian CPC. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the United States, cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India. The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India. Further, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approval would be acceptable. Such amount may also be subject to income tax in accordance with applicable law.

Our ability to raise foreign capital may be constrained by Indian law which provides investment restrictions on foreign investors, which may adversely affect the trading price of the Equity Shares. Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms, or at all. In terms of the FEMA Non-debt Instruments Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the GoI. Furthermore, on April 22, 2020, the Ministry of Finance, GoI has also made similar amendment to the FEMA Rules. While the term "beneficial owner" is defined under the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and the General Financial Rules, 2017, neither the foreign direct investment policy nor the FEMA Rules provide a definition of the term "beneficial owner". The interpretation of "beneficial owner" and enforcement of this regulatory change involves certain uncertainties, which may have an adverse effect on our ability to raise foreign capital. Further, there is uncertainty regarding the timeline within which the said approval from the GoI may be obtained, if at all.

## SECTION IV - INTRODUCTION

### THE ISSUE

The following table summarizes details of the Issue:

Particulars	Details of Equity Shares
Present Issue of Equity Shares by Our Company <sup>(1)(2)</sup>	69,10,000 Equity Shares of face value of ₹10/- each fully paid up for cash at a price of ₹140/- per Equity share aggregating to ₹9,674.00 Lakhs
<b><i>Of Which</i></b>	
Reserved for the Market Maker	3,46,000 Equity Shares of face value of ₹10/- each fully paid up for cash at a price of ₹140/- per Equity share aggregating to ₹ 484.40Lakhs
	65,64,000 Equity Shares of face value of ₹ 10/- each fully paid up for cash at a price of ₹ 140/- per Equity share aggregating up to ₹ 9,189.60 Lakhs
	<b><i>Of Which:</i></b> <sup>(3)</sup>
<b><i>Net Issue to the Public</i></b>	32,82,000 Equity Shares of face value of ₹ 10/- each fully paid up for cash at a price of ₹ 140/- per Equity share aggregating up to ₹4,594.80 Lakhs will be available for allocation for investors of up to ₹2.00 Lakhs
	32,82,000 Equity Shares of face value of ₹10/- each fully paid up for cash at a price of ₹140/- per Equity share aggregating up to ₹4,594.80 Lakhs will be available for allocation for investors of above ₹2.00 Lakhs
Equity Shares outstanding prior to the Issue	1,78,36,900 Equity Shares of face value of ₹10/- each fully paid-up
Equity Shares outstanding after the Issue	2,47,46,900 Equity Shares of face value of ₹10/- each fully paid-up
Utilization of proceeds of this Issue	For details please refer chapter titled “ <i>Objects of the Issue</i> ” on page 75 of this Prospectus

*Notes:*

(1) This Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time.  
(2) The Issue has been authorized by a resolution of our Board dated May 16, 2023 and has been authorized by a special resolution of our Shareholders, under Section 62(1)(c) of the Companies Act, 2013 at an Extra Ordinary General Meeting dated May 26, 2023.

(3) The allocation in the net Issue to the public category shall be made as per the requirements of Regulation 253(2) of SEBI ICDR Regulations, as amended from time to time, which reads as follows:

(a) minimum fifty per cent to Retail Individual Investors; and

(b) remaining to:

- i. individual applicants other than Retail Individual Investors; and
- ii. other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

*Explanation - For the purpose of Regulation 253 (2), if the Retail Individual Investors category is entitled to more than fifty per cent of the issue size on a proportionate basis, the Retail Individual Investors shall be allocated that higher percentage.*

For further details please refer to the chapter titled “*Issue Structure*” beginning on page 206 of this Prospectus.

## SUMMARY OF RESTATED FINANCIAL INFORMATION

The following tables set forth the summary financial information of our Company derived from our Restated Financial Information. The summary financial information presented below has been prepared in accordance with Ind GAAP for the Fiscals 2023, 2022, and 2021 and restated in accordance with the SEBI ICDR Regulations. The summary financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the sections “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 138 and 168 respectively of this Prospectus.

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**ANNEXURE 1 - RESTATED STATEMENT OF ASSETS AND LIABILITIES**
**Restated Balance Sheet**
*(Rs. in Lakhs)*

Particulars	Note No	<b>As at</b>	<b>As at</b>	<b>As at</b>
		<b>31.03.2023</b>	<b>31.03.2022</b>	<b>31.03.2021</b>
<b>I. Equity and Liabilities</b>				
<b>(1) Shareholders' Funds</b>				
a) Share Capital	2	993.12	993.12	993.12
b) Reserves & Surplus	3	2611.87	1,878.41	1,551.79
<b>(2) Non-Current Liabilities</b>				
a) Long Term Borrowings	4	5229.60	5,351.61	4,577.03
b) Deferred Tax Liabilities (Net)			-	-
c) Long Term Provisions	5	21.43	-	-
<b>(3) Current Liabilities</b>				
a) Trade Payables	6			
(i) total outstanding dues of micro enterprises and small enterprises; and		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.		2283.50	1,101.41	1,226.36
b) Short Term Borrowings	7	3232.87	3,060.77	2,903.09
c) Other Current Liabilities	8	39.16	73.97	72.25
d) Short Term Provisions	9	95.24	(23.10)	(3.85)
<b>TOTAL</b>		<b>14506.80</b>	<b>12,436.20</b>	<b>11,319.79</b>
<b>II. Assets</b>				
<b>(1) Non-Current assets</b>				
a) Property, Plant & Equipment's & Intangible assets				
i) Property, Plant & Equipment's	10	1278.45	1,264.55	885.20
ii) Intangible assets	10	2.38	1.89	-
b) Non-current Investments	11	0.10	0.10	0.10
c) Long term loans & advances	12	0.90	0.90	1.10
d) Deferred Tax Assets	13	3.21	2.77	2.02
d) Other Non-current assets	14	102.87	-	-
<b>(2) Current assets</b>				
a) Inventories	15	12807.04	10,601.21	10,129.67
a) Trade Receivables	16	202.20	331.34	68.98
b) Cash and Cash Equivalents	17	27.00	162.12	156.19
c) Loans	18	71.02	71.02	76.52
d) Other Current Assets	19	11.61	0.30	-
Significant Accounting Policies	1			
<b>TOTAL</b>		<b>14506.80</b>	<b>12,436.20</b>	<b>11,319.79</b>

**ANNEXURE 2 - RESTATED STATEMENT OF PROFIT AND LOSS**

**Restated Statement of Profit & Loss Account**

(Rs. in Lakhs)

Particulars	Note No	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
<b>Revenue From Operations</b>	20	48065.77	25,694.48	38,181.27
<b>Other Income</b>	21	115.88	105.27	61.62
<b>Total Income</b>		<b>48,181.65</b>	<b>25,799.75</b>	<b>38,242.89</b>
<b>Expenses</b>				
Purchase of Stock-in-trade	22	48468.87	24,992.21	38,196.40
Changes in Inventories	23	(2205.83)	(471.53)	(1,476.88)
Employee Benefit Expenses	24	109.34	76.43	71.05
Finance costs	25	643.53	422.74	451.46
Depreciation and amortization expenses	26	7.42	8.89	6.47
Other Expenses	27	131.30-	349.51	630.74
<b>Total Expenses</b>		<b>47154.63</b>	<b>25,378.25</b>	<b>37,879.24</b>
<b>Profit / (Loss) Before Tax</b>		1027.02	421.49	363.66
<b>Tax Expense</b>				
a. Current Tax	28	270.97	95.63	88.46
b. Deferred Tax		(0.44)	(0.75)	(0.38)
<b>Profit/(Loss) For The Period</b>		<b>756.49</b>	<b>326.62</b>	<b>275.58</b>
<b>Earnings Per Share:</b>				
Basic & diluted in Rs.		7.62	3.29	2.77

**ANNEXURE 3 - RESTATED CASH FLOW STATEMENT**
**Restated Cash Flow Statement**

	Particulars	(₹ in Lakh)		
		As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
<b>A</b>	<b>Cash Flow from Operating Activities</b>			
	Net Profit before tax and extraordinary items (as per Statement of Profit and Loss)	1,027.02	421.49	363.66
	Adjustments for non-Cash/ Non trade items:			
	Depreciation & Amortization Expenses	7.42	8.89	6.47
	Finance Cost	643.53	422.74	452.08
	Interest received	(3.11)	-	(1.08)
	<b>Operating profits before Working Capital Changes</b>	<b>1,674.86</b>	<b>853.12</b>	<b>821.13</b>
	Adjusted For:			
	(Increase) / Decrease in trade receivables	129.14	(262.36)	61.73
	Increase / (Decrease) in trade payables	1,182.09	(124.94)	956.26
	(Increase) / Decrease in inventories	(2,205.83)	(471.53)	(1,476.88)
	Increase / (Decrease) in other current liabilities	(34.81)	1.72	0.00
	(Increase) / Decrease in Loans & Advances	0.00	5.70	146.72
	(Increase) / Decrease in other current assets	(11.31)	(0.30)	16.87
	Increase / (Decrease) in Short Term Provisions	95.24	(19.25)	13.90
	Increase / (Decrease) in Long Term Provisions	21.43	-	-
	Cash generated from Operations	850.80	(17.83)	539.71
	Less: Income Tax paid	270.89	95.63	88.46
	<b>Net Cash flow from Operating Activities (A)</b>	<b>579.90</b>	<b>(113.46)</b>	<b>451.26</b>
<b>B</b>	<b>Cash Flow From Investing Activities</b>			
	Purchase of tangible assets	(79.28)	(1,110.35)	(14.37)
	Proceeds from sales of tangible assets	59.91	723.65	438.52
	Interest Received	3.11	-	<b>1.08</b>
	Investment in Fixed Deposit	(102.87)	-	-
	Purchase of Intangible Assets	(2.44)	(3.44)	-
	<b>Net Cash used in Investing Activities (B)</b>	<b>(121.56)</b>	<b>(390.14)</b>	<b>425.23</b>
<b>C</b>	<b>Cash Flow From Financing Activities</b>			
	Finance Cost	(643.53)	(422.74)	(452.08)
	Increase in / (Repayment) of short term Borrowings	172.10	157.68	2,903.09
	Increase in / (Repayment) of long term borrowings	(122.01)	774.58	(3,208.97)
	<b>Net Cash used in Financing Activities (C)</b>	<b>(593.45)</b>	<b>509.52</b>	<b>(757.95)</b>
<b>D</b>	<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(135.11)</b>	<b>5.92</b>	<b>118.53</b>
<b>E</b>	Cash & Cash Equivalents at Beginning of period	162.12	156.20	37.66
<b>F</b>	<b>Cash &amp; Cash Equivalents at end of period</b>	<b>27.00</b>	<b>162.12</b>	<b>156.20</b>

## GENERAL INFORMATION

Our company was incorporated as private limited Company under the name “Khazanchi Jewellers Private Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 25, 1996 issued by Registrar of Companies, Chennai, Tamil Nadu. Our Company was subsequently converted into a public limited company pursuant to approval of the Shareholders at an Extraordinary General meeting held on January 23, 2023 and consequently, the name of our Company was changed to “Khazanchi Jewellers Limited” and a Fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company was issued by Registrar of Companies, Chennai, Tamil Nadu on April 27, 2023. The Corporate Identification Number of our Company is U36911TN1996PLC034918. Mr Ashok Kumar Mehta and Mr. Sanjay Kumar Mehta are initial subscribers to the Memorandum of Association of our Company. For further details and details of changes in the registered office of our company, please refer to the chapter titled “*History and Certain Corporate Matters*” on page 116 of this Prospectus.

### **REGISTERED OFFICE OF OUR COMPANY**

#### **Khazanchi Jewellers Limited**

No 130, NSC Bose Road, Sowcarpet  
Chennai 600 079, Tamil Nadu

**Tel:** +91 44 4201 5915

**Email:** [info@khazanchi.co.in](mailto:info@khazanchi.co.in)

**Website:** [www.khazanchi.co.in](http://www.khazanchi.co.in)

**Registration Number:** 034918

**CIN:** U36911TN1996PLC034918

*For details relating to changes in our registered office, see the section titled “*History and Certain Corporate Matters*” on page 116 of this Prospectus.*

### **CORPORATE OFFICE**

No 52, NSC Bose Road,  
Ground Floor, Sowcarpet,  
Chennai -600 079  
Tamil Nadu, India

**Tel:** +91 44 4201 5915

**Email:** [info@khazanchi.co.in](mailto:info@khazanchi.co.in)

### **REGISTRAR OF COMPANIES**

#### **Registrar of Companies, Chennai, Tamil Nadu**

Block No.6, B Wing, 2<sup>nd</sup> Floor,  
Shastri Bhavan, 26 Haddows Road,  
Chennai 600 034, Tamil Nadu, India  
**Website:** [www.mca.gov.in](http://www.mca.gov.in)

### **BOARD OF DIRECTORS OF OUR COMPANY**

The following table sets out details regarding our Board as on the date of this Prospectus:

Sr. No	Name of the Director	Designation	DIN	Address
1	Tarachand Mehta	Managing Director	01234768	No.63, Mulla Sahib Street, Sowcarpet Chennai-600 001
2	Goutham	Executive Director	01642002	No.63, Mulla Sahib Street, Sowcarpet Chennai-600 001
3	Bijal Durgavale	Non-Executive Independent Director	07403891	1110-B Wing, Jasvanti Residency Subhash Lane, Near Bhurabhai Hall, Kandivali (West), Mumbai – 400 067
4	Narresh Mahendra Kumar Jain	Non-Executive Independent Director	08102162	B112, Swapna Lok Apartments, 60 EVK Sampath Road, Vepery, Chennai 600 007

For further details of our directors, please refer to the chapter titled “*Our Management*” on page 119 of this Prospectus.

## CHIEF EXECUTIVE OFFICER

### Mr. Aashish Mehta

Chief Executive Officer  
No.63, Mulla Shahib Street,  
Sowcarpet, Chennai 600 001, Tamil Nadu  
**Tel:** +91 95000 78028  
**Email:** aashishmehtakh@gmail.com

## CHIEF FINANCIAL OFFICER

### Mr. Vikas Mehta

No 130, NSC Bose Road, Sowcarpet  
Chennai 600 079, Tamil Nadu  
**Tel:** +91 44 4201 5915  
**Email:** info@khazanchi.co.in  
**Website:** www.khazanchi.co.in

## COMPANY SECRETARY AND COMPLIANCE OFFICE

### Ms. Sakshi Jain

Company Secretary and Compliance Officer  
No. 130, NSC Bose Road,  
Sowcarpet, Chennai 600 079, Tamil Nadu  
**Tel:** 044 4201 5915  
**Email:** cs@khazanchi.co.in

## INVESTOR GRIEVANCES

**Investors are advised to contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of funds by electronic mode etc.**

All Issue related grievances relating to the Issue may be addressed to the Registrar to the Issue with a copy to the relevant designated Intermediary to whom the Application Form was submitted. The Applicant should give full details such as name of the sole or first Applicant, Application Form number, Applicants' DP ID, Client ID, UPI ID, PAN, date of submission of the Application Form, address of the Applicant, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant and ASBA Account number (for Applicants other than RIIs using the UPI Mechanism) in which the amount equivalent to the Application Amount was blocked or the UPI ID in case of RIIs using the UPI Mechanism.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSCB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centres, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to the UPI mechanism may be addressed to the Registrar to the Issue with a copy to the relevant Sponsor Bank or the Registered Broker if the Application was submitted to a Registered Broker at any of the Brokers Centres, as the case may be, quoting the full name of the sole or first Applicant, Application Form number, address of the Bidder, Applicant's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Application Form, name and address of the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Application was submitted, and the UPI ID of the UPI ID Linked Bank Account in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to Applications submitted through the Registered Broker and/or a Stock Broker may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

## LEAD MANAGER TO THE ISSUE

### **Mark Corporate Advisors Private Limited**

404/1, The Summit Business Bay, Sant Janabai Road (Service Lane),  
Off W. E. Highway, Vile Parle (East), Mumbai-400 057.

**Tel. No.:** +91 22 2612 3208

**E-Mail ID:** [smeipo@markcorporateadvisors.com](mailto:smeipo@markcorporateadvisors.com)

**Investor grievance e-mail:** [investorgrievance@markcorporateadvisors.com](mailto:investorgrievance@markcorporateadvisors.com)

**Contact Person:** Mr. Niraj Kothari

**SEBI Registration No.:** INM000012128

## LEGAL ADVISOR TO THE ISSUE

### **M/s. Juris Matrix Partners LLP**

302, Apeejay House,  
130, Mumbai Samachar Marg,  
Fort, Mumbai-400 001

**Contact Details:** +91-9820069616

**Website:** [www.jurismatrix.net](http://www.jurismatrix.net)

**Contact Person:** Mr. Anil Shah

**Email Id:** [anil@jurismatrix.net](mailto:anil@jurismatrix.net)

## LEGAL ADVISOR TO THE COMPANY

### **M/s. Mehta & Mehta Law Firm**

No. 297, 1<sup>st</sup> Floor, Nehru Timber Market,  
Thattankulam, Choolai, Chennai – 600 112

**Contact Details:** +91 044 2669 3003/04/05

**Website:** [www.mehtandmehta.com](http://www.mehtandmehta.com)

**Contact Person:** Mr. Shrreyans Mehta

**Email Id:** [advocate@mehtandmehta.com](mailto:advocate@mehtandmehta.com)

## STATUTORY AUDITORS AND PEER REVIEW AUDITOR

### **M/s. PSDY & Associates**

#### **Chartered Accountants**

**Address:** 10, Annai Velankanni Street, Kamaraj Nagar, Puducherry – 605 011

**Email Id:** cakushal26@gmail.com

**Tel. No.:** +91 90925 98030

**Membership No.:** 234239

**Firm Registration No:** 010625S

**Peer Review Number:** 013546

## CHANGES IN AUDITORS

There has been change in the Auditors during last three financial years preceding the date of this Prospectus.

Sr. No.	Name of the auditor and address	Date of change	Reason of change
1.	<b>M/s. Sidharth Mehta &amp; Co.</b> Chartered Accountants <b>Address:</b> 297, Nehru Timber Market, Sydenhams Road, Choolai, Chennai – 600 112 <b>Email Id:</b> <a href="mailto:Info@smcca.in">Info@smcca.in</a> <b>Tel. No.:</b> 044-2669 3003 <b>Membership No.:</b> 207043 <b>Firm Registration No:</b> 008108S <b>Peer Review Number:</b> NA	21 <sup>st</sup> February, 2023	Resignation of Auditor as they are not Peer Reviewed Auditors
2.	<b>M/s. PSDY &amp; Associates</b> Chartered Accountants <b>Address:</b> 10, Annai Velankanni Street,	27 <sup>th</sup> February, 2023	Appointment of Peer Reviewed Statutory Auditors

Sr. No.	Name of the auditor and address	Date of change	Reason of change
	Kamaraj Nagar, Puducherry – 605 011 <b>Email Id:</b> cakushal26@gmail.com <b>Tel. No.:</b> +91 90925 98030 <b>Membership No:</b> 234239 <b>Firm Registration No:</b> 010625S <b>Peer Review Number:</b> 013546		

#### REGISTRAR TO THE ISSUE

##### Cameo Corporate Services Limited

**Address:** Subramanian Building, No. 01, Club House Road, Chennai- 600 002, Tamil Nadu, India.

**Tel No:** +91044 4002 0700/ 0710/ 2846 0390

**Email:** [cameo@cameoindia.com](mailto:cameo@cameoindia.com);

**Website:** [www.cameoindia.com](http://www.cameoindia.com)

**Investor grievance e-mail:** [investor@cameoindia.com](mailto:investor@cameoindia.com)

**Contact Person:** Mrs. Sreepriya K.

**SEBI Registration No.:** INR000003753

#### BANKERS TO THE COMPANY

##### HDFC Bank Limited (Emerging Corporate Group)

**Address:** A Wing, 8th Floor, Spencer's Plaza, No 769, Anna Salai, Chennai 600 002

**Tel:** 044 69039271

**Email:** Nagendran.kannan@hdfcbank.com

**Contact Person:** Mr. Nagendran Kannan (Sr. Vice President -Emerging Corporate Group)

##### Kotak Mahindra Bank Limited

**Address:** 8th Floor, (Zone 2), Tvh Agnitio Park, Old Mahabalipuram Road, Kandhanchavadi, Chennai – 600 096

**Telephone No.:** 044-66006022

#### BANKER TO THE ISSUE / REFUND BANK / SPONSOR BANK

##### AXIS Bank Limited

**Address:** Ground Floor, Matru Smriti, Plot no-326, Main Linking Road, Khar West, Mumbai-400052

**Tel No:** 022-26007698

**Email:** khar.branchhead@axisbank.com

**Contact Person:** Ms. Vijaya Shetti

**SEBI Registration No.:** INBI00000017

#### DESIGNATED INTERMEDIARIES

##### Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Applicant (other than a RII using the UPI Mechanism), not applying through Syndicate/Sub Syndicate or through a Registered Broker, CRTA or CDP may submit the Application Forms, is available at <https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures> or at such other websites as may be prescribed by SEBI from time to time.

##### SCSBs eligible as Issuer Banks for UPI Mechanism and eligible mobile applications

The list of SCSBs through which Applications can be submitted by RIBs using the UPI Mechanism, including details such as the eligible Mobile Apps and UPI handle which can be used for such Bids, is available on the website of the

SEBI, and may be updated from time to time or at such other website as may be prescribed by SEBI from time to time. Applications through UPI in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website.

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, RIBs applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

### **Syndicate SCSB Branches**

In relation to Applications (other than Applications by RIIs) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35>, which may be and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35> or any such other website as may be prescribed by SEBI from time to time.

### **Registered Brokers**

In terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, Applicants can submit the ASBA Forms in the Issue using the stock broker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centers.

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at <http://www.bseindia.com> and <http://www.nseindia.com>, respectively.

### **Registrar to Issue and Share Transfer Agents**

The list of the CRTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at [www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx](http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx)? as updated from time to time.

### **Collecting Depository Participants**

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms through Collecting RTAs who are registrars and transfer agents registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

The list of Collecting RTAs, including details such as postal address, telephone number and e-mail address, is provided on the website of the BSE at <http://www.bseindia.com>.

## **INTER-SE ALLOCATION OF RESPONSIBILITIES**

Since Mark Corporate Advisors Private Limited is the sole Lead Manager to this issue, and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them, hence a statement of inter se allocation of responsibilities among Lead Managers is not applicable.

## **CREDIT RATING**

This being an issue of Equity Shares, credit rating is not required.

## **DEBENTURE TRUSTEE**

Since this is not a debenture issue, appointment of debenture trustee is not required

## IPO GRADING

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Issue.

## EXPERT OPINION

Except as stated below, our Company has not obtained any expert opinion

Our Company has received written consent dated June 01, 2023 from M/s. PSDY & Associates, the Statutory Auditors, holding a valid peer review certificate from ICAI, to include their name as required under Section 26 of the Companies Act, 2013 in this Prospectus and as an ‘expert’ as defined under Section 2(38) of Companies Act, 2013 in respect of the: (i) their examination report dated June 01, 2023 on the Restated Financial Information; (iii) their report dated June 01, 2023 on the statement of possible special tax benefits included in this Prospectus. Such consent has not been withdrawn up to the time of delivery of this Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## APPRAISING ENTITY

No appraising entity has been appointed in respect of any of the Objects of the Issue.

## MONITORING AGENCY

The Issue size does not exceed ₹10,000 lakhs. Hence, our Company is not required to appoint a monitoring agency to monitor utilization of the Net Proceeds, in accordance with Regulation 262 of the SEBI ICDR Regulations, prior to the filing of the Prospectus. For further details in relation to the proposed utilisation of the Net Proceeds, see “*Objects of the Issue*” on page 75 of this Prospectus. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue. Further, our Company has not appointed any appraisal agency for this issue.

## FILING OF THE DRAFT PROSPECTUS / PROSPECTUS

The Draft Prospectus and Prospectus shall be filed with BSE at Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001.

Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022, Draft Prospectus shall not be submitted to SEBI, however, soft copy of Prospectus shall be submitted to SEBI pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. SEBI will not issue any observation on the Issue document in term of Regulation 246(2) of the SEBI ICDR Regulations.

A copy of the Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Chennai, situated at Block No.6, B Wing, 2<sup>nd</sup> Floor, Shastri Bhawan 26, Haddows Road, Chennai- 600 034, Tamil Nadu, India at least (3) three working days prior from the date of opening of the Issue.

## TYPE OF ISSUE

The present issue is considered to be 100% Fixed Price Issue.

## GREEN SHOE OPTION

No green shoe option is contemplated under the Issue.

## MARKET MAKER

### SVCM Securities Private Limited

B-702, Divine Jalpa, Jambli Galli, Near Jain Temple,  
Borivali (West), Mumbai-400 092;

**Tel No:** +91022 2898 0308;

**Email:** svcmsecurities@gmail.com;

**Website:** www.svcm.in;

**Contact Person:** Mr. Rahul Jain;

SEBI Registration No.: INZ000293732

## DETAILS OF THE MARKET MAKING AGREEMENT

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and the Market Maker (duly registered with BSE to fulfil the obligations of Market Making) dated June 27, 2023 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issue.

SVCM Securities Private Limited, registered with BSE SME Platform will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by BSE and SEBI in this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The prices quoted by the Market Maker shall be in compliance with the Market Maker Spread requirements and other particulars as specified or as per the requirements of BSE SME and SEBI from time to time.
3. The minimum depth of the quote shall be ₹1,00,000. However, the investors with the holdings of value less than ₹1,00,000 shall be allowed to issue their holding to the Market Maker in that scrip provided that he sells his/ her entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of ₹140/- per share the minimum bid lot size is 1,000 Equity Shares thus minimum depth of the quote shall be 1,000 until the same, would be revised by BSE.
4. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Equity Shares of Market Maker in our Company reaches to 25%. Or upper limit (Including the 5% of Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% equity shares would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of Market Maker in our Company reduce to 24%, the Market Maker will resume providing 2-way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
6. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.
7. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non- controllable reasons would be final.
8. Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and BSE SME from time to time.
9. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
10. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
11. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on BSE SME and Market Maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
12. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
13. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Company, who shall then be responsible to appoint a replacement Market Maker.
14. In case of termination of the abovementioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Company to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to

- the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations. Further the Company reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.
15. Risk containment measures and monitoring for Market Maker: BSE SME will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
  16. Punitive Action in case of default by Market Maker: BSE SME will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
  17. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.
  18. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹250 Crores, the applicable price bands for the first day shall be:
    - In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
    - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.
 Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
  19. The following spread will be applicable on the BSE SME:

Sr. No.	Market Price Slab (in ₹)	Proposed Spread (in % of sales Price)
1	Up to 50	9
2	50-75	8
3	75-100	7
4	Above 100	6

20. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Maker during market making process has been made applicable, based on the issue size and as follows:

Issue Size	Buy quote exemption threshold (Including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (Including mandatory initial inventory of 5% of the Issue Size)
Upto ₹ 20 crore	25%	24%
₹20 crore to ₹ 50 crore	20%	19%
₹50 crore to ₹ 80 crore	15%	14%
Above ₹ 80 crore	12%	11%

21. The Market Making Arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI/ BSE from time to time.

All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

#### UNDERWRITING AGREEMENT

This Issue is 100% Underwritten by Mark Corporate Advisors Private Limited in the capacity of Underwriter to the Issue. The Underwriting agreement is dated June 27, 2023. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue

Name, address, telephone number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten*	Amount Underwritten (₹ in Lakhs)
Mark Corporate Advisors Private Limited 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off W. E. Highway, Vile Parle (East), Mumbai-400 057. Tel. No.: +91 22 2612 3207/08 E-Mail ID: <a href="mailto:smeipo@markcorporateadvisors.com">smeipo@markcorporateadvisors.com</a> Contact Person: Mr. Niraj Kothari SEBI Registration No.: INM000012128	65,64,000	9189.60
<b>Total</b>	<b>65,64,000</b>	<b>9189.60</b>

\* Excludes 3,46,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker,

In accordance with Regulation 260(2) of the SEBI ICDR Regulations, this Issue has been 100% underwritten and shall not restrict to the minimum subscription level. Our Company shall ensure that the Lead Manager to the Issue has underwritten at least 15% of the total Issue Size.

In the opinion of our Board of Directors, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with the SEBI as merchant bankers with SEBI or as brokers with the Stock Exchange(s).

#### WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserve the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the Pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue.

The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs and Sponsor Bank (in case of Applicants using the UPI Mechanism), to unblock the bank accounts of the ASBA Applicants, within one (1) day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from SME Platform of BSE, which our Company shall apply for after Allotment. If our Company / withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Prospectus.

## CAPITAL STRUCTURE

The share capital of our Company as on the date of this Prospectus and after giving effect to this issue, is set forth below:

*(Except share data and unless otherwise provided, ₹ in Lakhs)*

Particulars		Aggregate Value at Face value	Aggregate Value at Issue Price
<b>A.</b>	<b>AUTHORISED SHARE CAPITAL</b>		
	2,50,00,000 Equity Shares of ₹10/- each	2,500.00	-
<b>B.</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>		
	1,78,36,900 Equity shares having a face value of ₹10/- each	1783.69	-
<b>C.</b>	<b>PRESENT ISSUE IN TERMS OF THIS PROSPECTUS<sup>(1)</sup></b>		
	Issue of 69,10,000 Equity Shares of face value of ₹10 each	691.00	9,674.00
	<i>Which comprises</i>		
	3,46,000 Equity Shares of face value of ₹10 each at a price of ₹140/- per Equity Share reserved as Market Maker Portion	34.60	484.40
	Net Issue of 65,64,000 Equity Shares of face value of ₹10 each at a price of ₹140/- per Equity Share to the public	656.40	9,189.60
	<b>Of Which<sup>(2)</sup></b>		
	Allocation to Retail Individual Investors of 32,82,000 Equity Shares of ₹10 each at a price of ₹140/- per Equity Share	328.20	4,594.80
	Allocation to other than Retail Individual Investors of 32,82,000 Equity Shares ₹10 each at a price of ₹140/- per Equity Share	328.20	4,594.80
<b>D.</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL AFTER THE ISSUE</b>		
	2,47,46,900 Equity Shares of ₹10/- each		2474.69
<b>E.</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Issue		1976.42
	After the Issue		10,959.42

<sup>(1)</sup> The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on May 16, 2023 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on May 26, 2023.

<sup>(2)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Size. Under subscription, if any, in any of the categories, would be allowed to be met with spillover from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

### CLASS OF SHARES

As on the date of Prospectus, our Company has only one class of share capital i.e., Equity Shares of ₹10/- each. All Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Prospectus.

### NOTES TO THE CAPITAL STRUCTURE

#### 1. Changes in Authorised Share Capital

The Authorised Capital has been altered in the following manner since incorporation

Date	From	To
On incorporation	1,00,000 Equity Shares of ₹10/- each aggregating ₹10,00,000	
11.05.1998	1,00,000 Equity Shares of ₹10/- each aggregating ₹10,00,000	30,00,000 Equity Shares of ₹10/- each aggregating ₹3,00,00,000
18.03.2011	30,00,000 Equity Shares of ₹10/- each aggregating ₹3,00,00,000	50,00,000 Equity Shares of ₹10/- each aggregating ₹5,00,00,000
14.03.2015	50,00,000 Equity Shares of ₹10/- each aggregating ₹5,00,00,000	1,00,00,000 Equity Shares of ₹10/- each aggregating ₹10,00,00,000

Date	From	To
23.01.2023	1,00,00,000 Equity Shares of ₹10/- each aggregating ₹10,00,00,000	1,50,00,000 Equity Shares of ₹10/- each aggregating ₹15,00,00,000
18.03.2023	1,50,00,000 Equity Shares of ₹10/- each aggregating ₹15,00,00,000	2,50,00,000 Equity Shares of ₹10/- each aggregating ₹25,00,00,000

## 2. History of Equity Share Capital of our Company:

The following is the history of the Equity Share Capital of our Company:

Date of Allotment	No. of Equity Shares Allotted	Face Value (in ₹)	Issue Price (in ₹)	Nature of consideration	Nature of allotment	Cumulative Number of Equity Shares	Cumulative paid-up Equity Capital(in ₹)
At the time of incorporation	200	10	10	Cash	Subscription to MoA <sup>(i)</sup>	200	2,000
February 27, 1999	3,95,000	10	10	Cash	Further Issue on Private Placement Basis <sup>(ii)</sup>	3,95,200	39,52,000
April 01, 1999	5,00,000	10	10	Cash	Further Issue on Private Placement Basis <sup>(iii)</sup>	8,95,200	89,52,000
March 31, 2005	1,48,000	10	50	Cash	Further Issue on Private Placement Basis <sup>(iv)</sup>	10,43,200	1,04,32,000
March 31, 2006	52,000	10	50	Cash	Further Issue on Private Placement Basis <sup>(v)</sup>	10,95,200	1,09,52,100
April 29, 2007	1,00,000	10	50	Cash	Further Issue on Private Placement Basis <sup>(vi)</sup>	11,95,200	1,19,52,000
March 31, 2008	2,00,000	10	50	Cash	Further Issue on Private Placement Basis <sup>(vii)</sup>	13,95,200	1,39,52,000
March 31, 2009	2,60,000	10	50	Cash	Further Issue on Private Placement Basis <sup>(viii)</sup>	16,55,200	1,65,52,000
March 18, 2011	33,10,400	10	-	Other than cash	Bonus in the ratio of 2 shares for one share held (2:1) <sup>(ix)</sup>	49,65,600	4,96,56,000
March 31, 2015	49,65,600	10	10	Cash	Fresh Allotment-Rights <sup>(x)</sup>	99,31,200	9,93,12,000
May 26, 2023	79,05,700	10	35	Consideration other than cash	Fresh allotment – u/s 62(1) (c)	1,78,36,900	17,83,69,000

### i. Initial Subscribers to Memorandum of Association of our Company:

Sr. No.	Name of Person	No. of shares Subscribed
1.	Ashok Kumar Mehta	100
2.	Sanjay Kumar	100
	<b>Total</b>	<b>200</b>

### ii. Further Issue of 3,95,000 Shares on a private placement basis on February 27, 1999 of face value of ₹10 each at a price of ₹10 per Equity Share as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1.	Sakunthala	50,000

Sr. No.	Name of Person	No. of shares Allotted
2.	Monica	10,000
3.	Pramod Mehta	10,000
4.	Savitha Kumari	50,000
5.	Sanjay Kumar	70,000
6	Tarachand Mehta	20,000
7.	Goutham	70,000
8.	Fancy Devi	50,000
9.	Rajesh Kumar	50,000
10.	Vikas Mehta	10,000
11	Tarachand Mehta and Sons	5,000
	<b>Total</b>	<b>3,95,000</b>

iii. *Further Issue of 5,00,000 Shares on a private placement basis on April 01, 1999 of face value of ₹10 each at a price of ₹10 per Equity Share as per the details given below:*

Sr. No.	Name of Person	No. of shares Allotted
1.	Sakunthala	1,00,000
2.	Savitha Kumari	1,00,000
3.	Sanjay Kumar	1,20,000
4.	Goutham	30,000
5.	Fancy Devi	1,00,000
6	Rajesh Kumar	50,000
	<b>Total</b>	<b>5,00,000</b>

iv. *Further Issue of 1,48,000 Shares on a private placement basis on March 31, 2005 of face value of ₹10 each at a price of ₹50 per Equity Share as per the details given below:*

Sr. No.	Name of Person	No. of shares Allotted
1.	Wise Investment Private Limited	72,000
2.	Negus Mercantile Private Limited	76,000
	<b>Total</b>	<b>1,48,000</b>

v. *Further Issue of 52,000 Shares on a private placement basis on March 31,2006 of face value of ₹10 each at a price of ₹50 per Equity Share as per the details given below:*

Sr. No.	Name of Person	No. of shares Allotted
1.	Wise Investment Private Limited	20,000
2.	Fantastic Construction Limited	32,000
	<b>Total</b>	<b>52,000</b>

vi. *Further Issue of 1,00,000 Shares on a private placement basis on April 29, 2007 of face value of ₹10 each at a price of ₹50 per Equity Share as per the details given below:*

Sr. No.	Name of Person	No. of shares Allotted
1.	S K Devaraju	50,000
2.	K Manikandan	50,000
	<b>Total</b>	<b>1,00,000</b>

vii. *Further Issue of 2,00,000 Shares on a private placement basis on March 31, 2008 of face value of ₹10 each at a price of ₹50 per Equity Share as per the details given below:*

Sr. No.	Name of Person	No. of shares Allotted
1.	Texcity Construction Kovai (P) Limited	90,000
2.	Metalcity Constructions Kovai (P) Limited	80,000
3.	Hercules Builder Coimbatore (P) Limited	30,000
	<b>Total</b>	<b>2,00,000</b>

viii. *Further Issue of 2,60,000 Shares on a private placement basis on March 31, 2009 of face value of ₹10 each at a price of ₹50 per Equity Share as per the details given below:*

Sr. No.	Name of Person	No. of shares Allotted
1.	Classic Enterprises represented by Mr. S Murugan	1,00,000
2.	Srinivasa Enterprises represented by Mr. S Selvanayagam	1,00,000
3.	P P Buildmart Private Limited	30,000
4.	Rishikesh Buildcon Private Limited	30,000
	<b>Total</b>	<b>2,60,000</b>

ix. *Bonus Issue of 33,10,400 Equity Shares on March 18, 2011 of face value of ₹10 each:*

Sr. No.	Name of Person	No. of shares Allotted
1.	Ashok Kumar Mehta	200
2.	Sanjay Kumar	3,80,200
3.	Tarachand Mehta	40,000
4.	Goutham	2,00,000
5.	Fancy Devi	3,00,000
6.	Rajesh Kumar	2,00,000
7.	Vikas Mehta	80,000
8.	Tarachand Mehta and Sons	10,000
9.	Sakuntala	3,00,000
10.	Monica	20,000
11.	Pramod Mehta	1,80,000
12.	Savitha Kumari	3,00,000
13.	Vikas Mehta HUF	4,00,000
14.	Rajesh Kumar HUF	2,00,000
15.	Pramila Mehta	1,80,000
16.	Sampatraj Mehta	2,00,000
17.	Sampatraj Mehta HUF	2,00,000
18.	Goutham HUF	60,000
19.	Ashok Kumar HUF	60,000
	<b>Total</b>	<b>33,10,400</b>

x. *Fresh Allotment of 49,65,600 Equity Shares on a rights basis on March 31, 2015 of face value of ₹10 each:*

Sr. No.	Name of Person	No. of shares Allotted
1.	Sanjay Kumar	5,70,300
2.	Tarachand Mehta	10,50,300
3.	Goutham	6,00,000
4.	Fancy Devi	4,50,000
5.	Rajesh Kumar	2,90,000
6.	Vikas Mehta	40,000
7.	Tarachand Mehta and Sons	9,05,000
8.	Vikas Mehta HUF	90,000
9.	Rajesh Kumar HUF	3,00,000
10.	Pramila Mehta	5,80,000
11.	Goutham HUF	90,000
	<b>Total</b>	<b>49,65,600</b>

xi. *Fresh Allotment of 79,05,700 Equity Shares on May 26, 2023 of face value of ₹10 each at a premium of ₹25 on conversion of Unsecured Loan given to the Company:*

Sr. No.	Name of Person	No. of shares Allotted
1.	Fancy Devi	1,85,714
2.	Goutham HUF	2,85,714
3.	Goutham	8,28,571
4.	Pramila Mehta	28,571
5.	Rajesh Kumar HUF	5,00,000
6.	Sanjay Kumar	2,42,857

Sr. No.	Name of Person	No. of shares Allotted
7	Tarachand Mehta	5,14,286
8	Tarachand Mehta and Sons	7,85,714
9	Vikas Mehta HUF	4,71,428
10.	Vikas Mehta	2,34,285
11.	Sanjay Kumar HUF	6,00,000
12.	Aashish Mehta	1,42,850
13.	Ashok Kumar HUF	7,14,285
14.	Ashok Kumar Mehta	7,85,714
15.	Ghisulal Jain	4,57,143
16.	Mamta	4,28,571
17.	Pooja Mehta	71,428
18.	Ranjana	1,14,285
19.	Sampatraj Mehta	71,428
20.	Santhosh Kumari	2,57,142
21.	Savitha Kumari	1,85,714
	<b>Total</b>	<b>79,05,700</b>

3. We have not issued any Equity Shares for consideration other than cash except as mentioned below-

Date of Allotment	Nature of allotment	No. of Equity Shares allotted	Face Value (in ₹)	Issue Price (in ₹)	Nature of consideration	Reasons for allotment	Benefits accrued to our Company
March 18, 2011	Bonus Issue	33,10,400	10	Not applicable	Other than cash	Bonus Issue	Capitalisation of Reserves
May, 26, 2023	Conversion of Unsecured Loan	79,05,700	10	35	Other than cash	Preferential Issue of shares	Reduction in Borrowings

4. No Equity Shares have been allotted pursuant to any scheme approved under Section 230-234 of Companies Act, 2013.
5. Our Company does not have any Employee Stock Option Scheme as on the date of the Prospectus and has accordingly not issued any shares pursuant to an Employee Stock Option Scheme.
6. Our Company has not revalued its assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
7. Our Company has not issued any Equity Shares during a period of one year preceding the date of this Prospectus which is lower than the Issue Price
8. As on date of this Prospectus, our Company has not issued preference shares and does not have any outstanding preference shares. None of the members of the Promoter group, our Promoter, the Directors of our Company and their relatives have purchased or sold Equity shares during the period of six months immediately preceding the date of filing of this Prospectus.
9. Our Shareholding Pattern:

The table below represents the shareholding pattern of our Company as on the date of this Prospectus:

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying depository receipts (VI)	Total No. of shares held (VII) = (IV)+(V)+ (VI)	Shareholdi ng as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares underlying outstanding convertible securities (including warrants)	Shareholdi ng as a % assuming full conversion of convertible securities No. (a)	No. of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerializ ed form (XIV)
								Class (Equity)	Total	Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter and Promoter Group	22	1,78,36,900	Nil	Nil	1,78,36,900	100.00%	-	-	-	-	-	-	-	-	-	1,78,36,900
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	22	1,78,36,900	-	-	1,78,36,900	100.00	-	-	-	-	-	-	-	-	-	1,78,36,900

Other details of Shareholding of our Company:

- a) As on the date of filing of this Prospectus, our Company has 22 Equity Shareholders.
- b) Set forth below is a list of Shareholders holding 1% or more of the paid-up Equity share capital of our Company, as on the date of filing of this Prospectus;

Sr. No.	Particulars	Number of Shares	Percentage
1.	Tarachand Mehta	26,14,886	14.66
2.	Goutham	20,28,571	11.37
3.	Sanjay Kumar	13,83,457	7.76
4.	Fancy Devi	10,85,714	6.09
5.	Rajesh Kumar	8,90,000	4.99
6.	Pramila Mehta	8,78,571	4.93
7.	Vikas Mehta	6,94,285	3.89
8.	Rajesh Kumar HUF	11,00,000	6.17
9.	Tarachand Mehta and Sons	17,05,714	9.56
10.	Vikas Mehta HUF	11,61,428	6.51
11.	Goutham HUF	4,65,714	2.61
12.	Sanjay Kumar HUF	6,00,000	3.36
13.	Ashok Kumar HUF	7,14,285	4.00
14.	Ashok Kumar Mehta	7,85,714	4.40
15.	Ghisulal Jain*	4,57,143	2.56
16.	Mamta	4,28,571	2.40
17.	Santhosh Kumari	2,57,142	1.44
18.	Savitha Kumari	1,85,714	1.04
	<b>Total</b>	<b>1,74,36,909</b>	<b>97.74</b>

\*Expired on July 08, 2023

- c) Set forth below is a list of Shareholders holding 1% or more of the paid-up share Equity capital of our Company, as of 10 days prior to the date of filing of this Prospectus.:

Sr. No.	Particulars	Number of Shares	Percentage
1.	Tarachand Mehta	26,14,886	14.66
2.	Goutham	20,28,571	11.37
3.	Sanjay Kumar	13,83,457	7.76
4.	Fancy Devi	10,85,714	6.09
5.	Rajesh Kumar	8,90,000	4.99
6.	Pramila Mehta	8,78,571	4.93
7.	Vikas Mehta	6,94,285	3.89
8.	Rajesh Kumar HUF	11,00,000	6.17
9.	Tarachand Mehta and Sons	17,05,714	9.56
10.	Vikas Mehta HUF	11,61,428	6.51
11.	Goutham HUF	4,65,714	2.61
12.	Sanjay Kumar HUF	6,00,000	3.36
13.	Ashok Kumar HUF	7,14,285	4.00
14.	Ashok Kumar Mehta	7,85,714	4.40
15.	Ghisulal Jain*	4,57,143	2.56
16.	Mamta	4,28,571	2.40
17.	Santhosh Kumari	2,57,142	1.44
18.	Savitha Kumari	1,85,714	1.04
	<b>Total</b>	<b>1,74,36,909</b>	<b>97.74</b>

\*Expired on July 08, 2023

- d) Set forth below is a list of Shareholders holding 1% or more of the paid-up share Equity capital of our Company, as of one year prior to the date of filing of this Prospectus.:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the total Pre-Issue Paid-up Share Capital
1.	Tarachand Mehta	21,00,600	21.15
2.	Goutham	12,00,000	12.08

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the total Pre-Issue Paid-up Share Capital
3.	Sanjay Kumar	11,40,600	11.49
4.	Tarachand Mehta and Sons	9,20,000	9.26
5	Fancy Devi	9,00,000	9.06
6	Rajesh Kumar	8,90,000	8.96
7	Pramila Mehta	8,50,000	8.56
8	Vikash Mehta HUF	6,90,000	6.95
9	Rajesh Kumar HUF	6,00,000	6.04
10.	Vikas Mehta	4,60,000	4.63
11.	Goutham HUF	1,80,000	1.81
	<b>Total</b>	<b>99,31,200</b>	<b>100.00</b>

e) Set forth below is a list of Shareholders holding 1% or more of the paid-up share Equity capital of our Company, as of 2 years prior to the date of filing of this Prospectus.:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the total Pre-Issue Paid-up Share Capital
1.	Tarachand Mehta	21,00,600	21.15
2.	Goutham	12,00,000	12.08
3.	Sanjay Kumar	11,40,600	11.49
4.	Tarachand Mehta and Sons	9,20,000	9.26
5	Fancy Devi	9,00,000	9.06
6	Rajesh Kumar	8,90,000	8.96
7	Pramila Mehta	8,50,000	8.56
8	Vikas Mehta HUF	6,90,000	6.95
9	Rajesh Kumar HUF	6,00,000	6.04
10.	Vikas Mehta	4,60,000	4.63
11.	Goutham HUF	1,80,000	1.81
	<b>Total</b>	<b>99,31,200</b>	<b>100.00</b>

f) Shareholding of our Directors and Key Managerial Personnel:

Set forth below is the shareholding of our directors or Key Managerial Personnel as on the date of this Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the total Pre Issue Paid-up Share Capital
1	Tarachand Mehta	26,14,886	14.66
2	Goutham	20,28,571	11.37
3	Vikas Mehta	6,94,285	3.89
4	Aashish Mehta	1,42,850	0.80

## 11. Details of Shareholding of our Promoters and members of the Promoter Group in our Company

(a) As on the date of this Prospectus, our promoters / members of the promoter group hold 1,78,36,900 equity shares equivalent to 100% of the issued, subscribed and paid-up equity share capital of our Company.

(b) The build-up of the equity shareholding of our Promoters and Promoter Group since incorporation of our Company is set forth in the table below:

### Tarachand Mehta:

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Further Issue on Private	27.02.1999	20,000	10	10	0.11	0.08

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Placement Basis						
Bonus (2:1)	18.03.2011	40,000	10	-	0.22	0.16
Transfer from Ashok Kumar Mehta	18.02.2013	100	10	10	Negligible	Negligible
Transfer from Ashok Kumar Mehta	18.02.2013	50,000*	10	10	0.28	0.20
Transfer from Ashok Kumar Mehta	18.02.2013	1,00,000*	10	10	0.56	0.40
Transfer from Ashok Kumar Mehta	18.02.2013	200	10	1	Negligible	Negligible
Transfer from Ashok Kumar Mehta	18.02.2013	3,00,000*	10	1	1.68	1.21
Transfer from Ashok Kumar Mehta	18.02.2013	60,000^	10	1	0.34	0.24
Transfer from Ashok Kumar Mehta	18.02.2013	30,000^	10	1	0.17	0.12
Transfer from Sampatraj Mehta	18.02.2013	1,00,000\$	10	10	0.56	0.40
Transfer from Sampatraj Mehta	18.02.2013	50,000@	10	10	0.28	0.20
Transfer from Sampatraj Mehta	18.02.2013	1,00,000@	10	1	0.56	0.40
Transfer from Sampatraj Mehta	18.02.2013	3,00,000@	10	1	1.68	1.21
Transfer from Sampatraj Mehta	18.02.2013	10,000(^)	10	10	0.06	0.04
Transfer from Sampatraj Mehta	18.02.2013	20,000(^)	10	1	0.11	0.08
Transfer from Sampatraj Mehta	18.02.2013	10,000(^2)	10	10	0.06	0.04
Transfer from Sampatraj Mehta	18.02.2013	80,000(^2)	10	1	0.45	0.32
Transfer from Sampatraj Mehta	18.02.2013	1,80,000(^2)	10	1	1.01	0.73
Transfer from Sampatraj	18.02.2013	1,00,000(^3)	10	1	0.56	0.40

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Transfer from Sampatraj Mehta	18.02.2013	2,00,000 <sup>(3)</sup>	10	1	1.12	0.81
Transfer from Sampatraj Mehta	18.02.2013	2,00,000 <sup>(4)</sup>	10	1	1.12	0.81
Transfer to Vikas	18.02.2013	(3,00,000)	10	1	(1.68)	(1.21)
Transfer to Goutham	18.02.2013	(1,00,000)	10	1	(0.56)	(0.40)
Transfer to Goutham	18.02.2013	(1,00,000)	10	1	(0.56)	(0.40)
Transfer to Goutham	18.02.2013	(1,00,000)	10	1	(0.56)	(0.40)
Transfer to Rajesh Kumar	18.02.2013	(3,00,000)	10	1	(1.68)	(1.21)
Fresh Issue – Rights	31.03.2015	10,50,300	10	10	5.89	4.24
Conversion of Unsecured Loan	26.05.2023	5,14,286	10	35	2.88	2.08
<b>Total</b>		<b>26,14,886</b>			<b>14.66</b>	<b>10.57</b>

\* Transferred from Savitha Kumari to Ashok Kumar Mehta on February 18, 2013

^ Transferred from Ashok Kumar HUF to Ashok Kumar Mehta on February 18, 2013

\$ Transfer from Classic Enterprises to Sampatraj Mehta on September 30, 2009

@ Transfer from Sankunthala to Sampatraj Mehta on February 18, 2013

(1) Transfer from Monica to Sampatraj Mehta on February 18, 2013

(2) Transfer from Pramod to Sampatraj Mehta on February 18, 2013

(3) Transfer from Sampatraj Mehta (HUF) to Sampatraj Mehta on February 18, 2013

(4) Allotment of Bonus to Sampatraj Mehta on March 18, 2011

### Sanjay Kumar

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Subscriber to the MOA	25.03.1996	100	10	10	Negligible	Negligible
Further Issue on Private Placement Basis	27.02.1999	70,000	10	10	0.39	0.28
Further Issue on Private Placement Basis	01.04.1999	1,20,000	10	10	0.67	0.48
Bonus Issue (2:1)	18.03.2011	3,80,200	10	-	2.13	1.54
Fresh Issue – Rights	31.03.2015	5,70,300	10	10	3.21	2.30
Conversion of Unsecured Loan	26.05.2023	2,42,857	10	35	1.36	0.98
<b>Total</b>		<b>13,83,457</b>			<b>7,76</b>	<b>5.59</b>

**Goutham**

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Further Issue on Private Placement Basis	27.02.1999	70,000	10	10	0.39	0.28
Further Issue on Private Placement Basis	01.04.1999	30,000	10	10	0.17	0.12
Bonus Issue (2:1)	18.03.2011	2,00,000	10	-	1.12	0.81
Transfer from Tarachand Mehta	18.02.2013	1,00,000*	10	1	0.56	0.40
Transfer from Tarachand Mehta	18.02.2013	1,00,000#	10	1	0.56	0.40
Transfer from Tarachand Mehta	18.02.2013	1,00,000^	10	1	0.56	0.40
Fresh Issue – Rights	31.03.2015	6,00,000	10	10	3.36	2.42
Conversion of Unsecured Loan	26.05.2023	8,28,571	10	35	4.65	3.35
<b>Total</b>		<b>20,28,571</b>			<b>11.37</b>	<b>8.20</b>

\* Sakunthala transfers shares to Sampatraj Mehta and he transferred it to Tarachand Mehta on February 18, 2013.

# Savitha Kumari transfers shares to Ashok Kumar Mehta and he transferred it to Tarachand Mehta on February 18, 2013.

^ Classic Enterprises transfers shares to Sampatraj Mehta and he transferred it to Tarachand Mehta on February 18, 2013.

**Fancy Devi**

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Further Issue on Private Placement Basis	27.02.1999	50,000	10	10	0.28	0.20
Further Issue on Private Placement Basis	01.04.1999	1,00,000	10	10	0.56	0.40
Bonus Issue (2:1)	18.03.2011	3,00,000	10	-	1.68	1.21
Fresh Issue – Rights	31.03.2015	4,50,000	10	10	2.52	1.82
Conversion of Unsecured Loan	26.05.2023	1,85,714	10	35	1.04	0.75
<b>Total</b>		<b>10,85,714</b>			<b>6.09</b>	<b>4.39</b>

**Rajesh Kumar**

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Further Issue on Private Placement Basis	27.02.1999	50,000	10	10	0.28	0.20
Further Issue on Private Placement Basis	01.04.1999	50,000	10	10	0.28	0.20
Bonus Issue (2:1)	18.03.2011	2,00,000	10	-	1.12	0.81
Transfer from Tarachand Mehta	18.02.2013	3,00,000	10	1	1.68	1.21
Fresh Issue – Rights	31.03.2015	2,90,000	10	10	1.62	1.17
<b>Total</b>		<b>8,90,000</b>			<b>4.99</b>	<b>3.60</b>

\* Rajesh Kumar received 3,00,000 shares from Tarachand Mehta which was transferred to him by Sampatraj Mehta which was originally transferred from Sakunthala

**Pramila Mehta**

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Transfer from Texcity Construction Private Limited	01.09.2009	90,000	10	1	0.50	0.36
Bonus Issue (2:1)	18.03.2011	1,80,000	10	-	1.01	0.73
Fresh Issue – Rights	31.03.2015	5,80,000	10	10	3.26	2.34
Conversion of Unsecured Loan	26.05.2023	28,571	10	35	0.16	0.12
<b>Total</b>		<b>8,78,571</b>			<b>4.93</b>	<b>3.55</b>

**Vikas Mehta**

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Further Issue on Private Placement Basis	27.02.1999	10,000	10	10	0.06	0.04
Transfer from Hercules Builder Coimbatore Private Limited	01.09.2009	30,000	10	1	0.17	0.12
Bonus Issue (2:1)	18.03.2011	80,000	10	-	0.45	0.32
Transfer from Tarachand Mehta	18.02.2013	3,00,000	10	1	1.68	1.21
Fresh Issue – Rights	31.03.2015	40,000	10	10	0.22	0.16
Conversion of Unsecured Loan	26.05.2023	2,34,285	10	35	1.31	0.95
<b>Total</b>		<b>6,94,285</b>			<b>3.89</b>	<b>2.81</b>

\* Vikas Mehta received 3,00,000 shares from Tarachand Mehta which was transferred to him by Ashok Kumar Mehta which was originally transferred from Savitha Kumari.

#### Rajesh Kumar HUF

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Transfer from S K Devaraju	29.06.2007	50,000	10	5	0.28	0.20
Transfer from S K Manikandan	29.06.2007	50,000	10	5	0.28	0.20
Bonus Issue (2:1)	18.03.2011	2,00,000	10	-	1.12	0.81
Fresh Issue – Rights	31.03.2015	3,00,000	10	10	1.68	1.21
Conversion of Unsecured Loan	26.05.2023	5,00,000	10	35	2.80	2.02
<b>Total</b>		<b>11,00,000</b>			<b>6.17</b>	<b>4.45</b>

#### Vikas Mehta HUF

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Transfer from Wise Investment Private Limited	01.09.2009	92,000	10	1	0.52	0.37
Transfer from Negus Mercantile Private Limited	01.09.2009	76,000	10	1	0.43	0.31
Transfer from Fantastic Constructions Limited	01.09.2009	32,000	10	1	0.18	0.13
Bonus Issue (2:1)	18.03.2011	4,00,000	10	-	2.24	1.62
Fresh Issue – Rights	31.03.2015	90,000	10	10	0.50	0.36
Conversion of Unsecured Loan	26.05.2023	4,71,428	10	35	2.64	1.90
<b>Total</b>		<b>11,61,428</b>			<b>6.51</b>	<b>4.69</b>

#### Tarachand Mehta and Sons

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Further Issue on Private Placement Basis	27.02.1999	5,000	10	10	0.03	0.02
Bonus Issue (2:1)	18.03.2011	10,000	10	-	0.06	0.04
Fresh Issue – Rights	31.03.2015	9,05,000	10	10	5.07	3.66
Conversion of Unsecured Loan	26.05.2023	7,85,714	10	35	4.40	3.17
<b>Total</b>		<b>17,05,714</b>			<b>9.56</b>	<b>6.89</b>

**Goutham HUF**

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Transfer from PP Buildmart Private Limited	30.09.2009	30,000	10	1	0.17	0.12
Bonus Issue (2:1)	18.03.2011	60,000	10	-	0.34	0.24
Fresh Issue – Rights	31.03.2015	90,000	10	10	0.50	0.36
Conversion of Unsecured Loan	26.05.2023	2,85,714	10	35	1.60	1.15
<b>Total</b>		<b>4,65,714</b>			<b>2.61</b>	<b>1.88</b>

**Sanjay Kumar HUF**

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Conversion of Unsecured Loan	26.05.2023	6,00,000	10	35	3.36	2.42
<b>Total</b>		<b>6,00,000</b>			<b>3.36</b>	<b>2.42</b>

**Aashish Mehta**

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Conversion of Unsecured Loan	26.05.2023	1,42,850	10	35	0.80	0.58
<b>Total</b>		<b>1,42,850</b>			<b>0.80</b>	<b>0.58</b>

**Ashok Kumar HUF**

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Transfer from Rishikesh Buildcon Private Limited	30.09.2009	30,000	10	1	0.17	0.12
Bonus Issue	18.03.2011	60,000	10	-	0.34	0.24
Transfer to Ashok Kumar Mehta	18.02.2013	(30,000)	10	1	(0.17)	(0.12)
Transfer to Ashok Kumar Mehta	18.02.2013	(60,000)	10	1	(0.34)	(0.24)
Conversion of Unsecured Loan	26.05.2023	7,14,285	10	35	4.00	2.89
<b>Total</b>		<b>7,14,285</b>			<b>4.00</b>	<b>2.89</b>

**Ashok Kumar Mehta**

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Subscriber to MOA	On incorporation	100	10	10	Negligible	Negligible
Bonus Issue	18.03.2011	200	10	-	Negligible	Negligible
Transfer from Ashok Kumar HUF	18.02.2013	30,000*	10	1	0.17	0.12
Transfer from Ashok Kumar HUF	18.02.2013	60,000	10	1	0.34	0.24
Transfer from Savitha Kumari	18.02.2013	50,000	10	1	0.28	0.20
Transfer from Savitha Kumari	18.02.2013	1,00,000	10	1	0.56	0.40
Transfer from Savitha Kumari	18.02.2013	3,00,000	10	1	1.68	1.21
Transfer to Tarachand Mehta	18.02.2013	(100)	10	10	Negligible	Negligible
Transfer to Tarachand Mehta	18.02.2013	(200)	10	1	Negligible	Negligible
Transfer to Tarachand Mehta	18.02.2013	(50,000)	10	10	(0.28)	(0.20)
Transfer to Tarachand Mehta	18.02.2013	(1,00,000)	10	10	(0.56)	(0.40)
Transfer to Tarachand Mehta	18.02.2013	(3,00,000)	10	1	(1.68)	(1.21)
Transfer to Tarachand Mehta	18.02.2013	(30,000)	10	1	(0.17)	(0.12)
Transfer to Tarachand Mehta	18.02.2013	(60,000)	10	1	(0.34)	(0.24)
Conversion of Unsecured Loan	26.05.2023	7,85,714	10	35	4.40	3.17
<b>Total</b>		<b>7,85,714</b>			<b>4.40</b>	<b>3.17</b>

\*Ashok Kumar HUF received 30,000 shares from Rishikesh Buildcon Private Limited as on 30.09.2009

**Pooja Mehta**

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Conversion of Unsecured Loan	26.05.2023	71,428	10	35	0.40	0.29
<b>Total</b>		<b>71,428</b>			<b>0.40</b>	<b>0.29</b>

**Ranjana**

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Conversion of Unsecured Loan	26.05.2023	1,14,285	10	35	0.64	0.46
<b>Total</b>		<b>1,14,285</b>			<b>0.64</b>	<b>0.46</b>

**Sampatraj Mehta**

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Transfer from Classic Enterprises	30.09.2009	1,00,000	10	1	0.56	0.40
Bonus Issue	18.03.2011	2,00,000	10	-	1.12	0.81
Transfer from Sakuntala	18.02.2013	50,000	10	10	0.28	0.20
Transfer from Sakuntala	18.02.2013	1,00,000	10	10	0.56	0.40
Transfer from Sakuntala	18.02.2013	3,00,000	10	1	1.68	1.21
Transfer from Monica	18.02.2013	10,000	10	10	0.06	0.04
Transfer from Monica	18.02.2013	20,000	10	10	0.11	0.08
Transfer from Pramod Mehta	18.02.2013	10,000	10	10	0.06	0.04
Transfer from Pramod Mehta	18.02.2013	80,000	10	1	0.45	0.32
Transfer from Pramod Mehta	18.02.2013	1,80,000	10	1	1.01	0.73
Transfer from Sampatraj HUF	18.02.2013	1,00,000*	10	1	0.56	0.40
Transfer from Sampatraj HUF	18.02.2013	2,00,000#	10	1	1.12	0.81
Transfer to Tarachand Mehta	18.02.2013	(50,000)	10	1	(0.28)	(0.20)
Transfer to Tarachand Mehta	18.02.2013	(10,000)	10	10	(0.06)	(0.04)
Transfer to Tarachand Mehta	18.02.2013	(10,000)	10	10	(0.06)	(0.04)
Transfer to Tarachand Mehta	18.02.2013	(1,00,000)	10	1	(0.56)	(0.40)
Transfer to Tarachand Mehta	18.02.2013	(80,000)	10	1	(0.45)	(0.32)
Transfer to Tarachand Mehta	18.02.2013	(2,00,000)	10	1	(1.12)	(0.81)
Transfer to Tarachand Mehta	18.02.2013	(3,00,000)	10	1	(1.68)	(1.21)
Transfer to Tarachand Mehta	18.02.2013	(20,000)	10	10	(0.11)	(0.08)

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Transfer to Tarachand Mehta	18.02.2013	(1,80,000)	10	1	(1.01)	(0.73)
Transfer to Tarachand Mehta	18.02.2013	(2,00,000)	10	1	(1.12)	(0.81)
Transfer to Tarachand Mehta	18.02.2013	(2,00,000)	10	1	(1.12)	(0.81)
Conversion of Unsecured Loan	26.05.2023	71,428	10	35	0.40	0.29
<b>Total</b>		<b>71,428</b>			<b>0.40</b>	<b>0.29</b>

\*Sampatraj Mehta HUF received 1,00,000 shares from Srinivasa Enterprises as on September 30,2009

#Allotment of Bonus to Sampatraj (HUF) on March 18, 2011

#### Santosh Kumari

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Conversion of Unsecured Loan	26.05.2023	2,57,142	10	35	1.44	1.04
<b>Total</b>		<b>2,57,142</b>			<b>1.44</b>	<b>1.04</b>

#### Savitha Kumari

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Further Issue on Private Placement Basis	27.02.1999	50,000	10	10	0.28	0.20
Further Issue on Private Placement Basis	01.04.1999	1,00,000	10	10	0.56	0.40
Bonus	18.03.2011	3,00,000	10	-	1.68	1.21
Transfer to Ashok Kumar Mehta	18.02.2013	(50,000)	10	10	(0.28)	(0.20)
Transfer to Ashok Kumar Mehta	18.02.2013	(1,00,000)	10	10	(0.56)	(0.40)
Transfer to Ashok Kumar Mehta	18.02.2013	(3,00,000)	10	1	(1.68)	(1.21)
Conversion of Unsecured Loan	26.05.2023	1,85,714	10	35	1.04	0.75
<b>Total</b>		<b>1,85,714</b>			<b>1.04</b>	<b>0.75</b>

**Mamta**

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Conversion of Unsecured Loan	26.05.2023	4,28,571	10	35	2.40	1.73
<b>Total</b>		<b>4,28,571</b>			<b>2.40</b>	<b>1.73</b>

**Ghisulal Jain\***

Nature of Transaction	Date of allotment and the date on which the equity Shares were made fully paid-up / acquisition	Number of Equity Shares	Face Value per Share	Issue Price / Transfer Price per Equity Share	% of Pre-Issue Paid up Capital	% to the Post Issue Paid Up Capital
Conversion of Unsecured Loan	26.05.2023	4,57,143	10	35	2.56	1.85
<b>Total</b>		<b>4,57,143</b>			<b>2.56</b>	<b>1.85</b>

\*Expired on July 08, 2023

**(c) Details of Shareholding of our Promoters, members of Promoter Group in our Company:**

The following is the Equity shareholding of our Promoter and Promoter Group as of the date of filing this Prospectus:

Sr. No.	Particulars	Number of Shares	Percentage
<b>Promoters</b>			
1	Tarachand Mehta	26,14,886	14.66
2	Goutham	20,28,571	11.37
3	Fancy Devi	10,85,714	6.09
4	Tarachand Mehta and Sons	17,05,714	9.56
5	Goutham HUF	4,65,714	2.61
<b>Promoter Group</b>			
6	Sanjay Kumar	13,83,457	7.76
7	Pramila Mehta	8,78,571	4.93
8	Vikas Mehta	6,94,285	3.89
9	Rajesh Kumar	8,90,000	4.99
10	Rajesh Kumar HUF	11,00,000	6.17
11	Vikas Mehta HUF	11,61,428	6.51
12	Sanjay Kumar HUF	6,00,000	3.36
13	Aashish Mehta	1,42,850	0.80
14	Ashok Kumar HUF	7,14,285	4.00
15	Ashok Kumar Mehta	7,85,714	4.40
16	Pooja Mehta	71,428	0.40
17	Ranjana	1,14,285	0.64
18	Sampatraj Mehta	71,428	0.40
19	Santhosh Kumari	2,57,142	1.44
20	Savitha Kumari	1,85,714	1.04
21	Mamta	4,28,571	2.40
22	Ghisulal Jain*	4,57,143	2.56
	<b>Total</b>	<b>1,78,36,900</b>	<b>100.00</b>

\*Expired on July 08, 2023

12. The Company has no proposal or intention to negotiate or consider any alteration in the capital structure of the Company by way of split or consolidation of the denomination of the shares, or to issue specified securities on a preferential basis or to issue bonus or rights or further public offer of specified securities within a period of 6 (six) months from the date of opening of the Issue. However, Our Company is in

expansion phase and may need additional capital to fund existing/ and or future organic and/ or inorganic expansion. Therefore, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the Issue appropriately in due compliance with the applicable statutory provisions.

- a) All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment/acquisition of such Equity Shares.
- b) Our Promoters, our Promoter Group, our Directors or their relatives or the co-parceners of our promoters have not purchased, acquired, gifted or sold any securities of our Company during the period of six months immediately preceding the date of filing of this Prospectus except allotment of equity shares to them on May 26, 2023 pursuant to conversion of Unsecured Loan.
- c) There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors or their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Prospectus.

### **13. Promoters' Contribution and Lock-in**

Pursuant to Regulations 236 and 238 of the SEBI ICDR Regulations, since majority of the issue proceeds are to be used for capital expenditure (setting up of a new unit / expansion) an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters, shall be locked in for a period of 3 years as minimum promoter's contribution from the date of Allotment ("Promoter's Contribution"), and the Promoter's shareholding in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked-in for a period of one year from the date of Allotment.

- a) Our Promoter have given written consent to include such number of Equity Shares held by it as may constitute 20% of the post Issue Equity Shares Capital of our Company as Promoters' Contribution. Our Promoter has agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, from the date of filing this Prospectus until the expiry of the lock-in period as specified below or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.
- b) The Equity Shares which are being locked in for 3 years from the date of Allotment in this Issue as minimum Promoters' Contribution are as follows:

Date of Allotment / transfer of the Equity Shares	Nature of Transaction	Number of Equity Shares**	Face Value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of the pre-Issue paid-up capital (%)	Percentage of the post-issue paid-up capital (%)	Lock-in Period
<b>Tarachand Mehta</b>								
18.02.2013	Transfer from Ashok Kumar Mehta	100	10	10	100	Negligible	Negligible	3 Years
18.02.2013	Transfer from Ashok Kumar Mehta	200	10	1	200	Negligible	Negligible	3 Years
18.02.2013	Transfer from Ashok Kumar Mehta	60,000	10	1	60,000	0.34	0.24	3 Years
18.02.2013	Transfer from Ashok Kumar Mehta	30,000	10	1	30,000	0.17	0.12	3 Years
18.02.2013	Transfer from Sampatraj Mehta	3,00,000	10	1	3,00,000	1.68	1.21	3 Years
18.02.2013	Transfer from	80,000	10	1	80,000	0.45	0.32	3 Years

Date of Allotment / transfer of the Equity Shares	Nature of Transaction	Number of Equity Shares**	Face Value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of the pre-Issue paid-up capital (%)	Percentage of the post-issue paid-up capital (%)	Lock-in Period
	Sampatraj Mehta							
18.02.2013	Transfer from Sampatraj Mehta	1,80,000	10	1	1,80,000	1.01	0.73	3 Years
18.02.2013	Transfer from Sampatraj Mehta	2,00,000	10	1	2,00,000	1.12	0.81	3 Years
18.02.2013	Transfer from Sampatraj Mehta	2,00,000	10	1	2,00,000	1.12	0.81	3 Years
31.03.2015	Fresh Issue-Rights	10,50,300	10	10	10,50,300	5.89	4.25	3 Years
<b>TOTAL (A)</b>		<b>21,00,600</b>			<b>21,00,600</b>	<b>11.78</b>	<b>8.49</b>	

**Goutham**

27.02.1999	Further Issue on Private Placement Basis	70,000	10	10	70,000	0.39	0.28	3 Years
01.04.1999	Further Issue on Private Placement Basis	30,000	10	10	30,000	0.17	0.12	3 Years
18.03.2011	Bonus	2,00,000	10	-	2,00,000	1.12	0.81	3 Years
18.02.2013	Transfer from Tarachand Mehta	3,00,000	10	1	3,00,000	1.68	1.21	3 Years
31.03.2015	Fresh Issue-Rights	6,00,000	10	10	6,00,000	3.36	2.43	3 Years
<b>TOTAL (B)</b>		<b>12,00,000</b>			<b>12,00,000</b>	<b>6.72</b>	<b>4.85</b>	

**Tarachand Mehta and Sons**

27.02.1999	Further Issue on Private Placement Basis	5,000	10	10	5,000	0.03	0.02	3 Years
18.03.2011	Bonus	10,000	10	-	10,000	0.06	0.04	3 Years
31.03.2015	Fresh Issue-Rights	9,05,000	10	10	9,05,000	5.07	3.66	3 Years
<b>TOTAL (C)</b>		<b>9,20,000</b>			<b>9,20,000</b>	<b>5.16</b>	<b>3.72</b>	

**Goutham HUF**

30.09.2009	Transfer from PP Buildmart Private Limited	30,000	10	1	30,000	0.17	0.12	3 Years
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Date of Allotment / transfer of the Equity Shares	Nature of Transaction	Number of Equity Shares**	Face Value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of the pre-Issue paid-up capital (%)	Percentage of the post-issue paid-up capital (%)	Lock-in Period
18.03.2011	Bonus	60,000	10	-	60,000	0.34	0.24	3 Years
31.03.2015	Fresh Issue-Rights	90,000	10	10	90,000	0.50	0.36	3 Years
<b>TOTAL (D)</b>		<b>1,80,000</b>			<b>1,80,000</b>	<b>1.01</b>	<b>0.72</b>	

### Fancy Devi

27.02.1999	Further Issue on Private Placement Basis	50,000	10	10	50,000	0.28	0.20	3 Years
01.04.1999	Further Issue on Private Placement Basis	1,00,000	10	10	1,00,000	0.56	0.40	3 Years
18.03.2011	Bonus	3,00,000	10	-	3,00,000	1.68	1.21	3 Years
31.03.2015	Fresh Issue-Rights	4,50,000	10	10	1,00,000	0.56	0.40	3 Years
<b>TOTAL (E)</b>		<b>9,00,000</b>			<b>5,50,000</b>	<b>3.08</b>	<b>2.22</b>	
<b>Total (A+B+C+D+E)</b>		<b>53,00,600</b>			<b>49,50,600</b>	<b>27.75</b>	<b>20.00</b>	

\*\* All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares.

- c) The Minimum Promoter's Contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI ICDR Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoter's Contribution in terms of Regulation 237 of the SEBI ICDR Regulations. In this connection, we confirm the following:
- The Equity Shares offered for Promoter's Contribution have not been acquired in the three years preceding the date of this Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
  - The minimum Promoter's Contribution does not include Equity Shares acquired during the one year preceding the date of this Prospectus at a price lower than the Issue Price;
  - No Equity shares have been issued to our promoter upon by the conversion of a partnership firm or a limited liability partnership firm into a company in the preceding one year and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm;
  - The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge.
  - All the equity shares of our Company are dematerialized.
  - Equity Shares for which specific written consent has been obtained from the respective shareholders has been included for inclusion of their subscription in the Promoters Contribution subject to lock-in.
  - We further confirm that our Promoters Contribution of minimum 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies.

**14. Details of Promoters' contribution locked in for 1 (one) year:**

Unless provided otherwise under applicable law, pursuant to Regulation 238(b) and 239 of the SEBI ICDR Regulations, the promoters' holding in excess of minimum promoters' contribution shall be locked-in for a period of 1 (one) year from the date of Allotment or such other minimum lock-in period as may be prescribed under the SEBI ICDR Regulations.

**15. Details of share capital locked in for one (1) Year**

The entire pre-issue capital held by persons other than the Promoters shall be locked-in for a period of 1 (one) year from the date of Allotment.

**16. Recording on non-transferability of Equity Shares locked-in**

As required under Regulation 241 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

**17. Other requirements in respect of lock-in**

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged only with scheduled commercial banks or public financial institutions or a systematically important non-banking finance company or a housing finance company as collateral security for loans granted by such scheduled commercial banks or public financial institution or a NBFC-SI or a deposit accepting housing finance company, subject to the following:

- a. With respect to the Equity Shares locked-in for one year from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.
  - b. With respect to the Equity Shares locked-in as Promoters' Contribution for 3 years from the date of Allotment, the loan must have been granted to our Company or our Subsidiaries for the purpose of financing one or more of the objects of the Issue and such pledge of the Equity Shares must be one of the terms of the sanction of the loan, which is not applicable in the context of this Issue.
  - b) However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.
  - c) In terms of Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in as per Regulation 238 may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the Takeover Regulations.
  - d) Further, in terms of Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Issue and locked-in for a period of six months as per Regulation 239, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in with the transferee and compliance with the provisions of the Takeover Regulations.
18. Neither the Lead Manager viz. Mark Corporate Advisors Private Limited, nor their associates (as defined under the SEBI Merchant Bankers Regulations) hold any Equity Shares of our Company as on the date of this Prospectus.
  19. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
  20. There are no Equity Shares against which depository receipts have been issued.
  21. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares have been listed. Our Company does not have any intention or proposal to alter its capital structure within a period of 6 (six) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis. However, Our Company is in expansion phase and may need additional capital to fund existing/ and or future organic and/ or inorganic expansion. Therefore, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the Issue appropriately in due compliance with the applicable statutory provisions.
  22. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of filing the Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within 24 hours of such transactions being completed.

23. Our Company, our Directors and the Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the issue from any person.
24. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled “*Issue Procedure*” beginning on page 208 of this Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI ICDR Regulations, as amended from time to time.
25. An over-subscription to the extent of 10% of the issue can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot, while finalizing the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the issue, as a result of which, the post-issue paid up capital after the issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock-in shall be suitably increased; so as to ensure that a minimum of 20% of the post issue paid-up capital is locked in.
26. As on date of this Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
27. All the Equity Shares of our Company are fully paid up as on the date of the Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.
28. As per RBI regulations, OCBs are not allowed to participate in this Issue.
29. Our Company has not raised any bridge loans against the proceeds of the Issue.
30. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
31. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
32. An applicant cannot make an application for more than the number of Equity Shares being issued through this issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
33. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this issue.
34. Our Company has 22 shareholders as on the date of filing of this Prospectus.
35. Our Promoters and the members of our Promoter Group will not participate in this Issue.
36. Our Company has not made any public issue since its incorporation.
37. For the details of transactions by our Company with our Promoter Group, Group Companies for the financial years ended March 31, 2023, 2022 and 2021, please refer to paragraph titled Details of Related Parties Transactions as restated in the chapter titled “Restated Financial Information” on page 138 of this Prospectus.
38. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled “*Our Management*” on page 119 of this Prospectus.
39. There are no safety net arrangements for this public issue.

## SECTION V – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

Our Company proposes to utilize the proceeds from the issue towards funding the following objects and achieve the benefits of listing the Equity Shares on the Stock Exchange. The Issue comprises of fresh Issue of 69,10,000 Equity Shares of our Company at an Issue Price of ₹140/-per Equity Share, aggregating to ₹9,674.00 Lakhs by our Company. Our Company proposes to utilize the Net Proceeds from the Issue towards funding the following objects:

1. To finance the establishment of the new showroom at Chennai, Tamil Nadu;
    - a. *Capital Expenditure for the new showroom*
    - b. *Inventory cost for the new showroom*
  2. To augment the working capital requirements of the existing operations and;
  3. For general corporate purposes.
- (Collectively, referred to herein as the “Objects”)

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges and enhancement of our Company’s visibility and brand image and creation of a public market for our Equity Shares in India. The main objects and the objects incidental and ancillary to the main objects of our Memorandum of Association enable our Company to undertake our existing business activities and to undertake the activities for which the funds are being raised in the Issue.

#### **Net Proceeds**

The details of the net proceeds of the Fresh Issue are summarised in the table below:

Particulars	(₹ in Lakhs)
Gross Proceeds	9,674.00
Less: Issue Expenses*	111.77
<b>Net Proceeds</b>	<b>9,562.23</b>

\*See “-Issue Related Expenses” see below

#### **Requirement of Funds and Utilisation of Net Proceeds**

The Net Proceeds are proposed to be utilized in accordance with the details provided in the following table:

Sr. No.	Particulars	(₹ In Lakhs)
1.	To finance the establishment of the new showroom at Chennai, Tamil Nadu	
a	<i>Estimated Capital Expenditure for the new showroom</i>	862.23
b	<i>Estimated Inventory cost for the new showroom</i>	2,000.00
	<b>Total (a+b)</b>	<b>2,862.23</b>
2.	Augmenting the working capital requirements of the existing operations	5,500.00
3.	General Corporate Purposes	1,200.00
	<b>Total</b>	<b>9,562.23</b>

*The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.*

#### **Proposed schedule of implementation and deployment of Net Proceeds**

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

Sr. No.	Particulars	Amount to be deployed from the Net Proceeds in Fiscal 2024	Amount to be deployed from the Net Proceeds in Fiscal 2025	Amount to be funded from the Net Proceeds
1 (a)	Estimated Capital Expenditure for the new showroom	700.00	162.23	<b>862.23</b>
1 (b)	Estimated Inventory cost for the new showroom	-	2,000.00	<b>2,000.00</b>
2	Augmenting the working capital requirements of the	5,500.00	-	<b>5,500.00</b>

Sr. No.	Particulars	Amount to be deployed from the Net Proceeds in Fiscal 2024	Amount to be deployed from the Net Proceeds in Fiscal 2025	Amount to be funded from the Net Proceeds
	existing operations			
3	General corporate purposes *	-	1,200.00	<b>1,200.00</b>
	<b>Total</b>	<b>6,200.00</b>	<b>3,362.23</b>	<b>9,562.23</b>

\*The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds from the Fresh Issue.

The requirement and deployment of funds as indicated above are based on our current business plan, internal management estimates, prevailing market conditions and other commercial and technical factors, including interest rates and other charges, and the financing and other agreements entered into by our Company, and have not been appraised by any bank or financial institution. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy and external factors such as market conditions, competitive environment and interest or exchange rate fluctuations and configuration of the project, increase in input costs of construction materials and labour costs, logistics and transport costs incremental preoperative expenses, taxes and duties, interest and finance charges, engineering procurement and construction costs, working capital margin, regulatory costs, environmental factors and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, at the discretion of our management, subject to compliance with applicable law.

Moreover, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds from the Fresh Issue in accordance with Regulation 230(2) of the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals, general corporate purposes and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Fresh Issue. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects, per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent Fiscals towards the aforementioned Objects.

For further details of factors that may affect these estimates, see “Risk Factors” on page 23.

#### Means of finance

The fund requirements for all the Objects of the Issue are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance under Regulation 230(1)(e) the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue or through existing identifiable internal accruals.

#### Details of the Objects

The details of the Objects of the Issue are set out below:

##### 1. Setting up the new showroom at Chennai

Our Company is a regional jewellery brand in Tamil Nadu with business in both wholesale and retail market of Tamil Nadu with one showroom in Chennai. We intend to focus on the regional expansion and would like to tap the hitherto untapped regions in Tamil Nadu. This will enable us to capture the market and we believe that our key focus on building a brand is by reaching out to newer customers, understand their requirement and deliver them the best of the products as per their requirements. Keeping this in mind, we intend to open a new showroom at Chennai, as our present showroom is small in size to cater the needs of our present and future customers. We intend to concentrate our retail business from the new showroom while we intend to

carry out our wholesale business from the existing show room at NSC Bose Road, Sowcarpet, Chennai, Tamil Nadu.

We have already identified the land for our new showroom and entered into an agreement on December 22, 2021 with Mr. Etta Bangaru Sunder Babu *alias E.B. Sunder Babu*, Mr. Manohar Babu Bangaru Etta *alias E.B. Manohar Babu*, Mr. Ramesh Babu Bangaru Etta *alias E.B. Ramesh Babu*, Mr. E.B. Jayachander Babu, Mrs. Nirmala Naidu Sugnanam, Mrs. Saraswathi Parthasarathy and Mrs. Banumathi S.K, being the sellers of the land for the acquisition of 304.5 square metres at New Number 286, Old No: 95, Previous Nos, 143 and 144, Netaji Subash Chandra Bose Road (NSC Bose Road), Sowcarpet, Chennai – 600 079 for a sale consideration of ₹987.00 Lakhs. The entire sale consideration has been paid and the land has been registered in the name of the Company. We have also received Building plan approval for the setting up / constructing the new show room vide permit No. OL-00200 dated February 28, 2023 from Chennai Metropolitan Development Authority, Chennai. The said permit expires on February 27, 2031.

For the new showroom that is proposed to be established, we have received quotations dated May 24, 2023 from Creative Architects & Interiors, having office at #1090, Poonamalle High Road, A R Complex, 1<sup>st</sup> Floor, Near to Daily Thanthi, Chennai-600 084, estimating the cost of construction and interior works of the showrooms on a turnkey basis. The capital expenditure for establishing the new showroom would be ₹862.23 Lakhs. We have not entered into any definitive agreement with Creative Architects & Interiors and there can be no assurance that Creative Architects & Interiors will be engaged to eventually provide their services for the showroom. If we engage someone other than Creative Architects & Interiors such contractor's estimates and actual costs for the services may substantially differ from the current estimates.

The break-up of the net proceeds for the estimated capital expenditure for the setting up / construction of the new showroom is as under:

(a) Estimated capital expenditure cost for the proposed new retail showroom:

(₹ in Lakhs)

Sr. No	Description of Items	Amount (₹)
1	Piling works - 34 Nos of 20 to 21 Rmt depth	23.11
2	Foundation including pile cap of depth 600mm, Raft of 450mm & plinth beam of depth 450mm	13.87
3	Shell & Core - Ground Floor, First Floor, Second Floor, Third Floor & Terrace Floor. The side walls is constructed in RCC walls	236.23
4	Electrical Works including metering and change over panels, switch, socket, wires etc complete	21.57
5	Plumbing Works including PVC, UPVC, CPVC pipes and Kohler fixtures	16.95
6	HVAC works including equipment - centralized VRV system including ducting	56.49
7	Lift works - 2 Nos of 6 passengers capacity	20.03
8	External development works including Filling, external flooring, Ramp construction & driveway	14.89
9	Plaster of Paris false ceiling plain and design work	18.49
10	Plaster of Paris Punning on Walls	12.32
11	Royal emulsion paint and other paints for ceiling and walls	17.46
12	Corian work as per Architects instructions and as per drawing details	27.22
13	Composite marble flooring for staircase, main flooring, corridor	46.22
14	Wood work as per Architect design (ply board used only ISI marked)	56.49
15	Lacquered glass / mirror work as per design	16.43
16	Glass, sliding door near lift	9.76
17	Electrical / data / voice wiring (LT)	10.27
18	Chairs / counters or any loose furniture as per drawing	23.1
19	Pantry / toilet work including G & C work	14.37
20	Light Fixtures	46.22
21	All other allied works to handover the showroom	14.38
22	Diesel Generator - 165 KVA with exhaust system	20.54
23	Music system including speakers	12.84
24	Chandelier light fitting as per Architect selection	20.54
25	Front facade with ACP, glass and wood work as per Architect selection	38.52
26	Strong room with Godrej brand or equivalent	43.65

Sr. No	Description of Items	Amount (₹)
27	Closed circuit television CCTV	10.27
	<b>TOTAL</b>	<b>862.23</b>

**b. Estimated inventory cost for the New Retail Showrooms proposed to be opened at Sowcarpet, Chennai**

As part of our business strategy, in order to offer a wide range of jewellery products, we are required to stock our showrooms with sufficient jewellery. The total value of finished goods in our current showrooms ranges from ₹11,200 Lakhs to ₹12,900 Lakhs. This is on the basis of 350 Kgs of Gold at an weighted average price of ₹3,660 per grams aggregating to ₹12,810 Lakhs. The value of semi-precious stones which includes diamonds, ruby, emerald, polkis etc. is amounting to ₹90 Lakhs. Hence, the cost of finished products proposed to be stocked in our new showroom is estimated to be around ₹2000 Lakhs taking into account the size and location, format of a particular showroom, competition, merchandize mix (based on expected demand and regional preferences) and general demographics of the market. We may stock our showrooms with additional finished products as and when required.

**2. Funding the working capital requirements of our Company**

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth, financing from banks and unsecured loans. For further details, please refer to the chapter titled “Financial Indebtedness” on page 178.

The details of Company’s working capital as at March 31, 2022 and as at March 31, 2023 and the source of funding, on the basis of Restated Financial Statements, as certified by our Statutory and Peer Review Auditor, M/s PSDY & Associates, Chartered Accountants, vide their report dated July 06, 2023 are provided in the table below. Further, in light of the incremental business requirements, our Company requires additional working capital for funding its working capital requirements in the Fiscal 2024. On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated June 07, 2023 has approved the business plan for the Fiscal 2024 and the proposed funding of such working capital requirements,

The breakup of the working capital requirements year wise is given in the table below:

Particulars	Fiscal 2022 (Audited)	Fiscal 2023 (Audited)	Fiscal 2024 (Projected)
<b><i>Current Assets</i></b>			
Inventories	10,601.21	12,807.04	18,279.20
Trade Receivables	331.34	202.20	2,360.48
Fixed Deposit with Banks	0.00	0.00	300.00*
Cash and Cash Equivalents	162.12	27.00	201.06
Loans & Advances	71.02	71.02	706.36
Short Term Investments	0.00	0.00	345.00
Other Current Assets	0.30	11.61	10.27
<b>Total Current Assets (A)</b>	<b>11,165.99</b>	<b>13,118.87</b>	<b>22,202.37</b>
<b><i>Current Liabilities</i></b>			
Trade Payables	1,101.41	2,283.50	3,194.72
Short Term Borrowings	3,060.77	3,232.87	4,000.00
Other Current Liabilities	73.97	39.16	1,100.00
Provisions	(23.10)	95.24	369.91
<b>Total Current Liabilities (B)</b>	<b>4,213.05</b>	<b>5,650.77</b>	<b>8,664.63</b>
<b>Net Working capital Requirement (A-B)</b>	<b>6,952.94</b>	<b>7,468.10</b>	<b>13,537.74</b>
<b><i>Incremental Working Capital</i></b>			
<b>Funding Pattern</b>		<b>515.16</b>	<b>6,069.64</b>
Internal Accruals		515.16	569.64
IPO Proceeds	0.00	0.00	5,500.00

Particulars	Fiscal 2022 (Audited)	Fiscal 2023 (Audited)	Fiscal 2024 (Projected)
<b>TOTAL</b>		<b>515.16</b>	<b>6,069.64</b>

Note: Pursuant to the certificate dated July 13, 2023 issued by the Statutory Auditor.

\*Excludes ₹2000.00 Lakhs earmarked for Estimated inventory cost for the New Retail Showrooms proposed to be opened at Sowcarpet, Chennai as disclosed under point 1(b) above

### Assumptions for Holding Levels

Particulars	Holding Level for Fiscal 2022 (Actual)	Holding Level for Fiscal 2023 (Actual)	Holding Level for Fiscal 2024 (Projected)	(In days)
<b>Current Assets</b>				
Trade Receivables	5	2	12	
Inventories	158	101	93	
<b>Current Liabilities</b>				
Trade Payables	16	17	16	

### Justification for “Holding Period” levels

The justifications for the holding levels mentioned in the table above are provided below:

Trade receivables	Our Company had maintained trade receivable days of 5 days in the Fiscal 2022 and 2 days for Fiscal 2023. The Company anticipates to increase its trade receivables because of new showroom and the projected trade receivables days to be 12 days for the Fiscal 2024.
Inventories	Inventories include bullion, jewellery and semi-precious stones which includes diamonds, ruby, emerald, polkis etc. The Company had maintained inventory of 158 days in Fiscal 2022 and 101 days for Fiscal 2023, The inventory is assumed to decrease to 93 days for Fiscal 2024.
Trade Payables	The Company had maintained trade payable days of 16 days in Fiscal 2022, and 17 days for Fiscal 2023. It is projected to remain stagnant and therefore be 16 days for the Fiscal 2024.

Our Company proposes to utilize ₹5,500.00 Lakhs out of the Net Proceeds in the Fiscal 2024 towards our working capital requirements. The balance portion of our working capital requirement for the Fiscal 2024 will be arranged from Internal Accruals.

### 3. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹1200.00 Lakhs towards general corporate purposes, subject to such utilisation which is equivalent to 12.40% of the Gross Proceeds of the Issue, in compliance with SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- a) strategic initiatives
- b) brand building and strengthening of marketing activities; and
- c) ongoing general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

### Deployment of Funds

Our Company has deployed a sum of ₹103.74 Lakhs towards the Objects of the Issue mentioned above (certified by M/s PSDY & Associates, Chartered Accountants vide their Certificate dated July 13, 2023. The details of the deployment are as under:

Particulars	₹ in Lakhs
<b>Deployment of Funds</b>	

Particulars	₹ in Lakhs
Capital Expenditure towards the setting up of new showroom	84.70
Issue Expenses	19.04
<b>Sources of Funds</b>	
Internal Accruals*	103.74

\* The said amount has been met by the Company from its own resources and we have been informed that the same will be adjusted against the Issue Proceeds.

### Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹111.77 Lakhs. The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expense, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as under:

Expenses*	Estimated expenses <sup>#</sup> (₹ in Lakhs)	As a % of the total estimated Issue expenses	As a % of the total Gross Issue Proceeds
Fees payable to the Lead Manager (including underwriting commission)	33.00	29.52	0.34
Brokerage, selling commission and upload fees	25.00	22.37	0.26
Fees payable to the Legal Advisors to the Issue	6.00	5.37	0.06
Fees to the Registrar to the Issue	2.50	2.24	0.03
Fees payable to the Regulators including stock exchanges	14.00	12.52	0.14
Printing and distribution of Issue stationary	7.50	6.71	0.08
Advertising and Marketing Expenses	17.50	15.66	0.18
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs <sup>4</sup>	2.00	1.79	0.02
Processing fees to Issuer banks for UPI Mechanism w.r.t application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to them <sup>5</sup>	1.00	0.89	0.01
Others (bankers to the Issue, auditor's fees etc.)	3.27	2.93	0.03
<b>Total Estimated Issue Expenses</b>	<b>111.77</b>	<b>100.00</b>	<b>1.15</b>

\* Subject to finalisation of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards General Corporate Purposes.

Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs:

- 1) SCSBs will be entitled to a processing fee of ₹10/- per Application Form for processing of the Application Forms only for the Successful Allotments procured by other Application Collecting Intermediary and submitted to them.
- 2) Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Investors and Non-Institutional Investors, would be 0.01% on the Allotment Amount.
- 3) No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.
- 4) The commission and processing fees shall be released only after the SCSBs provide a written confirmation to the Lead Manager not later than 30 days from the finalization of Basis of Allotment by Registrar to the Offer in compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/I/M dated March 16, 2021 and SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.
- 5) Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

### Bridge Loan

We have not entered into any bridge finance arrangements that will be repaid from the Net Proceeds. However, depending upon business requirements, our Company may consider raising bridge financing facilities including by way of any other short-term borrowings, pending receipt of the Net Proceeds.

### **Interim Use of Funds**

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

### **Appraising agency**

None of the objects of the Issue for which the Net Proceeds will be utilized have been appraised by any bank/ financial institution/any other agency.

### **Monitoring Utilization of Funds**

Since this is a fresh issue of less than ₹10,000 Lakhs we are not required to appoint a monitoring agency in accordance with Regulation 262 of the SEBI ICDR Regulations.

Our Board and Audit committee shall monitor the utilization of the net proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant financial years subsequent to the completion of the Issue.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain un-utilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full.

The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

### **Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the Objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

### **Other Confirmations**

No part of the Net Proceeds will be paid to our Promoters, Promoter Group, Directors, our joint ventures, our group companies or our Key Managerial Personnel, except in the ordinary course of business. Our Company has not entered into nor has planned to enter into any arrangement/ agreements with our Directors, our Key Management Personnel, or our Group Companies in relation to the utilisation of the Net Proceeds.

## BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Lead Manager, on the basis of an assessment of market demand for the Equity Shares being offered through the Fixed Price method and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹10 each and the Issue Price is 14 times the face value.

Investors should also refer to the sections titled “*Risk Factors*”, “*Financial Information*” “*Our Business*” and “*Management Discussion and Analysis*” on pages 23, 138, 97 and 168 respectively to have a more informed view before making an investment decision.

### QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the Issue Price are:

- (a) Over 3 decades of experience of Promoters
- (b) Experienced Management Team
- (c) Prime Location of our Showroom
- (d) Wide product range, Design and Innovation
- (e) Cordial relationship with our customers

For further details, refer to heading “Our Competitive Strengths” under the chapter titled “*Our Business*” on page 98.

### QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the Restated Financial Information of the Company for the Financial Years 2023, 2022 and 2021 prepared in accordance with Ind GAAP, the Companies Act, 2013 and restated in accordance with SEBI ICDR Regulations For details, refer section titled “*Financial Information*” on page 138.

Some of the quantitative factors, which may form the basis for computing the Issue Price, are as follows:

- (a) Basic and Diluted Earnings per Share (“EPS”) at face value of ₹10 each, as adjusted for changes in capital:**

#### As per Restated Financial Information:

For the Year/Period ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2023	7.62	7.62	3
March 31, 2022	3.29	3.29	2
March 31, 2021	2.77	2.77	1
Weighted Average	5.37	5.37	-

#### Note: -

- (A) *Basic Earnings per share = Net profit / (loss) after tax for the year/period, as restated attributable to equity shareholders /Weighted average number of equity shares outstanding during the year/period.*
- (B) *Diluted Earnings per share = Net profit after tax for the year/period, as restated attributable to equity shareholders / Weighted average number of potential equity shares outstanding during the year/period.*
- (C) *Weighted average EPS = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each fiscal] / [Total of weights].*
- (D) *Weighted average number of Equity Shares are the number of Equity Shares outstanding at the beginning of the period/year adjusted by the number of Equity Shares issued during the period/year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/ year.*
- (E) *Earnings per share calculations are in accordance with the notified Accounting Standard 20” Earnings per share”.*

**(b) Price to Earnings (P/E) ratio in relation to Issue Price of ₹140/- per Equity Share of face value of ₹10 each fully paid up**

Particulars	EPS (in ₹)	P/E at the Issue Price
P/E ratio based on Basic & Diluted EPS for the financial year 2022-2023	7.62	18.37
Based on Weighted Average EPS	5.37	26.07
<b>Industry Peer Group P/E ratio</b>		
Highest		81.1
Lowest		7.2
Average		53.7

Note- Industry Peer Group P/E Ratio-Diamond Cutting / Jewellery-Capital Market, Volume XXXVIII/10 June 26 – July 09, 2023.

**(c) Return on Net worth (RoNW)**

**As per Restated Financial Information:**

Year/Period ended	RoNW (%)	Weight
March 31, 2023	20.98	3
March 31, 2022	11.37	2
March 31, 2021	10.83	1
Weighted average	16.09	

**Notes:**

- (A) *Return on Net Worth (%) = Net Profit after tax attributable to equity shareholders, as restated / Net worth as restated as at year end.*
- (B) *Weighted average RoNW = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.*
- (C) *Net worth is aggregate value of the paid-up share capital of the Company and other equity, excluding revaluation reserves if any, as per Restated Standalone and Consolidated Financial Information.*

**(d) Net Asset Value (NAV) per Equity Share of Face Value of ₹10 each as per Restated Financial Information:**

Particulars	₹ per Equity Share
Net Asset Value per Equity Share as on March 31, 2023	36.30
Net Asset Value per Equity Share after the Issue	64.84
Issue Price per equity share	140.00

**(e) Comparison of Accounting Ratios with Listed Industry Companies:**

We believe following is our peer group which has been determined on the basis of listed public companies comparable in the similar line of segments in which our Company operates and whose business segment in part or full may be comparable with that of our business, however, the same may not be exactly comparable in size or business portfolio on a whole with that of our business.

**Following is the comparison with our peer companies listed in India:**

Name of the Company	Standalone / Consolidated	CMP*	Basic EPS	Diluted EPS	P/E Ratio	RONW (%)	NAV (₹)	Face Value (₹)	Total Income (₹ in Lakhs)
Khazanchi Jewellers Ltd	Standalone	140.00	7.62	7.62	18.37	20.98	36.30	10	48181.65
<b>Peer-Group**</b>									
Deep Diamond India Limited	Standalone	8.06	0.26	0.26	30.83	8.53	3.07	1	791.99

Name of the Company	Standalone / Consolidated	CMP*	Basic EPS	Diluted EPS	P/E Ratio	RONW (%)	NAV (₹)	Face Value (₹)	Total Income (₹ in Lakhs)
Eighty Jewellers Limited	Standalone	49.85	1.39	1.39	35.88	5.94	23.39	10	9429.12
Moksh Ornaments Limited	Standalone	10.85	1.14	1.14	9.49	12.03	9.50	2	44695.67

\* Issue Price of our Company is considered as CMP.

\*\*Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

Notes:

- (i) Considering the nature, range of products/services, turnover and size of business of the Company, the peers are not strictly comparable. However, above Companies have been included for broad comparison.
- (ii) The figures for Khazanchi Jewellers Limited are based on the Restated Financial Information for the year ended March 31, 2023.
- (iii) Financial information for listed peers mentioned above is sourced from the annual financial statement as available of the respective peers for the year ended March 31, 2023 submitted to Stock Exchange.
- (iv) Current Market Price (CMP) is the closing price of the peer group scrip as on June 28, 2023 on BSE SME and NSE.
- (v) NAV is computed as the closing net worth divided by the closing outstanding number of equity shares. Net worth has been computed as the aggregate of share capital and other equity (excluding Revaluation Reserves, if any) and as attributable to the owners of the Company.
- (vi) P/E Ratio has been computed based on the closing market price of equity shares on stock exchange on June 28, 2023 divided by the Basic EPS as at March 31, 2023.
- (vii) RoNW is computed as net profit after tax, as attributable to the owners of the Company divided by closing net worth. Net worth has been computed as the aggregate of share capital and other equity (excluding Revaluation Reserves, if any) and as attributable to the owners of the Company.
- (viii) Khazanchi Jewellers Limited is a Fixed Price Issue.
- (ix) The Issue Price has been determined by the company in consultation with the LM on the basis of assessment of market demand from investors for the equity shares and is justified based on the above qualitative and quantitative parameters.

For further details see section titled “Risk Factors” on page 23 of this Prospectus and the financials of the Company including profitability and return ratios, as set out in the section titled “Financial Information” on page 138 and the Management Discussion and Analysis on Page 168 for a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” on page 23 and you may lose all or part of your investments.

## STATEMENT OF POSSIBLE TAX BENEFITS

**To**  
**The Board of Directors,**  
**Khazanchi Jewellers Limited**  
No.130, NSC Bose Road,  
Sowcarpet, Chennai-600079,  
Tamil Nadu, India.

Dear Sir,

**Sub: Statement of Special Tax Benefits (“the Statement”) available to Khazanchi Jewellers Limited (“the Company”) and its shareholders prepared in accordance with the requirements in Point No. 9 (L) of Part A of Schedule VI of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended (“the Regulations”)**

We hereby report that this certificate along with the annexure (hereinafter referred to as “The Statement”) states the special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 ('IT Act') (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2023 (i.e. applicable to F.Y. 2023-24 relevant to A.Y. 2024-25) (hereinafter referred to as the “IT Regulations”) and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax[GST] Rules, Circulars and Notifications), presently in force in India. The Statement has been prepared by the management of the Company in connection with the proposed Public Issue, which we have initiated for identification purposes only.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the said relevant provisions of the tax laws and regulations applicable to the Company. Hence, the ability of the Company or its shareholders to derive the special tax benefits, if any, is dependent upon fulfilling such conditions, which based on business imperatives, which the Company may or may not choose to fulfill or face in the future.

This statement of possible special tax benefits is required as per Schedule VI (Part A) (9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ('SEBI ICDR Regulations'). While the term ‘special tax benefits’ has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, its shareholders and the same would include those benefits as enumerated in the statement.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders. Further, the Preparation of enclosed statement and the contents stated therein is not exhaustive and is the responsibility of the Company’s management. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever-changing tax laws in India. Further, we give no assurance that the income tax authorities/ other indirect tax authorities/courts will concur with our views expressed herein.

We do not express any opinion or provide any assurance as to whether:

- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits have been/would be met.

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws.

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change.

Our views are based on facts indicated to us, the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any such events subsequent, which may have a material effect on the discussions herein. Our views are exclusively for the limited use of the captioned Company in connection with its proposed public issue referred to herein above and shall not, without our prior written consent, be disclosed to any other person.

We shall not be liable to Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct. We are not liable to any other person in respect of this statement.

This certificate along with the annexure is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Draft Prospectus / Prospectus in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

## **ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO SUNREST LIFESCIENCE LIMITED (“THE COMPANY”) AND IT’S SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

*Outlined below are the special tax benefits available to the Company and its shareholders under the current direct tax laws in India for the financial year 2023-24. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.*

### **1. Special Tax Benefits to the Company**

There are no Special tax benefits available to the Company.

### **2. Special Tax Benefits available to the shareholders of the Company**

There are no Special tax benefits available to the shareholders of the Company.

Notes:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. The above statement of special tax benefits is as per the current direct tax laws relevant for the F.Y.2023-24 relevant to A.Y. 2024-25.
4. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.
5. You should consult your own tax advisors concerning the Indian Tax implications and consequences of purchasing, owning and disposing of equity shares.

**For M/s PSDY & Associates**

Chartered Accountants

**Firm Registration No.** 010625S

Sd/-

**Kushal Raj N**

Partner

**Membership No.** 234239

**UDIN:**23234239BGUDLH2257

**Date:** June 01, 2023

**Place:** Puducherry

## SECTION VI - ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

*The information in this chapter has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Offer have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.*

### GLOBAL ECONOMY – OVERVIEW

The global fight against inflation, Russia’s war in Ukraine, and a resurgence of COVID-19 in China weighed on global economic activity in 2022, and the first two factors will continue to do so in 2023. Despite these headwinds, real GDP was surprisingly strong in the third quarter of 2022 in numerous economies, including the United States, the euro area, and major emerging market and developing economies. The sources of these surprises were in many cases domestic: stronger-than-expected private consumption and investment amid tight labor markets and greater-than-anticipated fiscal support. Households spent more to satisfy pent-up demand, particularly on services, partly by drawing down their stock of savings as economies reopened. Business investment rose to meet demand. On the supply side, easing bottlenecks and declining transportation costs reduced pressures on input prices and allowed for a rebound in previously constrained sectors, such as motor vehicles. Energy markets have adjusted faster than expected to the shock from Russia’s invasion of Ukraine. In the fourth quarter of 2022, however, this uptick is estimated to have faded in most—though not all—major economies. US growth remains stronger than expected, with consumers continuing to spend from their stock of savings (the personal saving rate is at its lowest in more than 60 years, except for July 2005), unemployment near historic lows, and plentiful job opportunities. But elsewhere, high-frequency activity indicators (such as business and consumer sentiment, purchasing manager surveys, and mobility indicators) generally point to a slowdown.

COVID-19 deepens China’s slowdown. Economic activity in China slowed in the fourth quarter amid multiple large COVID-19 outbreaks in Beijing and other densely populated localities. Renewed lockdowns accompanied the outbreaks until the relaxation of COVID-19 restrictions in November and December, which paved the way for a full reopening. Real estate investment continued to contract, and developer restructuring is proceeding slowly, amid the lingering property market crisis.

Developers have yet to deliver on a large backlog of presold housing, and downward pressure is building on house prices (so far limited by home price floors). The authorities have responded with additional monetary and fiscal policy easing, new vaccination targets for the elderly, and steps to support the completion of unfinished real estate projects. However, consumer and business sentiment remained subdued in late 2022. China’s slowdown has reduced global trade growth and international commodity prices.

Monetary policy starts to bite. Signs are apparent that monetary policy tightening is starting to cool demand and inflation, but the full impact is unlikely to be realized before 2024. Global headline inflation appears to have peaked in the third quarter of 2022. Prices of fuel and nonfuel commodities have declined, lowering headline inflation, notably in the United States, the euro area, and Latin America. But underlying (core) inflation has not yet peaked in most economies and remains well above pre-pandemic levels. It has persisted amid second-round effects from earlier cost shocks and tight labour markets with robust wage growth as consumer demand has remained resilient. Medium-term inflation expectations generally remain anchored, but some gauges are up. These developments have caused central banks to raise rates faster than expected, especially in the United States and the euro area, and to signal that rates will stay elevated for longer. Core inflation is declining in some economies that have completed their tightening cycle such as Brazil. Financial markets are displaying high sensitivity to inflation news, with equity markets rising following recent releases of lower inflation data in anticipation of interest rate despite central banks’ communicating their resolve to tighten policy further. With the peak in US headline inflation and an acceleration in rate hikes by several non-US central banks, the dollar has weakened since September but remains significantly stronger than a year ago.

## The Future

Global growth, estimated at 3.4 percent in 2022, is projected to fall to 2.9 percent in 2023 before rising to 3.1 percent in 2024 (Table 1). Compared with the October forecast, the estimate for 2022 and the forecast for 2023 are both higher by about 0.2 percentage point, reflecting positive surprises and greater-than-expected resilience in numerous economies. Negative growth in global GDP or global GDP per capita—which often happens when there is a global recession—is not expected. Nevertheless, global growth projected for 2023 and 2024 is below the historical (2000–19) annual average of 3.8 percent.

The forecast of low growth in 2023 reflects the rise in central bank rates to fight inflation—especially in advanced economies—as well as the war in Ukraine. The decline in growth in 2023 from 2022 is driven by advanced economies; in emerging market and developing economies, growth is estimated to have bottomed out in 2022. Growth is expected to pick up in China with the full reopening in 2023. The expected pickup in 2024 in both groups of economies reflects gradual recovery from the effects of the war in Ukraine and subsiding inflation. Following the path of global demand, world trade growth is expected to decline in 2023 to 2.4 percent, despite an easing of supply bottlenecks, before rising to 3.4 percent in 2024.

These forecasts are based on a number of assumptions, including on fuel and nonfuel commodity prices, which have generally been revised down since October, and on interest rates, which have been revised up. In 2023, oil prices are projected to fall by about 16 percent, while nonfuel commodity prices are expected to fall by, on average, 6.3 percent. Global interest rate assumptions are revised up, reflecting intensified actual and signalled policy tightening by major central banks since October.

(Source : <https://www.imf.org/en/Publications/WEO dated January 30, 2023>)

## Indian Economy – Overview

Strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of COVID-19 pandemic shock. Real GDP in the first quarter of 2022–23 is currently about 4% higher than its corresponding 2019-20, indicating a strong start for India's recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022–2023. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing the pent-up demand over the period of April-September 2022. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

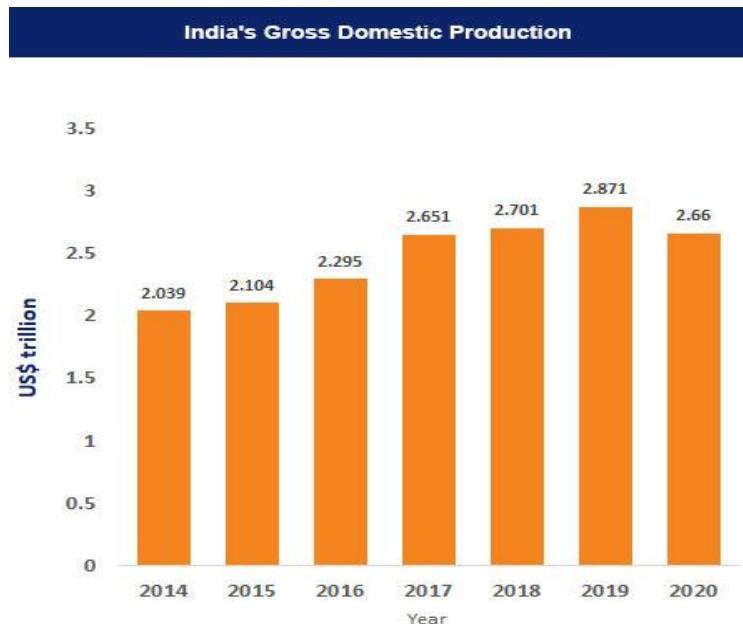
India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

## Market Size

India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY22. With more than 100 unicorns valued at US\$ 332.7 billion, India has the third-largest unicorn base in the world. The government is also focusing on renewable sources to generate energy and is planning to achieve 40% of its energy from non-fossil sources by 2030.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030. India's current account deficit (CAD), primarily driven by an increase in the trade deficit, stood at 2.1% of GDP in the first quarter of FY 2022-23.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.



### **Recent Developments**

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- As of September 21, 2022, India's foreign exchange reserves stood at US\$ 524,520 million.
- The private equity-venture capital (PE-VC) sector investments stood at US\$ 2 billion in September 2022.
- Merchandise exports in September 2022 stood at US\$ 32.62 billion.
- PMI Services remained comfortably in the expansionary zone at 56.7 during April-September 2022
- In September 2022, the gross Goods and Services Tax (GST) revenue collection stood at Rs. 147,686 crore (US\$ 17.92 billion).
- Between April 2000-June 2022, cumulative FDI equity inflows to India stood at US\$ 604,996 million.
- In August 2022, the overall IIP (Index of Industrial Production) stood at 131.3. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 99.6, 131.0 and 191.3, respectively, in August 2022.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 7.41% in September 2022.
- In FY 2022-23, (until October 28, 2022), Foreign Portfolio Investment (FPI) outflows stood at Rs. 58,762 crore (US\$ 7.13 billion).
- The wheat procurement in Rabi 2021-22 and the anticipated paddy purchase in Kharif 2021-22 would include 1208 lakh (120.8 million) metric tonnes of wheat and paddy from 163 lakh (16.7 million) farmers, as well as a direct payment of MSP value of Rs. 2.37 lakh crore (US\$ 31.74 billion) to their accounts.

## Government Initiatives

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, are aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- Home & Cooperation Minister Mr. Amit Shah, laid the foundation stone and performed Bhoomi Pujan of Shri Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by the Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for the IT companies and start-ups in both the countries.
- India and Namibia entered into a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (INR) in order to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly-developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on 11 July 2022.
- In June 2022:
  - Prime Minister Mr. Narendra Modi, laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the groundbreaking ceremony of the UP Investors Summit in Lucknow.
  - The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of biocapsule, an encapsulation technology for bio-fertilization on 30 June, 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 lakh crore (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased

government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.

- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 lakh crore (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 lakh crore (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced Rs. 2.65 lakh crore (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system and help fuel liquidity and boost the Indian economy.

- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY2022-23; it is expected to raise Rs. 4 lakh crore (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025.

### **The Road Ahead**

In the second quarter of FY 2022-23, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2022. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked fifth in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in FY 2022–23 (until August 2022), stood 46.8% higher than the same period last year. The ratio of revenue expenditure to capital outlay decreased from 6.4 in the previous year to 4.5 in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation as a result of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

Despite the continued global slowdown, India's exports climbed at the second highest rate this quarter. With a reduction in port congestion, supply networks are being restored. The CPI-C and WPI inflation reduction from April 2022 already reflects the impact. In August 2022, CPI-C inflation was 7.0%, down from 7.8% in April 2022. Similarly, WPI inflation has decreased from 15.4% in April 2022 to 12.4% in August 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

(Source : <https://www.ibef.org/economy/indian-economy-overview>)

### **Gems and Jewellery Industry**

#### **Introduction**

As of February 2021, India's gold and diamond trade contributed 7.5% to India's Gross Domestic Product (GDP) and 14% to India's total merchandise exports. The gems and jewellery sector is likely to employ 8.23 million persons by 2022, from ~5 million in 2020. Based on its potential for growth and value addition, the Government declared the gems and jewellery sector as a focus area for export promotion.

The Government has undertaken various measures recently to promote investment and upgrade technology and skills to promote 'Brand India' in the international market. The Government has permitted 100% FDI in the sector under the automatic route, wherein the foreign investor or the Indian company do not require any prior approval from the Reserve Bank or the Government of India. The Indian Government also signed a Comprehensive Economic Partnership Agreement (CEPA) with the United Arab Emirates (UAE) in March 2022, this will allow the Indian Gems and Jewellery industry to further boost exports. CEPA will provide the industry duty-free access to the UAE market. India's Gems Jewellery Export Promotion Council (GJEPC) aims to triple its exports to the UAE post the CEPA.

## Market Size

India's gems and jewellery market size was at US\$ 78.50 billion in FY21. Growth in exports is mainly due to revived import demand in the export market of the US and fulfilment of orders received by numerous Indian exhibitors during the Virtual Buyer-Seller Meets (VBSMs) conducted by GJEPC.

India's gems and jewellery exports reached US\$ 39.14 billion in 2021-22, a 54.13% rise from the previous year. In October 2022, India's gems and jewellery exports was at US\$ 1.48 billion. The Government of India is aiming at US\$ 70 billion in jewellery export in the next five years (until 2025), up from US\$ 35 billion in 2020.



## Investments / Developments

Cumulative FDI inflows in diamond and gold ornaments stood at US\$ 1,213.06 million between April 2000-June 2022, according to the Department for Promotion of Industry and Internal Trade (DPIIT).

Some of the key developments in this industry are listed below:

- In September 2021, Malabar Group invested Rs. 750 crore (US\$ 100 million) in a gold refinery and jewellery unit in Hyderabad.
- In May 2021, GJEPC and Embassy of India, Morocco, co-hosted the 'India Global Connect' to better understand the present business climate in the gems and jewellery sector and seek trade prospects for manufacturers, exporters and importers from both countries.
- The GJEPC will organise its first International Gems and Jewellery Show (IGJS) outside the country, in Dubai, from August 14-16, 2021. It will also hold a five-day physical exhibition—India International Jewellery show (IIJS-2021)—in Bengaluru from September 15-19, 2021, in a first such event outside Mumbai. GJPEC sources said that >250 buyers have registered and >95 stalls have been booked for Dubai IGJS 2021. There will be 150 booths having products such as plain gold, gold-studded jewellery, diamond-studded jewellery, silver jewellery, loose diamonds and gemstones.
- In June 2021, Tanishq launched antimicrobial jewellery in certain markets as a pilot project. Currently, the range is available in stores across Chennai and Lucknow, with further launches planned in Kolkata and Hyderabad followed by other key markets. Antimicrobial jewellery is being offered in categories such as chains and rings, which feature special-coated layers that self-disinfect the surface and impede any further microbial growth.
- In June 2021, the World Gold Council and Gem and Jewellery Export Promotion Council signed an agreement to promote gold jewellery in India. Under the agreement terms, both partners will jointly fund a multi-media marketing campaign that would aim to increase awareness, relevance and adoption of gold jewellery amongst Indian consumers, especially in millennials and Gen Z.
- In April 2021, Malabar Gold & Diamonds announced to invest Rs. 1,600 crore (US\$ 214 million) in FY22 to launch 56 stores, of which 40 would be in India and 16 across global markets. In India, stores will be opened in Tamil Nadu, Telangana, Andhra Pradesh, Karnataka, Maharashtra, Delhi, West Bengal, Uttar Pradesh, Odisha and Kerala. In July 2021, the company announced hiring of >5,000 staff, across its retail operations, brand headquarters and regional offices in the country.
- In March 2021, Joyalukkas collaborated with IBM Global Business Services to design, develop and deploy a new cloud-native e-commerce platform across 11 countries including India, the UAE, the US, the UK, Singapore, Malaysia, Bahrain, Qatar, Saudi Arabia, Kuwait and Oman.
- In February 2021, Reliance expanded its e-commerce arm, Jio Mart, to jewellery with silver coins of 5gm and 10 gm, and gold coins of 1gm, 5gm and 10gm.
  - Reliance's in-house jewellery brand, Reliance Jewels, which has 93 flagship showrooms and 110 shop-in-shops in 105 cities in the country, will fulfil the orders for the new segment.

## Government Initiatives

- India has signed an FTA with the UAE which will further boost exports and is expected to reach the target of US\$ 52 billion.
- The Government has reduced custom duty on cut and polished diamond and colored gemstones from 7.5% to 5% and NIL.
- Revised SEZ Act is also expected to boost exports of gems and jewellery.
- In September 2021, Ms. Anupriya Patel, Minister of State for Commerce and Industry said that reforms such as the revamped gold monetisation scheme, reduction in import duty of gold, hallmarking and others would help the industry grow. The market export target is US\$ 43.75 billion for 2021.
- The government has reduced import duty for Gold & Silver (from 12.5% to 7.5%) and Platinum & Pallidum (from 12.5% to 10%) to bring down the prices of precious metals in the local market.
- Indian Government made hallmarking mandatory for Gold Jewellery and Artefacts. A period of one year is provided for implementation i.e. till January 2021..
  - In December 2020, All India Gem and Jewellery Domestic Council (GJC) welcomed the decision to make hallmarking compulsory from June 2021 in a phased manner; urged the government to examine the key concerns of the industry for smooth implementation of the initiative.
  - Hallmarking of gold jewellery is set to begin from June 15, 2021. In view of the COVID-19 pandemic, the government accepted request of stakeholders to provide jewellers some more time to prepare for implementation and resolve issues. Earlier, the date of implementation was June 01, 2021.
- In December 2020, the Finance Ministry notified that the amendment under Prevention of Money Laundering Act (PMLA), notifying dealers in precious metals and stones, will maintain records of cash transactions worth Rs. 10 lakh (US\$ 13.61 thousand) or more cumulatively with a single customer.

## ADVANTAGE INDIA

### GROWING DEMAND

\*India's gems and jewellery exports reached US\$ 39.14 billion in 2021-22, a 54.13% rise from the previous year.

\*India ranks first among the top exporters in cut & polished diamonds, and second in gold jewellery, silver jewellery and lab-grown diamonds.

### INCREASING INVESTMENTS

\*Cumulative FDI inflows in diamond and gold ornaments stood at US\$ 1,213.05 million between April 2000-March 2022.

\*In September 2021, Malbar Group invested Rs. 750 crore (US\$ 100 million) in a gold refinery and jewellery unit in Hyderabad.

### POLICY SUPPORT

\*India has signed an FTA with the UAE which will further boost exports and is expected to reach the target of US\$ 52 billion.

\*The Government has reduced custom duty on cut and polished diamond and coloured gemstones from 7.5% to 5% and NIL.

### ATTRACTIVE OPPORTUNITIES

\*India's gold demand stood at 797.30 tonnes in 2021 and is expected to be in a range of 800-850 tonnes by 2022.

\*In the fourth quarter of 2021 demand for gold rose by 93% YoY to 265 tonnes.

### THE ROAD AHEAD

In the coming years, growth in the gems and jewellery sector would largely be contributed by the development of large retailers/brands. Established brands are guiding the organised market and are opening opportunities to grow. Increasing penetration of organised players provides variety in terms of products and

designs. Online sales are expected to account for 1–2% of the fine jewellery segment by 2021–22. Also, the relaxation of restrictions on gold import is likely to provide a fillip to the industry.

The improvement in availability along with the reintroduction of low-cost gold metal loans and likely stabilisation of gold prices at lower levels is also expected to drive volume growth for jewellers over the short to medium term. India has 450 organised jewellery manufacturers, importers & exporters and is the hub for jewellery manufacturing. These players have benefited greatly due to the increasing liberal policies by the government. The demand for jewellery is expected to be significantly supported by the recent positive developments in the industry. India's gems and jewellery industry is expected to reach US\$ 70 billion by 2025.

(Source: <https://www.ibef.org/industry/gems-jewellery-india>)

## OUR BUSINESS

*Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 16 for a discussion of the risks and uncertainties related to those statements and also "Risk Factors", "Financial Information – Restated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations" beginning on pages 23, 138 and 168, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

*We have, in this Prospectus, included various operational and financial performance indicators, some of which may not be derived from our Restated Financial Information, and may not have been subjected to an audit or review by our Statutory Auditor. For further information, see "Financial Information" on page 138 of this Prospectus. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Information and other information relating to our business and operations included in this Prospectus.*

*Unless otherwise indicated or the context otherwise requires, the financial information for Fiscal 2023, 2022 and 2021, included herein is derived from the Restated Financial Information, included in this Prospectus. Unless otherwise indicated or the context otherwise requires, in this section, references to "we" or "us" mean Khazanchi Jewellers Limited. For further information relating to various defined terms used in our business operations, see "Definitions and Abbreviations" on page 1 of this Prospectus.*

*Unless stated otherwise, industry and market data used in this section has been obtained or derived from publicly available information as well as industry publications and other sources. For more information, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 14 of this Prospectus.*

### OVERVIEW

Our company is a prominent player in the Indian jewellery industry, with a strong presence in both wholesale and retail sectors. We specialize in the production and sale of a wide range of jewellery products, including gold jewellery, diamond jewellery, precious stones, and other fancy jewellery and bullion in the form of coins and bars. Our jewellery business has a rich history spanning over three decades in the Indian jewellery industry. Our promoters are experienced entrepreneurs with over 25 years of expertise in the field. We offer a diverse range of jewellery products and is dedicated to designing, manufacturing, and selling high-quality jewellery that includes necklaces, chains, rings, earrings, bangles, bracelets, pendants, nose pins, mangalsutras, and kadas. Our focus is on creating exquisite wedding jewellery and other pieces suitable for festive occasions.

As on the date of this Prospectus, we have one showroom located at No. 130, NSC Bose Road, Sowcarpet Chennai 600079, Tamil Nadu, India. We intend to establish one more showroom at 286, NSC Bose Road, Sowcarpet, Chennai 600079.

We hold a BIS Hallmark Certificate, a qualified jeweller to carry out transactions on the IIBX (India International Bullion Exchange IFSC Limited) platform for the purpose of import of gold and we holds a Import Export Certificate.

We strive to deliver excellence, consistently. Our constant endeavour is to maintain the highest standard and quality of our gold, diamonds and precious stones used in our jewel pieces. We are offering an experience that takes into consideration our customer's unique needs and preferences.

Our Company is promoted by Tarachand Mehta, Goutham, Fancy Devi, Tarachand Mehta and Sons and Goutham HUF who have a combined experience of more than 4 decades in the jewellery industry. Each of our promoter directors are involved in the critical aspects of our business, including expansion, finance, sales and marketing.

The financial performance of the company for the last three years as per restated financial Statement are as follows:

Key Performance Indicators	31.03.2023	31-03-2022	31-03-2021	(₹in lakhs)
Revenue from Operations	48065.77	25,694.48	38,181.27	
EBITDA <sup>(1)</sup>	1,562.09	853.13	821.58	
Profit After Tax for the Year / Period	756.49	326.62	275.58	

*Notes:*

*(1) EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back finance costs, depreciation, and amortisation and impairment expense and reducing other income.*

### ***Impact of Covid-19 on Our Business Operations***

The pandemic outbreak has caused an economic downturn on a global scale, including closures of many businesses and reduced consumer spending, as well as significant market disruption and volatility. Due to a government mandated lockdown in India, we had to temporarily close our showroom, procurement centres and our offices from March 24, 2020 to May 11, 2020. Like any other business across the country, even our operations and revenue had an impact during the lockdown. The real growth rate declined to 4% in FY 2020 and witnessed a contraction of 7.3% in FY 2021 due to the outbreak of COVID-19 pandemic.

In accordance to the government notification passed at regular intervals, we had to ensure that we maintain all our employees at showroom and offices with very minimal operations and business activities which impacted our financials. . We resumed operations from May 11, 2020 in a staggered manner and by the end of June 2020, we resumed operations in our showrooms with 50% staff capacity. Our supply chain network built by us over the years and the capabilities and depth of our management team enabled us to restart the operations quickly post the restrictions were eased.

### **Business Model**

#### ***Raw Material Procurement***

The main raw material for our products is Gold and Bars. We majorly purchase our requirement of Gold from our group company namely Pathik Sales Private Limited. We also purchase Gold Bars from Private parties and Banks. Apart from this, the old gold jewellery is purchased through exchange scheme which is refined thereafter and used as the raw material for our products.

#### ***Manufacturing and designing***

The designing and production of the ornaments is done based upon the customers preference, taste and style. We get the items produced from independent third-party Artisans based on the requirements and designs of the customers.

#### ***Placing of the products***

The jewellery products are then placed at the shop for display for the retail customers. The jewellery products are placed on sale or approval basis and sales are booked when the goods are sold to the customers.

#### ***Sale to end customer***

The jewellery products are sold to the retail customers from the shop. We also get the jewellery products produced through outsourcing in case there are any specific demands of the customers. Apart from this, we also carry out sale of jewellery on wholesale basis for our institutional customers.

## **OUR STRENGTHS**

We believe that we possess a number of competitive strengths, which enable us to successfully execute our business strategies, including the following:

#### ***Wide product range***

Our wide range of product offerings caters to diverse customer segments, from the value market to high-end customized jewellery. Our product profile includes traditional, contemporary and combination designs across jewellery lines, and price points. We believe that the gold, and other jewellery inventory in our showroom reflects the customer preferences and designs. We believe that our focus on design and innovation, our ability to recognize consumer preferences and market trends, the intricacy of our designs and the quality and finish of our products are our key strengths. In addition, our access to a wide range of independent manufacturers from various parts of India allows us to offer a diverse product range. Our products are suitable for daily wear, party wear and festive wear.

Our gold and other jewellery inventory focus on design and innovation, our ability to recognize consumer preferences and market trends, the intricacy of our designs and the quality of our products are our key strengths.

### ***Experience of our Promoters and senior management team***

Our Promoters have been involved in the jewellery business in India and have a combined experience of more than 4 decades in the industry. Their strong relationships with our suppliers, customers and other industry participants have been instrumental in implementing our growth strategies. Our Promoters and members of the Promoter group are actively involved in our operations and bring to our Company their vision and leadership which we believe has been instrumental in sustaining our business operations. Our management team also includes professionals with experience in the gems and jewellery industry as well as finance and marketing. We have an expert employee strength in the manufacturing units who focus on producing new and innovative jewellery products.

### ***Quality assurance***

We strive to maintain the quality of our products, follow strict procedures to ensure control quality, timely delivery and competitive prices have ensured that we are a trusted jewellery brand and is coveted by our customers. We offer regular designs and guarantee our esteemed customers for the time bound delivery of the products. We sell only hallmarked jewellery. This assurance on quality and purity along with transparent and customer friendly policies have enabled us to become an established and trusted brand.

### ***Cordial relationship with our customers***

We maintain cordial relationship with our customers and Institutional Clients by strategically aligning our offerings with their requirements. We believe that our track record of delivery of quality products and established technical expertise has helped in strengthening relationships with our customers and gaining increased business from them.

### ***Location of the Showroom***

The location of the store plays a crucial role in the success of our business. The location of the store is important from two aspects i.e., increasing the foot fall of the customers and secondly safety of the store.

## **OUR BUSINESS STRATEGIES**

### ***Setting up new showroom to widen our product portfolio and increase our capacity***

To cater to the growing demand from our existing customers and to meet requirements of new customers, we intend to, and are in the process of, setting up a new showroom at prime location in Chennai. To achieve these expanded capacities, we have already acquired land at NSC Bose Road admeasuring 304.50 square meters and are in the preliminary stages of commencing the construction of the showroom. We believe our investment in infrastructure will enable us to cater to the growing demand from our customers and help us expand our customer base and increase our revenue from operations. We intend to expand our retail operations to this spacious showroom which is proposed to be spread over three floors.

### ***Increase our customer network in existing markets and enter new geographical markets***

We aim to focus on deepening our penetration in our existing markets and thereby increase our domestic presence by expanding our customer network. At present, we sell our products in the States of Tamil Nadu, and few other States in India. We aim to focus on increasing our customer base by exploring domestic and international markets. We will therefore continue to grow our customer network in line with the growth of our business operations. We believe that there is a tremendous demand for jewellery and we intend to capitalise on the demand for the same. Presently, the total revenues of the company are consisting of around 95% from the Institutional sales.

### ***Strengthen our Inventory Management practices***

Strong and effective inventory management practices are core to successful retail operation. The right mix and quantum of inventory in our showroom is key to augmenting our sales and profitability. Our strategy is to constantly review and replenish our inventory catalogue and keep churning them with new products to ensure that the choice of a fresh design and product is always available to the customer to avoid monotony. This strategy of regular review and replenishment allows us to have a wide range of choices for our customers

that may be new and unique in nature and design, thus creating that interest in the mind of the customer. As a part of this strategy, we maintain a very good relationship with our suppliers allowing us to enjoy a seamless replenishment of inventory. One of our strategies is to understand the market very closely through our study and research and to bring in the unique and new design to the market before our competitors.

Inventory in our showroom is reorganised on the basis of feedback from our marketing teams and our customers. A budget is created at the beginning of each year for the procurement of our gold that takes into account sales targets for that year. We regularly analyse our sales figures and accordingly set our marketing and advertising campaigns with the objective of keeping our sales figures on target at all times.

We individually tag each item that is sold in our showrooms to allow inventory tracking that is reconciled with the accounts on a daily basis. We perform physical inventory checks at approximately 30-to 60-day intervals. Individual showroom managers are expected to perform their own daily inventory checks at the end of each day.

### ***Customer Centric Operations***

We are focused on building our business through customer-centric operations. We ensure that our sales teams educate the customers as to the details of their potential jewellery purchase. We believe this allows the customer to make an informed choice they will be satisfied with. We also cater to any customer's desire for personalized jewellery and have employed designers to create designs to meet customers' personal specifications. We have a dedicated team for customer care that has a central reporting system for all complains/ feedbacks of customers through helpline or social media or emails. To enhance customer reach during the COVID-19 pandemic.

## **OUR PRODUCTS**

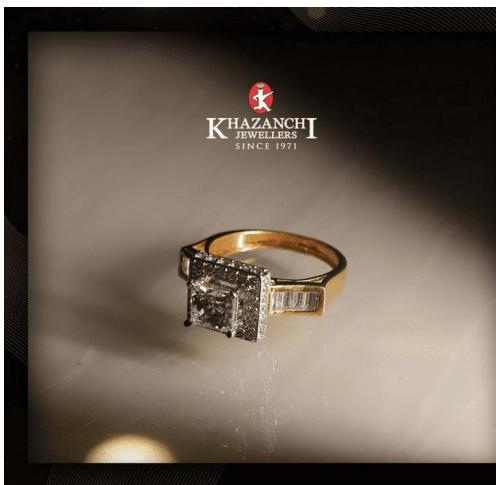
Our product profile includes traditional, contemporary and combination designs across jewellery lines, for special occasions such as weddings and festivals to daily wear jewellery for all ages, genders and across various price points. Our offerings include gold jewellery, from handmade Indian ethnic to the cutting-edge styles of the urban world.

We have a dedicated design team, focused on developing new products and designs that meet customers' requirements. In addition, our access to a range of contract manufacturers that are generally smaller, localised jewellery manufacturers from various parts of India allows us to offer a diverse product range. We also customised jewellery for individual needs

A brief description of our key products are as follows:

1. Temple Jewellery
2. Gold Chains
3. Gold Bangles
4. Gold Nose Pins
5. Gold Earrings
6. Gold Necklace
7. Gold Rings
8. Mangalsutra
9. Kundan Jewellery
10. Kerela Jewellery
11. Calcutta Jewellery

Some of the products that we sell are as under:



## OUR BUSINESS OPERATIONS

We primarily source finished jewellery from third party production vendors located across India. This includes all types of jewellery made of gold, diamond and other precious and semi-precious stones. Additionally, to cater to the increasing demand in the market, we also engage artisans on job work basis for manufacturing of gold jewellery. We outsource the work of making ornaments to various artisans with whom we have developed strong relationships. We offer a variety of handcrafted jewellery, which are designed and

manufactured by our in-house designers in close collaboration along with skilled local craftsmen located across the country. We procure products from various suppliers across the country. This procurement process enables us to offer a wide range of products.

As of March 31, 2023 our sales contributed 99.76% to our revenue from operations. In fiscal 2023, 2022, and 2021, our sales classified into gold bullion, silver bullion, gold ornaments and gold coins is as under:

Particulars	Financial Year ended March 31, 2023		Financial Year ended March 31, 2022		Financial Year ended March 31, 2021	
	Amount (₹ in Lakhs)	%age of revenue from operations	Amount (₹ in Lakhs)	%age of revenue from operations	Amount (₹ in Lakhs)	%age of revenue from operations
Gold Bullion	12613.70	26.24	5,530.98	21.53	18,522.73	48.51
Silver Bullion	10.40	0.02	-	-	3,394.88	8.89
Gold Ornaments	35425.14	73.70	20,163.50	78.47	16,263.67	42.60
Gold Coins	16.53	0.03	-	-	-	-
<b>Total</b>	<b>48065.77</b>	<b>100.00</b>	<b>25,694.48</b>	<b>100.00</b>	<b>38,181.28</b>	<b>100.00</b>

Although, we currently operate out of Chennai but our products are sold all over India through Bulk Buyers (Institutional Sales). The sales in the last 3 financial years is as under:

Particulars	Financial year ended March 31, 2023		Financial Year ended March 31, 2022		Financial Year ended March 31, 2021	
	Amount (₹ in Lakhs)	%age of revenue from operations	Amount (₹ in Lakhs)	%age of revenue from operations	Amount (₹ in Lakhs)	%age of revenue from operations
Tamil Nadu	40021.62	83.26	22,555.91	87.79	34,689.16	90.85
Other Cities / States	8044.15	16.74	3,138.57	12.21	3,492.11	9.15
<b>Total</b>	<b>48065.77</b>	<b>100.00</b>	<b>25,694.48</b>	<b>100.00</b>	<b>38,181.27</b>	<b>100.00</b>

### EXPANSION PLANS

We intend to open a new showroom by Financial Year 2024-2025, which is proposed to be financed through the Net Proceeds from the Issue. We have conducted analysis of the markets in the proposed location at Chennai, Tamil Nadu, India, including an evaluation of feasibility factors such as potential sales, sales mix, potential for growth of various jewellery products, the market share of potential competitors and availability of sales and other personnel. The proposed showroom is intended to be large-format showroom. For further information, see “Objects of the Issue” on page 75.

We have conducted a financial and operational analysis of the new proposed showroom location. Our showroom is situated in a location with high customer traffic. We have selected the location based on our evaluation of individual site economics such as average daily footfalls, the proximity of competition, location, visibility and accessibility as well as general market conditions. While we have acquired the land, we require various approvals including trade licences and registrations. For further information, see “Government and Other Approvals” on page 184.

### MANUFACTURING PROCESS

We do not carry any manufacturing operations from our own premises. We get the items produced by third party producers based on our requirements and designs, preferences of the customers. Apart from this, we also procure the old gold ornaments or other jewellery items which are exchanged by the customers towards new jewellery items purchased from our shop and the old jewellery is thereafter sent for melting and converting into Gold Bars.

### SHOWROOM DESIGN AND OPERATIONS

Our showrooms are operated and managed by us. Our showrooms are staffed by experienced and knowledgeable professionals. Individual sales personnel in charge of each counter are responsible for the inventory of the relevant counter.

We believe that our large-format showroom, typically located in area with high visibility and customer traffic, provide our customers with a luxury retail experience, which reinforces our positioning as a trusted jewellery retailer. We believe that our large-format showroom will also enable us to offer a wide range of jewellery products attracting a diverse customer base, ensure effective inventory management and provide benefits of scale.

Showroom inventory is reorganized on the basis of feedback from our marketing teams and our customers. We regard efficient inventory management as critical to the success of our business. Our integrated operations are designed to allow us to move inventory based on feedback from our marketing teams, store personnel and our customers in order to align our jewellery offerings with customer preferences and to accommodate variations in seasonal buying patterns such as Diwali, Dhanteras or Akshaya Tritiya, allowing our management to respond quickly to replenish or reallocate inventory based on shifting customer demand patterns. We have strict inventory management and monitoring practices in place that allows us to account for each piece of inventory and to ensure efficiency. We plan our inventory procurement by taking into account targeted sales, inventory turnover and aging, and generally endeavour to maintain inventory levels in line with customer demand and seasonal trends.

## **LOGISTICS**

Raw materials to our third party manufacturers and finished products to-and-from our showrooms are transported by road and air cargo through third-party carriers. Armed security guards are used for transporting smaller quantities of goods to our showrooms in our own vehicles over short distances while secured couriers are used for long distances. When receiving jewellery, the showroom manager is required to check the jewellery against the appropriate transfer documentation before acknowledging receipt of the jewellery.

## **SECURITY**

Goods in transit within India are closely tracked and are subject to strict security procedures. All goods transported by courier are sealed in packaging that carry tracking numbers and require the signature of designated individuals at the showroom, who must confirm the receipt of the goods within a designated period of time. In addition, the goods that are to be transported within India to Goldsmiths/customers are covered by a transit insurance policy. Our showrooms are equipped with closed-circuit television surveillance, linked to a digital video recorder or other video recording device. These security systems are monitored by daily security audits. Our showrooms have a strong room for the safe storage of jewellery after business hours. We have appointed security guards on our pay rolls for our showroom, In addition, the stock at our showroom is tallied on a daily basis before closing the showrooms.

Security infrastructure at our showroom includes a strong room, continuous security guard coverage, Anti-theft alarms and other surveillance equipment. Sales proceeds are deposited with our banks daily. Our showroom is equipped with closed-circuit surveillance cameras linked to a digital video recorder.

## **RAW MATERIALS**

We purchase gold/jewellery in the following manner:

- (i) Direct purchase of old gold ornaments from customers
- (ii) Buying of Bullion

We source our raw materials majorly from Pathik Sales Private Limited., our group company. We buy bullion from banks and other bullion dealers as well.

## **DESIGN**

One of the most important considerations in our business is design. The designs for our jewellery are selected based on our customer preferences, and trends and knowledge from the region in which we operate. We also seek customer feedback to develop a strategy and vision for new jewellery designs in line with the market trends and regional variations. We subsequently liaison with our network of goldsmiths to provide us with the samples. We review and consider such samples and select the ones that we feel the best. Based on further review of the quality of the final samples submitted, we issue job work order to our gold smiths to prepare our designs, while control of the entire production process remains with us. There have been situations wherein, our suppliers have also created unique designs for us.

The goldsmith makes the desired jewellery within the stipulated time frame based on the specifications mentioned in the job work order and the same will be received by the Company in the form of jewellery with or without hallmarking. If the jewellery is received without hallmarking, the hallmarking is done locally with BIS registered assayers at a local level. Once the hallmarking is done, the approved stocks will be sent for bar coding. Once the unique bar coding is completed, the stocks will be ready for display at the showroom.

### **Quality Check**

Quality is one of the most important aspects in our business. As our products are manufactured by third party job workers, it is imperative that we implement quality check and control processes at each level of manufacturing and sales to ensure that the products we sell are of the best quality and in line with the required standards as prescribed by the regulatory authorities. After the hallmark process is completed by the recognised hallmarking agencies in accordance with the prescribed BIS norms, we also process the same through our internal quality control checks to ensure authentication.

### **Display**

Once the product is ready and hallmark as per the standard agreed BIS norms, we proceed to display the product for customer experience and sales. Every product is tagged with a unique barcode for ease of reference and identification and the same is put up for display accordingly.

## **SHOWROOM OPERATIONS**

On arrival of inventory at retail showroom, dedicated stock controller /sales manager will collect the inventory. The floor manager will verify the inventory with regards to the exact quantity, number of pieces and weight. Once the stock check process is completed, the same will be displayed for sales.

Stock controller will then distribute the inventory according to the merchandising counters. Detailed check will be done by the respective counter staff as per the specific unique bar code. If any discrepancy is identified in the inventory, the same will be escalated and brought to the notice of the floor. As a regular daily process, the manager gives the opening inventory of products and counter wise report on the opening of the retail showroom in the morning. The staff at the counter will verify the total inventory along with the opening inventory and the sales counter for the day shall commence accordingly.

Post the close of a day's operations of a retail showroom, the closing inventory report will also be distributed by the manager. The staff at the counter will verify the closing inventory report with physically available inventory in counters by physical count. After tallying the book inventory and physical inventory, inventory will be taken out from counters and stored in the duly locked safety vaults, which are available at the retail showroom.

On monthly basis, inventory auditing will be done according to weight mentioned on bar code and physical weight of the jewellery at the showroom by the manager.

## **CAPACITY AND CAPACITY UTILISATION**

Since we do not have any manufacturing facility, this is not applicable to us.

## **INFRASTRUCTURE**

### **Registered Office**

Our registered office and showroom is situated at No. 130 NSC Bose Road, Sowcarpet, Chennai 600 079, Tamil Nadu, India. It is well equipped with computer systems, Laptops, internet connectivity, other communication equipment, security and other facilities like fire safety, Anti-theft alarm etc. which are required for our business operations.

We intend to set up one more showroom at Sowcarpet, Chennai, Tamil Nadu India which is being funded from the proceeds of the present issue.

## **Power**

Our Company meets its power requirements at our registered office and showroom from Tamil Nadu Electricity Board (TNEB) and the same is sufficient for our day-to-day functioning.

## **Water facilities**

Our registered office and showroom have adequate water supply arrangements for human consumption purpose. Our current water consumption at our registered office and showroom is sourced from the local sources.

## **MARKETING**

As the majority of our income is derived from our retail operations, maintaining public awareness of our brand is crucial to our business and we accordingly invest in marketing and advertising campaigns. Our sales have historically exhibited certain seasonal fluctuations, reflecting higher sales volumes on festivals and other occasions such as Akshay Tritiya, Dhanteras, Diwali and the wedding season. We offer various promotions and implement innovative marketing campaigns throughout the year to boost sales in both busy and quiet periods. Our promotional campaigns are streamlined with our design and product development functions. We leverage event sponsorships, hoardings, print media and customer relationship marketing, among other initiatives, to grow our share of relevant marketing messages. We have expanded our advertising strategy to include newspaper inserts.

## **COMPETITION**

We face competition from both organised and unorganised companies in the Indian jewellery industry. Majority of the Indian jewellery industry consists of unorganised players who have historically dominated a large part of the market, although their share of the market has been falling and is expected to continue to decline. We also face competition from organised jewellery companies who compete with us on a national, regional and local level. We have multiple competitors at various regional and local levels across India.

## **INSURANCE**

All our products are insured. We have purchased comprehensive insurance in order to manage the risk of losses from potentially harmful events, including:

Type of Policy	Insurance Provider	Policy Tenure and Expiry Date	Coverage	Sum Insured (₹ in lakhs)
Jewellers Block Insurance Policy	Future Generali India Insurance Company Limited	1 year Date of expiry: April 12, 2024	Stock in Premises and/or Bank/Pvt. Safes, Vaults and Lockers: Stock in Display Window (only during business hours)	20,000.00
Jewellers Block Insurance Policy	Future Generali India Insurance Company Limited	1 year Date of expiry: April 12, 2024	Cash in Premises	100.00
Jewellers Block Insurance Policy	Future Generali India Insurance Company Limited	1 year Date of expiry: April 12, 2024	Stock in the custody of Directors, Employees, Partners & Duly Constituted Attorneys	1,000.00
Jewellers Block Insurance Policy	Future Generali India Insurance Company Limited	1 year Date of expiry: April 12, 2024	Stock entrusted to Cutter, Broker, Agents not in the regular	1,000.00

Type of Policy	Insurance Provider	Policy Tenure and Expiry Date	Coverage	Sum Insured (₹ in lakhs)
			employment of the insured	
Jewellers Block Insurance Policy	Future Generali India Insurance Company Limited	1 year Date of expiry: April 12, 2024	Cash In Transit in the custody of Insured Employees	100.00
Jewellers Block Insurance Policy	Future Generali India Insurance Company Limited	1 year Date of expiry: April 12, 2024	Domestic Transit Risks : Angadia / Courier	1,000.00
Jewellers Block Insurance Policy	Future Generali India Insurance Company Limited	1 year Date of expiry: April 12, 2024	Employee Fidelity	300.00
Jewellers Block Insurance Policy	Future Generali India Insurance Company Limited	1 year Date of expiry: April 12, 2024	Furniture and Fixtures at the business premises	300.00
Jewellers Block Insurance Policy	Future Generali India Insurance Company Limited	1 year Date of expiry: April 12, 2024	Trade Equipment	10.10
<b>TOTAL</b>				<b>23,810.10</b>

## COLLABORATIONS

As on date of this Prospectus, our Company has not entered into any technical or financial collaboration agreements.

## EMPLOYEES

We have developed a pool of skilled and experienced personnel. As of June 30, 2023, we had an employee base of 33 employees. The following table sets forth a breakdown of our employees by function

Category	Number of employees
Management	5
Design	3
Sales	15
Administration	5
Accounts	5
<b>Total</b>	<b>33</b>

## INTELLECTUAL PROPERTY

As on the date of this Prospectus, we have applied for Khazanchi Jewellers to be registered as our logo and our trademark. The application is pending with the Registrar of Trademarks.

Sr. No	Trade Mark	Type	Application date	Class	Status
1	 KHAZANCHI JEWELLERS	Device-Logo	15/02/2023	14 & 35	Pending
2	KHAZANCHI JEWELLERS	Word Mark	15/02/2023	14 & 35	Pending- Status from Trademark website depicts- Accepted and advertised

Our Group Company Khazanchi Silvers Private Limited also shares our logo and we have taken a declaration from Khazanchi Silvers Private Limited dated April 14, 2023 that they shall not use the logo to the detrimental to our interest and they shall cease and desist from using the logo as and when demanded by us.

We have also registered the domain name khazanchi.co.in in India. We are not involved in any material intellectual property litigation or enforcement. Please refer to “Risk Factor No:24 – “If our Company is unable to protect its intellectual property, or if our Company infringes on the intellectual property rights of others, our business may be adversely affected” on page 30 of this Prospectus.

## PROPERTIES

### Leasehold Property

Sr. No.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
1.	Lease Agreement dated January 01, 2023 with Mr Ashok Kumar Mehta	Old No: 130, New No: 216, Shop No: 3 Basement, and Shop No: 24 and 25, Ground Floor, NSC Bose Road, Dhanalakshmi Complex, Sowcarpet, Chennai – 600 079	Rs.60,000 per month	11 months	Showroom cum Registered Office
2.	Lease Agreement dated October 15, 2022 with Mr Aashish Mehta	Old No: 130, New No: 216, Shop No: 20, 21 and 22, Basement NSC Bose Road, Dhanalakshmi Complex, Sowcarpet, Chennai – 600 079	Rs. 35,000/- per month	11 Months	Showroom cum Registered Office
3.	Lease Agreement dated January 01, 2023 with Mr Goutham	Old No: 130, New No: 216, Shop No: 1, Ground Floor, NSC Bose Road, Dhanalakshmi Complex, Sowcarpet, Chennai – 600 079	Rs.20,000 per month	11 months	Showroom cum Registered Office
4.	Lease Agreement dated January 01, 2023 with Ms Shakunthala Mehta	Old No: 130, New No: 216, Shop No: 2 Ground Floor, NSC Bose Road, Dhanalakshmi Complex, Sowcarpet, Chennai – 600 079	Rs.20,000 per month	11 months	Showroom cum Registered Office
5.	Lease Deed under dispute	No 52, NSC Bose Road, Sowcarpet, Chennai 600 079	-	-	Corporate Office

### Freehold Property

Sr. No.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration	Area	Usage
1.	Sale Deed dated December 22, 2021	New Door 286, Old door 95, Previous Door no.143, 144, Netaji Subhash Chandra Bose Road, Sowcarpet, Chennai-79	₹9,87,00,000	Area- 3279 sq. ft	New Show room
2.	Lease Agreement dated January 01, 2023 with Khazanchi Silvers Private Limited	Old No: 148 and 149, Khazanchi Plaza Ground Floor and First Floor NSC Bose Road Sowcarpet, Chennai – 600 079	₹3,00,000 per month rent	11 months	Showroom of Khazanchi Silvers Private Limited

## KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of certain key regulations, statutes, circulars, directions and policies which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The descriptions of the applicable statutes, regulations, circulars, directions and policies set out below are not exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Taxation statutes such as the Income Tax Act, 1961, the Customs Act, 1962, the relevant goods and services tax legislation and applicable shops and establishments statutes apply to our Company as they do to any other company in India.

For details of government approvals obtained by our Company, see “Government and Other Approvals” on page 184 of this Prospectus.

### **Key Indian Regulations applicable to our Company**

#### **Trade Related and Foreign Investment Laws**

#### **Gem and Jewellery Export Promotion Council**

The GoI has designated the Gem and Jewellery Export Promotion Council (“GJEPC”) as the importing and exporting authority in India in keeping with its international obligations under Section IV(b) of the Kimberley Process Certification Scheme (“KPCS”). The KPCS has been implemented in India from January 1, 2003 by the GoI through communication No. 12/13/2000-EP (GJ) dated November 13, 2002. The GJEPC has been notified as the nodal agency for trade in rough diamonds.

The KPCS is a joint government, international diamond industry and civil society initiative to stem the flow of conflict diamonds, which are rough diamonds used by rebel movements to finance wars against legitimate governments. Under the Special Economic Zones Rules, 2006, the Development Commissioners have been delegated powers to issue Kimberley Process Certificates for units situated in the respective Special Economic Zone (the “SEZ”).

#### **Gems and Jewellery Trade Council of India**

The Gems and Jewellery Trade Council of India (“GJTC”) was established with the main aim of boosting the gems and jewellery trade of India. It is a council formed to enhance & boost the jewellery trade of India by resolving various issues of the trade by escalating various to the relevant high authorities. It also indulges itself in disseminating latest information to its jeweller-members through a monthly newsletter, various educative & trade motivational events such as seminars, workshops, exhibitions, festivals etc.

#### **RBI Circulars regulating Gold Loans**

The RBI has permitted nominated banks to import gold for the purpose of extending gold metal loans to domestic jewellery manufacturers, subject to certain conditions, including that the tenor of gold loans (which can be decided by the nominated banks) does not exceed 180 days from the date of procurement of the gold and the interest charged to the borrowers is linked to international gold rates. Gems and jewellery export-oriented units and specified units in Special Economic Zones are permitted to import gold on a loan basis directly or through nominating agencies, subject to specified conditions. The Master Circular of RBI on Loans and Advances – Statutory and Other Restrictions dated July 1, 2015 prohibits domestic jewellery manufacturers from selling the gold borrowed under this scheme to any other party for manufacture of jewellery.

Pursuant to the Second Quarter Review of the Monetary Policy 2012-13, issued by the RBI on October 30, 2012, the RBI has prohibited the banks from granting any advance against gold bullion to gold dealers or traders, if, in the assessment of the banks, such advances are likely to be utilized for purposes of financing gold purchase at auctions and/or speculative holding of stocks and bullion. In addition, the RBI has also

sought to impose a prohibition on the banks from financing the purchase of gold in any form, other than working capital facilities.

#### **Bureau of Indian Standards Act, 2016 (the “BIS Act”):**

BIS Act was notified on March 22, 2016 and came into effect from October 12, 2017. The BIS Act establishes the Bureau of Indian Standards (BIS) as the National Standards Body of India. It has broadened BIS’s ambit and allows Central Government to make it mandatory for certain notified goods, articles, processes etc. to carry standard mark.

#### **Bureau of Indian Standards (Hallmarking) Regulations, 2018 (“BIS Hallmarking Regulations”)**

The BIS Hallmarking Regulations prescribe that all jewellery manufacturers must obtain a certificate of registration from the BIS in order to sell precious metal articles notified under the BIS Act. The certificate of registration shall be granted to a specific premise and will be valid for a period of five years. The Hallmarking of Gold Jewellery and Gold Artefacts Order, 2020, as amended, which came into effect on June 16, 2021, prescribes that gold jewellery and gold artefacts notified to be marked with hallmark in the notification of the Government of India, Ministry of Consumer Affairs, Food and Public Distribution, Department of Consumer Affairs number S.O. 2421(E), dated June 14, 2018, shall be sold only by registered jewellers through certified sales outlets, after fulfilling the terms and conditions of certificate of registration as specified in the BIS Hallmarking Regulations. However, certain precious metal articles are excluded from the above order, including any article meant for export, which conforms to any specification required by the foreign buyer, any article of gold thread and any article with weight less than two grams.

#### **BIS Scheme for hallmarking of Gold and Silver Jewellery**

The BIS hallmark is a hallmarking system for gold as well as silver jewellery sold in India certifying the purity of the metal. It certifies that the piece of jewellery conforms to a set of standards laid by the Bureau of Indian Standards, the national standards organization of India. India is the second biggest market for gold and its jewellery. The BIS system of hallmarking of gold jewellery began in April 2000. The standard specifications governing this system are IS 1417 (Grades of Gold and Gold Alloys, Jewellery/Artefacts), IS 1418 (Assaying of Gold in Gold Bullion, Gold alloys and Gold Jewellery/Artefacts), IS 2790 (Guidelines for Manufacture of 23, 22, 21, 20, 19, 18, 17, 16, 14 and 9 carat Gold Alloys), IS 3095 (Gold solders for use in manufacture of jewellery). BIS introduced hallmarking for silver jewellery in December 2005 under IS 2112, the standard specification for 'Hallmarking of Silver Jewellery/Artefacts'.

#### **The Legal Metrology Act, 2009**

Legal Metrology Act, 2009 was enacted with the objectives to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. This act replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, with effect from March 1, 2011.

#### **Foreign Trade (Development and Regulation) Act, 1992**

The Foreign Trade (Development and Regulation) Act, 1992 (“FTDRA 1992”) seeks to develop and regulate foreign trade by facilitating imports into and augmenting exports from India. The FTDRA 1992 prohibits a person or company from making any exports or imports unless such a person or company has been granted an importer-exporter code number.

#### **Foreign Trade Policy (2015-2020)**

The revised foreign trade policy for the period of 2015- 2020 issued by the Ministry of Commerce and Industry, GoI includes gems and jewellery within a separate scheme for exporters of gems and jewellery. For the gems and jewellery sector, the foreign trade policy for the period of 2015-2020 provides for broadly four schemes in relation to exports of gems and jewellery.

(i) advance procurement / replenishment of precious metals from nominated agencies; (ii) replenishment authorisation for gems; (iii) replenishment authorisation for consumables; and (iv) advance authorisation for precious metals.

Certain agencies have been permitted to import diamonds to their laboratories without any import duty, for the purpose of certification or grading reports, with a condition that the same should be re-exported with the certification or grading reports, as per predetermined procedure. Additionally, nominated agencies and their associates, with approval of Department of Commerce and the GJEPC, may export gold, silver or platinum jewellery and articles thereof for exhibitions abroad. Personal carriage of gems and jewellery export parcels by foreign bound passenger, and import parcels by an Indian importer or foreign national may be permitted.

### **The Foreign Direct Investment**

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), which with effect from October 15, 2020. consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP Offers an updated circular.

The Reserve Bank of India (“RBI”) also Offers Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may Offer fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh Offer of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh Offer of shares would be subject to the reporting requirements, inter-alia with respect to consideration for Offer of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2020, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore, applicable foreign investment up to 100% is permitted in our company under automatic route.

### **Overseas Investment**

Direct investment by Indian residents in foreign entities is governed, inter alia, by the Master Direction of RBI on Direct Investment by Residents in Joint Venture (JV) / Wholly Owned Subsidiary (WOS) Abroad dated January 1, 2016, as amended (“Master Directions”). These Master Directions govern direct investment outside India, either under the automatic route or the approval route, by way of contribution to the capital or subscription to the memorandum of a foreign entity or by way of purchase of existing shares of a foreign entity either by market purchase or private placement or through stock exchange, signifying a long-term interest in the foreign entity, engaged in any bona fide activity.

### **Investment by FPIs**

In terms of the FEMA Rules and the SEBI (Foreign Portfolio Investors) Regulations, 2019 (“SEBI FPI Regulations”), investments by FPIs under the FPI route in the capital of an Indian company is subject to certain limits, i.e., the individual holding of an FPI including its investor group (as defined under the FEMA Rules and the SEBI FPI Regulations) is restricted to below 10% of the total paid up equity capital of the company on a fully diluted basis and below 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by the Indian company. Further, in terms of the FEMA Rules, with effect from the April 1, 2020, the aggregate limit for investments by FPIs in an Indian company is the sectoral cap applicable to the Indian company, with respect to its paid-up equity capital on a fully diluted basis or such same sectoral cap percentage of paid up value of each series of debentures or preference shares or share warrants. As stated above, foreign direct investment in companies engaged in the manufacturing sector is permitted up to 100% of the paid up share capital of such company under the automatic route.

### **Labour Law Legislation**

The various labour and employment related legislation that may apply to our operations, from the perspective of protecting the workers’ rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include the following:

1. Contract Labour (Regulation and Abolition) Act, 1970
2. Employees' Provident Funds and Miscellaneous Provisions Act, 1952
3. Factories Act, 1948
4. Employees' State Insurance Act, 1948
5. Minimum Wages Act, 1948
6. Payment of Bonus Act, 1965
7. Payment of Gratuity Act, 1972
8. Payment of Wages Act, 1936
9. Maternity Benefit Act, 1961
10. Industrial Disputes Act, 1947
11. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
12. Employees' Compensation Act, 1923
13. The Child Labour (Prohibition and Regulation) Act, 1986
14. The Equal Remuneration Act, 1976
15. The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979
16. Building and Other Construction Workers Regulation of Employment and Conditions of Service Act, 1996
17. Industrial Employment (Standing Order), Act, 1946
18. The Trade Unions Act, 1926 and the Trade Union (Amendment) Act, 2001
19. The Code on Wages, 2019\*
20. The Occupational Safety, Health and Working Conditions Code, 2020\*\*
21. The Industrial Relations Code, 2020\*\*\*
22. The Code on Social Security\*\*\*\*

\* The GoI enacted 'The Code on Wages, 2019' which received the assent of the President of India on August 8, 2019. Through its notification dated December 18, 2020, the GoI brought into force sections 42(1), 42(2), 42(3), 42(10), 42(11), 67(ii)(s), 67(ii)(t) (to the extent that they relate to the Central Advisory Board) and 69 (to the extent that it relates to sections 7, 9 (to the extent that they relate to the GoI) and 8 of the Minimum Wages Act, 1986)) of the Code on Wages, 2019. The remaining provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976.

\*\* The GoI enacted 'The Occupational Safety, Health and Working Conditions Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume several separate legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.

\*\*\* The GoI enacted 'The Industrial Relations Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946.

\*\*\*\* The GoI enacted 'The Code on Social Security, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008.

## Intellectual Property Laws

### The Patents Act 1970 (the "Patents Act")

The Patents Act governs the patent regime in India. A patent under the Patents Act is an intellectual property right relating to inventions and grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling and importing the patented product or process or produce that product. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognize product patents as well as process patents. In addition to the broad requirement that an invention must satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further

provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria.

### **Trade Marks Act, 1999**

The Trade Marks Act, 1999 (the “Trade Marks Act”) provides for the application and registration of trademarks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label and heading and to obtain relief in case of infringement and for commercial purposes as a trade description. Application for trademark registry has to be made to Controller-General of Patents, Designs and Trade Marks who is the Registrar of Trademarks for the purposes of the Trade Marks Act. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compound among others. It also provides for penalties for infringement, falsifying and falsely applying trademarks.

Applications for a trademark registration can be made for in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. The mark lapses in ten years unless renewed. The Trade Marks Act enables Indian nationals as well as foreign nationals to secure simultaneous protection of trademarks in other jurisdictions.

### **The Copyright Act, 1957**

The Copyright Act, 1957, along with the Copyright Rules, 2013 (“Copyright Laws”) governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Laws acts as *prima facie* evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Copyright Laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions.

### **Design Act, 2000**

The Design Act, 2000 (“Design Act”) consolidates and amends the law relating to the protection of designs which came into force on May 11, 2001. Design Act is a complete code in itself and is statutory in nature and protects new or original designs from getting copied which cause loss to the proprietor. The proprietor upon registration gets ‘copyrights in design’ for the period of 10 years from the date of registration which can be renewed for a second period of five years, before the expiration of original period of 10 years. The controller registers a design under this Act after verifying that the design of any person, claiming to be the proprietor, is the new or original design not previously published anywhere in any country and is not against any public policy or morality. Any obvious or fraudulent imitation of a design, which is already registered, without the consent of its proprietor, is unlawful. It also prohibits the import of any material which closely resembles a registered design.

### **The Consumer Protection Act, 2019**

The Ministry of Consumer Affairs, Food and Public Distribution (“Ministry of Consumer Affairs”) notified certain sections of the Consumer Protection Act, 2019 (“COPRA”) by way of the notification dated July 15, 2020 (with effect from July 20, 2020), including sections regulating the formation and functioning of the Consumer Protection Council at the national, state and district levels, the formation and functioning of Consumer Dispute Redressal Commissions at the national, state and district levels, mediation of consumer disputes, product liability actions and punishment for manufacturing for sale or storing, selling or distributing or importing products containing adulterants and spurious goods.

The COPRA provides a mechanism for the consumer to file a complaint against a product manufacturer, seller or service provider in cases of unfair contract or trade practices, restrictive trade practices, defected goods, goods which are hazardous or likely to be hazardous to life being sold in contravention to safety standards, deficiency in services and price charged being unlawful. It also places product liability on a manufacturer or product service provider or product seller, to compensate for any harm caused by defective product or deficiency in services. It provides for a three-tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of the redressal commissions attracts criminal penalties. The COPRA will, inter alia, also introduce a Central Consumer Protection Authority to regulate matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements, which are prejudicial to the interests of public and consumers and promote, protect and

enforce the rights of consumers. The COPRA has also brought e-commerce entities and their customers under its purview including providers of technologies or processes for enabling product sellers to engage in advertising or selling goods or services to a consumer, online market places and online auction sites.

The Ministry of Consumer Affairs issued the Consumer Protection (E-Commerce) Rules, 2020 (“E-Commerce Rules”) under the COPRA on July 23, 2020 which govern the online sale of goods, services, digital products by entities which own, operate or manage digital or electronic facility or platform for electronic commerce (“E- Commerce Entities”), all models of e-commerce (including marketplace or inventory based), and all e-commerce sellers. The E-Commerce rules lay down the duties and liabilities of E-Commerce Entities and e-commerce sellers.

## **THE COMPANIES ACT**

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013 and rules made thereunder.

The Companies Act primarily regulates the formation, financing, functioning and restructuring of Companies as separate legal entities. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors.

The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

## **SEBI REGULATIONS**

Securities and Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from other rules and regulations, listed entities are mainly regulated by SEBI Act, 1992, Securities Contract Regulation Act, 1956, Securities Contracts (Regulation) Rules, 1957, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

## **TAX RELATED REGULATIONS**

### **Income Tax Act, 1961**

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of Income” involved.

U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

### **Goods and Service Tax Act, 2017**

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Governments has enacted State Goods and Service Tax Act for respective states. Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the Central and State Governments. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state

transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination principle in addition to the Customs Duty which has not been subsumed in the GST.

### **Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e., bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance.

### **The Prevention of Money Laundering Act, 2002**

An Act to prevent money-laundering and to provide for confiscation of property derived from, or involved in, money-laundering and for matters connected therewith or incidental thereto.

### **Competition Act, 2002**

The Act aims to establish the legal framework and mechanisms necessary to ensure that competition policies are followed, to prevent anti-competitive conduct, and to punish those who do so. The Act safeguards free and fair competition, as well as trade freedom. The Act aims to prohibit monopolies as well as government interference that isn't necessary.

### **Tamil Nadu Shops and Establishments Act, 1947**

The Act, regulates the condition of work and employment in shops and commercial establishments and generally prescribe obligations in respect of, among others, registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

### **The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”):**

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Aadhaar Memorandum in the form and manner specified in the notification.

### **Information Technology Act, 2000 (“IT Act”)**

The IT Act was enacted with the sole purpose of providing legal recognition to transactions carried out by the means of various means of electronic data interchange involving alternatives to paper based methods of communication and storage of information. The IT Act also seeks to facilitate electronic filing of documents and create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act prescribes punishment for publishing and transmitting obscene material in electronic form. The IT Act has extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India.

The Information Technology (Amendment) Act, 2008, which amended the IT Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information liability and creates liability for failure to protect sensitive personal data. The IT

Act also prescribes civil and criminal liability including fines and imprisonment for computer related offences including those relating to unauthorized access to computer systems, tampering with or unauthorized manipulation of any computer, computer system or computer network and, damaging computer systems and creates liability for negligence in dealing with or handling any sensitive personal data or information in a computer resource and in maintaining reasonable security practices and procedures in relation thereto.

**Information Technology (Reasonable Security Practices and Procedures And Sensitive Personal Data Or Information) Rules, 2011 (“SPDI Rules”)**

The SPDI Rules have been incorporated under section 43A of the IT Act and provides for a framework which shall be followed by body corporates who store, own, control or operates with the personal data of persons. The body corporate or any person who on behalf of the body corporate collects, receives, possess, stores, deal or handles information of provider of information, shall provide a privacy policy for handling of or dealing in personal information including sensitive personal data or information and ensure that the same are available for view by such providers of information who has provided such information under lawful contract. Such policy shall be published on website of body corporate or any person on its behalf and shall provide for (i) clear and easily accessible statements of its practices and policies; (ii) type of personal or sensitive personal data or information collected; (iii) purpose of collection and usage of such information; (iv) disclosure of information including sensitive personal data or information; and (v) reasonable security practices and procedures.

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### BRIEF HISTORY OF OUR COMPANY

Our Company was originally incorporated as a private limited company under the name and style of “Khazanchi Jewellers Private Limited” at Madras (now called as ‘Chennai’) Tamil Nadu, India, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 25, 1996 issued by the Registrar of Companies, Tamil Nadu, Chennai bearing number 18/34918 of 1996. The name of our company has been changed to “Khazanchi Jewellers Limited” pursuant to a special resolution passed in the Extra Ordinary General Meeting held on 23<sup>rd</sup> January, 2023. Consequent upon change of name a fresh Certificate of Incorporation was issued by Registrar of Companies, dated April 27, 2023. The Corporate Identification Number of our company is U36911TN1996PLC034918.

Ashok Kumar Mehta and Sanjay Kumar Mehta are the initial subscribers to the Memorandum of Association. Tarachand Mehta, Goutham, Tarachand Mehta and Sons, Goutham HUF and Fancy Devi are the promoters of our Company. For further information, please refer to the chapter titled “*Capital Structure*” beginning on Page 52. of this Prospectus.

For information on our Company’s profile, activities, market, service, etc., market of each segment, capacity built-up, standing of our Company in comparison with competitors, with reference to its services, management, managerial competence, technology, market, major suppliers and customers, environmental issues, geographical segment, etc. wherever applicable, please refer to chapters titled “*Our Business*”, “*Industry Overview*”, “*Restated Standalone and Consolidated Financial Information*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operation*”, “*Government and Other Statutory Approvals*” beginning on pages 97, 88, 138, 168 and 184 respectively of this Prospectus.

Our Company has 22 shareholders as on the date of this Prospectus.

### CHANGES IN THE REGISTERED OFFICE OF OUR COMPANY

At present, the Registered Office of our Company is situated at 130, NSC Bose Road, Sowcarpet, Chennai – 600 079. The details of the changes in the Registered Office of our Company are set forth below:

<b>From</b>	<b>To</b>	<b>Effective Date</b>	<b>Reasons</b>
128/2, Amman Koil Street, Chennai 600 079, Tamil Nadu, India	130, NSC Bose Road, Sowcarpet, Chennai – 600 079	11/06/2019	For ease of operations of the Company

### KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

Our Company does not have any major key events and milestones.

### MAIN OBJECTS OF OUR COMPANY

The main objects of our Company, as contained in our Memorandum of Association, are as follows:

“To establish and carry on the business of jewellers, platers, repairer, custodian developers , inventors, processors, manufactures, counsellors, executors, producers, convertors, refiners, makers, agents, suppliers, importers, exporters, buyers, sellers, distributors, markets, collaborators, and / or otherwise dealers in all or any kind of gold jewellery, silver jewellery, jewellery made of other kinds of precious metals & stones like diamonds, gems, stones, jewellery, bullion, precious metals, precious stones, pearls, coins, medals, valuables, shields, curious articles of virtue and antiques and to manufacture and establish factories or manufacturing goods for the above business.”

## AMENDMENTS TO THE MEMORANDUM SINCE INCORPORATION

The following amendments have been made in the Memorandum of Association in the last 10 years:

Date of Meeting	Type of Meeting	Nature of Amendment
11.05.1998	Extra Ordinary General Meeting	<b>Clause V of our Memorandum of Association was amended to reflect:</b> Increase in Authorised Capital of the Company from ₹ 10,00,000 (Rupees Ten Lakhs) divided into 1,00,000 equity shares of ₹10/- each to ₹ 3,00,00,00 (Rupees Three Hundred Lakhs ) divided into 30,00,000 equity shares of ₹10/- each
18.03.2011	Extra Ordinary General Meeting	<b>Clause V of our Memorandum of Association was amended to reflect:</b> Increase in Authorised Capital of the Company from ₹ 3,00,00,000 (Three Hundred Lakhs) divided into 30,00,000 equity shares of ₹10/- each to ₹ 5,00,00,00 (Rupees Five Hundred Lakhs ) divided into 50,00,000 equity shares of ₹10/- each
14.03.2015	Extra Ordinary General Meeting	<b>Clause V of our Memorandum of Association was amended to reflect:</b> Increase in Authorised Capital of the Company from ₹5,00,00,000 (Five Hundred Lakhs) divided into 50,00,000 equity shares of ₹10/- each to ₹ 10,00,00,000 (Rupees One Thousand Lakhs) divided into 1,00,00,000 equity shares of ₹10/- each
23.01.2023	Extra Ordinary General Meeting	<b>Clause V of our Memorandum of Association was amended to reflect:</b> Increase in Authorised Capital of the Company from ₹10,00,00,000 (Rupees One Thousand Lakhs) divided into 1,00,00,000 equity shares of ₹10/- each to ₹ 15,00,00,000 (Rupees Fifteen Thousand Lakhs) divided into 1,50,00,000 equity shares of ₹10/- each  Deletion of Clause III(C) Replacing Clause IV Conversion of the Company from Private Limited to Public Limited
18.03.2023	Extra Ordinary General Meeting	<b>Clause V of our Memorandum of Association was amended to reflect:</b> Increase in Authorised Capital of the Company from ₹15,00,00,000 (Rupees Fifteen Thousand Lakhs) divided into 1,50,00,000 equity shares of ₹10/- each to ₹ 25,00,00,000 (Rupees Twenty five Thousand Lakhs) divided into 2,50,00,000 equity shares of ₹10/- each

## OUR HOLDING COMPANY

As on the date of this Prospectus, we do not have any holding company.

## OUR SUBSIDIARIES

As on the date of this Prospectus, we do not have any subsidiaries.

## ACQUISITION OF BUSINESSES/ UNDERTAKINGS, MERGER, AMALGAMATION OR REVALUATION OF ASSETS IN LAST 10 YEARS

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years.

## TIME/COST OVERRUN IN SETTING UP OF PROJECTS

There has been no time and cost overruns in setting up of any projects undertaken by the Company as on date of this Prospectus.

## LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY OR EXIT IN NEW GEOGRAPHIES

For details of launch of key products or services, entry in new geographies or exit from existing markets, capacity or facility creation and the location of showrooms, please see section titled "Our Business" beginning on page 97 of this Prospectus.

## **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS**

There have been no defaults that have been called or rescheduling of borrowings by any financial institution or bank in relation to borrowings availed by our Company from any financial institutions or banks.

## **JOINT VENTURES**

As on the date of this Prospectus, there are no joint ventures of our Company.

## **SHAREHOLDERS' AGREEMENT**

Our Company has not entered into any Shareholders Agreement as on the date of this Prospectus.

## **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, DIRECTOR, PROMOTERS OR ANY OTHER EMPLOYEE**

Except for the service agreement with Mr. Tarachand Mehta, Managing Director, there are no agreements entered into by key managerial personnel or a director or Promoter or any other employee of the Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

## **AGREEMENTS WITH STRATEGIC PARTNERS, JOINT VENTURE PARTNERS AND/OR FINANCIAL PARTNERS AND OTHER AGREEMENTS**

As on the date of this Prospectus, we do not have any strategic partners or financial partners. There are no existing agreements with strategic partners, joint venture and/or financial partners or other material agreements entered into by our Company which are not in its ordinary course of business.

## **OTHER AGREEMENTS**

Except the contracts / agreements entered in the ordinary course of the business carried on or intended to be carried on by our Company, we have not entered into any other agreement / contract as on the date of this Prospectus.

## **KEY TERMS OF OTHER SUBSISTING MATERIAL AGREEMENTS**

Except as disclosed herein, our Company has not entered into any other subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of business of our Company.

## OUR MANAGEMENT

The Articles of Association of our Company require that our Board shall comprise of not less than 3 (three) Directors and not more than 15 (Fifteen) Directors. As on the date of this Prospectus, our Board comprises of 4 (four) Directors, including two Independent Directors, of which one is a woman independent director.

The following table sets forth details regarding our Board of Directors as on the date of filing of this Prospectus:

Name, Designation, Address, Occupation, Nationality, Date of birth, Term, Period of directorship and DIN	Age (in years)	Other Directorship
<b>Name:</b> Tarachand Mehta <b>Designation:</b> Managing Director <b>Date of Birth:</b> 23/08/1955 <b>Address:</b> No: 63/44, Mulla Sahib Street, Sowcarpet, Chennai – 600 001 <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Current term:</b> Term of 5 years from 01.04.2019 to 31.03.2024 liable to retire by rotation <b>Period of Directorship:</b> Associated with the Company as a Managing Director since 10.11.1997 <b>DIN:</b> 01234768	67	Nil
<b>Name:</b> Goutham <b>Designation:</b> Executive Director <b>Date of Birth:</b> 04/05/1976 <b>Address:</b> 63/44, Mulla Sahib Street, Sowcarpet, Chennai – 600 001 <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Current term:</b> Term of 5 years from 01.04.2019 to 31.03.2024 liable to retire by rotation <b>Period of directorship:</b> Associated with the Company as a Director since 10.11.1997 <b>DIN:</b> 01642002	46	Partner - 1.Sambavnath Investments 2. MG Developers
<b>Name:</b> Bijal Durgavale <b>Designation:</b> Non-Executive, Independent Director <b>Date of Birth:</b> 10/10/1987 <b>Address:</b> 1110-B Wing, Jasvanti Residency Subhash Lane, Near Bhurabhai Hall, Kandivali (West), Mumbai – 400 067 <b>Occupation:</b> Service <b>Nationality:</b> India <b>Current term:</b> Term of 5 years from 04.05.2023 <b>DIN:</b> 07403891	35	1. HCKK Ventures Limited 2. Standard Surfactants Limited
<b>Name:</b> Naresh Jain <b>Designation:</b> Non-Executive, Independent Director <b>Date of Birth:</b> 25/01/1973 <b>Address:</b> B112 Swapna Lok Apartments, 60 EVK Sampath Road, Vepery, Chennai 600 007 <b>Occupation:</b> Business <b>Nationality:</b> India <b>Current term:</b> Term of 5 years from 04.05.2023 <b>DIN:</b> 08102162	50	-

### Brief Profile of the Directors

**Tarachand Mehta** is a Promoter and Managing Director of our Company. He has 4 decades of experience in jewellery industry. He has completed matriculation. His knowledge of the jewellery industry has contributed to the growth of our Company. Currently, he looks after the overall operations and gives strategic directions furthering the growth of our Company. He is also involved in strengthening the sales, implementing the marketing strategy and involved in the business development of the Company.

**Goutham** is a Promoter and Executive Director of our Company. He has 25 years of experience in jewellery industry, having been associated with the Company since 1997. He has completed Bachelors of Commerce (B.com) from the University of Madras. He has played a key role in expanding the company's retail and wholesale presence and introducing wider varieties of jewellery for attracting a broader range of customers. He is entrusted with the responsibility of looking after the finances, expansion, overall management and operations of the company.

**Bijal Durgavale** is a member of the Institute of Company Secretaries of India. At present, she is working as a Company Secretary of AVI Products India Limited. She also holds a Master of Commerce (M. Com) degree from Mumbai University in Accounts. She has eleven Years' Experience in Secretarial and Compliance related activities

**Mr. Naresh Jain** holds a degree of Bachelor of Commerce (B. Com) from University of Madras and also has more than 15 years of experience in the field of finance.

### Confirmations

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Prospectus, during the term of his/her directorship in such company.

None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Further, none of our directors have been identified as Wilful Defaulters or a Fraudulent Borrower as defined under the SEBI ICDR Regulations.

None of our Directors have been identified or declared as a fugitive economic offender under the provisions of the Fugitive Economic Offenders Act, 2018.

None of our Directors is prohibited from accessing capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

### Relationship between our Directors

**Except for the following, none of our directors are related to each other**

- (i) Tarachand Mehta is the father of Goutham.
- (ii) Goutham is son of Tarachand Mehta;

### Arrangement or understanding with major shareholders, customers, suppliers or others

There is no arrangement or understanding with any major Shareholders, customers, suppliers or others, pursuant to which any of our Directors was appointed on our Board. For details, see "History and Certain Corporate Matters – Material agreements" on page 116 of this Prospectus.

### Terms of appointment of Directors

Name	Tarachand Mehta, Managing Director	Goutham, Executive Director
<b>Date of Agreement</b>	01 <sup>st</sup> April, 2019	01 <sup>st</sup> April, 2019
<b>Period</b>	Five years commencing from 01.04.2019	Five years commencing from 01.04.2019
<b>Salary*</b>	24,00,000/- Per annum	24,00,000/- Per annum
<b>Remuneration paid in FY 2022-23</b>	5,10,000/- Per annum	5,10,000/- Per annum

\*Not Exceeding

### REMUNERATION/ COMPENSATION (INCLUDING OTHER BENEFITS) OF EXECUTIVE DIRECTORS

The following table sets forth remuneration payable to our Executive Directors

Particulars	Remuneration (in ₹)	
	Tarachand Mehta	Goutham
Basic Salary*	2,00,000 Per month	2,00,000 Per month
Perquisites	-	-

\*Not Exceeding

### Payment of compensation or benefit to Independent Directors of our Company

The sitting fees payable to the Independent Directors of our Company, Mr. Naresh Jain is ₹10,000 and Mrs. Bijal Durgavale is ₹6,000 per meeting.

### The compensation/sitting fees/other remuneration paid to our current Directors for the financial years 2022-23, 2021-22 and 2020-21 are as follows: -

Sr. No.	Name of the Director	2022-23 Remuneration / sitting fees / other compensation (₹ in Lakhs)	2021-22 Remuneration / sitting fees / other compensation (₹ in Lakhs)	2020-21 Remuneration / sitting fees / other compensation (₹ in Lakhs)
1.	Tarachand Mehta	5.10	5.10	5.10
2.	Goutham	5.10	5.10	5.10

### BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS

Our Company does not have any bonus or profit-sharing plan for its directors, which does not form part of their remuneration.

### CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO DIRECTORS

There is no contingent or deferred compensation payable to our directors.

### SHAREHOLDING OF THE DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a director is not required to hold any qualification shares. Except as stated below no other directors have shareholding of our Company. The following table details the shareholding of our Directors as on the date of this Prospectus:

Name of the Director	No. of Shares	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital
Tarachand Mehta	26,14,886	14.66	10.57
Goutham	20,28,571	11.37	8.20

### Borrowing Powers

Pursuant to a special resolution passed at an Extra Ordinary General Meeting of our Company held on May 26, 2023 and pursuant to Section 180(1)(c) and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder, our Board has been authorised to borrow from time to time, any sum or sums

of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the company and free reserve, that is to say, reserves not set apart for any specific purposes, provided that the total outstanding amount so borrowed, shall not at any time exceed the limit of ₹25,000 lakhs (Rupees Twenty Five Thousand Lakhs).

### **Interest of Directors**

All the Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of remuneration and reimbursement of expenses payable to them under the Articles of Association.

All the Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or by their relatives, if any, or that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Issue.

Other than Tarachand Mehta and Goutham, who are also Promoters of our Company, none of our Directors have any interest in the promotion or formation of our Company.

Our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares, if any.

None of our Directors have any interest in any property acquired or proposed to be acquired by our Company or transaction for acquisition of land, construction of building and supply of machinery, etc.

All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any Company in which they hold directorships or any partnership firms in which they are partners as declared in their respective declarations.

Further, our Directors had given personal guarantees towards financial facilities availed by our Company; therefore, are interested to the extent of the said guarantees. Our Directors, Mr. Tarachand Mehta and Mr. Goutham had extended unsecured loan as on March 31, 2023 to the tune of ₹187.47 Lakhs and ₹300.18 Lakhs, respectively and may deemed to be interested to that extent.

No loans have been availed by our Directors from our Company as on date of filing of this Prospectus. *Except as stated above and under the headings "Restated Financial Information - Note 30 – Related party Transactions on page 162 of this Prospectus, under the section titled "Financial Information", we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Prospectus in which the Directors are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company.*

### **Changes in our Board of Directors during the last three years**

The following changes have taken place in the Board of Directors of our Company during the last three years:

Sr. No.	Name	Date of Appointment/ change/Resignation	Reason
1	Vikas Mehta	January 09, 2023	Appointed as Additional Director
2	Vikas Mehta	May 04, 2023	Resignation as Additional Director
3	Bijal Durgavale	May 04, 2023	Appointed as Independent Director
4	Naresh Jain	May 04, 2023	Appointed as Independent Director

### **CORPORATE GOVERNANCE**

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act,

2013, pertaining to the constitution of the Board and committees thereof.

As on the date of filing this Prospectus, we have four Directors on our Board, of whom two are Independent Directors, including one woman Independent Director.

### **COMMITTEE OF THE BOARD IN ACCORDANCE WITH THE SEBI LISTING REGULATIONS**

Our Company has constituted the following committees of the Board in terms of the SEBI Listing Regulations and the Companies Act 2013:

- I Audit Committee;
- II Nomination and Remuneration Committee
- III Stakeholders Relationship Committee

#### **AUDIT COMMITTEE**

Audit Committee was constituted vide Board Resolution dated May 16, 2023. The constitution of our Audit Committee is as under:

Name of Director	Position in the Committee	Designation
Naresh Jain	Chairman	Independent Director
Bijal Durgavale	Member	Independent Director
Tarachand Mehta	Member	Managing Director

The Company Secretary of our Company shall serve as the secretary of the Audit Committee. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations and its terms of reference are as follows:

The role of the Audit Committee shall include the following:

- I Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- II Recommending the appointment, remuneration and terms of appointment of auditors of the Company;
- 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 auditors report thereon before submission to the Board for approval, with particular reference to:
  - i. matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - ii. changes, if any, in accounting policies and practices and reasons for the same;
  - iii. major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. significant adjustments made in the financial statements arising out of audit findings;
  - v. compliance with listing and other legal requirements relating to financial statements;
  - vi. disclosure of any related party transactions;
  - vii. Modified opinion(s) in the draft audit report.
- V Reviewing, with the management, the half yearly financial statements before submission to the Board for approval;
- VI Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer documents, and making appropriate recommendations to the Board to take up steps in this matter;
- VII Review and monitor the auditor's independence, performance and effectiveness of audit process;
- VIII Approval or any subsequent modification of transactions of the Company with related parties which includes omnibus approval for related parties transactions subject to conditions as specified under rules;
- IX Scrutiny of inter-corporate loans and investments;
- X Valuation of undertakings or assets of the company, wherever it is necessary;
- XI Evaluation of internal financial controls and risk management systems;
- XII Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- XIII Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- XIV Discussion with internal auditors any significant findings and follow up there on;

- XV Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- XVI Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- XVII To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- XVIII To oversee and review the functioning of the vigil mechanism pursuant the provisions of Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with sub-section 9 and 10 of Section 177 of the Companies Act, 2013, which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
- XIX Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
- XX To investigate any other matters referred to by the Board of Directors;  
Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The audit committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial information and results of operations;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
- c. Management letters/ letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
- f. Statement of deviations:
  - (i) half yearly statement of deviation(s), if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
  - (ii) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus

The Audit Committee is required to meet at least four times in a year, with not more than 120 days elapsing between two meetings.

## **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee was constituted vide Board Resolution dated May 16, 2023. The constitution of the Nomination and Remuneration Committee is as under:

Name of Director	Position in the Committee	Designation
Naresh Jain	Chairman	Independent Director
Bijal Durgavale	Member	Independent Director
Goutham	Member	Executive Director

The role of the Nomination and Remuneration Committee shall be as follows:

- (i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel, senior management and other employees;
- (ii) Formulation of criteria for evaluation of independent directors and the Board;
- (iii) To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- (iv) Devising a policy on Board diversity; and
- (v) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The Nomination and Remuneration Committee shall meet at least once a year.

## **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Stakeholders Relationship Committee was constituted vide the Board meeting held on May 16, 2023. The constitution of the Nomination and Remuneration Committee is as under:

Name of Director	Position in the Committee	Designation
Bijal Durgavale	Chairman	Independent Director
Tarachand Mehta	Member	Managing Director
Goutham	Member	Executive Director

The scope and function of the Stakeholders Relationship Committee is in accordance with Regulation 20 of the SEBI Listing Regulations and its terms of reference are as follows:

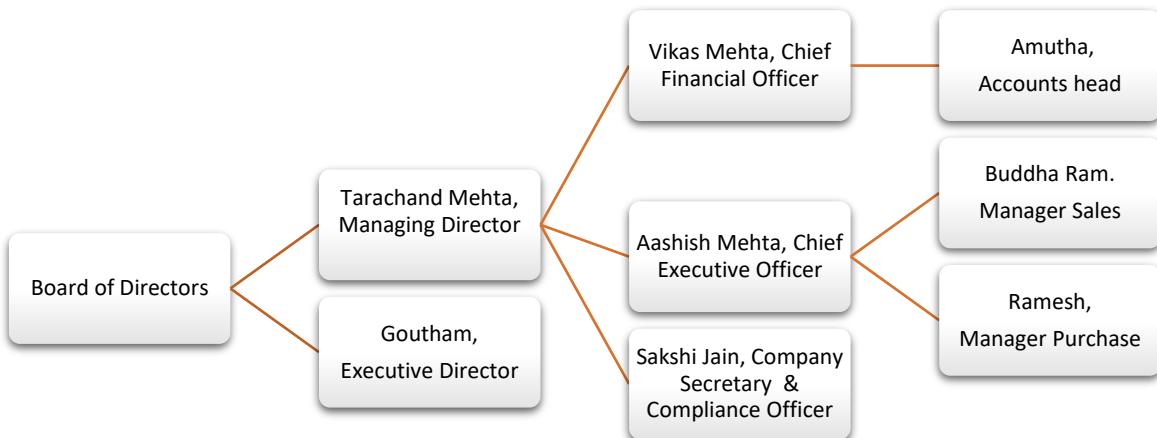
- (i) Efficient transfer of shares; including review of cases for refusal of transfer/ transmission of shares and debentures, if any;
- (ii) Redressal of security holder's/investor's complaints efficient transfer of shares; including review of cases for refusal of transfer/ transmission of shares and debentures;
- (iii) Reviewing on a periodic basis the approval/ refusal of transfer or transmission of shares, debentures or any other securities;
- (iv) Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- (v) Allotment and listing of shares;
- (vi) Reference to statutory and regulatory authorities regarding investor grievances; and
- (vii) To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- (viii) Any other power specifically assigned by the Board of Directors of the Company

The Stakeholders Relationship Committee shall meet atleast once a year.

## MANAGEMENT ORGANIZATIONAL STRUCTURE

### Key Management Personnel

In addition to Tarachand Mehta and Goutham whose details have been provided above, the details of our other Key Managerial Personnel in terms of the SEBI ICDR Regulations, as on the date of this Prospectus is as under:



In addition to Tarachand and Goutham, whose details have been provided at Page 119, the details of our other Key Managerial Personnel in terms of the SEBI ICDR Regulations, as on the date of this Prospectus are set forth below:

**Mr. Vikas Mehta**, aged 41 years is the Chief Financial Officer of the company. He has been appointed as CFO of the Company w.e.f. May 04, 2023. He is a Graduate and has Degree of Commerce from University of Madras and has an overall experience of over 20 years in field of Jewellery and has good knowledge relating to finance.

**Mr. Aashish Mehta**, aged 25 years is the Chief Executive Officer of our Company. He has been appointed as CEO of the Company w.e.f. May 04, 2023 He is a Graduate and has Degree of Commerce from University of Madras and has an overall experience of over 4 years in field of Jewellery.

**Ms. Sakshi Jain** aged 24, is the Company Secretary and Compliance Officer of our Company. She has been appointed as Company Secretary and Compliance Officer w.e.f April 01, 2023. She holds Bachelor of Commerce degree from University of Madras and is an Associate Member of the Institute of Company Secretaries of India.

**Mr. Ramesh** aged 35 years, is the Manager Purchase of our Company. He has been appointed as Manager Purchase of the Company since July 01, 2018. He has an overall experience of over 15 years in field of Jewellery. He received compensation of Rupees Six Lakhs for the Financial Year 2022-23.

**Mr. Buddha Ram** aged 42 years, is the Manager Sales of our Company. He has been appointed as Manager Sales of the Company since September 01, 2016. He handles the retail and wholesale sales of our Company. He has an overall experience of over 25 years in field of Jewellery. He received compensation of Rupees Three Lakhs for the Financial Year 2022-23.

**Mrs. Amutha** aged 47 years is the Accounts head of the Company. She has been associated with the company since February 01, 2015. She handles all accounts related work and also manages the accounts team to work in the best efficient way. She has an overall experience of 12 years in the accounts field. She received

compensation of Rupees One Lakh Forty Four Thousand for the Financial Year 2022-23. She has previously worked with BGR Foundation as accountant.

### **SHAREHOLDING OF KEY MANAGEMENT PERSONNEL**

None of the Key Managerial Personnel except Mr. Tarachand Mehta, Mr. Goutham, Mr. Vikas Mehta and Mr. Aashish Mehta hold any Equity Shares of our Company as on the date of this Prospectus. For further details, please refer to section titled “Capital Structure” beginning on page 52 of this Prospectus

**Notes:**

- (i) All the Key Managerial Personnel mentioned above are permanent employees of our Company. Except Mr Aashish Mehta who is the nephew of our promoter Mr Tarachand Mehta and Fancy Devi & the cousin of our promoter Mr Goutham and Mr Vikas Mehta is the son of Mr Tarachand Mehta & brother of Mr Goutham, none of the other Key Managerial Personnel are related to each other or to any Director of our Company.
- (ii) There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above-mentioned Key Managerial Personnel have been recruited.
- (iii) As on the date of filing of this Prospectus, our Company does not have a performance linked bonus or a profit-sharing plan with the Key Managerial Personnel.
- (iv) There is no contingent or deferred compensation payable to our Key Managerial Personnel, which does not form part of their remuneration.
- (v) No non-salary-related payments or benefits have been made to our key management personnel based on targets achieved and general performance.
- (vi) Our Key Managerial Personnel are governed by the terms of their appointment letters/employment contracts and have not entered into any other service contracts with our Company. No officer of our Company is entitled to any benefit upon termination of employment or superannuation, other than statutory benefits.

### **CHANGES IN THE KEY MANAGEMENT PERSONNEL DURING LAST THREE YEARS:**

There have been no changes in the Key Management Personnel in the last 3 years, except for the following. The attrition of the Key Managerial Personnel of our Company is not high compared to the industry.

Sr. No	Name of the KMP	Date of appointment / Cessation	Remarks
1	Manasi R Rao	30.03.2022	Resignation as Company Secretary
2	Sakshi Jain	01.04.2023	Appointment as Company Secretary
3	Vikas Mehta	04.05.2023	Appointment as Chief Financial Officer
4	Aashish Mehta	04.05.2023	Appointment as Chief Executive Officer

### **INTEREST OF KEY MANAGERIAL PERSONNEL**

None of our Key Management Personnel has any interest in our Company except to the extent of their shareholding, remuneration, benefits, loans, reimbursement of expenses incurred by them in the ordinary course of business.

No loans have been availed by the Key Management Personnel from our Company as on date of this filing of this Prospectus.

### **EMPLOYEE STOCK OPTION AND STOCK PURCHASE SCHEMES**

As on date of this Prospectus, our Company does not have any employee stock option and stock purchase schemes.

### **PAYMENT OR BENEFIT TO KEY MANAGERIAL PERSONNEL OF OUR COMPANY**

No amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of this Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

## OUR PROMOTER AND PROMOTER GROUP

The Promoters of our Company are Tarachand Mehta, Goutham, Tarachand Mehta and Sons, Goutham HUF and Fancy Devi. As on the date of this Prospectus, our Promoters along with the members of the promoter group hold 1,78,36,900 Equity Shares in the company. For details of the build-up of our Promoter shareholding in our Company, please see "Capital Structure" beginning on page 52 of this Prospectus.

### **Details of our Promoters**

	<p><b>Goutham</b> aged 46 years, is one of our Promoters and is an Executive Director of our Company. For the complete profile of Goutham along with details of his date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held, business and financial activities, other directorships, other ventures and special achievements, see "Our Management" on page 119 of this Prospectus.</p> <p>His Permanent Account Number is AEBPG8395P</p> <p>As on date of this Prospectus, Goutham holds 20,28,571 Equity Shares, representing 11.37% of the issued, subscribed and paid up capital of our Company</p>
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	<p><b>Fancy Devi</b> aged 66 years, is one of our Promoters. She is non-matriculate and has been associated with the Company for more than two decades. She is involved in the areas of marketing and design of jewellery.</p> <p>Date of Birth: February 06, 1957</p> <p>Nationality: Indian</p> <p>Residential Address: No: 63/44, Mulla Sahib Street, Sowcarpet, Chennai – 600 001</p> <p>Her Permanent Account Number is AACPF3912C.</p> <p>As on date of this Prospectus, she holds 10,85,714 Equity Shares, representing 6.09% of the issued, subscribed and paid up capital of our Company.</p>
	<p>Tarachand Mehta and Sons, an HUF with Mr Tarachand Mehta as the Karta and Mrs Fancy Devi, his wife as a co-parcener is a promoter of the Company. Tarachand Mehta and Sons came into existence on October 31, 1978.</p> <p>The Permanent Account Number is AAAHT8449J.</p> <p>As on date of this Prospectus, Tarachand Mehta and Sons holds 17,05,714 Equity Shares, representing 9.56% of the issued, subscribed and paid up capital of our Company.</p>
	<p>Goutham HUF, an HUF with Mr Goutham as its Karta, his wife Ms Mamta and Sons, Jai and Saiyam as its co-parceners is a promoter of the Company. Goutham HUF came into existence on June 15, 1999.</p> <p>The Permanent Account Number is AABHG8991F.</p> <p>As on date of this Prospectus, Goutham HUF holds 4,65,714 Equity Shares representing 2.61% of the issued, subscribed and paid-up capital of the Company.</p>

We confirm that the details of the PAN, bank account numbers, Aadhar card number, passport numbers and the Driving Licence of our Individual Promoters and the PAN and the bank account number of the HUFs have been submitted to the Stock Exchange at the time of submission of this Draft Prospectus with the Stock Exchange.

#### OTHER CONFIRMATIONS

Our Promoters and members of our Promoter Group have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority. Further, there have been no violations of securities laws committed by any of them in the past or are currently pending against them.

Our Promoters, and members of our Promoter Group have not been declared as wilful defaulter or a fraudulent borrower by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers as defined under the SEBI ICDR Regulations.

#### EXPERIENCE OF OUR INDIVIDUAL PROMOTERS

Our individual Promoters have adequate experience in the business activities undertaken by our Company.

## OTHER VENTURES OF OUR PROMOTERS

Other than as disclosed in “Our Promoter Group” below and in section “Our Management” on page 119 of this Prospectus, our individual Promoters are not involved in any other ventures.

## INTERESTS OF OUR PROMOTERS:

- (i) Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding in our Company and dividend payable, if any, other distributions in respect of the securities held by it.
- (ii) Our Promoters may also be deemed to be interested to the extent of Equity Shares held by them and their immediate relatives in our Company and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares in our Company. For details regarding the shareholding of our Promoters in our Company, see the chapter titled ‘*Capital Structure*’ on page 52 of this Prospectus.
- (iii) Further our promoters have given personal guarantees towards financial facilities availed by our Company; therefore, are interested to the extent of the said guarantees.
- (iv) Our Promoters, Tarachand Mehta, Goutham and Fancy Devi have extended unsecured loan as on March 31,2023 to the extent of ₹187.47 Lakhs, ₹300.18 Lakhs and ₹69.77 Lakhs respectively and may deemed to be interested to that extent. Further Tarachand Mehta and Sons have extended unsecured loan as on March 31, 2023 to the extent of ₹285.79 Lakhs and Goutham HUF to the extent of ₹104.11 Lakhs as on March 31, 2023, may also deemed to be interested to that extent.

## INTEREST IN PROPERTY, LAND, CONSTRUCTION OF BUILDING AND SUPPLY OF MACHINERY

Our Promoters have no interest in any property acquired by our Company in the three years preceding the date of this Prospectus or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

## PAYMENT OR BENEFITS TO OUR PROMOTER AND PROMOTER GROUP

Other than as stated in “*Financial Information*” on page 138 of this Prospectus, there has been no payment of benefits to our Promoter or the Promoter Group during the two years immediately preceding the date of filing of this Prospectus. Other than as stated in “*Restated Financial Information*” on page 138 of this Prospectus, there is no intention to pay or give any benefit to our Promoter or any members of our Promoter Group.

## MATERIAL GUARANTEES GIVEN BY OUR PROMOTER TO THIRD PARTIES WITH RESPECT TO EQUITY SHARES

Except as stated in the “*Restated Financial Information*” on Page 138 of this Prospectus, our Promoters have not provided any guarantees to third parties with respect to the Equity Shares as on the date of this Prospectus.

## COMPANIES OR FIRMS WITH WHICH OUR PROMOTER HAS DISASSOCIATED IN THE LAST THREE YEARS:

Our Promoters have not disassociated itself from any company or firm in the three years immediately preceding the date of this Prospectus.

## COMMON PURSUITS OF OUR PROMOTERS

None of our Promoters are directly involved with any company or firms which are in the same line of activity or business as that of our Company except through their relatives.

## PROMOTER GROUP

In addition to the Promoters mentioned above, the individuals and entities that form part of the Promoter Group of our Company in terms of the SEBI ICDR Regulations are set out below:

### I. Natural Persons who are part of the Promoter Group

As per Regulation 2(1)(pp)(ii) of the SEBI (ICDR) Regulation, 2018, the following individuals form part of our Promoter Group.

#### Tarachand Mehta

Sr. No.	Name of the Relative	Relationship with the Promoter
1	Late Motilal	Father
2	Late Gajro Bai	Mother
3	Fancy Devi	Spouse
4	Sanjay Kumar, Rajesh Kumar, Goutham, Vikas Mehta	Son
5	Sampatraj Mehta, Ashok Mehta	Brother
6	Asha Bhansali, Sakya Bai, Pista Bai, Shanti Semlani,	Sister
7	Late Mistrimalji	Mother of the spouse
8	Late Badami Bai	Father of the spouse

#### Goutham

Sr. No.	Name of the Relative	Relationship with the Promoter
1	Tarachand Mehta	Father
2	Fancy Devi	Mother
3	Mamta	Spouse
4	Jai, Saiyam	Son
5	Rajesh Kumar, Vikas Mehta, Sanjay Kumar	Brother
6	Pawan Bai	Mother of the spouse
7	Kundanmalji	Father of the spouse

#### Fancy Devi

Sr. No.	Name of the Relative	Relationship with the Promoter
1	Tarachand Mehta	Husband
2	Late Mistrimalji	Mother
3	Late Badami Bai	Father
4	Sanjay Kumar, Rajesh Kumar, Goutham, Vikas Mehta	Sons
5	Late Motilal	Father of the spouse
6	Late Gajro Bai	Mother of the spouse

## **II Companies / Corporate Entities forming part of the Promoter Group**

The entities forming our Promoter Group pursuant to Regulation 2(1) (pp)(iv) of the SEBI ICDR Regulations are as under:

1. Vikas Mehta HUF
2. Rajesh Mehta HUF
3. Sanjay Kumar HUF
4. Ashok Kumar HUF
5. Sampatraj Mehta HUF
6. Khazanchi Silvers Private Limited
7. Vishnudham Constructions Private Limited
8. Pathik Sales Private Limited
9. Sutaliya Finance Private Limited
10. Trishup Retail India Private Limited
11. Mahakaleshwar Trading Private Limited
12. Moti Gajara Estates Private Limited
13. Kalyan Mitra Foundations – Partnership Firm
14. Sambavnath Investments – Partnership Firm
15. KS Developers – Partnership Firm
16. SK Developers – Partnership Firm
17. VM and Co – Partnership Firm
18. RM and Co – Partnership Firm
19. KJ Estates – Partnership Firm
20. Silverslane – Proprietary Concern
21. MG Developers – Partnership Firm

## **OUR GROUP COMPANIES**

In terms of the SEBI ICDR Regulations, the term “group companies”, includes (i) such companies with which there were related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company. Pursuant to a Board resolution dated May 16, 2023, our Board formulated a policy with respect to companies which it considered material to be identified as group companies.

Accordingly, all such companies with which our Company has related party transactions as per the Restated Financial Information, as covered under the relevant accounting standard have been considered as Group Companies in terms of the SEBI ICDR Regulations. For (ii) above, our Board does not consider any company as a group company.

Set forth below, based on the aforementioned criteria, are details of our Group Companies as on the date of this Prospectus.

1. Sutaliya Finance Private Limited
2. Khazanchi Silvers Private Limited
3. Pathik Sales Private Limited
4. KJ Estates – Partnership Firm
5. Silverslane – Proprietorship firm

### **DETAILS OF OUR GROUP COMPANIES**

#### **1. Sutaliya Finance Private Limited having CIN U65191TN1989PTC018250**

##### **Registered office**

The registered office of Sutaliya Finance Private Limited is at Shop No.307, Ramlakhan Chambers, No.19 & 20 General Muthia, Mudali Street, Sowcarpet, Chennai 600079.

##### **Financial Performance**

Sutaliya Finance Private Limited does not have a website. Information with respect to (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value, based on the audited financial statements for the preceding three years (for which audit has been done as on date of this Prospectus) shall be hosted on the website of our Company at [www.khazanchi.co.in](http://www.khazanchi.co.in)

#### **2. Khazanchi Silvers Private Limited having CIN U51909WB2008PTC124418**

##### **Registered office**

The registered office of Khazanchi Silvers Private Limited is at 2/1, Madho Kesto Lane, Kolkata, West Bengal- 700 007.

##### **Corporate Office**

The corporate office of Khazanchi Silvers Private Limited is at 148/149, NSC Bose Road, Khazanchi Plaza, Sowcarpet, Chennai – 600 001.

##### **Financial Performance**

Khazanchi Silvers Private Limited does not have a website. Information with respect to (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value, based on the audited financial statements for the preceding three years (for which audit has been done as on date of this Prospectus) shall be hosted on the website of our Company at [www.khazanchi.co.in](http://www.khazanchi.co.in)

### **3. Pathik Sales Private Limited having CIN U51109WB1995PTC068754 Registered office**

The registered office is situated at Block-I, Flat No. 101, Larica Tolly, Dhali Para Road, Kolkata, West Bengal – 700 104.

Branch Office:

- Shop No 4, 557&558, GM Arcade, 1st Floor, Big Bazaar Street, Coimbatore 641 001.
- Shop No 613, 6<sup>th</sup> Floor, No 18/22 Bansilal Building, Aurum Mall, Shaikh Menon Street, Kalbadevi, Mumbai – 400 002
- Shop No 6 & 7, Building No 55 & 58, BS Market, JM Road, Bangalore – 560002
- Shop No 36, Dhanlakshmi Complex, No 130, NSC Bose Road, Ground Floor, Sowcarpet, Chennai - 600 001

#### **Financial Performance**

Pathik Sales Private Limited does not have a website. Information with respect to (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value, based on the audited financial statements for the preceding three years (for which audit has been done as on date of this Prospectus) shall be hosted on the website of our Company at [www.khazanchi.co.in](http://www.khazanchi.co.in)

### **4. KJ Estates**

**Place of Business:** Shop No. 1, 2<sup>nd</sup> Floor, “Golden Complex”, Old No. 128, NSC Bose Road, Sowcarpet, Chennai – 600 079.

#### **Financial Performance**

The Partnership firm was started on 24<sup>th</sup> day of April, 2021 and therefore the firm has filed the financials for one year (for which audit has been done as on date of this Prospectus) shall be hosted on the website of our Company at [www.khazanchi.co.in](http://www.khazanchi.co.in)

### **5. Silverslane**

**Place of Business:** 2nd Floor, 148 and 149 Shop No. 208, Khazanchi Plaza, NSC Bose Road, Sowcarpet, Chennai – 600 079.

#### **Financial Performance**

The Sole proprietorship firm) does not have website. Information relating to the financials of the firm shall be hosted on the website of our Company at [www.khazanchi.co.in](http://www.khazanchi.co.in)

#### **Litigation which has a material impact on our Company**

None of our Group Companies are currently party to any pending litigations which would have a material impact on our Company.

#### **Common Pursuits**

Except for Khazanchi Silvers Private Limited, Pathik Sales Private Limited and Silverslane, there are no common pursuits amongst our Group Companies and our Company.

#### **Related Business Transactions within the group and significance on the financial performance of our Company**

Other than the transactions disclosed in the section “Related Party Transactions” on page 162 of this Prospectus, there are no other business transactions between our Company and Group Companies which are significant to the financial performance of our Company.

**Business interests or other interests**

Except as disclosed in “Related Party Transactions” on page 162 of this Prospectus, our Group Companies do not have any business interest in our Company.

**Other Confirmations**

None of our Group Companies have their securities listed on a stock exchange. Further, our Group Companies have not made any public or rights issue of securities in the three years preceding the date of this Prospectus.

## RELATED PARTY TRANSACTIONS

For details of the Related Party Transactions, as per the requirements under applicable Accounting Standards, i.e., Ind GAAP - Related Party Disclosures read with the SEBI ICDR Regulations, for Fiscal 2021, 2022 and 2023, see “*Restated Financial Information – Note 30 – Related Party Information as per Ind GAAP*” on page 162 of this Prospectus.

## DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board of Directors and approved by our shareholders in the Annual General Meeting, at their discretion, subject to the provisions of the Articles of Association, the Companies Act and SEBI Listing Regulations, including the rules made thereunder and other relevant regulations, if any, each as amended. Further the Board shall also have the absolute power to declare interim dividend in compliance with the Act including the Rules made thereunder and other relevant regulations, if any. Our Company has no formal dividend policy as on the date of this Prospectus.

Declaration of dividend, if any, will depend on a number of internal and external factors, including but not limited to annual operating plans, capital budgets, quarterly and annual results, investments including mergers and acquisitions, legislations impacting business, competition, strategic updates, financial decisions, funding arrangements, macro-economic environment, changes in accounting policies and applicable accounting standards, client related risks, statutory restriction, capital markets, inflation rate, tax implications, considering dividend pay-out ratios of Companies in the same industry and other factors considered by our Board of Directors. Our Company may not distribute dividend or may distribute a reduced quantum of dividend when there is absence or inadequacy of profits.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities.

Our Company has not declared and paid any dividends on the Equity Shares in the three Fiscals preceding the date of this Prospectus. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

## SECTION VII – FINANCIAL INFORMATION

### INDEPENDENT AUDITORS' REPORT ON RESTATED FINANCIAL INFORMATION (As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,  
The Board of Directors,  
Khazanchi Jewellers Limited,  
(Formerly known as Khazanchi Jewellers Private Limited),  
No 130, NSC Bose Road,  
Sowcarpet,  
Chennai – 600079.

Dear Sir /Ma'am,

We have examined the attached Restated Standalone Financial Information of Khazanchi Jewellers Limited (Formerly known as Khazanchi Jewellers Private Limited) comprising the Restated Standalone Statement of Assets and Liabilities as at 31<sup>st</sup> March, 2023, 31<sup>st</sup> March 2022 & 31<sup>st</sup> March, 2021 the Restated Standalone Statement of Profit & Loss, the Restated Cash Flow Statement for the period ended on 31<sup>st</sup> March, 2023, March 31, 2022 & March 31, 2021, the Summary statement of Significant Accounting Policies and other explanatory Information (Collectively the Restated Standalone Financial Information) as approved by the Board of Directors in their meeting held on 06<sup>th</sup> July 2023 for the purpose of inclusion in the Offer Document in connection with its proposed Initial Public Offer (“IPO”) on the SME Platform of BSE Ltd (“BSE”) and prepared in terms of the requirement of:

- i. Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the “Act”);
- ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“ICDR Regulations”) as amended (ICDR Regulations”); and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India (“SEBI”);
- iii. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time. (“The Guidance Note”).

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the preparation of the Restated Standalone Financial Information for the purpose of inclusion in the offer document to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, Tamil Nadu, in connection with the proposed IPO. The Restated Standalone Financial Information has been prepared by the management of the Company for the period ended on 31<sup>st</sup> March, 2023, 31<sup>st</sup> March 2022 & 31<sup>st</sup> March 2021 on the basis of preparation stated in Note 1 to the Restated Standalone Financial Information. The Board of Directors of the company's responsibility includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

#### **Auditor's Responsibility**

We have examined such Restated Standalone Financial Information taking into consideration:

1. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 27.02.2023 in connection with the proposed IPO of equity shares of the Company.
2. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
3. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Standalone Financial Information; and,
4. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

These Restated Standalone Financial Information have been compiled by the management from:

- a. Audited Standalone Financial statements of company as at and for the period ended on 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022 & 31<sup>st</sup> March 2021 prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014,

- as amended, and other accounting principles generally accepted in India.
- b. In accordance with the requirements of Part I of Chapter III of Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
1. The “**Restated Standalone Statement of Assets and Liabilities**” as set out in the restated statement of assets and liabilities report, of the Company for the period ended on 31<sup>st</sup> March, 2023, 31st March 2022 & 31st March 2021 is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities have been arrived at after making such adjustments and regroupings to the individual Standalone Financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in NOTE 1 to this Report.
  2. The “**Restated Standalone Statement of Profit and Loss**” as set out in the restated statement of profit and loss report, of the Company for the period ended on 31<sup>st</sup> March, 2023, 31st March 2022 & 31st March 2021, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual Standalone Financial statements of the Company, as in our opinion was appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in NOTE 1 to this Report.
  3. The “**Restated Standalone Statement of Cash Flow**” as set out in the restated statement of cash flow report, of the Company for the period ended on 31<sup>st</sup> March, 2023, 31st March 2022 & 31st March 2021, is prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual Standalone Financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in NOTE 1 to this Report.
  4. For the purposes of our examination, we have relied on the Auditor’s reports issued by M/s. Sidharth Mehta & Co., Chartered Accountants on the financial statements of the company for the Period ended March 31, 2021 and re-audited report issued by us as for the period ended March 31, 2022 and the audit report issued by us for the period ended on 31<sup>st</sup> March 2023, as referred in Paragraph 1 above;

#### **Basis of Opinion**

In our opinion and to the best of information and explanation provided to us, the Restated Standalone Financial Information of the Company, read with significant accounting policies and notes to accounts as appearing in this report are prepared after providing appropriate adjustments and regroupings as considered appropriate.

We, M/s. PSDY & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.

The preparation and presentation of the Standalone Financial Statements referred to above are based on the Audited Standalone Financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Standalone Financial Statements and information referred to above is the responsibility of the management of the Company.

In our opinion, the above Standalone Financial information contained in NOTE 1 TO NOTE 43 of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in NOTE 1 are prepared after adjusting and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, ICDR Regulations, Engagement Letter and Guidance Note.

We have also examined the following other Restated Standalone Financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the period Ended on 31st March, 2023, 31st March 2022 & 31st March 2021 proposed to be included in the Draft Prospectus / Prospectus (“Offer Document”) for the proposed IPO.

Particulars	Annexure
Statement of Significant Accounting Policies and Notes to the Restated Financial Information	Note 1
Restated Standalone Statement of Share Capital	Note 2

<b>Particulars</b>	<b>Annexure</b>
Restated Standalone Statement of Reserves and Surplus	Note 3
Restated Standalone Statement of Long-Term Borrowing	Note 4
Restated Standalone Statement of Long – Term Provisions	Note 5
Restated Standalone Statement of Trade Payables	Note 6
Restated Standalone Statement of Short-Term Borrowing	Note 7
Restated Standalone Statement of Other Current Liabilities	Note 8
Restated Standalone Statement of Short-Term Provisions	Note 9
Restated Standalone Statement of Property, Plant and Equipment & Intangible Assets	Note 10
Restated Standalone Statement of Non-current Investment	Note 11
Restated Standalone Statement of Long-term loans and advances	Note 12
Restated Standalone Statement of Deferred Tax Assets / (Liabilities)	Note 13
Restated Standalone Statement of Other Non-Current Assets	Note 14
Restated Standalone Statement of Inventories	Note 15
Restated Standalone Statement of Trade Receivables	Note 16
Restated Standalone Statement of Cash & Cash Equivalents	Note 17
Restated Standalone Statement of Short-Term Loans & Advances	Note 18
Restated Standalone Statement of Other Current assets	Note 19
Restated Standalone Statement of Revenue from Operations	Note 20
Restated Standalone Statement of Other Income	Note 21
Restated Standalone Statement of Purchase of Stock in Trade	Note 22
Restated Standalone Statement of Changes in inventories of finished goods, work in progress and stock in trade	Note 23
Restated Standalone Statement of Employee Benefit Expenses	Note 24
Restated Standalone Statement of Finance Cost	Note 25
Restated Standalone Statement of Depreciation & Amortization	Note 26
Restated Standalone Statement of Other Expenses	Note 27
Restated Standalone Statement of Accounting and other Ratios	Note 29 (XIII)
Restated Standalone Statement of related party transaction	Note 30
Restated Standalone Statement of Tax shelter	Note 42
Impact of Restatement Adjustments	Note 43

In our opinion and to the best of our information and according to the explanations given to us, the financial statements read with significant accounting policies and notes to accounts as appearing in Notes 1 give a true and fair view of the state of affairs of M/s. Khazanchi Jewellers Limited.(formerly known as “Khazanchi Jewellers Private Limited”) as at March 31,2023, and of its results of operations and its cash flows for the period ended in accordance with the financial reporting provisions.

#### **Other Matter Paragraph**

This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us nor should this report be construed as a new opinion on any of the Standalone Financial statements referred to therein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

**For M/s PSDY & Associates  
Chartered Accountants  
FRN 010625S**

**Kushal Raj N  
Partner  
M No 234239  
UDIN: 23234239BGUDMK1675  
Date: 06/07/2023  
Place: Puducherry**

**Restated Statement of Assets and Liabilities**
*Rs. in Lakhs*

Particulars	Note No	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
<b>I. Equity and Liabilities</b>				
<b>(1) Shareholders' Funds</b>				
a) Share Capital	2	993.12	993.12	993.12
b) Reserves & Surplus	3	2,611.87	1878.41	1551.79
<b>(2) Non-Current Liabilities</b>				
a) Long Term Borrowings	4	5,229.60	5,351.61	4,577.03
b) Deferred Tax Liabilities (Net)		-	-	-
c) Long Term Provisions	5	21.43	-	-
<b>(3) Current Liabilities</b>				
a) Trade Payables	6			
(i) total outstanding dues of micro enterprises and small enterprises; and		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.		2,283.50	1,101.41	1,226.36
b) Short Term Borrowings	7	3,232.87	3,060.77	2,903.09
c) Other Current Liabilities	8	39.16	73.97	72.25
d) Short Term Provisions	9	95.24	(23.10)	(3.85)
<b>TOTAL</b>		<b>14,506.80</b>	<b>12,436.20</b>	<b>11,319.79</b>
<b>II. Assets</b>				
<b>(1) Non-Current assets</b>				
a) Property, Plant & Equipment & Intangible assets				
i) Property, Plant & Equipment	10	1,278.45	1,264.55	885.20
ii) Intangible assets	10	2.38	1.89	-
b) Non-current Investments	11	0.10	0.10	0.10
c) Long term loans & advances	12	0.90	0.90	1.10
d) Deferred Tax Assets	13	3.21	2.77	2.02
d) Other Non-current assets	14	102.87	-	-
<b>(2) Current assets</b>				
a) Inventories	15	12,807.04	10,601.21	10,129.67
a) Trade Receivables	16	202.20	331.34	68.98
b) Cash and Cash Equivalents	17	27.00	162.12	156.19
c) Loans	18	71.02	71.02	76.52
d) Other Current Assets	19	11.61	0.30	-
Significant Accounting Policies	1			
<b>TOTAL</b>		<b>14,506.80</b>	<b>12,436.20</b>	<b>11,319.79</b>

The accompanying notes are an integral part of these financial statements

"As Per Our Report of Even Date"

For M/s PSDY & Associates

Chartered Accountants

FRN: 010625S

For and on behalf of the board

M/s Khazanchi Jewellers Limited

**Kushal Raj N**

Partner

M. No. 234239

UDIN: 23234239BGUDMK1675

Date: 06/07/2023

Place: Chennai

**Tarachand Mehta**

Managing Director

DIN: 01234768

**Goutham**

Director

DIN: 01642002

**Vikas Mehta**

Chief Financial Officer

**Aashish Mehta**

Chief Executive Officer

**Sakshi Jain**

Company Secretary

Date: 06/07/2023

Place: Chennai

**Restated Statement of Profit & Loss**
*Rs. in Lakhs*

Particulars	Note No	For the period ended 31.03.2023	For the period ended 31.03.2022	For the period ended 31.03.2021
<b>Revenue From Operations</b>	20	48,065.77	25,694.48	38,181.27
<b>Other Income</b>	21	115.88	105.27	61.62
<b>Total Income</b>		<b>48,181.65</b>	<b>25,799.75</b>	<b>38,242.89</b>
<b>Expenses</b>				
Purchase of Stock-in-trade	22	48,468.87	24,992.21	38,196.40
Changes in Inventories	23	(2,205.83)	(471.53)	(1,476.88)
Employee Benefit Expenses	24	109.34	76.43	71.05
Finance costs	25	643.53	422.74	451.46
Depreciation and amortization expenses	26	7.42	8.89	6.47
Other Expenses	27	131.30	349.51	630.74
<b>Total Expenses</b>		<b>47,154.63</b>	<b>25,378.25</b>	<b>37,879.24</b>
<b>Profit / (Loss) Before Tax</b>		1,027.02	421.49	363.66
<b>Tax Expense</b>				
a. Current Tax	28	270.97	95.63	88.46
b. Deferred Tax		(0.44)	(0.75)	(0.38)
<b>Profit/(Loss) For The Period</b>		<b>756.49</b>	<b>326.62</b>	<b>275.58</b>
<b>Earnings Per Share:</b>				
a. Basic & Diluted in Rs.		7.62	3.29	2.77

The accompanying notes are an integral part of these financial statements

"As Per Our Report of Even Date"

For M/s PSDY & Associates

Chartered Accountants

FRN: 010625S

For and on behalf of the board

M/s Khazanchi Jewellers Limited

**Kushal Raj N**

Partner

M. No. 234239

UDIN: 23234239BGUDMK1675

Date: 06/07/2023

Place: Chennai

**Tarachand Mehta**

Managing Director

DIN: 01234768

**Goutham**

Director

DIN: 01642002

**Vikas Mehta**

Chief Financial Officer

**Aashish Mehta**

Chief Executive Officer

**Sakshi Jain**

Company Secretary

Date: 06/07/2023

Place: Chennai

**Restated Statement of Cash Flow**
*Rs. in Lakhs*

	Particulars	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
<b>A</b>	<b>Cash Flow From Operating Activities</b>			
	Net Profit before tax and extraordinary items (as per Statement of Profit and Loss)	1,027.02	421.49	363.66
	Adjustments for Non-Cash/ Non trade items:			
	Depreciation & Amortization Expenses	7.42	8.89	6.47
	Finance Cost	643.53	422.74	452.08
	Interest received	(3.11)	-	(1.08)
	<b>Operating profits before Working Capital Changes</b>	<b>1,674.86</b>	<b>853.12</b>	<b>821.13</b>
	Adjusted For:			
	(Increase) / Decrease in trade receivables	129.14	(262.36)	61.73
	Increase / (Decrease) in trade payables	1,182.09	(124.94)	956.26
	(Increase) / Decrease in inventories	(2,205.83)	(471.53)	(1,476.88)
	Increase / (Decrease) in other current liabilities	(34.81)	1.72	0.00
	(Increase) / Decrease in Loans & Advances	0.00	5.70	146.72
	(Increase) / Decrease in other current assets	(11.31)	(0.30)	16.87
	Increase / (Decrease) in Short Term Provisions	95.24	(19.25)	13.90
	Increase / (Decrease) in Long Term Provisions	21.43	-	-
	Cash generated from Operations	850.80	(17.83)	539.71
	Less: Income Tax paid	270.89	95.63	88.46
	<b>Net Cash flow from Operating Activities(A)</b>	<b>579.90</b>	<b>(113.46)</b>	<b>451.26</b>
<b>B</b>	<b>Cash Flow From Investing Activities</b>			
	Purchase of tangible assets	(79.28)	(1,110.35)	(14.37)
	Proceeds from sales of tangible assets	59.91	723.65	438.52
	Interest Received	3.11	-	<b>1.08</b>
	Investment in Fixed Deposit	(102.87)	-	-
	Purchase of intangible assets	(2.44)	(3.44)	-
	<b>Net Cash used in Investing Activities(B)</b>	<b>(121.56)</b>	<b>(390.14)</b>	<b>425.23</b>
<b>C</b>	<b>Cash Flow From Financing Activities</b>			
	Finance Cost	(643.53)	(422.74)	(452.08)
	Increase in / (Repayment) of Short term Borrowings	172.10	157.68	2,903.09
	Increase in / (Repayment) of Long term borrowings	(122.01)	774.58	(3,208.97)
	<b>Net Cash used in Financing Activities(C)</b>	<b>(593.45)</b>	<b>509.52</b>	<b>(757.95)</b>
<b>D</b>	<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(135.11)</b>	<b>5.92</b>	<b>118.53</b>
<b>E</b>	<b>Cash &amp; Cash Equivalents at Beginning of period</b>	<b>162.12</b>	<b>156.20</b>	<b>37.66</b>
<b>F</b>	<b>Cash &amp; Cash Equivalents at End of period</b>	<b>27.00</b>	<b>162.12</b>	<b>156.20</b>

The accompanying notes are an integral part of these financial statements

"As Per Our Report of Even Date"

For M/s PSDY & Associates

Chartered Accountants

FRN: 010625S

For and on behalf of the board

M/s Khazanchi Jewellers Limited

Kushal Raj N

Partner

M. No. 234239

UDIN: 23234239BGUDMK1675

Date: 06/07/2023

Place: Chennai

Tarachand Mehta

Managing Director

DIN: 01234768

Goutham

Director

DIN: 01642002

Vikas Mehta

Chief Financial Officer

Aashish Mehta

Chief Executive Officer

Sakshi Jain

Company Secretary

Date: 06/07/2023

Place: Chennai

## NOTES ON ACCOUNTS FORMING PART OF RESTATED FINANCIAL STATEMENTS

### Corporate Information

"M/s Khazanchi Jewellers Limited ("the Company) formerly known as "Khazanchi Jewellers Private Limited", is engaged in the business of buying and selling of Gold ornaments, Gold bullion, Silver bullion.

Khazanchi Jewellers Limited, a limited company domiciled in India and incorporated under the Companies Act, 2013 on 25th day of March 1996 and is having its registered office in at No 130 NSC Bose Road, Sowcarpet, Chennai - 600079."

### 1. Significant Accounting Policies

#### i) Basis of Preparation of Financial Statements

The financial statements have been prepared in conformity with the generally accepted accounting principles in India to comply with all material respects with the notified Accounting Standards under Section 133 of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year except for the change in accounting policies explained below. The complete financial statements have been prepared along with all disclosures.

#### ii) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

#### iii) Revenue Recognition

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. The absolute figures on the face of Financial Statements with respect to outward and inward supply is exclusive of all applicable taxes if any.

Interest income on deposits and income bearing securities is recognized on time proportionate method.

Rental Income has been recognized on time proportionate method over a period of 12 months.

Further, a loan amount to the tune of 35,96,997.58/- which remain unpaid has been recognized as income under section 41 of the Income Tax Act, 1961

#### iv) Property, Plant & Equipment

Property, Plant & Equipment are stated at cost net of GST and includes amounts added on revaluation, less accumulated depreciation and impairment loss if any. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the Property, Plant & Equipment's are capitalised. Each part of an item of Property, Plant & equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

#### Assets where useful life is same as Schedule II

Asset	Useful Life (In Years)
Computers	3
Office Equipment	5
Electrical Equipment	5
Furniture & Fittings	10

#### v) Depreciation

Depreciation on Property, Plant & Equipment is provided to the extent of depreciable amount on straight line method (SLM) in the manner prescribed in Schedule II to the Companies Act, 2013 over their useful life.

#### vi) Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment of loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in the prior accounting period is reversed if there has been a change in the estimate of recoverable value.

**vii) Foreign Currency transactions**

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of transaction.
- (b) Monetary items denominated in foreign currencies at the year-end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and the rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- (c) Non-monetary foreign currency items are carried at cost.
- (d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of Property, Plant & Equipments, in which case they are adjusted to the carrying cost of such assets.

**viii) Borrowing costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

**ix) Taxation**

Provision for Current tax is based on the liability computed in accordance with the relevant tax rates and tax laws.

Minimum Alternate Tax (MAT) under the provisions of Income tax act, 1961 is recognised as current tax in the statement of Profit & Loss. The Credit available in respect of MAT is recognised as an asset only when and to the extent that there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability.

Provision for Deferred tax is made for timing differences arising between taxable income and accounting income computed at the rates enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only if there is a reasonable/ virtual certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

**x) Provisions and Contingent Liabilities and Contingent Assets**

A provision is recognized when the company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date and are not discounted to present value.

Contingent Liabilities are not recognized but disclosed in Financial Statements. Contingent Assets are neither recognized nor disclosed in the financial statements."

**xi) Employee Benefits**

**Short Term**

Short term employee benefits are recognised as an expense as per the company's scheme based on expected obligations.

**Post Retirement**

Post-retirement benefits comprise of provident fund and gratuity which are accounted as follows:

**Provident Fund**

This is a defined contribution plan. Contributions remitted to provident fund authorities in accordance with the relevant statute/rules are charged to statement of profit and loss as and when due. The company has no further obligations other than its monthly contributions. Presently, the company has not deducted any amount towards Provident fund.

**Gratuity**

This is a defined benefit plan. The liability is determined based on actuarial valuation using projected unit credit method. Actuarial gains and losses, comprising of experience adjustments and the effects of changes in actuarial assumptions are recognised immediately in the statement of profit and loss. Presently, the company has recognized Gratuity expenses based on the actuarial valuation report by Mr G N Agarwal.

**Compensated Absence**

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation

performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur. Presently, the company has not deducted any amount towards Compensated Absence. The company has not provided for the provision as per AS-15.

#### xii) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shareholders.

#### Notes forming Part of Restated Balance Sheet

##### 2: Share Capital

Particulars	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021	<i>Rs. in Lakhs</i>
<b>Authorised:</b>				
1,00,00,000 Equity shares of Rs. 10.00/- par value	1,000.00	1000.00	1000.00	
<b>Issued:</b>				
99,31,200 Equity shares of Rs. 10.00/- par value	993.12	993.12	993.12	
<b>Subscribed &amp; Paid-up Capital:</b>				
99,31,200 Equity shares of Rs. 10.00/- par value	993.12	993.12	993.12	
<b>Total</b>	<b>993.12</b>	<b>993.12</b>	<b>993.12</b>	

The company has only one class of shares referred to as equity shares having a par value of Rs. 10 each. Each holder of the equity share, as reflected in the records of the company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

##### (C) Reconciliation of Shares Issued:

Particulars	As at 31-Mar-23	As at 31-Mar-22	As at 31-Mar-21
Shares Outstanding at the beginning of the year	99,31,200.00	99,31,200.00	99,31,200.00
Issued During the Year	0	0	0
Cancelled During the Year	0	0	0
Shares Outstanding at the end of the year	<b>99,31,200.00</b>	<b>99,31,200.00</b>	<b>99,31,200.00</b>

##### (D) Shareholder's Holding more than 5% shares of the company

Name of Shareholder	Class of Shares	As at 31st Mar 2023	As at 31st March 2022	As at 31st March 2021
		% of Holding	% of Holding	% of Holding
Sanjay Kumar	Equity shares	11.49	11.49	11.49
Tarachand Mehta	Equity shares	21.15	21.15	21.15
Goutham	Equity shares	12.08	12.08	12.08
Fancy Devi	Equity shares	9.06	9.06	9.06
Rajesh Kumar	Equity shares	8.96	8.96	8.96
Vikas Mehta HUF	Equity shares	6.95	6.95	6.95
Rajesh Mehta HUF	Equity shares	6.04	6.04	6.04
Pramila Mehta	Equity shares	8.56	8.56	8.56
Tarachand Mehta & Sons	Equity shares	9.26	9.26	9.26

##### 3: Reserves & Surplus

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021	<i>Rs. in Lakhs</i>
Retained earnings				
Opening Balance	1,878.41	1551.79	1276.21	
Add: Profit for the year	756.49	326.62	275.58	
Add: Income tax refund	0.08	-	-	

Less: Adjustments for Prior period items	23.10	-	-
Closing Balance	2,611.87	1878.40	1551.79
Balance carried forward to Balance Sheet	<b>2611.87</b>	<b>1878.41</b>	<b>1551.79</b>

#### 4: Long Term Borrowings

Particulars		As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
<b>Term Loan - From banks</b>				
Secured Loans		1,201.22	640.96	47.01
<b>Particulars</b>	<b>Security</b>			
HDFC - Hyundai Venue Car Loan	Hypotheccated against Car	2.39	6.16	11.04
HDFC WCDL	Commercial and residential properties, Stock in trade and Book debts	600.00	-	-
Kotak Mahindra Bank - Property Loan	Commercial Property is attached	598.84	598.84	-
State Bank of India - Jewel Loan		-	-	-
State Bank Of India - Metal Loan	Commercial and residential properties, Stock in trade and Book debts	-	35.97	35.97
Bank OD	Commercial and residential properties, Stock in trade and Book debts	3,232.87	3,060.77	2,903.09
		<b>4,434.10</b>	<b>3,701.74</b>	<b>2,950.11</b>
<b>Term Loan - From Others</b>				
Loans Unsecured		1,090.03	1,090.93	1,058.73
		<b>1,090.03</b>	<b>1,090.93</b>	<b>1,058.73</b>
<b>Loans and advances from related parties</b>				
Loans from Directors - Unsecured		487.65	529.61	515.09
Inter corporate borrowings - Unsecured		1,000.00	1,759.95	1,620.08
Loans and advances from others unsecured		1450.70	1,330.16	1,336.12
		<b>2938.35</b>	<b>3619.72</b>	<b>3471.29</b>
<b>The Above Amount Includes</b>				
Secured Borrowings		4434.10	3701.74	2950.11
Unsecured Borrowings		4028.38	4710.65	4530.02
Amount Disclosed under the head "Short term Borrowings"		(3232.87)	(3060.77)	(2903.09)
Net amount		<b>5229.60</b>	<b>5351.61</b>	<b>4577.03</b>

#### 5: Long term Provisions

Rs. in Lakhs			
Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
Provision for Gratuity fund	21.43	0.00	0.00
<b>TOTAL</b>	<b>21.43</b>	<b>0.00</b>	<b>0.00</b>

#### 6: Trade Payables

##### As at 31st Mar 2023

Particulars	Outstanding for the following period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.00	0.00	0.00	0.00	0.00
(ii) Others	2283.50	0.00	0.00	0.00	2283.50
(iii) Disputed MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Others	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>2283.50</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2283.50</b>

**As at 31st March 2022**

Particulars	Outstanding for the following period				Rs. in Lakhs
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.00	0.00	0.00	0.00	0.00
(ii) Others	1101.41	0.00	0.00	0.00	1101.41
(iii) Disputed MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Others	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>1101.41</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1101.41</b>

**As at 31st March 2021**

Particulars	Outstanding for the following period				Rs. in Lakhs
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.00	0.00	0.00	0.00	0.00
(ii) Others	1226.36	0.00	0.00	0.00	1226.36
(iii) Disputed MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Others	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>1226.36</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1226.36</b>

## 7: Short Term Borrowings

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021	Rs. in Lakhs
Bank OD - HDFC	3232.87	3060.77	2903.09	
<b>Total</b>	<b>3232.87</b>	<b>3060.77</b>	<b>2903.09</b>	

## 8: Other Current Liabilities

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021	Rs. in Lakhs
Duties & Taxes	15.01	1.72	0.00	
Rental advance	21.25	72.25	72.25	
Expense Payable	2.90	0.00	0.00	
<b>Total</b>	<b>39.16</b>	<b>73.97</b>	<b>72.25</b>	

## 9: Short term Provisions

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021	Rs. in Lakhs
Current Tax Provision	92.50	(23.10)	(3.85)	
Provision for Gratuity- Present Value Obligation	2.74			
<b>Total</b>	<b>95.24</b>	<b>-23.10</b>	<b>(3.85)</b>	

## 11: Non-Current Investments

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021	Rs. in Lakhs
Investments	0.10	0.10	0.10	
<b>Total</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	

## 12: Long term loans and advances

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021	Rs. in Lakhs
Security Deposit				
Secured, considered good	0.90	0.90	1.10	
<b>Total</b>	<b>0.90</b>	<b>0.90</b>	<b>1.10</b>	

## 13: Deferred Tax Asset

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021	Rs. in Lakhs
Deferred tax assets	3.21	2.77	2.02	

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
<b>Net deferred tax assets</b>	<b>3.21</b>	<b>2.77</b>	<b>2.02</b>

#### 14: Other Non-Current assets

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
Fixed deposit in HDFC	102.87	0.00	0.00
<b>Total</b>	<b>102.87</b>	<b>0.00</b>	<b>0.00</b>

#### 15. Inventories

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
(Valued at cost or NRV unless otherwise stated)			
Closing Stock	12,807.04	10,601.21	10,129.67
<b>Total</b>	<b>12,807.04</b>	<b>10,601.21</b>	<b>10,129.67</b>

#### 16. Trade Receivables

##### As at 31st March 2023

Particulars	Outstanding for the following period					Total
	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables considered good	202.20	0.00	0.00	0.00	0.00	202.20
(ii) Undisputed Trade Receivables considered Doubtful	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivable considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>202.20</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>202.20</b>

##### As at 31st March 2022

Particulars	Outstanding for the following period					Total
	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables considered good	331.34	0.00	0.00	0.00	0.00	331.34
(ii) Undisputed Trade Receivables considered Doubtful	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivable considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>331.34</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>331.34</b>

##### As at 31st March 2021

Particulars	Outstanding for the following period					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables considered good	68.98	0.00	0.00	0.00	0.00	68.98
(ii) Undisputed Trade Receivables considered Doubtful	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00

Particulars	Outstanding for the following period					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(iv) Disputed Trade Receivable considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>68.98</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>68.98</b>

#### 17: Cash and Cash Equivalents

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
Balance with banks	-	127.00	73.61
Cash in hand	27.00	35.12	82.58
<b>Total</b>	<b>27.00</b>	<b>162.12</b>	<b>156.19</b>

#### 18: Current assets – Loans

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
Loans and Advances	71.02	71.02	76.52
<b>Total</b>	<b>71.02</b>	<b>71.02</b>	<b>76.52</b>

#### 19: Other Current Assets

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
TDS Receivable	0.50	0.30	-
Income Tax provision	-	-	-
Rent receivable	3.24	-	-
GST Receivables	7.87	-	-
<b>Total</b>	<b>11.61</b>	<b>0.30</b>	<b>-</b>

**10. Property, Plant and Equipment (Tangible assets) as at 31st March 2023**
*Rs. in Lakhs*

Assets	Gross Block				Accumulated Depreciation/ Amortisation				Net Block	
	Balance as at 1st April 2022	Additions during the year	Deletion during the year	Balance as at 31st March 2023	Balance as at 1st April 2022	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March 2023	Balance as at 31st March 2023	Balance as at 31st March 2022
<b>A. Tangible Assets</b>										
<b>Own Assets</b>										
Property @ NSC Bose Road	100.70			100.70	-			-	100.70	100.70
Property at Chengalpattu	38.31	29.84	59.91	8.24	-			-	8.24	38.31
Property @ Coimbatore	-			-	-			-	-	-
Property Development - CBE	13.48		-	13.48	-			-	13.48	13.48
Property @ NSC Bose Road 286/95	1,096.18	48.07		1,144.25	-			-	1,144.25	1,096.18
Furniture & Fittings	3.46			3.46	3.46	0.00		3.46	0.00	0.00
U P S	0.83			0.83	0.78	0.02		0.80	0.03	0.05
Computer	8.34	0.49		8.83	7.55	0.58		8.13	0.70	0.79
EPABX System	0.12			0.12	0.11	0.00		0.12	0.00	0.00
Camera	4.51			4.51	3.92	0.27		4.19	0.33	0.59
Weighing Machine	3.86			3.86	3.06	0.36		3.42	0.44	0.80
Generator	5.71			5.71	4.56	0.52		5.08	0.63	1.15
Printer	2.42	0.13		2.55	2.29	0.12		2.41	0.14	0.13
Fans	0.42			0.42	0.36	0.03		0.38	0.03	0.06
Fax Machine	0.05			0.05	0.05	0.00		0.05	(0.00)	0.00
Television	1.42			1.42	1.11	0.10		1.21	0.21	0.31
Melter Machine	1.41			1.41	1.35	0.02		1.37	0.04	0.06
Scanner	0.43			0.43	0.35	0.03		0.37	0.06	0.08
Counting Machine	3.23			3.23	2.87	0.11		2.98	0.25	0.36
Air Conditioner	13.44	0.39		13.83	10.55	0.46		11.01	2.83	2.89
Mobile	0.91	-		0.91	0.73	0.08		0.81	0.10	0.18
Mobile Phone		0.10		0.10		0.05		0.05	0.06	-
Electronic Scale	0.15			0.15	0.14	0.00		0.14	0.01	0.01
Motor Car	2.00			2.00	2.00	0.00		2.00	0.00	0.00
Motor Cycle	1.44			1.44	1.21	0.06		1.27	0.17	0.22
Water Dispenser	0.09			0.09	0.08	0.00		0.08	0.00	0.01
CC TV	1.07			1.07	0.69	0.10		0.79	0.28	0.38
Inverter	0.98	0.16		1.13	0.66	0.21		0.87	0.26	0.32

Assets	Gross Block				Accumulated Depreciation/ Amortisation				Net Block	
	Balance as at 1st April 2022	Additions during the year	Deletion during the year	Balance as at 31st March 2023	Balance as at 1st April 2022	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March 2023	Balance as at 31st March 2023	Balance as at 31st March 2022
Paper Shredder	0.04	0.06		0.10	0.02	0.01		0.04	0.06	0.01
Hyundai Venue 1.5 CRdi	13.49			13.49	6.08	2.31		8.39	5.09	7.41
Active Vigil Security Solutions	0.11			0.11	0.05	0.03		0.08	0.03	0.06
Stabilizer		0.04		0.04		0.01		0.01	0.03	-
								-		
<b>Total (A)</b>	<b>1,318.57</b>	<b>79.28</b>	<b>59.91</b>	<b>1,337.93</b>	<b>54.02</b>	<b>5.46</b>	<b>-</b>	<b>59.48</b>	<b>1,278.45</b>	<b>1,264.55</b>
<b>B Intangible Assets</b>										
Software	3.44	2.44		5.88	1.55	1.95		3.50	2.38	1.89
<b>Total (B)</b>	<b>3.44</b>	<b>2.44</b>	<b>-</b>	<b>5.88</b>	<b>1.55</b>	<b>1.95</b>	<b>-</b>	<b>3.50</b>	<b>2.38</b>	<b>1.89</b>
<b>Total (A+B)</b>	<b>1,322.01</b>	<b>81.72</b>	<b>59.91</b>	<b>1,343.82</b>	<b>55.56</b>	<b>7.42</b>	<b>-</b>	<b>62.98</b>	<b>1,280.84</b>	<b>1,266.45</b>

#### 10. Property, Plant and Equipment (Tangible assets) as at 31st March 2022

Rs. in Lakhs

Assets	Gross Block				Accumulated Depreciation/ Amortisation				Net Block	
	Particulars	Balance as at 1st April 2021	Additions during the year	Deletion during the year	Balance as at 31st March 2022	Balance as at 1st April 2021	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March 2022	Balance as at 31st March 2021
<b>A. Tangible Assets</b>										
<b>Own Assets</b>										
Property @ NSC Bose Road	100.70		-	100.70	-		-	-	100.70	100.70
Property at Chengalpattu	66.11	-	27.80	38.31	-		-	-	38.31	66.11
Property @ Coimbatore	695.86	-	695.86	-	-		-	-	-	695.86
Property Development - CBE	5.38	8.10	-	13.48	-		-	-	13.48	5.38
Property @ NSC Bose Road 286/95	-	1,096.18	-	1,096.18	-		-	-	1,096.18	-
Furniture & Fittings	3.46			3.46	3.46	-		3.46	0.00	0.00
UPS	0.70			0.70	0.67	-		0.67	0.04	0.04
Computer	3.89			3.89	3.70	-		3.70	0.19	0.19
Computer	2.28			2.28	2.26	0.01		2.27	0.01	0.01
EPABX Systems	0.12			0.12	0.11	-		0.11	0.00	0.00
Camera	1.01			1.01	0.96	-		0.96	0.05	0.05

<b>Assets</b>	<b>Gross Block</b>				<b>Accumulated Depreciation/ Amortisation</b>				<b>Net Block</b>	
<b>Particulars</b>	<b>Balance as at 1st April 2021</b>	<b>Additions during the year</b>	<b>Deletion during the year</b>	<b>Balance as at 31st March 2022</b>	<b>Balance as at 1st April 2021</b>	<b>Provided during the year</b>	<b>Deletion / adjustments during the year</b>	<b>Balance as at 31st March 2022</b>	<b>Balance as at 31st March 2022</b>	<b>Balance as at 31st March 2021</b>
Camera	0.51			0.51	0.50	-		0.50	0.00	0.00
Camera BO	0.21			0.21	0.20	0.00		0.20	0.00	0.00
Weighing Machine	1.18			1.18	1.05	0.02		1.07	0.11	0.13
Generator	3.93			3.93	3.70	0.06		3.76	0.17	0.23
Printer	0.28			0.28	0.27	0.00		0.27	0.01	0.01
Printer	0.95			0.95	0.94	0.00		0.94	0.00	0.00
Printer	0.08			0.08	0.07	0.00		0.07	0.00	0.00
Printer	0.13			0.13	0.13	0.00		0.13	0.00	0.00
Fan	0.14			0.14	0.14	-		0.14	0.00	0.00
Fans	0.07			0.07	0.07	0.00		0.07	0.00	0.00
Fax	0.05			0.05	0.05	-		0.05	-	-
Television	0.72			0.72	0.71	0.00		0.71	0.01	0.01
Melter Machine	1.41			1.41	1.32	0.02		1.35	0.06	0.08
Scanner	0.07			0.07	0.07	0.00		0.07	0.00	0.00
Counting Machine	2.45			2.45	2.20	0.06		2.26	0.19	0.25
Airconditioner (HO)	2.05			2.05	1.97	0.03		2.00	0.05	0.04
Airconditioner	1.59			1.59	1.42	0.04		1.46	0.13	0.17
Airconditioner (HO)	0.24			0.24	0.19	0.02		0.20	0.04	0.05
Printer (HO)	0.17			0.17	0.17	0.00		0.17	0.00	0.00
Printer (HO)	0.32			0.32	0.31	0.00		0.32	0.00	0.00
Printer (HO)	0.08			0.08	0.08	0.00		0.08	0.00	0.00
Printer (HO)	0.10			0.10	0.07	0.01		0.08	0.01	0.02
Mobile	0.38			0.38	0.34	0.02		0.36	0.02	0.03
Electronic Scale	0.15			0.15	0.14	-		0.14	0.01	0.01
Car	2.00			2.00	2.00	-		2.00	0.00	0.00
UPS (HO)	0.07			0.07	0.07	0.00		0.07	0.00	0.00
UPS (HO)	0.04			0.04	0.04	0.00		0.04	0.00	0.00
Weighing Machine	1.15			1.15	1.09	0.02		1.10	0.05	0.07
Weighing Machine	0.05			0.05	0.04	0.00		0.04	0.00	0.01
Airconditioner (BO)	1.92			1.92	1.49	0.13		1.62	0.30	0.43
Camera (BO)	1.05			1.05	0.82	0.07		0.89	0.16	0.23
Computer (BO)	0.98			0.98	0.76	0.07		0.83	0.15	0.22

<b>Assets</b>	<b>Gross Block</b>				<b>Accumulated Depreciation/ Amortisation</b>				<b>Net Block</b>	
<b>Particulars</b>	<b>Balance as at 1st April 2021</b>	<b>Additions during the year</b>	<b>Deletion during the year</b>	<b>Balance as at 31st March 2022</b>	<b>Balance as at 1st April 2021</b>	<b>Provided during the year</b>	<b>Deletion / adjustments during the year</b>	<b>Balance as at 31st March 2022</b>	<b>Balance as at 31st March 2022</b>	<b>Balance as at 31st March 2021</b>
Television (BO)	0.19			0.19	0.15	0.01		0.16	0.03	0.04
Airconditioner (148 & 149)	0.47			0.47	0.45	0.01		0.46	0.01	0.02
Airconditioner (148 & 149)	0.80			0.80	0.73	0.02		0.76	0.04	0.07
Airconditioner	1.86			1.86	1.45	0.13		1.58	0.29	0.42
Camera	0.17			0.17	0.13	0.01		0.15	0.03	0.04
Fans	0.04			0.04	0.03	0.00		0.03	0.01	0.01
Motor Cycle (148 &149)	0.76			0.76	0.73	0.01		0.74	0.02	0.03
Water Dispenser	0.09			0.09	0.08	0.00		0.08	0.01	0.01
Camera (BO)	1.56			1.56	1.05	0.16		1.21	0.35	0.51
Counting Machine (BO)	0.78			0.78	0.53	0.08		0.61	0.17	0.25
Motor Cycle (BO)	0.68			0.68	0.40	0.07		0.47	0.20	0.27
Printer (BO)	0.27			0.27	0.18	0.03		0.21	0.06	0.09
Scanner	0.36			0.36	0.24	0.04		0.28	0.08	0.12
Air Conditioner (HO)	0.16			0.16	0.11	0.02		0.13	0.04	0.05
Air Conditioner (BO)	0.75			0.75	0.51	0.08		0.58	0.17	0.24
Mobile	0.40			0.40	0.27	0.04		0.31	0.09	0.13
Weighing Machine (HO)	0.55			0.55	0.37	0.06		0.43	0.12	0.18
Fans	0.11			0.11	0.07	0.01		0.08	0.03	0.05
Air Conditioner	1.59			1.59	0.84	0.23		1.07	0.52	0.75
CCTV	0.86			0.86	0.46	0.13		0.58	0.28	0.41
Fans	0.05			0.05	0.03	0.01		0.03	0.02	0.02
Inverter	0.98			0.98	0.51	0.14		0.66	0.32	0.46
Paper Shredder	0.04			0.04	0.02	0.01		0.02	0.01	0.02
CCTV	0.21			0.21	0.06	0.04		0.11	0.10	0.14
Air Conditioner (BO)	0.29			0.29	0.09	0.06		0.15	0.14	0.20
Television	0.38			0.38	0.12	0.08		0.20	0.18	0.26
Hyundai Venue Car	13.49			13.49	3.49	2.59		6.08	7.41	9.99
Air Conditioner (BO)	-	1.71		1.71	-	0.54		0.54	1.18	-
Security Solution	-	0.11		0.11	-	0.05		0.05	0.06	-
Computer	-	1.19		1.19	-	0.75		0.75	0.44	-
Generator	-	1.78		1.78	-	0.80		0.80	0.98	-
Printer	-	0.07		0.07	-	0.02		0.02	0.05	-

<b>Assets</b>	<b>Gross Block</b>				<b>Accumulated Depreciation/ Amortisation</b>				<b>Net Block</b>	
<b>Particulars</b>	<b>Balance as at 1st April 2021</b>	<b>Additions during the year</b>	<b>Deletion during the year</b>	<b>Balance as at 31st March 2022</b>	<b>Balance as at 1st April 2021</b>	<b>Provided during the year</b>	<b>Deletion / adjustments during the year</b>	<b>Balance as at 31st March 2022</b>	<b>Balance as at 31st March 2022</b>	<b>Balance as at 31st March 2021</b>
Television	-	0.13		0.13	-	0.04		0.04	0.09	-
UPS	-	0.02		0.02	-	0.01		0.01	0.01	-
Weighing Machine(BO)	-	0.93		0.93	-	0.42		0.42	0.51	-
Mobile (HO)	-	0.13		0.13	-	0.06		0.06	0.07	-
<b>Total (A)</b>	<b>931.88</b>	<b>1,110.35</b>	<b>723.65</b>	<b>1,318.57</b>	<b>46.68</b>	<b>7.34</b>	<b>-</b>	<b>54.01</b>	<b>1,264.55</b>	<b>885.16</b>
<b>B Intangible Assets</b>										
Software	-	3.44	-	3.44		1.55		1.55	1.89	-
<b>Total (B)</b>	<b>-</b>	<b>3.44</b>	<b>-</b>	<b>3.44</b>	<b>-</b>	<b>1.55</b>	<b>-</b>	<b>1.55</b>	<b>1.89</b>	<b>-</b>
<b>Total (A+B)</b>	<b>931.88</b>	<b>1,113.79</b>	<b>723.65</b>	<b>1,322.01</b>	<b>46.68</b>	<b>8.89</b>		<b>55.57</b>	<b>1,266.45</b>	<b>885.16</b>

**Property, Plant and Equipment ( Tangible assets) as at 31st March 2021**
*Rs. in Lakhs*

<b>Assets</b>	<b>Gross Block</b>				<b>Accumulated Depreciation/ Amortisation</b>				<b>Net Block</b>	
<b>Particulars</b>	<b>Balance as at 1st April 2020</b>	<b>Additions during the year</b>	<b>Deletion during the year</b>	<b>Balance as at 31st March 2021</b>	<b>Balance as at 1st April 2020</b>	<b>Provided during the year</b>	<b>Deletion / adjustments during the year</b>	<b>Balance as at 31st March 2021</b>	<b>Balance as at 31st March 2021</b>	<b>Balance as at 31st March 2020</b>
<b>Tangible Assets</b>										
<b>Own Assets</b>										
Property @ NSC Bose Road	100.70			100.70	-			-	100.70	100.70
Property at Chengalpattu	80.47		14.36	66.11	-			-	66.11	80.47
Property @ Coimbatore	1,120.01		424.16	695.86	-			-	695.86	1,120.01
Property Development - CBE	5.38			5.38	-			-	5.38	5.38
Furniture & Fittings	3.46			3.46	3.46	-		3.46	0.00	0.00
UPS	0.70			0.70	0.67	-		0.67	0.04	0.04
Computer	3.89			3.89	3.70	-		3.70	0.19	0.19
Computer	2.28			2.28	2.26	0.01		2.26	0.01	0.02
EPABX Systems	0.12			0.12	0.11	-		0.11	0.00	0.00
Camera	1.01			1.01	0.96	-		0.96	0.05	0.05
Camera	0.51			0.51	0.50	-		0.50	0.00	0.00
Camera BO	0.21			0.21	0.20	0.00		0.20	0.00	0.00
Weighing Machine	1.18			1.18	1.03	0.02		1.05	0.13	0.15
Generator	3.93			3.93	3.62	0.08		3.70	0.23	0.31
Printer	0.28			0.28	0.27	0.00		0.27	0.01	0.01
Printer	0.95			0.95	0.94	0.00		0.94	0.00	0.01
Printer	0.08			0.08	0.07	0.00		0.07	0.00	0.00
Printer	0.13			0.13	0.13	0.00		0.13	0.00	0.00
Fan	0.14			0.14	0.14	-		0.14	0.00	0.00
Fans	0.07			0.07	0.07	0.00		0.07	0.00	0.00
Fax	0.05			0.05	0.05	-		0.05	0.00	0.00
Television	0.72			0.72	0.70	0.01		0.71	0.01	0.02
Melter Machine	1.41			1.41	1.29	0.03		1.32	0.08	0.12
Scanner	0.07			0.07	0.07	0.00		0.07	0.00	0.00
Counting Machine	2.45			2.45	2.12	0.08		2.20	0.25	0.33
Air conditioner (HO)	2.05			2.05	1.93	0.04		1.97	0.08	0.12
Air conditioner	1.59			1.59	1.36	0.06		1.42	0.17	0.23

<b>Assets</b>	<b>Gross Block</b>				<b>Accumulated Depreciation/ Amortisation</b>				<b>Net Block</b>	
<b>Particulars</b>	<b>Balance as at 1st April 2020</b>	<b>Additions during the year</b>	<b>Deletion during the year</b>	<b>Balance as at 31st March 2021</b>	<b>Balance as at 1st April 2020</b>	<b>Provided during the year</b>	<b>Deletion / adjustments during the year</b>	<b>Balance as at 31st March 2021</b>	<b>Balance as at 31st March 2021</b>	<b>Balance as at 31st March 2020</b>
Air conditioner (HO)	0.24			0.24	0.16	0.02		0.18	0.05	0.08
Printer (HO)	0.17			0.17	0.16	0.00		0.17	0.00	0.01
Printer (HO)	0.32			0.32	0.31	0.00		0.31	0.00	0.00
Printer (HO)	0.08			0.08	0.07	0.00		0.08	0.00	0.00
Printer (HO)	0.10			0.10	0.06	0.01		0.07	0.02	0.03
Mobile	0.38			0.38	0.32	0.03		0.34	0.03	0.06
Electronic Scale	0.15			0.15	0.14	-		0.14	0.01	0.01
Car	2.00			2.00	2.00	-		2.00	0.00	0.00
UPS (HO)	0.07			0.07	0.07	0.00		0.07	0.00	0.00
UPS (HO)	0.04			0.04	0.04	0.00		0.04	0.00	0.00
Weighing Machine	1.15			1.15	1.06	0.02		1.09	0.07	0.09
Weighing Machine	0.05			0.05	0.04	0.00		0.04	0.01	0.01
Air conditioner (BO)	1.92			1.92	1.30	0.20		1.49	0.43	0.62
Camera (BO)	1.05			1.05	0.71	0.11		0.82	0.23	0.34
Computer (BO)	0.98			0.98	0.66	0.10		0.76	0.22	0.32
Television (BO)	0.19			0.19	0.13	0.02		0.15	0.04	0.06
Air conditioner (148 & 149)	0.47			0.47	0.44	0.01		0.45	0.02	0.03
Air conditioner (148 & 149)	0.80			0.80	0.70	0.04		0.73	0.07	0.10
Air conditioner	1.86			1.86	1.26	0.19		1.45	0.42	0.61
Camera	0.17			0.17	0.12	0.02		0.13	0.04	0.06
Fans	0.04			0.04	0.03	0.00		0.03	0.01	0.02
Motor Cycle (148 &149)	0.76			0.76	0.72	0.01		0.73	0.03	0.04
Water Dispenser	0.09			0.09	0.07	0.00		0.08	0.01	0.02
Camera (BO)	1.56			1.56	0.82	0.23		1.05	0.51	0.74
Counting Machine (BO)	0.78			0.78	0.41	0.12		0.53	0.25	0.37
Motor Cycle (BO)	0.68			0.68	0.30	0.10		0.40	0.27	0.37
Printer (BO)	0.27			0.27	0.14	0.04		0.18	0.09	0.13
Scanner	0.36			0.36	0.19	0.05		0.24	0.12	0.17
Air Conditioner (HO)	0.16			0.16	0.09	0.02		0.11	0.05	0.08
Air Conditioner (BO)	0.75			0.75	0.40	0.11		0.51	0.24	0.36

<b>Assets</b>	<b>Gross Block</b>				<b>Accumulated Depreciation/ Amortisation</b>				<b>Net Block</b>	
<b>Particulars</b>	<b>Balance as at 1st April 2020</b>	<b>Additions during the year</b>	<b>Deletion during the year</b>	<b>Balance as at 31st March 2021</b>	<b>Balance as at 1st April 2020</b>	<b>Provided during the year</b>	<b>Deletion / adjustments during the year</b>	<b>Balance as at 31st March 2021</b>	<b>Balance as at 31st March 2021</b>	<b>Balance as at 31st March 2020</b>
Mobile	0.40			0.40	0.21	0.06		0.27	0.13	0.19
Weighing Machine (HO)	0.55			0.55	0.29	0.08		0.37	0.18	0.26
Fans	0.11			0.11	0.05	0.02		0.07	0.05	0.06
Air Conditioner	1.59			1.59	0.50	0.34		0.84	0.75	1.09
CCTV	0.86			0.86	0.27	0.19		0.46	0.41	0.59
Fans	0.05			0.05	0.02	0.01		0.03	0.02	0.03
Inverter	0.98			0.98	0.30	0.21		0.51	0.46	0.67
Paper Shredder	0.04			0.04	0.01	0.01		0.02	0.02	0.02
CCTV		0.21		0.21		0.06		0.06	0.14	-
Air Conditioner (BO)		0.29		0.29		0.09		0.09	0.20	-
Television		0.38		0.38		0.12		0.12	0.26	-
Hyundai Venue Car		13.49		13.49		3.49		3.49	9.99	-
<b>Total</b>	<b>1,356.02</b>	<b>14.37</b>	<b>438.52</b>	<b>931.88</b>	<b>40.21</b>	<b>6.47</b>	<b>-</b>	<b>46.68</b>	<b>885.20</b>	<b>1,315.81</b>

**20: Revenue from Operations**

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
<b>Sale of Product</b>			
Gold Bullion	12,613.70	5,530.98	18,522.73
Silver Bullion	10.40	-	3,394.88
Gold Coin	16.53	-	-
Gold Ornaments	35,425.14	20,163.50	16,263.67
Silver Articles	-	-	-
<b>Total</b>	<b>48,065.77</b>	<b>25,694.48</b>	<b>38,181.28</b>

**21: Other Income**

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
<b>Interest Income</b>			
Interest on Deposit	-	-	1.08
<b>Net gain/loss on sale of investments</b>			
Gain on sale of Land	-	31.50	14.10
Profit on Land / Flat Area UDS @ Chengalpet	29.84	-	-
<b>Other Non-Operating Income</b>			
Rental income on investment property	36.00	48.00	44.72
Cessation of Liability	35.97	-	-
Other Receipts	10.96	25.77	1.72
FD Interest	3.11	-	-
<b>Total</b>	<b>115.88</b>	<b>105.27</b>	<b>61.62</b>

**22: Purchases of Stock-in-Trade**

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
Gold Bullion	35,921.43	21,506.49	29,846.36
Silver Bullion	-	0.03	2,678.04
Gold Ornaments	12,138.01	3,485.49	5,516.66
Copper	0.33	0.21	0.13
Silver Articles & Coin	-	-	-
Making Charges	369.18	-	155.18
Hall Marking Testing Expenses	39.92	-	-
<b>Total</b>	<b>48,468.87</b>	<b>24,992.22</b>	<b>38,196.40</b>

**23: Changes in Inventory**

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
Inventory at the beginning of the year	10,601.21	10,129.67	8,652.79
Inventory at the end of the year	12,807.04	10,601.21	10,129.67
<b>Total</b>	<b>(2,205.83)</b>	<b>(471.54)</b>	<b>(1,476.88)</b>

**24: Employee Benefits Expenses**

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
Salary and wages	62.39	59.29	55.55
Directors Remuneration	10.20	10.20	10.20
Other Retirement benefits	1.03	0.86	0.59
Provision for Gratuity	24.17	-	-
Staff welfare Expenses	11.54	6.08	4.71
<b>Total</b>	<b>109.33</b>	<b>76.43</b>	<b>71.05</b>

**25: Finance Costs**

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021	<i>Rs. in Lakhs</i>
Long-Term Loans from Banks	81.86	7.83	10.46	
Short-Term Loans from Banks	262.49	158.90	118.70	
Long-Term Loans from Others	299.18	256.01	322.30	
<b>Total</b>	<b>643.53</b>	<b>422.74</b>	<b>451.46</b>	

**26: Depreciation and Amortization expense**

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021	<i>Rs. in Lakhs</i>
Depreciation on Tangible Assets	5.46	7.34	6.47	
Amortisation of Intangible Assets	1.95	1.55	-	
<b>Total</b>	<b>7.42</b>	<b>8.89</b>	<b>6.47</b>	

**27: Other Expenses**

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021	<i>Rs. in Lakhs</i>
Audit fee	1.34	0.65	0.65	
Freight Charges	6.11	7.37	-	
Advertising expenses	4.08	0.11	1.37	
Bank charges	1.50	2.24	2.06	
Bad debts (Amount is equal to or more than 1 lakh & PAN available)	-	-	574.01	
Bad debts (Amount is less than 1 lakh)	-	1.21	-	
Donations	2.05	0.17	-	
Electricity expenses	4.28	3.97	2.99	
Interest on TDS	0.54	-	-	
Insurance Expenses	3.54	3.62	3.24	
Legal & Professional Expenses	0.35	6.09	3.72	
Printing, Postage and Stationery	0.98	0.55	0.49	
Packing Expenses	1.85	0.57	-	
Processing Charges	21.79	19.41	-	
Professional Charges	14.88	-	-	
Repair & Maintenance	6.73	10.37	-	
Vehicle Maintenance	4.93	1.70	-	
Rate & Taxes	15.57	2.69	1.78	
Rent Paid	15.78	9.58	9.48	
Telephone expenses	0.43	0.78	0.18	
Travelling Expenses	4.37	2.28	0.38	
Other expenditure	20.19	276.16	30.39	
<b>Total</b>	<b>131.30</b>	<b>349.51</b>	<b>630.74</b>	

**28: Current tax**

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021	<i>Rs. in Lakhs</i>
Income Tax pertaining to the year	270.55	95.63	88.46	
Income Tax pertaining to the FY 2021-2022	0.13	-	-	
Income Tax pertaining to the FY 2020-2021	0.29	-	-	
<b>Total</b>	<b>270.97</b>	<b>95.63</b>	<b>88.46</b>	

**29: Additional Regulatory Information**

- i) The Company has not revalued its Property, Plant and Equipment since the Company has adopted cost model as its accounting policy to an entire class of Property, Plant and Equipment.
- ii) The Company has not granted any loan or advance in the nature of loan to promoters, directors, KMPs and other related parties that are repayable on demand or without specifying any terms or period of repayment.

- iii) There are no proceedings 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
- iv) The Company has been sanctioned working capital limits from banks or financial institutions on the basis of security of current assets at any point of time during the year.
- v) The Company is not declared as wilful defaulter by any bank or financial Institution or other lenders.
- vi) The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956 considering the information available with the Company.
- vii) The Company do not have any parent company and accordingly, compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable for the year under consideration.
- viii) There are no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.
- ix) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- x) The company has also not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- xi) The Company do not have any transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.
- xii) The Company did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence, disclosures relating to it are not applicable.

### **xiii) Key Financial Ratios**

Ratio	Unit of Measurement	31.03.2023	31.03.2022	31.03.2021
Current ratio	In multiple	2.32	2.65	2.48
Debt- Equity Ratio	In multiple	1.45	1.86	1.80
Return on Equity ratio	In Percentage	20.98	11.37	10.83
Inventory Turnover ratio	In Days	88.66	146.64	89.63
Trade Receivable Turnover Ratio	In Days	2.02	2.83	0.95
Trade Payable Turnover Ratio	In Days	12.82	16.47	7.14
Net Capital Turnover Ratio	In Days	77.86	133.01	83.44
Net Profit ratio	In Percentage	0.02	0.02	0.01
Return on Capital Employed	In Percentage	18.91	10.27	11.45
Return on Investment	In Percentage	5.21	2.63	2.43

#### **Formula adopted for above Ratios:**

Current Ratio = Current Assets / (Total Current Liabilities – Security Deposits payable on Demand – Current maturities of Long Term Debt)

Debt-Equity Ratio = Total Debt / Total Equity

Return on Equity Ratio = Total Comprehensive Income / Average Total Equity

Inventory Turnover Ratio (Average Inventory days) = 365 / (Net Revenue / Average Inventories)

Trade receivables Turnover Ratio (Average Receivables days) =  $365 / (\text{Net Revenue} / \text{Average Trade receivables})$

Trade Payables Turnover Ratio (Average Payable days) =  $365 / (\text{Net Revenue} / \text{Average Trade payables})$

Net Capital Turnover Ratio = (Inventory Turnover Ratio + Trade receivables turnover ratio – Trade payables turnover ratio)

Net Profit Ratio = Net Profit / Net Revenue

Return on Capital employed = (Total Comprehensive Income + Interest) / (Average of (Equity + Total Debt))

Return on Investment (Assets) = Total Comprehensive Income / Average Total Assets

### **30: Related Party Disclosures**

#### **A. Relationships**

Key Managerial Personnel	Designation	Date of Appointment as Director/KMP
Tarachand Mehta	Director	10-11-1997
Goutham	Director	10-11-1997
Vikas Mehta	CFO - KMP	04-05-2023
Bijal Durgavale	Independent Director	04-05-2023
Narresh Mahendra Kumar Jain	Independent Director	04-05-2023
Sakshi Jain	CS - KMP	01-04-2023
Aashish Mehta	CEO - KMP	04-05-2023

#### **B. Transactions carried out with related parties in ordinary course of business**

Nature of Transactions	Rs. in Lakhs		
	31-03-2023	31-03-2022	31-03-2021
<b>Salary to Directors/KMP</b>			
Director's Remuneration	10.20	10.20	10.20
Goutham Chand	5.10	5.10	5.10
Tarachand Mehta	5.10	5.10	5.10
	10.20	10.20	10.20

Particulars	Rs. in Lakhs		
	31.03.2023	31.03.2022	31.03.2021
Rent received - Khazanchi Silvers Pvt ltd	36.00	36.00	32.00
Sales - Pathik Sales Pvt ltd (Taxable Value)	7,368.84	154.77	24.50
Credit Notes - Pathik Sales Pvt Ltd (Taxable Value)	93.27	-	-
Sales- Khazanchi Silvers Pvt Ltd (Taxable Value)	10.40	-	1,568.46
Purchases - Pathik Sales Pvt ltd (Taxable Value)	21,869.65	14,669.76	8,866.28
Purchases - Khazanchi Silvers Pvt ltd (Taxable Value)	238.80	-	305.63

#### **Details of Interest Paid to Related Parties**

Particulars	Rs. in Lakhs		
	31-03-2023	31-03-2022	31-03-2021
Aashish Kumar S	4.27	0.99	1.56
Ashok Kumar	15.63	14.96	10.09
Ashok Kumar (HUF)	18.35	11.91	10.09
Dikshita	1.22	5.75	8.25
Fancy Devi	4.90	4.13	7.79
Ghisulalji	13.98	8.71	8.38
Goutham Chand	17.13	16.18	13.43
Goutham Chand (HUF)	7.71	4.79	11.51
Mamta Kumari G	11.69	7.80	8.78
Minal Mehta	4.95	2.07	3.13
Pooja Mehta	2.22	0.74	0.00
Pramila Mehta	1.70	1.76	1.21
Rajesh Kumar	2.27	4.96	10.86
Rajesh Kumar (HUF)	14.81	9.23	7.51

Particulars	31-03-2023	31-03-2022	31-03-2021
Ranjana	4.03	3.20	4.82
Sampatraj Mehta	2.47	1.69	0.00
Sanjay Kumar (HUF)	18.08	11.30	9.92
Sanjay Kumar	4.18	3.94	8.28
Santhosh Kumari	6.65	4.52	7.25
Savitha	6.80	5.18	8.88
Sutaliya Finance Pvt Ltd	77.00	88.38	123.71
Tarachand Mehta	20.55	13.94	14.16
Tarachand Mehta & Sons(HUF)	15.75	14.72	11.67
Vikas Mehta	7.89	5.83	11.64
Vikas Mehta HUF	14.54	9.06	7.16
Yaashi	0.41	0.25	0.00
Ghisi Bai	0.00	0.00	8.84
Ghisulal Jain HUF	0.00	0.00	3.39
<b>Total</b>	<b>299.18</b>	<b>256.01</b>	<b>322.30</b>

**Outstanding as at the year end**

Particulars	Amounts due to		
	31.03.2023	31.03.2022	31.03.2021
<b>Loans from Directors and Related parties</b>			
Ashok Kumar (HUF)	254.84	209	199
Dikshita	-	96.76	98.34
Ghisulalji	170.55	152.96	145.13
Pramod Mehta	-	31.41	28.70
Rajesh Kumar ( HUF)	196.58	161.87	154.10
Sanjay Kumar (HUF)	216.80	198.52	188.35
Savitha	76.10	81.04	94.63
Vikas Mehta HUF	175.17	159.08	150.93
Aashish Kumar S	60.86	39.19	9.06
Ashok Kumar	282.54	263.73	251.66
Fancy Devi	69.77	54.31	80.90
Geeth	4.56	4.56	4.56
Goutham Chand (HUF)	104.11	84.17	79.86
Jai	14.97	14.97	14.97
Jiya	4.66	4.66	4.66
Kuldeep	3.85	3.85	3.85
Mamta Kumari G	156.94	132.28	132.80
Minal Mehta	59.79	54.41	29.58
Pooja Mehta	26.97	4.32	4.66
Pramila Mehta	11.10	5.34	18.87
Rajesh Kumar	4.92	84.24	91.46
Ranjana	43.45	50.10	58.37
Saiyam S/o Goutham	2.76	2.76	2.76
Sampatraj Mehta	29.21	26.99	28.70
Sanjay Kumar	91.14	72.80	49.42
Santhosh Kumari	96.41	75.34	76.87
Tarachand Mehta & Sons (HUF)	285.79	257.50	245.75
Vikas Mehta - Loan	92.04	90.19	143.13
Yaashi - Loan	4.83	4.46	4.23
Ghisulal Jain HUF - Loan	-	-	-
Sakunthala - Loan	-	-	-
Sutaliya finance Pvt Ltd	1,000.00	-	-
Goutham Chand	300.18	287.05	270.52
Tarachand Mehta	187.47	242.56	244.57
<b>Trade Purchases with Related Parties</b>			
Khazanchi Silvers Private limited	-	385.00	467.57
Pathik Sales Private Limited	1,757.31	1,001.23	1,005.65

### 31: Earnings Per Share

The elements considered for calculation of earnings per share (Basic and diluted) are as under:

Particulars	31-03-2023	31-03-2022	31-03-2021
Net profit/(loss) after Tax (Rs. in Lakhs)	756.49	326.62	275.58
Number of equity shares outstanding	99,31,200	99,31,200	99,31,200
Earnings per Share (INR)-Basic and Diluted	7.62	3.29	2.77
Face value per share (INR)	Rs.10 each	Rs.10 each	Rs.10 each

### 32: Payment to Auditors

	31-03-2023	31-03-2022	31-03-2021	Rs. in Lakhs
As Audit fees	1.34	0.65	0.65	
	<b>1.34</b>	<b>0.65</b>	<b>0.65</b>	

### 33: Earnings in Foreign Exchange

	31-03-2023	31-03-2022	31-03-2021	Rs. in Lakhs
Export of Goods/Services	0.00	0.00	0.00	
	Nil	Nil	Nil	

### 34: Expenditure in Foreign Currency

	31-03-2023	31-03-2022	31-03-2021	Rs. in Lakhs
Import of Services	0.00	0.00	0.00	
	0	0	0	

35: The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as micro, small or medium enterprises. Consequently, the amount paid/ payable to these parties is considered to be nil.

36: As per AS-22 Accounting for Taxes on Income, Deferred Tax Asset has been recognized due to timing difference arising.

37: Events occurring after the reporting period: The Board Directors has decided not to declare any dividends for the period April 2022 to March 2023.

38: Claims against the company not acknowledged as debt - NIL (Previous year-nil).

39: Previous year's figures have been regrouped, recast and reclassified wherever necessary.

40: The restated financial statements were approved by the Board of directors on 06th of July 2023.

41. Reclassification of previous year figures upon complying with Schedule III Amendments.

The Company is required to comply with the amendments in Schedule III of Companies Act, 2013 notified on 24-03-2021, with effect from 01-04-2021. Accordingly, the Company has complied with the disclosure and presentation requirements as per the aforesaid amendments and reclassified the following items in the previous years, to conform to current year classification.

Nature of Reclassification	Amount of each item reclassified		
	31-03-2023	31-03-2022	31-03-2021
Security Deposits grouped was included in Long Term Loans and Advances. As per the requirement under amendments to Schedule III, the same has been presented under 'Other Non-Current assets' as a separate line and previous year figure has been reclassified.	0.00	0.00	0.00

### 42. RESTATED STATEMENT OF TAX SHELTER

Particulars	Amount in Lakhs		
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Profit before tax as per profit & loss (A)	<b>1027.02</b>	<b>421.49</b>	<b>363.66</b>

Particulars	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Applicable Corporate Tax Rate (%)	NA	NA	NA
Company applicable for Sec 115BAA	22%	22%	22%
MAT Rates	NA	NA	NA
<b>Permanent Differences</b>			
Donation	2.05	0.17	1.42
House Tax	3.64	2.64	1.62
Interest income	(3.11)		
Capital gain	(29.84)	(31.50)	(14.10)
HP income	(36.00)	(48.00)	(44.72)
Disallowance u/s 37 - Interest on late payment of TDS	0.54		
Disallowance u/s 40(A)(7) - Provision for Gratuity	24.17		
<b>Total Permanent Differences(B)</b>	<b>(38.54)</b>	<b>(76.69)</b>	<b>(55.78)</b>
<b>Timing Differences</b>			
Difference between tax depreciation and book depreciation	<b>1.76</b>	<b>3.42</b>	<b>1.77</b>
Depreciation as Per Book	7.42	8.89	6.47
Depreciation as Per Income Tax	5.66	5.47	4.70
Other allowable deduction	0	0.00	0.00
<b>Total Timing Differences (C)</b>	<b>1.76</b>	<b>3.42</b>	<b>1.77</b>
<b>Net Adjustments D = (B+C)</b>	<b>(36.78)</b>	<b>(73.28)</b>	<b>(54.01)</b>
Income from HP( E )	<b>22.65</b>	31.75	30.17
Income from Other Sources (F)	3.11	0.00	0.00
Income from Capital Assets (G)	19.62	0.00	11.29
Loss of P.Y. Brought Forward & Adjusted(H)	0	0.00	0.00
<b>Taxable Income/(Loss) (A+D+E+F+G+H)</b>	<b>1035.62</b>	<b>379.97</b>	<b>351.11</b>
<b>Taxable Income/(Loss) as per MAT</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
Tax as per MAT Calculation -1	NA	NA	NA
Tax as per Normal Calculation -2	227.44	83.59	77.02
<b>Income Tax as returned/computed (Higher of 1 or 2)</b>	<b>227.44</b>	<b>83.59</b>	<b>77.02</b>

#### 43. Impact of Restatement Adjustments - Reconciliation of Figures

Particulars	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021	Amount in Lakhs
<b>Profit after Tax as per Audited Financial Statements</b>	<b>756.49</b>	<b>326.62</b>	<b>275.58</b>	
Adjustments to net profit as per audited Financial Statements				
Reduction in profit on sale of Land	-	-	-	
Recognition of FD Interest	-	-	-	
Reduction in purchases	-	-	-	
Increase in Employee Benefit expenses	-	-	-	
Increase in Finance Cost	-	-	-	
Decrease in Depreciation	-	-	-	
Decrease in Other Expenses	-	-	-	
Decrease in current tax expense	-	-	-	
Decrease in deferred tax expense	-	-	-	
<b>Profit after tax as per Restated Statement of Profit and Loss</b>	<b>756.49</b>	<b>326.62</b>	<b>275.58</b>	

#### RECONCILIATION OF RESTATED EQUITY / NETWORTH

Particulars	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
<b>Equity / Net worth as per Audited Financial Statements</b>	<b>3,604.99</b>	<b>3,147.10</b>	<b>2,820.49</b>
Adjustment for difference pertaining to Profit / Loss due to restated effect for the period covered in restated financials	-	-	-
<b>Equity / Net worth as per Restated Financial statements</b>	<b>3,604.99</b>	<b>3,147.10</b>	<b>2,820.49</b>

### OTHER FINANCIAL INFORMATION

Sr. No.	Particulars	For the year ended 31st March		
		2023	2022	2021
<b>A</b>	Net worth as Restated (₹ in Lakhs)	3604.99	2871.53	2544.91
<b>B</b>	Profit after tax as Restated (₹ in Lakhs)	756.49	326.62	275.58
<b>C</b>	<b>Weighted average number of equity shares outstanding during the period/year</b>			
	For Basis/Diluted earnings per shares	99,31,200	99,31,200	99,31,200
	<b>Earning Per Shares</b>			
<b>D</b>	Basic/Diluted earnings per share (₹) (B/C)	7.62	3.29	2.77
<b>E</b>	<b>Return on Net Worth (%) (B/A*100)</b>	20.98	11.37	10.83
<b>F</b>	Number of shares outstanding at the end of the period/year	99,31,200	99,31,200	99,31,200
<b>G</b>	<b>Net asset value per equity shares of ₹ 10 each (A/F)</b>	36.30	28.91	25.63
<b>H</b>	Face value of equity shares (₹)	10	10	10
<b>I</b>	Earnings before Interest, Taxes, Depreciation & Amortization (EBITDA) (₹ in Lakhs)	1562.09	747.86	759.96

The ratios have been computed as under:

1. Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by average no. of equity shares outstanding during the year/ period
2. Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of diluted equity shares outstanding during the year/ period
3. Return on Net Worth (%) = Net Profit after tax, as restated for the end of the year/ period divided by Net worth as at the end of the year/period.
4. Net Asset Value per share = Net Worth at the end of the year/period divided by total number of equity shares outstanding at the end of year/ period
5. EBITDA: Aggregate of restated profit/(loss) before tax, interest cost, depreciation and amortization less Other Income.
6. Weighted average number of shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of shares issued during the period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.
7. Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation

**CAPITALISATION STATEMENT**
*(₹ in Lakhs)*

<b>Particulars</b>	<b>Pre-Issue</b>	<b>Post-Issue</b>
<b>Borrowings</b>		
Short Term	3,232.87	3,388.65
Long Term (A)	2,462.61	3,589.54
<b>Total Borrowings (B)</b>	<b>5,695.48</b>	<b>6,978.19</b>
<b>Shareholder's Fund</b>		
Share Capital	1,783.69	2474.69
Reserves & Surplus	4,588.30	13,571.30
<b>Total Shareholder's Fund (C)</b>	<b>6,371.99</b>	<b>16,045.99</b>
<b>Long-Term Borrowing/equity (A/C)</b>	0.39	0.22
<b>Total Borrowings/equity (B/C)</b>	0.89	0.43

**Notes:**

1. Short Term Borrowings implies borrowings repayable within 12 months from the Balance Sheet date. Long Term Borrowings are debts other than Short Term Borrowings.
2. The amounts disclosed for Short Term Borrowings under pre-Issue are derived from the Restated Financial Information of our Company as at 31.03.2023.
3. The amount disclosed for long term borrowings under Pre-Issue are derived from the Restated Financial Information of our Company as at 31.03.2023 with deduction of ₹2766.99 Lakhs towards conversion of unsecured loan into equity shares.
4. The amount disclosed for Share Capital under Pre-Issue are derived from the Restated Financial Information of our Company as at 31.03.2023 with an addition in Share Capital of ₹790.57 Lakhs towards allotment of equity shares on May 26, 2023 pursuant to conversion of unsecured loan into equity shares.
5. The amount disclosed for Reserve & Surplus under Pre-Issue are derived from the Restated Financial Information of our Company as at 31.03.2023 with an addition in Share Premium of ₹1976.43 Lakhs towards allotment of equity shares on May 26, 2023 pursuant to conversion of unsecured loan into equity shares at premium.
6. The amounts disclosed under Post-Issue for Short Term Borrowings are derived from Financial Indebtness as on June 30, 2023.
7. The amounts disclosed under Post-Issue for Long Term Borrowings are derived from Financial Indebtness as on June 30, 2023.
8. The amounts disclosed under Post-Issue for Shareholders funds are derived assuming allotment of equity shares under this Issue.
9. The above statement should be read with the statement of Notes to the Restated Financial Information of the Company as at 31.03.2023..

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion of our financial position and results of operations together with our Restated Financial Information which have been included in this Prospectus. The following discussion and analysis of our financial position and results of operations is based on our Restated Financial Information and for financial years ended March 31, 2023, March 31, 2022 and 2021 including the related notes and reports, included in this Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" on pages 23 and 16, respectively, and elsewhere in this Prospectus.

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.

### BUSINESS OVERVIEW:

Our company is a prominent player in the Indian jewellery industry, with a strong presence in both wholesale and retail sectors. We specialize in the production and sale of a wide range of jewellery products, including gold jewellery, diamond jewellery, precious stones, and other fancy jewellery and bullion in the form of coins and bars. Our jewellery business has a rich history spanning over three decades in the Indian jewellery industry. Our promoters are experienced entrepreneurs with over 25 years of expertise in the field. We offer a diverse range of jewellery products and is dedicated to designing, manufacturing, and selling high-quality jewellery that includes necklaces, chains, rings, earrings, bangles, bracelets, pendants, nose pins, mangalsutras, and kadas. Our focus is on creating exquisite wedding jewellery and other pieces suitable for festive occasions.

As on the date of this Prospectus, we have one showroom located at No. 130, NSC Bose Road, Sowcarpet Chennai 600079, Tamil Nadu, India. We intend to establish one more showroom at 286, NSC Bose Road, Sowcarpet, Chennai 600079.

We hold a BIS Hallmark Certificate, a qualified jeweller to carry out transactions on the IIBX (India International Bullion Exchange IFSC Limited) platform for the purpose of import of gold and we holds a Import Export Certificate.

We strive to deliver excellence, consistently. Our constant endeavour is to maintain the highest standard and quality of our gold, diamonds and precious stones used in our jewel pieces. We are offering an experience that takes into consideration our customer's unique needs and preferences.

Our Company is promoted by Tarachand Mehta, Goutham, Fancy Devi, Tarachand Mehta and Sons and Goutham HUF who have a combined experience of more than 4 decades in the jewellery industry. Each of our promoter, directors are involved in the critical aspects of our business, including expansion, finance, sales and marketing.

### Business Model

#### Raw Material Procurement

The main raw material for our products is Gold and Bars. We majorly purchase our requirement of Gold from our group company namely Pathik Sales Private Limited. We also purchase Gold Bars from Private parties and Banks. Apart from this, the old gold jewellery is purchased through exchange scheme which is refined thereafter and used as the raw material for our products.

#### Manufacturing and designing

The designing and production of the ornaments is done based upon the customers preference, taste and style. We get the items produced from independent third party Artisans based on the requirements and designs of the customers.

#### Placing of the products

The jewellery products are then placed at the shop for display for the retail customers. The jewellery products are placed on sale or approval basis and sales are booked when the goods are sold to the customers.

#### Sale to end customer

The jewellery products are sold to the retail customers from the shop. We also get the jewellery products produced through outsourcing in case there are any specific demands of the customers. Apart from this, we also carry out sale of jewellery on wholesale basis for our institutional customers.

## SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL PERIOD

After April 01, 2023, the Directors of our Company confirm that, there have not been any significant material developments.

### FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” on page 23 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Government Regulations & Policies;
- Competition from exiting players;
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial conditions;
- Occurrence of Environmental problems & uninsured losses;
- Conflicts of interest with affiliated companies, the Promoters group and other related parities;
- The performances of the financial markets in India;
- Our ability to expand our geographical areas of operations;
- Concentration of ownership among our Promoters;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- Our ability to retain our key management persons and other employee

### SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer Significant Accounting Policies and Notes to accounts, “Note 1” beginning under Chapter titled “Restated Financial Information” beginning on page 138 of the Prospectus.

### RESULTS OF OUR OPERATION BASED ON RESTATED FINANCIAL INFORMATION

(₹In Lakhs)

Particulars	For the year ended March 31					
	2023	% of Total Income	2022	% of Total Income	2021	% of Total Income
Revenue From Operations	48065.77	99.76	25,694.48	99.59	38,181.27	99.84
Other Income	115.88	0.24	105.27	0.41	61.62	0.16
<b>Total Income (A)</b>	<b>48181.65</b>	<b>100.00</b>	<b>25799.75</b>	<b>100.00</b>	<b>38242.89</b>	<b>100.00</b>
<b>EXPENDITURE</b>						
Purchases of Stock-in-trade	48468.87	100.60	24992.21	96.87	38196.40	99.88
Changes in Inventories	(2205.83)	(4.58)	(471.53)	(1.83)	(1476.88)	(3.86)
Employees Benefit Expenses	109.34	0.23	76.43	0.30	71.05	0.19
Finance Cost	643.53	1.34	422.74	1.64	451.46	1.18
Depreciation & Amortization Expenses	7.42	0.02	8.89	0.03	6.47	0.02
Other Expenses	131.30	0.27	349.51	1.35	630.74	1.65
<b>Total Expenses (B)</b>	<b>47154.63</b>	<b>97.87</b>	<b>25378.25</b>	<b>98.37</b>	<b>37879.24</b>	<b>99.05</b>
<b>Profit Before Extraordinary items and tax C=A-B</b>	<b>1027.02</b>	<b>2.13</b>	<b>421.49</b>	<b>1.63</b>	<b>363.65</b>	<b>0.95</b>
Extra-ordinary Item (D)	-	-	-	-	-	-
<b>Profit Before Tax E=C-D</b>	<b>1027.02</b>	<b>2.13</b>	<b>421.49</b>	<b>1.63</b>	<b>363.65</b>	<b>0.95</b>
Tax Expenses						
Current Tax	270.97	0.56	95.63	0.37	88.46	0.23
Deferred Tax Expenses/Income	(0.44)	0.00	(0.75)	(0.00)	(0.38)	(0.00)
<b>Total Tax Expenses (F)</b>	<b>270.53</b>	<b>0.56</b>	<b>94.88</b>	<b>0.37</b>	<b>88.08</b>	<b>0.23</b>
<b>Net Profit for the Year G= E-F</b>	<b>756.49</b>	<b>1.57</b>	<b>326.62</b>	<b>1.27</b>	<b>275.57</b>	<b>0.72</b>

## Main component of our Profit and Loss accounts

### Income

Our total income comprises of revenue from operations and other income.

#### Revenue from operations:

Our revenue from operations as percentages of our total income was 99.76%, 99.59% and 99.84% for the financial year ended March 31, 2023, March 31, 2022, and March 31, 2021 respectively.

#### Other Income

It is the income earned from sources like Interest income from Deposits, Gain from sale of Land, Rental income and other receipts. Our other income as percentages of our total income was 0.24%, 0.41%, and 0.16% for the financial year ended March 31, 2023, March 31, 2022, and March 31, 2021 respectively.

#### Expenditure:

Our total expenditure primarily consists of purchase of stock-in-trade, change in inventories, employee benefit expenses, finance cost, depreciation and other expenses. Our expenditure as percentages of our total income was 97.87%, 98.37% and 99.05% for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 respectively.

#### Employee benefits expense

Our employee benefits expense primarily comprise of salaries and wages, Director's remuneration, other retirement benefits and staff welfare expenses. Our employee benefit expenses as percentages of our total income were 0.23%, 0.30%, and 0.19% for the financial year ended March 31, 2023, March 31, 2022, and March 31, 2021 respectively.

#### Finance Cost

It includes interest on loans from banks & others and Bank charges. Our finance cost as percentages of our total income was 1.34, 1.64% and 1.18% for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 respectively.

#### Depreciation & Amortization

Depreciation includes depreciation on tangible assets like furniture & fixtures, computers and office equipment. Amortization includes amortization of intangible assets. Our depreciation and amortization as percentages of our total income was 0.02, 0.03% and 0.02% for the financial year ended March 31, 2023, March 31, 2022 and March 31, respectively.

#### Other Expenses

Other expenses include audit fees, freight charges, advertising expenses, electricity expenses, insurance expenses, legal & professional expenses, travelling expenses, repairs & maintenance, rent paid etc. Our other expenses as percentages of our total income were 0.27%, 1.35% and 1.65% for the financial year ended March 31, 2023, March 31, 2022 and March 31, respectively.

#### Provision for Tax

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

**COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2023 WITH FINANCIAL YEAR ENDED MARCH 31, 2022****Revenue from Operations**

The revenue from operations for the FY 2022-23 was ₹48065.77 Lakh as compared to ₹25694.48 Lakh during the FY 2021-22 showing an increase of 87.07% on account of increased Sales of Gold Bullion and Ornaments.

**Other Income**

The other income for the FY 2022-23 was ₹115.88 Lakh as compared to ₹105.27 Lakh for the FY 2021-22 showing an increase of 10.08%.

**Expenses****Purchase of Stock-in-trade**

Purchase of Stock-in-trade for the FY 2022-23 was ₹48468.87 Lakh as compared to ₹ 24992.21 Lakh during the FY 2021-22 showing an increase of 93.94%. The increase was due to corresponding increase in the purchases of Gold Bullion and Ornaments.

**Employee Benefit Expense**

Employee Benefit expenses for the FY 2022-23 was ₹109.34 Lakh as compared to ₹76.43 Lakh for FY 2021-22 showing an increase of 43.06 %. The increase was due to increase in salary of the employees.

**Finance Cost**

Finance cost for the FY 2022-23 was ₹643.53 Lakh as compared to ₹422.74 Lakh in FY 2021-22 showing an increase of 52.23%. The increase was on account of increase in the Sales Volume.

**Depreciation & Amortization**

The Depreciation and amortization expense for FY 2022-23 was ₹7.42 Lakh as compared to ₹8.89 Lakh for FY 2021-22 showing a decrease of 16.54%.

**Other Expenses**

Other Expenses for the FY 2022-23 was ₹131.30 Lakh as compared to ₹349.51Lakh for FY 2021-22 showing a decrease of 62.43%.

**Profit before Tax**

The Profit before Tax was ₹1027.02 Lakh in FY 2022-23 as compared to ₹421.5 Lakh in FY 2021-22 by showing an increase of 143.66 %. The increase was due to increase in the Revenue.

**Profit after Tax (PAT)**

Profit after Tax ₹755.61 Lakh in the FY 2022-23 as compared to ₹326.62 Lakh in FY 2021-22 showing increase of 131.34 %. The increase was due to increase in the Revenue.

**COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2022 WITH FINANCIAL YEAR ENDED MARCH 31, 2021****Revenue from Operations**

The revenue from operations for the FY 2021-22 was ₹25,694.48 Lakh as compared to ₹38,181.27 Lakh during the FY 2020-21 showing a decrease of 32.70%. The decreased was due to reduced market demand, changes in consumer preference as abnormal increase in prices.

### **Other Income**

The other income for the FY 2021-22 was ₹105.27 Lakh as compared to ₹61.62 Lakh for the FY 2020-21 showing an increase of 70.84 %.

### **Expenses**

#### **Purchase of Stock-in-trade**

Purchase of Stock-in-trade for the FY 2021-22 was ₹24,992.21 Lakh as compared to ₹38,196.40 Lakh during the FY 2020-21 showing a decrease of 34.57%. The decrease was due to reduction in sales.

#### **Employee Benefit Expense**

Employee Benefit expenses for the FY 2021-22 ₹76.43 Lakh as compared to ₹71.05 Lakh for FY 2020-21 showing an increase of 7.57%. The increase was due to normal increase in salary of the employees.

#### **Finance Cost**

Finance cost for the FY 2021-22 ₹422.74 Lakh as compared to ₹451.46 Lakh in FY 2020-21 showing decrease of 6.36%. The decrease was due to reduced borrowings and utilisation of Overdraft Limits as there was reduction in purchase.

#### **Depreciation & Amortization**

The Depreciation and amortization expense for FY 2021-22 was ₹8.89 Lakh as compared to ₹6.47Lakh for FY 2020-21 showing an increase of 37.40%. The increase was due to addition of new assets.

#### **Other Expense**

Other Expenses for the FY 2021-22 was ₹349.51 Lakh as compared to ₹630.74 Lakh for FY 2020-21 showing a decrease of 44.59%. The decrease was due to reduction in sales.

#### **Profit before Tax**

The Profit before Tax was ₹421.50 Lakh in FY 2021-22 as compared to ₹363.65Lakh in FY 2020-21 by showing an increase of 15.90%. The increase was due to reduction in expenses as stated above and increase in prices of Gold.

#### **Profit after Tax (PAT)**

Profit After Tax ₹326.62Lakh in the FY 2021-22 as compared to ₹275.57 Lakh in FY 2021-22 showing increase of 18.53%. The increase was due to reduction in expenses as stated above and increase in prices of Gold..

### **COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2021 WITH FINANCIAL YEAR ENDED MARCH 31, 2020**

#### **Revenue from operations**

The revenue from operations for the FY 2020-21 was ₹38,181.27 Lakh as compared to ₹36,108.84 Lakh during the FY 2019-20 showing an increase of 5.74 %. The increase was due to increase in demand in the market.

#### **Other Income**

The other income for the FY 2020-21 was ₹61.62 Lakh as compared to ₹56.52 Lakh for the FY 2019-20 showing an increase of 9.02%.

#### **Expenses**

#### **Purchase of Stock-in-trade**

Purchase of Stock-in-trade for the FY 2020-21 was ₹38,196.40 Lakh as compared to ₹ 36,479.91 Lakh during the

FY 2019-20 showing an increase of 4.71%. The increase was due to improvement in sales for the year.

#### **Employee Benefit Expense**

Employee Benefit expenses for the FY 2020-21 was ₹71.05 Lakhs as compared to ₹76.12 Lakh for FY 2019-20 showing a decrease of 6.66 %. The decrease was due to reduction in work force.

#### **Finance Cost**

Finance cost for the from FY 2020-21 ₹451.46 Lakh as compared to ₹552.08 Lakh in FY 2019-20 showing decrease of 18.23 %. The decrease was due to less borrowings.

#### **Depreciation & Amortization**

The Depreciation and amortization expense for FY 2020-21 was ₹6.47 Lakh as compared to ₹3.91 Lakh for FY 2019-20 showing increase of 65.47%. The increase was due to additions of fixed assets.

#### **Other Expense**

Other Expenses for FY 2020-21 was ₹630.74 Lakh as compared to ₹96.44 Lakh for FY 2019-20 showing an increase of 554.02%. The increase was due to improvement in sales for the year.

#### **Profit before Tax**

The Profit before Tax was ₹363.65 Lakh in FY 2020-21 as compared to ₹303.32 Lakh in FY 2019-20 by showing an increase of 19.89%. The increase was due to improvement in sales.

#### **Profit after Tax (PAT)**

Profit After Tax was ₹275.57 Lakh in the FY 2020-21 as compared to ₹230.70 Lakh in FY 2019-20 by showing increase of 19.45%. The increase was due to improvement in sales.

#### **CASH FLOW**

(₹in Lakhs)

Particular	For the year ended March 31		
	2023	2022	2021
Net Cash generated/(used in) operating activities (A)	579.90	(113.46)	451.26
Net Cash generated from/(used in) investing activities (B)	(121.56)	(390.14)	425.23
Net Cash generated from/ (used in) financing activities (C)	(593.45)	509.52	(757.95)
Net change in cash and cash equivalent (A+B+C)	(135.11)	5.92	118.53
Cash and Cash Equivalent at the beginning of the year	162.12	156.20	37.66
Cash and Cash Equivalents at the end of the year	27.00	162.12	156.20

#### **Net Cash Flow from Operating Activities**

#### **Financial year 2022-2023**

In the F.Y 2022-23, Net Cash Flow generation in Operating Activities was ₹ 579.90 Lakh. Net Profit before tax and extraordinary items stood at ₹1027.02 Lakhs. Primary adjustments were on account of finance cost of ₹643.53 Lakhs Income Tax paid of - ₹ 270.89 Lakhs and depreciation of ₹7.42 Lakhs.

The Operating Cash Flows before working capital changes was ₹1674.86 Lakhs.

The changes in Working Capital were due to:

- a) Decrease in Trade Receivables of ₹129.14 Lakhs ;
- b) Increase in Trade payables of ₹1182.09 Lakhs;
- c) Increase in Inventories of ₹2205.83 Lakhs;
- d) Decrease in Other Current liabilities of ₹(34.81) Lakhs;
- e) Decrease in Loans & advances of ₹0.00;
- f) Increase in Other Current Assets of ₹11.31 Lakhs;
- g) Increase in short term provisions of ₹95.24 Lakhs ;

h) Increase in Long Term Provisions ₹21.43 Lakhs

### **Net Cash Flow from Operating Activities**

#### **Financial year 2021-2022**

In the F.Y 2021-22 net Cash Flow generation in Operating Activities was (₹113.46) Lakh. Net Profit before tax and extraordinary items stood at ₹421.29 Lakhs. Primary adjustments were on account of finance cost of ₹422.74 Lakhs.

The Operating Cash Flows before working capital changes was ₹853.12 Lakhs.

The changes in Working Capital were due to:

- a) Increase in Trade Receivables of (₹262.36 Lakhs);
- b) Decrease in Trade payables of (₹124.94 Lakhs);
- c) Increase in Inventories of (₹471.53 Lakhs);
- d) Increase in Other Current liabilities of ₹1.72 Lakhs;
- e) Decrease in Loans & advances of ₹5.70 Lakhs;
- f) Increase in Other Current Assets of (₹0.30 Lakhs);
- g) Decrease in short term provisions of (₹19.25 Lakhs)

#### **Financial year 2020-2021**

In the F.Y 2020-21 Net Cash Flow Generation in Operating Activities was ₹451.26 Lakh. Net Profit before tax and extraordinary items stood at ₹363.66 Lakhs. Primary adjustments were on account of finance cost of ₹452.08 Lakhs and depreciation of ₹6.47 Lakhs.

The Operating Cash flows before Working Capital changes was ₹821.13 Lakhs.

The changes in Working Capital were due to:

- a) Decrease in Trade Receivables of ₹61.73 Lakhs;
- b) Increase in Trade Payables of ₹956.26 Lakhs;
- c) Increase in Inventories of (₹1,476.88 Lakhs);
- d) Decrease in Loans & advances of ₹146.72 Lakhs;
- e) Decrease in Other Current Assets of ₹16.87 Lakhs;
- f) Increase in Short term provisions of ₹13.90 Lakhs;

### **Cash Flows from Investing Activities**

#### **Financial year 2023**

Net Cash used in Investing Activities was ₹121.56 Lakhs in the F.Y 2022-23, primarily on account of purchase and Sale of Tangible Assets of (₹19.37 Lakhs), purchases of Intangible Assets of (₹2.44 Lakhs) and Investment in Fixed Deposits of (₹102.87 Lakhs).

#### **Financial year 2022**

Net Cash used in Investing Activities was ₹390.14 Lakhs in the F.Y 2021-22, primarily on account of purchases of Tangible Assets of (₹1110.35 Lakhs), purchases of Intangible Assets of (₹3.44 Lakhs) and proceeds from sales of Tangible Assets of ₹ 723.65 Lakhs.

#### **Financial year 2021**

Net Cash from Investing Activities was ₹425.23 Lakhs in the F.Y 2020-21, primarily on account of purchases of Tangible Assets of (₹14.37 Lakhs), sale of Tangible Assets of ₹438.52 Lakhs and interest received of ₹1.08 Lakhs.

### **Cash Flows from Financing Activities**

#### **Financial year 2022-23**

Net Cash generated from Financing Activities was ₹(593.45) Lakhs in the F.Y 2022-23, primarily on account of Short Term Borrowings of ₹172.10 Lakhs, Long Term Borrowings of ₹(122.01 Lakhs) and finance cost of ₹(643.53 Lakhs).

#### **Financial year 2021-22**

Net Cash generated from Financing Activities was ₹509.52 Lakhs in the F.Y 2021-22, primarily on account of

proceeds from Short Term Borrowings of ₹157.68 Lakhs, Long Term Borrowings of ₹774.58 Lakhs and finance cost of ₹422.74 Lakhs.

### **Financial year 2020-21**

Net Cash used in Financing Activities was (₹757.95 Lakhs) in the F.Y 2020-21, primarily on account of proceeds from Short Term Borrowings of ₹2,903.09 Lakhs, repayment of Long Term Borrowings of ₹3,208.97 Lakhs and finance cost of ₹452.08 Lakhs.

### **Related Party Transactions**

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relates to remuneration payable, consultancy received, interest paid, purchase & sale of goods, loans & deposits taken & paid, advance to suppliers and Issue of Equity Shares. For further details of such related parties, refer chapter titled “*Financial Information*” on page 138 of this Prospectus.

### **Contingent Liabilities**

As per the restated financial statement of the company there are no Contingent Liabilities of the Company for the financial years ended on March 31, 2023, March 31, 2022, and March 31, 2021

#### *Off-Balance Sheet Items*

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

#### *Qualitative Disclosure about Market Risk*

### **Financial Market Risk**

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

#### **Interest Rate Risk**

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

#### **Liquidity Risk**

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure, to the extent possible, that we will have sufficient liquidity to meet our liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. We manage liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

#### **Effect of Inflation**

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

#### **Credit Risk**

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

#### **Reservations, Qualifications and Adverse Remarks**

Except as disclosed in chapter titled “*Financial Information*” on page 138 of this Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, including therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution

Except as disclosed in chapter titled “*Financial Information*” on page 138 of this Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures & interest thereon or repayment of deposits & interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

### **Material Frauds**

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Fiscals.

### **Unusual or Infrequent Events or Transactions**

As on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

### **Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations**

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company’s operations or are likely to affect income from continuing operations except as described in chapter titled “*Risk Factors*” on page 23 of this Prospectus.

### **Known Trends or Uncertainties that have had or are expected to have a Material Adverse Impact on Sales, Revenue or Income from Continuing Operations**

Other than as described in the section titled “*Risk Factors*” on page 23 of this Prospectus and in this chapter, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

### **Future Changes in Relationship between Costs and Revenues, in Case of Events Such as Future Increase in Labour or Material Costs or Prices that will Cause a Material Change are known**

Other than as described in chapter titled “*Risk Factors*” on page 23 of this Prospectus and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

### **Total Turnover of Each Major Industry Segment in Which the Issuer Operates**

Our company works under single reportable Industry segment.

### **Competitive Conditions**

We have competition with Indian manufacturers & traders and our results of operations could be affected by competition in the jewellery industry in India. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled “*Risk Factors*” on page 23 of this Prospectus.

### **Increase in income**

Increases in our income are due to the factors described above in this chapter under “*Significant Factors Affecting Our Results of Operations*” and chapter titled “*Risk Factors*” on page 23 of this Prospectus.

### **Status of any Publicly Announced New Products or Business Segments**

Except as disclosed elsewhere in the Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

### **Significant Dependence on a Few Suppliers or Customers**

Our Company is dependent on few suppliers and few customers. The details for the last two financial years are as under:

The % of supply of our supplier's vis- a -vis the total purchases of bullion for the financial year ended March 31, 2023 and 2022 are as follows:

<b>Particulars</b>	<b>Suppliers</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Top 5 (%)	84.09%	89.22%

The % of supply of our supplier's vis- a- vis the total purchases of Ornaments for the financial year ended March 31, 2023 and 2022 are as follows:

<b>Particulars</b>	<b>Suppliers</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Top 5 (%)	35.63%	32.52%

The % of sales to our Customers vis- a- vis the total revenue of bullion financial year ended March 31, 2023 and 2022 are as follows:

<b>Particulars</b>	<b>Customers</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Top 5 (%)	71.12%	31.80%

The % of sales to our Customers vis- a -vis the total revenue of Ornaments financial year ended March 31, 2023 and 2022 are as follows:

<b>Particulars</b>	<b>Customers</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Top 5 (%)	32.60%	17.82%

### **Seasonality of Business**

The nature of our business is not seasonal.

## FINANCIAL INDEBTEDNESS

Our Company avail loans and financing facilities in the ordinary course of our business for meeting our working capital and business requirements. For details of the borrowing powers of our Board, see “*Our Management*” on page 119 of this Prospectus.

The details of the indebtedness of our Company as on June 30, 2023 is provided below:

Category of borrowing	Sanctioned Amount	Outstanding Amount as on June 30, 2023 <sup>^</sup>	(₹ in Lakhs)
<b>Secured Borrowings</b>			
HDFC Bank- Credit Facility	3,400.00	3,388.65	
HDFC Bank- Working Capital Demand Loan	600.00	600.00	
HDFC Bank- Car Loan	13.00	1.21	
Kotak Mahindra Bank Limited- Property Loan	661.27	599.97	
<b>Total Secured Borrowings (A)</b>	<b>4,674.27</b>	<b>4,589.83</b>	
<b>Unsecured loans from Directors &amp; Others (B)</b>	-	<b>2,388.36</b>	
<b>Total Borrowings (C=A+B)</b>	<b>4,674.27</b>	<b>6,978.19</b>	

<sup>^</sup>As certified by our Statutory Auditors, M/s. PSDY & Associates, Chartered Accountants vide their certificate dated July, 13, 2023.

### Principal terms of the borrowings availed by our company:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by our Company.

#### a) Kotak Mahindra Bank Limited- Property Loan

Sr. No.	Nature of Security	Tenure	Rate of Interest (%)
1.	New Number 286, Old No: 95, Previous Nos, 143 and 144, Netaji Subash Chandra Bose Road (NSC Bose Road), Sowcarpet, Chennai – 600 079	120 Months	9.10 (Floating Rate of Interest)

#### b) HDFC Bank- Credit Facility & Working Capital Demand Loan

Sr. No.	Nature of Security	Tenure	Rate of Interest (%)
1.	<b>Residential Property:</b> - No 128, Old No. 23/99, Amman Koil Street, Peddunaickenpet, Chennai-600 001 <b>Property Owner:</b> - Tarachand Mehta, Fancy Devi & Sampathraj Mehta	Cash Credit:- On Demand  WCCL: 180 Days	Linked to One Year MCLR
2.	<b>Residential Property:</b> - Old Door No. 26, New Door No. 63, Mulla Sabib Street, Peddunaickenpet, Chennai-600 079 <b>Property Owner:</b> - Vikas Mehta, Pramod Mehta, Santhosh Kumari & Mamta Kumari		
3.	<b>Residential Property:</b> - Old Door No 21, Previous Door No 9, Kancheepuram, Sabapathy, Street and New Door No 59, Old Door No. 27, Peddunaicken Street, Kondithope, Chennai-600 079 <b>Property Owner:</b> - Sanjay Kumar & Rajesh Kumar		
4.	Residential Property: - New Door No 15, Hanumantharayan Koil Street, Chennai- 600 003 <b>Property Owner:</b> - Goutham		
5.	<b>Commercial Property:</b> - Door No 130, Old No. 184-86, China bazar, NSC Bose Road, Chennai-600 079 <b>Property Owner:</b> - Goutham, Shakunthala & Sampathraj Mehta		
6.	<b>Commercial Property:</b> - No. 53, Kathirvedu Village, Madhavaram Taluk, Chennai <b>Property Owner:</b> - Kalyan Mitra Foundations, Partner Pramod Mehta		
7.	<b>Commercial Property:</b> - Door No 148 & 149, NSC Bose Road, Sowcarpet, Chennai-600 079 <b>Property Owner:</b> - Pramila & Khazanchi Jewellers Private Limited		

Sr. No.	Nature of Security	Tenure	Rate of Interest (%)
8.	<b>Stock &amp; Receivables:</b> - Exclusive charge on Current Assets		
9.	<b>Personal Guarantee:</b> - Directors & Property Owners		

#### Details of Unsecured Loans

Name of Lender	Amount outstanding as on April 30, 2023 (₹ in Lakhs)	Rate of Interest	Repayable
Loan from Promoters/ Promoter Group / Directors and their relatives/ Inter-corporate Loans	₹2,388.36	9%	On Demand

## SECTION VIII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below there are no outstanding (i) Civil and criminal proceedings involving our Company, Directors, or Promoters or Promoter Group; (ii) actions by statutory or regulatory authorities involving our Company, Directors, or Promoters or Promoter Group; (iii) outstanding claims relating to direct and indirect taxes involving our Company, Directors, or Promoters or Promoter Group; and (iv) other pending litigation involving our Company, Directors, or Promoters or Promoter Group and (v) any amount due with any creditor as determined to be material by our Board pursuant to the Materiality Policy (as disclosed herein below); or (vi) litigation involving our Group Company which has a material impact on our Company.*

*Further, there are no defaults, non-payment of statutory dues, over dues to banks and financial institutions, defaults against bank and financial institutions and there are no outstanding debentures, bonds, fixed deposits or preference shares issued by our Company; no default in creation of full security as per the terms of the issue, no proceedings initiated for economic or other offences and no disciplinary action has been taken by SEBI or any stock exchanges against our Promoters, our Directors or Promoter Group Companies.*

*For the purposes of (v) above in terms of Materiality Policy adopted by a resolution of our Board dated May 16, 2023, amount due to small scale undertakings and other creditors would be considered 'material' if the amount is in excess of 5% of gross turnover or 20% of net worth*

*Our Company has no subsidiary as on the date of this Prospectus. For the purposes of the above, pre-litigation notices received by the Relevant Parties or the Group Company from third parties (excluding those notices issued by statutory or regulatory or taxation authorities) have not and shall not, unless otherwise decided by our Board, be considered material until such time that any of the Relevant Parties or the Group Company, as the case may be, is impleaded as a defendant in litigation before any judicial or arbitral forum. Unless stated to the contrary, the information provided below is as of the date of this Prospectus. All terms defined in a particular litigation disclosure below are for that particular litigation only.*

#### I. LITIGATIONS INVOLVING OUR COMPANY

##### A. Litigations against our Company

###### CIVIL SUIT

- i. Civil Suit No. O.S.2064 OF 2019 has been filed in the Hon'ble High Court of Madras against Mr. Tarachand Mehta and the Company by one Mr. K. S. M. Mohammed Husain. The suit property was taken on rent and the suit is for handing over the vacant possession of the rented property situated at N S C Bose Road, Internal shop No.213 and for recovery of damages and for permanent injunction restraining the Defendants and the Company from accessing or otherwise dealing in any manner with the suit property. The last date of hearing was 23.06.2023.
- ii. Writ Petition No. 40785 of 2005 was filed by the Company against Union of India in High Court of Madras seeking stay of the operation relating to levy of fringe benefit tax. Thereafter transfer petition was filed before the Hon'ble Supreme Court of India by one M/s. Khumbat & Co since almost 195 writ petitions were pending before several courts in India for transferring the various writ petitions to the Hon'ble Supreme Court of India. Accordingly, the writ petition filed by the company has also been transferred under Transfer Petition (Civil) Nos. 1134-1137 of 2005. The Company has confirmed that there is no monetary liability involved in this matter.

<b>CRIMINAL MATTERS</b>	<b>NIL</b>
<b>LABOUR MATTERS</b>	<b>NIL</b>
<b>CUSTOM</b>	<b>NIL</b>
<b>EXCISE</b>	<b>NIL</b>
<b>INCOME TAX</b>	<b>NIL</b>

##### B. Litigations by our Company

###### CIVIL SUIT

- i. The Company has filed O.S No. 5093 of 2019 in I. A 01/2019 before Hon'ble High Court of Madras against Abdul Wahit & Ors for recovery of Rs. 41,25,000/- (Rupees Forty One Lakhs Twenty Five Thousand Only) due from him. One Mrs Pawan Kumari has filed application to implead her in the recovery suit claiming her first right to the property mortgaged to the Company. The last date of hearing was 07.07.2023.
- ii. The Company has filed Civil Suit No. Comm Div. 44/2021 against Rajadeepan Jewellery for recovery before the Hon'ble High Court of Madras. The approximate amount involved is Rs. 1,86,21,281/- including interest till the date of filing plus future interest. The last date of hearing was 25.04.2023.

- iii. Insolvency petition No. 2 of 2019 has been filed before Hon'ble Principal District Court at Thiruvallur by one Mr. D Anbhazghan under Section 9(1) (F), 10,11, 14 and 15 of the Presidency Town Insolvency Act, 1909 and order III Rule I of Insolvency Rules, 1958 wherein he owes Rs.5,00,000/- to the Company.
- iv. I .-A. No. 3/2023 in I.P. No. 1/2018 filed under Order 9 Rule 9 for restoration in Insolvency Petition No. 1 of 2018 filed by C Vijay in the Court of Principal Sub Judge of Thanjavur. The company has to recover amount of Rs.3,00,000/- from him.

<b>CRIMINAL MATTERS</b>	<b>NIL</b>
<b>LABOUR MATTERS</b>	<b>NIL</b>
<b>CUSTOM</b>	<b>NIL</b>
<b>EXCISE</b>	<b>NIL</b>
<b>INCOME TAX</b>	<b>NIL</b>

## **II. LITIGATIONS INVOLVING OUR PROMOTERS**

### **A. LITIGATIONS AGAINST OUR PROMOTERS**

#### **CIVIL SUIT**

Execution Petition No. 775/2022 has been filed before the XII Court of Small Causes at Madras against Mr Goutham by Mr. K S M Mohammad Hussain for eviction of the property taken on rent by the Company bearing address at Shop No.9, Old No. 52, NSC Bose Road, Chennai- 600079. Mr Goutham has preferred M.- A. No.1 and 2 of 2022 against the execution in M. P. No.82 of 2018 in RCOP No. 719 of 2017 seeking condonation and restoration. The last date of hearing was 26.06.2023.

<b>CRIMINAL MATTERS</b>	<b>NIL</b>
<b>LABOUR MATTERS</b>	<b>NIL</b>
<b>CUSTOM</b>	<b>NIL</b>
<b>EXCISE</b>	<b>NIL</b>
<b>INCOME TAX</b>	<b>NIL</b>

### **B. LITIGATIONS BY OUR PROMOTERS**

<b>CIVIL</b>	<b>NIL</b>
<b>CRIMINAL MATTERS</b>	<b>NIL</b>
<b>LABOUR MATTERS</b>	<b>NIL</b>
<b>CUSTOM</b>	<b>NIL</b>
<b>EXCISE</b>	<b>NIL</b>
<b>INCOME TAX</b>	<b>NIL</b>

## **III. LITIGATION INVOLVING OUR DIRECTORS (OTHER THAN PROMOTERS)**

### **A. LITIGATIONS AGAINST OUR DIRECTORS**

<b>CIVIL</b>	<b>NIL</b>
<b>CRIMINAL MATTERS</b>	<b>NIL</b>
<b>LABOUR MATTERS</b>	<b>NIL</b>
<b>CUSTOM</b>	<b>NIL</b>
<b>EXCISE</b>	<b>NIL</b>
<b>INCOME TAX</b>	<b>NIL</b>

### **B. LITIGATIONS BY OUR DIRECTORS (OTHER THAN PROMOTERS)**

<b>CIVIL</b>	<b>NIL</b>
<b>CRIMINAL MATTERS</b>	<b>NIL</b>
<b>LABOUR MATTERS</b>	<b>NIL</b>
<b>CUSTOM</b>	<b>NIL</b>
<b>EXCISE</b>	<b>NIL</b>
<b>INCOME TAX</b>	<b>NIL</b>

#### **IV. LITIGATION INVOLVING OUR GROUP COMPANIES**

There are no litigations by and against the following group companies:

- Khazanchi Silvers Private Limited
- Pathik Sales Private Limited
- Sutaliya Finance Private Limited
- K J Estates
- Silverslane

##### **A. LITIGATIONS AGAINST OUR GROUP COMPANIES**

###### **Motigajra Estates Private Limited (Part of Promoter Group Company)**

###### **CIVIL SUIT- NIL**

- i. Execution petition No. 776/2022 has been filed before the XII Court of Small Causes at Madras against Mr Ashok Kumar erstwhile Promoter of the Company by Mr. K S M Mohammad Hussain for eviction from the property taken on rent by the company bearing address at Shop No. 5, 1st Floor, Door No. 104, Old No.52, on NSC Bose Road, Chennai-600 079. Mr. Ashok Kumar has preferred M A No.1 and 2 of 2022 against the execution in M A No.81 of 2018 in RCOP No.718 of 2017 seeking condonation and restoration. The last date of hearing was 26.06.2023.

<b>CRIMINAL MATTERS</b>	<b>NIL</b>
<b>LABOUR MATTERS</b>	<b>NIL</b>
<b>CUSTOM</b>	<b>NIL</b>
<b>EXCISE</b>	<b>NIL</b>
<b>INCOME TAX</b>	<b>NIL</b>

##### **B. LITIGATIONS BY OUR GROUP COMPANIES**

<b>CIVIL</b>	<b>NIL</b>
<b>CRIMINAL MATTERS</b>	<b>NIL</b>
<b>LABOUR MATTERS</b>	<b>NIL</b>
<b>CUSTOM</b>	<b>NIL</b>
<b>EXCISE</b>	<b>NIL</b>
<b>INCOME TAX</b>	<b>NIL</b>

#### **V. LITIGATION INVOLVING SUBSIDIARY COMPANY- NA**

##### **OTHER MATERIAL OUTSTANDING LITIGATION INVOLVING OUR COMPANY**

##### **PART VI: PENALTIES LEVIED UPON OUR COMPANY / PROMOTER / PROMOTER GROUP COMPANIES IN THE PAST FIVE YEARS- NIL**

##### **PART VII: LITIGATIONS OR LEGAL ACTIONS, PENDING OR TAKEN, BY ANY MINISTRY OR DEPARTMENT OF THE GOVERNMENT OR A STATUTORY AUTHORITY AGAINST OUR PROMOTERS DURING THE LAST 5 (FIVE) YEARS- NIL**

##### **PART VIII: PENDING PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES- NIL**

##### **PART IX: INQUIRIES, INVESTIGATIONS ETC. INSTITUTED UNDER THE COMPANIES ACT, 2013 OR ANY PREVIOUS COMPANIES ENACTMENT IN THE LAST 5 (FIVE) YEARS AGAINST OUR COMPANY- NIL**

##### **PART X: MATERIAL FRAUD AGAINST OUR COMPANY IN THE LAST 5 (FIVE) YEARS**

There has been no material fraud committed against our Company in the last 5 (five) years.

##### **PART XI: FINES IMPOSED OR COMPOUNDING OF OFFENCES FOR DEFAULT-NIL**

## **PART XII: NON-PAYMENT OF STATUTORY DUES- NIL**

### **Material Developments**

In the opinion of the Board, other than as disclosed in the Notes to our Financial Statements in the section “Financial Information” on page 138 and in the section “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 168 of this Prospectus, there has not arisen, since the date of the last financial statements set out herein, any circumstance that materially or adversely affects our profitability taken as a whole or the value of our consolidated assets or our ability to pay our material liabilities over the next 12 months.

### **Amounts due to Small Scale Undertakings**

In accordance with our Company’s materiality policy, creditors to whom an amount exceeding 5% of the gross turnover or 20% of the net worth were considered ‘material’ creditors. Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at March 31, 2023 by our Company, are set out below:

(₹in Lakhs)			
Sr. No	Particulars	No of creditors as on March 31, 2023	Amount involved as on March 31, 2023
1.	Micro, Small and medium enterprises	NIL	NA
2.	Other creditors	NIL	1757.31

### **Adverse Events**

There has been no adverse event affecting the operations of our Company occurring within one year prior to the date of filling Prospectus with the BSE.

## **GOVERNMENT AND OTHER STATUTORY APPROVALS**

Our Company has received the necessary licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Unless otherwise stated, these approvals or licenses are valid as on the date of this Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal.

It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities. The Company has got following licenses/ registrations/ approvals/ consents/ permissions from the Government and various other Government agencies required for its present business.

### **I. Approvals for the Issue**

The following approvals have been obtained or will be obtained in connection with the Issue:

#### **Corporate Approvals:**

- a. Our Board, pursuant to its resolution dated 16.05.2023 authorized the Issue subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and such other authorities as may be necessary;
- b. The shareholders of our Company have, pursuant to their resolution dated 26.05.2023, passed at the Extra Ordinary General Meeting of our Company under Section 62(1)(c) of the Companies Act, 2013, authorized the Issue;
- c. Our Board approved Draft Prospectus pursuant to its resolution dated June 07, 2023.

#### **Approval from the Stock Exchange:**

- d. In-principle approval letter no LO\SMIE-IPO\MJ\IP\145\2023-24 dated July13, 2023 from the BSE for using the name of the Exchange in the issue documents for listing of the Equity Shares issued by our Company pursuant to the issue.

#### **Agreements with NSDL and CDSL:**

- e. The company has entered into an agreement dated February 21, 2023 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent.
- f. Similarly, the Company has also entered into an agreement dated February 20, 2023 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent.
- g. NSDL/CDSL: ISIN No.: INE0OWC01011

### **II. Incorporation related Approvals**

Sr. No.	Nature of Registration/ License	CIN	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate of Incorporation	18-34918 of 1996	Companies Act, 1956	Registrar of Companies, Tamil Nadu	25/03/1996	Valid till cancelled
2.	Fresh Certificate of Incorporation	U36911TN1996PLC034918	Companies Act, 2013	RoC, Chennai	27.04.2023	Valid till cancelled

Sr. No.	Nature of Registration/ License	CIN	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
	Consequent upon Conversion from Private Company to Public Company					

### III. Corporate/General Authorizations and those related to business of the Company:

Sr. No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Permanent Account Number	AABCK4583E	Income Tax Act, 1961	Commissioner of Income Tax	25/03/1996	Valid till cancelled
2.	Tax Deduction and Collection Account Number	CHEK02309G	Income Tax Act, 1961	Income Tax Department,		Valid till cancelled
3.	Registration Certificate of Goods & Service Tax (GST)	33AABCK4583E 1ZQ	Central Goods and Services Tax Act, 2017	Goods and Services Tax department	01/07/2017	Valid till cancelled
4.	Certificate of Importer and Exporter Code (IEC)	0411021281	The Foreign trade (Development and Regulation) Act, 1992	Office of ADGFT, Chennai, Ministry of Commerce and Industry, Govt of India	15/09/2011	Valid till Cancelled
5.	Certificate from IIBX as Qualified Jeweller	IIBX/2022/035	IFSCA (Fund Management) Regulations, 2022	India International bullion Exchange IFSC Ltd	28.02.2022	-
6.	Legal Entity Identifier (LEI)	9845005B444E1 CA8AB05	-	LEI Register, India	04.06.2021	Valid till Cancelled
7.	Certificate of Trade License	05-057-004796/2023-24 05-057-004793/2023-24	Section 287 of CCMC Act, 1919	Greater Chennai Corporation, Revenue Department	09.02.2023	
8.	Professional Tax	05-057-PE-24646 05-059-PE-00050	Section 138-A of Chennai City Municipal Corporation Act, 1919	Greater Chennai Corporation, Revenue Department	13.07.2023 effective period from II/14-15 for Zone-N05/N057 13.07.2023 effective period from II/98-99 for Zone-N05/N059	
9.	Registration under Provident Fund	TNMAS0039905 000	Employees Provident Fund Act,	Regional Office, Chennai	21.02.2016	
10.	Registration under ESIC	51001098480001 002	Employees State Insurance Corporation			

**IV. Business related Approvals obtained by our Company:**

Sr. No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Hallmark License	HM/C-6790027422	Bureau of Indian Standards Act, 2016 and erstwhile Bureau of Indian Standards Act, 1986	Bureau of Indian Standards, Southern Regional Office, Chennai Branch Office- 1	27/8/2018	26/8/2023

**V. Registered domain name relating to our Company:**

S. No.	Domain Name and Id	Sponsoring Registrar and IANA Id	Creation Date	Registration Expiry Date
1.	Khazanchi.co.in	GoDaddy.com, LLC IANA ID-146	06.02.2023	06.02.2026

**VI. Intellectual Property:**

Details of the trademark are:

Class	Brand Name/Logo Trademark	Application No.	Applicant	Date of Registration/ Application	Date of Expiry	Status
1.	 KHAZANCHI JEWELLERS	5808768 under Class 14	Khazanchi Jewellers Limited	15.02.2023 (Filing date)		Pending Approval
		5808770 under Class 35				
2.	KHAZANCHI JEWELLERS	5808767 under class 14	Khazanchi Jewellers Limited	15.02.2023		Pending Approval- Status from Trademark website depicts- Accepted and advertised
		5808766 under Class 35				

The approvals received and applied for have been made in the erstwhile name of the Company as a private company. The Company shall make necessary applications for changing its name on all records.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

Our Board of Directors have vide resolution dated May 16, 2023 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra-Ordinary General Meeting held on May 26, 2023 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

The Board has, on June 07, 2023 and July 15, 2023 approved Draft Prospectus and Prospectus respectively for filing with BSE Ltd and other regulatory authorities.

### In-principle Listing Approvals

Our Company has received in-principle approvals from the BSE for the listing of our Equity Shares on BSE SME pursuant to its letter no. LO\SMEM-IPO\MJ\IP\145\2023-24 dated July 13, 2023.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Directors, our Promoters, Promoter Group, Directors, persons in control of our Company and companies or entities with which our Company's Directors are associated as Directors / Promoters / partners are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other securities market regulator or Governmental Authority in any other jurisdiction or any other authority/court. The listing of any securities of our Company has never been refused at any time by any of the Stock Exchange in India. There are no violations of securities laws committed by them in the past or are pending against them. Neither Our Promoters nor our directors are promoters or directors of companies, which are debarred from accessing the capital markets by the SEBI.

None of our Directors are, in any manner, associated with the securities market. Further, there are no outstanding actions initiated by SEBI against any of our directors, in the past five years.

There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Prospectus. Our Promoters or Directors have not been declared as Fugitive Economic Offenders.

Neither our Company nor our directors have been declared as a wilful defaulter or fraudulent borrower, as defined under the SEBI ICDR Regulations.

### COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, Our Promoters and member of our Promoter Group is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 ("SBO Rules"), to the extent applicable, as on the date of this Prospectus.

### ELIGIBILITY FOR THE ISSUE

Our Company is an "Unlisted Issuer" in terms of the SEBI ICDR Regulations; and this Issue is an "Initial Public Offer" in terms of the SEBI ICDR Regulations.

This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, whereby, an issuer whose post Issue face value capital exceeds ten crore rupees, but is less than twenty five crores shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the BSE SME).

As per Regulation 229(3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of BSE SME in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

1. Our company was incorporated as private limited Company under the name “Khazanchi Jewellers Private Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated, March 25, 1996 issued by Registrar of Companies, Chennai, Tamil Nadu.
2. The Post-Issue Paid-Up Capital of the Company shall not be more than rupees twenty-five crores. The Post-Issue Capital of our Company is ₹2,474.69 Lakhs.
3. As per the Restated Financial Statements disclosed in this Prospectus, the Net worth of our company (excluding revaluation reserves) of the Company is ₹3,604.99 Lakhs as at March 31, 2023, ₹2,871.53 lakhs, as at March 31, 2022, and hence is positive.
4. As per Restated Financial Statements, the net tangible assets are ₹14,501.21 lakhs as at March 31, 2023, and hence is more than ₹150.00 Lakhs as on the date of filing of this Prospectus.
5. Our Company has positive cash accruals (Earnings before depreciation and tax) in preceding two financial years. As per Restated Financial Statements, the cash accruals accounted March 31, 2023, March 31, 2022 and March 31, 2021 was ₹1,034.44 Lakhs, ₹430.38 Lakhs, ₹370.13 Lakhs, respectively.
6. Our Company has completed its operation for three years.
7. Our company has website: [www.khazanchi.co.in](http://www.khazanchi.co.in)

#### **OTHER DISCLOSURES:**

1. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
2. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.
3. There is no winding up petition against the company, which has been accepted by the National Company Law Tribunal (NCLT).
4. There has been no change in the Promoter(s) of the Company in the preceding one year from date of filing application to BSE for listing on BSE SME.
5. Our company has facilitated trading in demat securities and has entered into an agreement with both the depositories.
6. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

1. The Draft Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the BSE SME. BSE is the Designated Stock Exchange.
2. Our Company has entered into an agreement dated February 20, 2023 with NSDL and agreement dated February 21, 2023 with CDSL for dematerialisation of its Equity Shares already issued and proposed to be issued.
3. The entire pre-Issue capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
4. The entire Equity Shares held by the Promoters are dematerialised.
5. Since the entire fund requirement are to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

1. Neither our Company nor our Promoters, members of our Promoter Group or our Directors is debarred from accessing the capital markets by the SEBI.
2. None of our Promoters or Directors is Promoter or director of any other companies which are debarred from accessing the capital markets by the SEBI.
3. Neither our Company nor our Promoters or Directors is a wilful defaulter or a fraudulent borrower.
4. None of our Promoters or Directors is a fugitive economic offender.

We further confirm that:

1. In accordance with Regulation 246 the SEBI ICDR Regulations, the lead manager shall ensure that the issuer shall file copy of the Prospectus with SEBI along with relevant documents as required at the time of filing the Prospectus to SEBI.
2. In accordance with Regulation 260 of the SEBI ICDR Regulations, this issue has been one hundred percent (100%) underwritten and that the Lead Manager to the Issue has underwritten at least 15% of the Total Issue Size. For further details, pertaining to said underwriting please see "General Information" beginning on page 43 of this Prospectus.

In accordance with Regulation 268 of the SEBI ICDR Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not unblocked within four (4) days from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of fourth day, be liable to unblock such application money with interest as prescribed under the SEBI ICDR Regulations, the Companies Act, 2013 and applicable laws.

#### **DISCLAIMER CLAUSE OF SEBI**

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE PROSPECTUS. THE LEAD MERCHANT BANKER MARK CORPORATE ADVISORS PRIVATE LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS PROSPECTUS, THE LEAD MERCHANT BANKER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, MARK CORPORATE ADVISORS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JULY 15, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS PROSPECTUS.

Note: All legal requirements pertaining to the Issue will be complied with at the time of registration of Prospectus with the RoC in terms of section 26 and 30 of the Companies Act, 2013.

#### **DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company and the Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, <http://www.kjipl.com/>, or the website of any affiliate of our Company, would be doing so at his or her own risk.

The Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriter and our Company and Market Maker Agreement entered into among Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever.

Our Company and the Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres etc.

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Mark Corporate Advisors Private Limited is not an associate of the Company and is eligible to be appointed as the Lead Manager in this Issue, under SEBI MB Regulations.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Neither our Company nor Lead Manager is liable for any failure in (i) uploading the Applications due to faults in any software/hardware system or otherwise, or (ii) the blocking of the Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on the account of any errors, omissions or non-compliance by various parties involved, or any other fault, malfunctioning, breakdown or otherwise, in the UPI Mechanism.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. This Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this issue will be subject to the jurisdiction of appropriate court(s) in Chennai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

## **DISCLAIMER CLAUSE OF THE BSE**

*"BSE limited ("BSE") has vide its letter dated July 13, 2023, given permission to "Khazanchi Jewellers Limited" to use its name in the Offer Document as the Stock Exchange on whose Small and Medium Enterprises Platform ("SME platform") the Company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner:*

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or*
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or*
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.*
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker(s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.*
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.*
- vi. The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai".*

## **Eligibility and Transfer Restrictions**

The Equity Shares issued in the Issue have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold (i) within the United States solely to persons who are reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) in transactions exempt from the registration requirements of the U.S. Securities Act, and (ii) outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Applicants are advised to ensure that any application from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each applicant where required must agree in the Allotment Advice that such applicant will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

## **LISTING**

Application have been made to BSE SME for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its BSE SME after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our company has obtained In-principle approval from BSE vide letter no. LO/SME-IPO/MJ/IP/145/2023-24 dated July 13, 2023 to use name of BSE in the Prospectus for listing of equity shares on BSE SME. If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the BSE SME, the Company shall unblock, without interest, all moneys received from the applicants in pursuance of the Prospectus. If any such money is not unblocked within four (4) days after the issuer becomes liable to unblock it then our Company and every director of the company who is an officer in default shall, on and from the expiry of the fourth (4) day, be jointly and severally liable to unblock that money with interest at the rate of fifteen per cent per annum (15% pa) as prescribed under Section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the BSE SME mentioned above are taken within six (6) Working Days of the Issue Closing Date.

## **CONSENTS**

Consents in writing of: (a) our Directors, the Company Secretary and Compliance Officer, Statutory Auditor, the legal counsel, the bankers to our Company, the LM and Registrar to the Issue have been obtained; and (b) the Syndicate Members, Bankers to the Issue/Escrow Bank, Public Issue Account Bank, Sponsor Bank and Refund Bank to act in their respective capacities, has been obtained. Our Company has received consent of our Peer Reviewed Auditor, who hold a valid peer review certificate, to include their name as required under Section 26(5) of the Companies Act 2013 in this Prospectus.

The said consents would be filed along with a copy of the Prospectus with the Registrar of Companies, Chennai, as required under the Companies Act, 2013 and such consents have not been withdrawn upto the time of delivery of the Prospectus, for registration with the Registrar of Companies, Chennai.

## **EXPERT OPINION**

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Peer Reviewed Auditor, who holds a valid peer review certificate, to include its name as required under Section 26(5) of the Companies Act, 2013 in the Draft Prospectus/Prospectus and as an “expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the examination report dated June 01, 2023 of the Peer Reviewed Auditor on the Restated Financial Information of our Company for the financial year ended March 31, 2023, 2022, and 2021 and the Statement of Special Tax Benefits dated June 01, 2023 included in the Draft Prospectus/Prospectus and such consents have not been withdrawn as on the date of the Draft Prospectus/Prospectus.

## **PREVIOUS PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE YEARS**

We have not made any rights to the public and public issues in the past, and we are an “Unlisted Company” in terms of the SEBI ICDR Regulations and this Issue is an “Initial Public Offer” in terms of the SEBI ICDR Regulations.

## **COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF OUR EQUITY SHARES IN LAST FIVE YEARS**

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

## **CAPITAL ISSUES DURING THE LAST THREE YEARS BY OUR COMPANY, LISTED GROUP COMPANIES, SUBSIDIARIES & ASSOCIATES OF OUR COMPANY**

Except as disclosed in Chapter titled “Capital Structure” on page 52 of Prospectus, our Company / group company has not made any capital issue during the previous three years.

We do not have any Subsidiary or Associate as on date of this Prospectus.

## **PERFORMANCE VIS-À-VIS OBJECTS**

Our Company has not undertaken any public issues, including any rights issues to the public in the 5 years immediately preceding the date of this Prospectus.

### **Performance vis- à-vis Objects: Last Issue of Subsidiaries/Promoters and Group Companies**

Our Company does not have any subsidiaries or listed promoters and none of our Group Companies have made any public issues, including rights issues to the public in the 5 years immediately preceding the date of this Prospectus.

The price information of past issues handled by Mark Corporate Advisors Private Limited is as follows:

**DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY MARK CORPORATE ADVISORS PRIVATE LIMITED**

Sr. No	Issuer Name	Issue Size (Cr)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Jetmall Spices And Masala Limited	4.98	20	April 19, 2021	20.5	(-12.5%), (-3.91%)	(-15.00%), (+9.60%)	(-8.75%), (+28.81%)
2.	Foce India Limited	29.02	225	December 28, 2021	225	(-6.67%), (-0.76%)	(-0.44%), (+0.53%)	(+34.22%), (-8.13%)

Source: All share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index.
2. Prices on BSE/NSE are considered for all of the above calculations.
3. In case the 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day is a holiday, closing price on BSE/NSE of the previous trading day has been considered.
4. In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> days, scrips are not traded then closing price on BSE/NSE of the previous trading day has been considered.

**SUMMARY STATEMENT OF DISCLOSURE**

Financial year	Total no. of IPO	Total funds raised (₹ Cr)	Nos of IPOs trading at discount on 30th Calendar Day from listing date			Nos of IPOs trading at premium on 30th Calendar Day from listing date			Nos of IPOs trading at discount on 180th Calendar Day from listing date			Nos of IPOs trading at premium on 180th Calendar Day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
20-21	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21-22	2	34.00	0	0	1	0	0	1	0	0	1	0	1	0
22-23	0	0	0	0	0	0	0	0	0	0	0	0	0	0

## **Website for track record of the Lead Manager**

For details regarding the track record of the Lead Manager, as specified in circular (reference CIR/MIRSD/1/2012) dated January 10, 2012 issued by SEBI, please see the website of the Lead Manager, Mark Corporate Advisors Private Limited at [www.markcorporateadvisors.com](http://www.markcorporateadvisors.com).

## **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

## **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares pursuant to the Offer, or such other period as may be prescribed under applicable law to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Investors can contact the Company Secretary and Compliance Officer, the LM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Bid Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. Separately, pursuant to the March 2021 Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Applications made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor and subject to applicable law, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within 3 months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

<b>Scenario</b>	<b>Compensation amount</b>	<b>Compensation Period</b>
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Application Amount, whichever is higher.	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock.
Blocking of multiple amounts for the same Application made through the UPI Mechanism.	a. Instantly revoke the blocked funds other than the original application amount; and b. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Application Amount, whichever is higher.	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Application Amount.	a. Instantly revoke the difference amount, i.e., the blocked amount	From the date on which the funds to the excess of the Application

	less the Application Amount; and b. ₹100 per day or 15% per annum of the difference amount, whichever is higher.	Amount were blocked till the date of actual unblock.
Delayed unblock for non – Allotted / partially Allotted applications.	₹100 per day or 15% per annum of the Application Amount, whichever is higher.	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

All grievances relating to Applications submitted with the Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Issue. Further, Applicants shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

Our Company has not received any investor complaint during the 3 years preceding the date of this Prospectus. There are no investor complaints in relation to our Company pending as on the date of this Prospectus. Our Group Company is not listed on any stock exchange.

Our Company, the LM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of any SCSB, Registered broker, Syndicate member, RTA or CDP including any defaults in complying with its obligations under the SEBI ICDR Regulations.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicants shall redress routine investor grievances within 15 (fifteen) working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on May 16, 2023. For further details, please refer to the chapter titled “*Our Management*” beginning on page 119 of this Prospectus.

Our Company has appointed Ms. Sakshi Jain as Company Secretary and Compliance Officer and she may be contacted at the following address:

**Khazanchi Jewellers Limited**

No 130, NSC Bose Road, Sowcarpet,  
Chennai 600 079, Tamil Nadu  
Tel: +91 44 4201 5915  
Email: info@khazanchi.co.in

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, etc.

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 15-30 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

#### **Outstanding Debentures, Bonds or Redeemable Preference Shares**

Except as disclosed in the chapter titled “*Capital Structure*” on page 52 of this Prospectus, our Company does not have any outstanding debentures, bonds or redeemable preference shares, as on the date of this Prospectus.

#### **Partly Paid-Up Shares**

As on the date of this Prospectus, there are no partly paid-up Equity Shares of our Company.

### **Fees Payable to the Syndicate**

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the Syndicate Agreement. For details of the Issue expenses, please refer to the chapter titled “*Objects of the Issue*” on page 75 of this Prospectus.

### **Commission payable to SCSBs, Registered Brokers, CRTAs and CDPs**

For details of the commission payable to SCBS, Registered Brokers, CRTAs and CDPs, please refer to the chapter titled “*Objects of the Issue*” on page 75 of this Prospectus.

### **Disposal of investor grievances by listed Group Company**

As on the date of this Prospectus, we do not have any listed Group Company.

### **Capitalisation of Reserves or Profits**

Our Company has not capitalized its reserves or profits at any time during the 5 (five) years immediately preceding the date of this Prospectus.

### **Revaluation of Assets**

Our Company has not revalued its assets since its incorporation.

### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

There is no exemption granted by SEBI for complying with any provision of Securities laws.

### **Other confirmations**

Any person connected with the Offer shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the initial public offer, except for fees or commission for services rendered in relation to the Offer.

## SECTION IX – ISSUE INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being offered, transferred and Allotted pursuant to this Issue are subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, the SEBI Listing Regulations, our Memorandum of Association and Articles of Association, the terms of the Draft Prospectus, the Prospectus, the Abridged Prospectus, the Application Form, the Revision Form, Confirmation of Allocation Note (CAN), the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the Issue of capital and listing and trading of securities offered from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the RBI, and/or other authorities, as in force on the date of this Issue and to the extent applicable or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Issue.

Please note that, in terms of Regulation 256 of the SEBI ICDR Regulations read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the applicants have to compulsorily apply through the ASBA Process and further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified though its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (together, the “UPI Circular”) in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+6 days until March 31, 2020 (“UPI Phase II”). Further SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 has decided to continue with the Phase II of the UPI ASBA till further notice.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available

#### **The Issue**

The Issue comprises of a Fresh Issue of Equity Shares by our Company.

#### **Ranking of the Equity Shares**

The Equity Shares being issued and Allotted in the issue will be subject to the provisions of the Companies Act, 2013, the Memorandum of Association and the Articles of Association and will rank pari passu in all respects with the existing Equity Shares of our Company, including in respect of dividends and other corporate benefits, if any, declared by our Company. For more information, see “*Main Provisions of the Articles of Association*” on page 231 of this Prospectus.

#### **Mode of payment of dividend**

Our Company will pay dividend, if declared, to the Shareholders, as per the provisions of the Companies Act, 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the Government of India in this respect. Any dividends declared by our Company after the date of Allotment in this issue will be received by the Allottees in accordance with applicable law. For more information, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” on pages 137 and 231 respectively of this Prospectus.

#### **Face value and Issue Price**

The face value of the Equity Shares is ₹10 each. At any given point of time, there will be only one denomination for the Equity Shares. The Equity Shares having a face value of ₹10/- each are being issued in terms of this

Prospectus at the price of ₹140/- per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled “Basis for Issue Price” on page 82 of this Prospectus.

### **Compliance with disclosure and accounting norms**

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the equity shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- (1) Right to receive dividend, if declared;
- (2) Right to attend general meetings and exercise voting powers, unless prohibited by law;
- (3) Right to vote on a poll either in person or by proxy or e-voting;
- (4) Right to receive offers for rights shares and be allotted bonus shares, if announced;
- (5) Right to receive any surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- (6) Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- (7) Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the terms of the SEBI Listing Regulations and the Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see “*Main Provisions of Articles of Association*” beginning on page 231 of this Prospectus

### **ALLOTMENT OF EQUITY SHARES IN DEMATERIALISED FORM**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares issued through the Prospectus can be applied for in the dematerialised form only. In this context, our Company has entered into the following agreements:

1. Agreement dated February 20, 2023 amongst NSDL, our Company and the Registrar to the Issue; and
2. Agreement dated February 21, 2023 amongst CDSL, our Company and the Registrar to the Issue.

The Company's ISIN no. is INE0OWC01011.

### **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

Trading of the Equity Shares will happen in the minimum contract size of 1,000 Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE SME from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 1,000 Equity Share subject to a minimum allotment of 1,000 Equity Shares to the successful Applicants.

Further, in accordance with SEBI ICDR Regulations the minimum application size in terms of number of specified securities shall not be less than ₹1.00 Lakh per application.

### **JOINT HOLDERS**

Where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

### **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Chennai, Tamil Nadu, India.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the**

**account or benefit of, "U.S. persons" (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction**

#### **Nomination facility to investors**

In accordance with Section 72 of the Companies Act, 2013 the sole Bidder, or the first Bidder along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

1. to register himself or herself as the holder of the Equity Shares; or
2. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

#### **Bid/ Issue opening programme**

Issue Opening Date	Monday, July 24, 2023
Issue Closing Date *	Friday, July 28, 2023
Finalization of Basis of Allotment	Wednesday, August 02, 2023
Initiation of Refunds / Unblocking of funds from ASBA accounts*	On or before Thursday, August 03, 2023
Credit of equity shares to depository Accounts	On or before Friday, August 04, 2023
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Monday, August 07, 2023

\* In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchange Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue LM shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/I/M dated March 16, 2021 and the Applicant shall be compensated in the manner specified in the

*SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.*

In terms of Regulation 265 of SEBI ICDR Regulations, the issue shall be open after at least three (3) working days from the date of filing the Prospectus with the Registrar of Companies.

In terms of Regulation 266 (3) of SEBI ICDR Regulations, in case of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Issue Period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the provisions of Regulation 266(1).

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each of the Promoters confirms that it shall extend such reasonable support and co-operation in relation to its respective portion of the Offered Shares for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within Six Working Days from the Issue Closing Date or such other period as may be prescribed by SEBI.

Applications and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 3.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Investors after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

The above timetable is indicative and does not constitute any obligation or liability on our Company, our Promoters or the Lead Managers. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within Six (6) Working Days from the Offer Closing Date or such period as may be prescribed, with reasonable support and co-operation of the Promoters, as may be required in respect of its respective portion of the Offered Shares, the timetable may change due to various factors, such as extension of the Offer Period by our Board, as applicable, in consultation with the Lead Managers. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Promoters confirms that it shall extend such reasonable support and co-operation in relation to its respective portion of the Offered Shares for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within Six Working Days from the Offer Closing Date or such other period as may be prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Offer, the Lead Managers will submit reports of compliance with T+6 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Four (4) Working Days from the Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding Four (4) Working Days from the Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Managers shall, in their sole discretion, identify and fix the liability

on such intermediary or entity responsible for such delay in unblocking. SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Prospectus/prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue LM shall be liable for compensating the Applicant at a uniform rate of ₹100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable. SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any further notification from the SEBI after filing of this Prospectus may result in changes in the timelines.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Issue closure time from the Issue Opening Date till the Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.

It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the (Issue) period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the Issue Period not exceeding ten (10) working days.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not allowed to withdraw or lower the size of their applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Investors can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or the electronic Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

### **Minimum subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten per Regulation 260(1) of SEBI ICDR Regulations.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the Offer Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received within 15 days from the closure of the issue, if there is a

delay beyond such time, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest as prescribed under the SEBI ICDR Regulations, the Companies Act, 2013 and applicable laws.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within four (4) working days of closure of issue.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹1,00,000 (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the application law of such jurisdiction.

#### **Arrangement for disposal of odd lots**

The trading of the Equity Shares will happen in the minimum contract size of 1000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the BSE SME.

#### **New financial instruments**

Our Company is not issuing any new financial instruments through this Issue.

#### **Restriction on transfer of shares and transmission of Equity Shares**

The lock-in of the pre-issue capital of our Company as provided in “Capital Structure” on page 52 of this Prospectus and except as provided in our Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see “Main Provisions of the Articles of Association” on page 231 of this Prospectus.

#### **Withdrawal of the issue**

Our Company, in consultation with the LM, reserve the right not to proceed with the entire or portion of the Issue for any reason at any time after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such further time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. Further, the Stock Exchanges shall be informed promptly in this regard by our Company, and the LM, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Bank (in case of RIBs using the UPI mechanism), as applicable, to unblock the bank accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification. In the event of withdrawal of the Issue and subsequently, plans of a fresh Issue by our Company, a fresh draft prospectus / Prospectus will be submitted to the Stock Exchanges.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within six Working Days of Issue Closing Date or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue, our Company shall file a fresh Draft Prospectus / Prospectus.

#### **AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However,

such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

## MIGRATION TO MAIN BOARD

In accordance with the BSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the BSE SME for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI ICDR Regulations.

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, our Company may migrate to the main board of BSE from the BSE SME on a later date subject to the following:

1. If the paid-up capital of the Company is likely to increase above ₹25 crores by virtue of any further offer of capital by way of rights, preferential offer, bonus offer etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoters shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
2. If the paid-up capital of the Company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter shareholders in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## MARKET MAKING

The shares issued through this Issue are proposed to be listed on the BSE SME with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on BSE SME. For further details of the market making arrangement please refer the chapter titled “General Information” on page 43 of this Prospectus.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of the Chapter IX of SEBI ICDR Regulations, as amended from time to time, whereby, our post Issue face value capital exceeds ten crore rupees and upto twenty five crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the BSE SME). For further details regarding the salient features and terms of such this Issue, please see the chapters titled “Terms of the Issue” and “Issue Procedure” on page 199 and 208 respectively, of this Prospectus.

### **ISSUE STRUCTURE**

Initial Public Issue of 69,10,000 Equity Shares for cash at a price of ₹140/- per Equity Share (including a Share Premium of ₹130/- per Equity Share), aggregating to ₹9674.00 Lakhs by our Company.

The Issue comprises a reservation of 3,46,000 Equity Shares of face value of ₹10/- each for subscription by the designated Market Maker (“the Market Maker Reservation Portion”) and Net Issue to Public of 65,64,000 Equity Shares of face value of ₹10/- each (“the Net Issue”). The Issue and the Net Issue will constitute 27.92 % and 26.52 % respectively of the post issue paid-up equity share capital of the Company. The Issue is being made through the Fixed Price Process.

Particulars	Market Maker Reservation Portion	Non-Institutional Applicants	Retail Individual Applicants
<b>Number of Equity Shares available for Allotment/ allocation</b>	3,46,000Equity Shares	32,82,000 Equity Shares	32,82,000 Equity Shares
<b>Percentage of Issue Size available for Allotment/ allocation</b>	5.01 % of the Issue Size	50.00% of the net Issue shall be available for allocation	50.00% of the net Issue shall be available for allocation
<b>Basis of Allotment</b>	Firm Allotment	Proportionate	Proportionate subject to minimum Lot as explained in the section titled “Issue Procedure” on page 208 of this Prospectus
<b>Mode of Bid</b>	Through ASBA Process only	ASBA only (including the UPI Mechanism for an application size of upto Rs 5,00,000)	Through ASBA Process through banks or by using UPI ID for payment
<b>Minimum Application size</b>	3,46,000 Equity Shares	Such number of Equity Shares in multiples of 1,000 Equity Shares that the Application size exceeds ₹.2,00,000	Such number of Equity Shares in multiples of 1,000 Equity Shares that the Application size does not exceed ₹.2,00,000
<b>Maximum Application size</b>	3,46,000 Equity Shares	Such number of Equity Shares in multiples of 1,000 Equity Shares not exceeding the size of the Issue, subject to applicable limits	Such number of Equity Shares in multiples of 1,000 Equity Shares so that the Application size does not exceed ₹ 2,00,000
<b>Mode of allotment</b>	Compulsorily in dematerialised form		
<b>Trading Lot</b>	1,000 Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	1,000 Equity Shares and in multiples thereafter	[1,000Equity Shares and in multiples thereafter
<b>Terms of Payment</b>	Full Application Amount shall be blocked by the SCSBs in the bank account of the Applicant that is specified in the Application Form at the time of submission of the Application Form.		

Note:

(1) Since present Issue is a fixed price issue, the allocation in the net issue to the public category in terms of Regulation 253(2) of the SEBI ICDR Regulations, shall be made as follows:

(a) Minimum fifty per cent to retail individual investors; and

(b) Remaining to:

i) individual applicants other than retail individual investors; and

ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

Explanation - For the purpose of sub-regulation (2), if the retail individual investor category is entitled to more than fifty per cent of the issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage."

(2) In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.

(3) In case of ASBA Applicants, the SCSB shall be authorised to block such funds in the bank account of the ASBA Applicant (including Retail Individual Investors applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

This Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations. For further details, please refer chapter titled "Issue Procedure" on page 208, of this Prospectus.

## ISSUE PROCEDURE

All Applicants should read the General Information Document, for Investing in Publics Issue prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “**General Information Document**”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the LM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Applicants; (v) issuance of CAN and Allotment in the Issue; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Bid cum Application Form); (viii) designated date; (ix) disposal of applications and electronic registration of bids; (x) submission of Bid cum Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the Covid-19, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by RIBs (“**UPI Phase III**”), as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended by circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 has introduced certain additional measures for streamlining the process of initial public issue and redressing investor grievances. This circular shall come into force for initial public issue opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular are deemed to form part of this Prospectus. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 has reduced the time period for refund of application monies from 15 days to four days. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual applicants in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. If the Issue is made under UPI Phase III, the same will be advertised in all editions of the English national daily newspaper, all editions of the Hindi national daily newspaper, regional edition of the regional daily newspaper on or prior to the Issue Opening Date and such advertisement shall also be made available to the Stock Exchange for the purpose of uploading on their website. Subsequently, pursuant to SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

The LM shall be the nodal entity for any issues arising out of public issuance process. In terms of Regulation 244(5) and Regulation 271 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and LM shall continue to coordinate with intermediaries involved in the said process.

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.*

*Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Prospectus and the Prospectus.*

*Further, our Company and the Lead Manager are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.*

#### **Phased implementation of Unified Payments Interface**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Issue. Pursuant to the UPI Streamlining Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Applicants to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Issue LM will be required to compensate the concerned investor.

The Issue will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Issue Opening Date. If the Issue is made under UPI Phase III of the UPI Circular, the same will be advertised in English editions of Business Standard, an English national daily newspaper, Hindi editions of Business Standard, a Hindi national daily newspaper and Tamil editions of Makkal Kural, (Tamil being the regional language of Chennai where our Registered Office is located), each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.

All SCSBs offering the facility of making applications in public offers shall also provide the facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the Retail Individual Applicants using the UPI.

The processing fees may be released to the remitter banks (SCSBs) only after an application is made by the SCSBs to the LM with a copy to the Registrar, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB in accordance with April 20, 2022 Circular.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the LM.

#### **FIXED PRICE ISSUE PROCEDURE**

The Issue is being made in compliance with the provisions of Chapter IX of SEBI ICDR Regulations through a Fixed Price Process wherein 50% of the Net Issue is allocated for Retail Individual Investors and the balance shall be offered to individual applicants other than Retail Individual Investors and other investors including Corporate Bodies or Institutions, QIBs and Non-Institutional Investors. However, if the aggregate demand from the Retail Individual Investors is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Additionally, if the Retail Individual Investors category is entitled to more than 50% on proportionate basis, the Retail Individual Investors shall be allocated that higher percentage. However, the Application by an Applicant should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines.

Subject to the valid Applications being received at the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Investors shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the LM and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number/UPI ID (for Applicants using the UPI Mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form.

**The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.**

#### **AVAILABILITY OF DRAFT PROSPECTUS, PROSPECTUS AND APPLICATION FORMS**

Copies of the Application Form and the abridged prospectus will be available at the office of the LM and at our Registered Office. An electronic copy of Application Form will also be available for download on the website of BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date..

All Applicants (other than Applicants using the UPI mechanism) shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID (in case of RIBs), as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details will be rejected.

UPI Applicants using the UPI Mechanism bidding must provide the valid UPI ID in the relevant space provided in the Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected. UPI Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI. Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021.

ASBA Applicants shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs using UPI Mechanism, may submit their ASBA Forms with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Applicants are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or by Sponsor Bank under the UPI Mechanism, as applicable at the time of submitting the Bid. ASBA Applicants must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid. In order to ensure timely information to Applicants, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/unblocked.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Issue Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Issue Bidding process.

The prescribed colour of the Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Applicants, Retail Individual Applicants and Eligible NRIs applying on a non-repatriation basis (ASBA)	White
Non-Residents including FPIs and Eligible NRIs, FVCIs and registered bilateral and multilateral development financial institutions applying on a repatriation basis (ASBA)	Blue

\* Excluding electronic Bid cum Application Forms.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. For RIBs using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. For ASBA Forms (other than RIBs) Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI mandate request for blocking of funds on their respective Mobile Applications associated with UPI ID linked bank account. For all pending UPI mandate requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Applicants with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date (“**Cut-Off Time**”). Accordingly, RIBs Bidding using through the UPI Mechanism should accept UPI mandate requests for blocking off funds prior to the Cut-Off Time and all pending UPI mandate requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate RIBs (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Bank and the issuer bank. The Sponsor Bank and the Bankers to the Issue shall provide the audit trail to the LM for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform

with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the LM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

For ASBA Forms (other than RIIs using UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to the respective SCSB where the Applicant an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

**The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.**

#### **Who Can Apply?**

In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

1. Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional investor's category;
10. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
11. Foreign Venture Capital Investors registered with the SEBI;

12. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
13. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
14. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
15. Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
16. Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
17. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
18. Insurance funds set up and managed by army, navy or air force of the Union of India;
19. Multilateral and bilateral development financial institution;
20. Eligible QFIs;
21. Insurance funds set up and managed by army, navy or air force of the Union of India;
22. Insurance funds set up and managed by the Department of Posts, India;
23. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.
24. Applications not to be made by:
  - (a) Minors (except through their Guardians)
  - (b) Partnership firms or their nominations
  - (c) Foreign Nationals (except NRIs)
  - (d) Overseas Corporate Bodies

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

##### **For Retail Individual Investors**

The Application must be for a minimum of 1000 Equity Shares and in multiples of 1000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹2,00,000. In case of revision of Applications, the Retail Individual Investors have to ensure that the Application Price does not exceed ₹2,00,000.

##### **For Other than Retail Individual Investors (Non-Institutional Investors and QIBs)**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000 and in multiples of 1000 Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI ICDR Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Investors, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.**

**The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

## BASIS OF ALLOTMENT

Allotment will be made in consultation with the Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio). For applications where the proportionate allotment works out to less than 1,000 Equity shares the allotment will be made as follows:
  - (a) Each successful applicant shall be allotted 1,000 Equity shares; and
  - (b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
3. If the proportionate allotment to an applicant works out to a number that is not a multiple of 1,000 Equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 1,000 Equity shares subject to a minimum allotment of 1,000 Equity shares.
4. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 1,000 Equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Prospectus.
5. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
  - (a) As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
  - (b) The balance net Issue of shares to the public shall be made available for allotment to:
    - i) Individual applicants other than retail individual investors; and
    - ii) Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
  - (c) The unsubscribed portion of the net Issue to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.
6. Retail Individual Investors' means an investor who applies for shares of value of not more than ₹2,00,000/- Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with Stock Exchange. The Executive Director / Managing Director of Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI ICDR Regulations.

## **Participation by associates and affiliates of the LM and the Syndicate Members, Promoters, Promoter Group and persons related to Promoter / Promoter Group**

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, in the Non-Institutional Portion where the allotment is on a proportionate basis. The Promoters, Promoter Group, Lead Manager and any persons related to the Lead Manager (except Mutual Funds sponsored by entities related to the Lead Manager) cannot apply in the Issue.

### **Application by Mutual Funds**

With respect to Application by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any company, provided that the limit of 10% shall not be applicable for investments in case of index fund or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

### **Applications by Eligible NRIs**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Issue. Eligible NRI Applicants bidding on a repatriation basis by using the Non-Resident Forms should authorize their respective SCSB or confirm or accept the UPI Mandate Request (in case of Retail Individual Investors Bidding through the UPI Mechanism) to block their Non- Resident External ("NRE") accounts (including UPI ID, if activated), or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Applicants bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSB to block their Non-Resident Ordinary ("NRO") accounts or confirm or accept the UPI mandate request (in case of RIBs using the UPI Mechanism) for the full Application Amount, at the time of the submission of the Application Form. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue colour).

For further, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 229.

Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

### **Applications by HUFs**

Applications by Hindu Undivided Families or HUFs should be made in the individual name of the *Karta*. The applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Applications by HUFs may be considered at par with Applications from individuals.

### **Applications by FPIs**

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI or an investor group (which means multiple entities

registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control) shall be below 10% of our post-issue Equity Share capital on a fully diluted basis. In case, the total holding of an FPI, or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Application Form, failing which our Company in consultation with the LM, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Application Form for Non-Residents (Blue colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, is permitted to issue, subscribe to or otherwise deal in offshore derivative instruments directly or indirectly, if it complies with the following conditions: (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with the ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (i) to (iv)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Applications by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Applications:

- (2) FPIs which utilise the multi-investment manager structure;
- (3) Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- (4) Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- (5) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- (6) Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- (7) Government and Government related investors registered as Category 1 FPIs; and
- (8) Entities registered as collective investment scheme having multiple share classes.

The Applications belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Application in the Application process. The Equity Shares allotted in the Application may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Application, FPIs making multiple Applications using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Application Forms that the relevant FPIs making multiple Applications utilize any of the above-mentioned

structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Applications shall be rejected.

For details of investment by FPIs in the Issue, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 229 of this Prospectus. Participation of FPIs shall be subject to the FEMA Non-debt Instruments Rules.

The FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents.

#### **Applications by SEBI registered VCFs, AIFs and FVCIs**

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the “SEBI AIF Regulations”) prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

The category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A category III AIF cannot invest more than 10% of its investible funds in one investee company. A VCF registered as a category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. An FVCI can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations) whose shares are proposed to be listed.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least six months period from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

**There is no reservation for Eligible NRI Applicants, AIFs, FPIs and FVCIs. All Applicants will be treated on the same basis with other categories for the purpose of allocation.**

**All non-resident investors should note that dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

**Our Company or the LM shall not be responsible for loss, if any, incurred by the Application on account of conversion of foreign currency.**

#### **Applications by limited liability partnerships**

In case of Application made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company, in consultation with the LM, reserve the right to reject any Application without assigning any reason thereof.

#### **Applications by banking companies**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the LM, reserve the right to reject any Bid without assigning any reason thereof.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the “Banking Regulation Act”), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank’s own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet,

whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

### **Applications by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **Applications by Insurance Companies**

In case of Applications made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Application Form. Failing this, our Company and the in consultation with the LM reserve the right to reject any application without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **Applications by Systemically Important NBFCs**

In case of applications made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Application without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

### **Applications under Power of Attorney**

In case of Application made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with minimum corpus of Rs. 250 million and pension funds with a minimum corpus of Rs. 250 million, in each case, subject to applicable law and in accordance with their respective constitutional documents a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws as applicable must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the LM, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company and the, in consultation with the LM, may deem fit, without assigning any

reasons thereof.

### **Applications by provident funds/pension funds**

In case of Application made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹25 crores, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form. Failing this, our Company, in consultation with the LM, reserves the right to reject any Application, without assigning any reason therefor.

**The above information is given for the benefit of the Applicants. Our Company, and the members of Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the Application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Prospectus and Prospectus.**

**In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Issue.**

### **ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA)**

Applicants In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

### **METHOD AND PROCESS OF APPLICATIONS**

The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.

The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.

During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.

The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.

Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.

The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdraw/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment if finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

## **TERMS OF PAYMENT**

The entire Issue price of ₹140/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants. SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

## **PAYMENT MECHANISM**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Individual Investors shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdraw/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI ICDR Regulations, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

## **Electronic registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them (iii) the applications accepted but not uploaded by them or (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) The applications accepted by any Designated Intermediaries (ii) The applications uploaded by any Designated Intermediaries or (iii) The applications accepted but not uploaded by any Designated Intermediaries.
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bankers, DPs and RTAs shall forward a Schedule as per format given along with the Application Forms to Designated Branches of the SCSBs for blocking of funds.
7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:
  - (a) Name of the Applicant;
  - (b) IPO Name;
  - (c) Application Form Number;
  - (d) Investor Category;
  - (e) PAN (of First Applicant, if more than one Applicant);
  - (f) DP ID of the demat account of the Applicant;
  - (g) Client Identification Number of the demat account of the Applicant;
  - (h) Number of Equity Shares Applied for;
  - (i) Bank Account details;
  - (j) Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - (k) Bank account number
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Individual Investors and Retail Individual Investors, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; Our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue

Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

## **SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC**

Our company has entered into an Underwriting Agreement dated June 27, 2023.

A copy of Prospectus shall be filed with the ROC in terms of Section 26 of Companies Act, 2013.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company will, after registering this Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in English editions of Business Standard , an English national daily newspaper, Hindi edition of Business Standard, a Hindi National daily newspaper and Tamil edition of Makkal Kural (a widely circulated Tamil daily newspaper) (Tamil being the regional language of Chennai where our Registered Office is located). Our Company shall, in the pre-Issue advertisement state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of under the SEBI ICDR Regulations.

### **Allotment Advertisement**

Our Company, the LM and the Registrar shall publish an advertisement in relation to Allotment before commencement of trading, disclosing the date of commencement of trading of the Equity Shares, in English editions of Business Standard , an English national daily newspaper, Hindi editions of Business Standard , a Hindi national daily newspaper and Tamil edition of Makkal Kural (a widely circulated Tamil daily newspaper) (Tamil being the regional language of Chennai where our Registered Office is located) each with wide circulation.

## **ISSUANCE OF ALLOTMENT ADVICE IN THE ISSUE**

Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.

On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

### **DESIGNATED DATE**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue. The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of

allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

## **General Instructions**

### ***Do's:***

- a) Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Applicants should submit their Applications through the ASBA process only;
- b) Ensure that you have made an application at the Issue Price;
- c) Ensure that you have mentioned the correct ASBA Account number (for all Applicants other than Retail Individual Investors Bidding using the UPI Mechanism) in the Application Form and such ASBA account belongs to you and no one else. Retail Individual Investors using the UPI Mechanism must mention their correct UPI ID and shall use only his/her own bank account which is linked to such UPI ID
- d) Retail Individual Investors applying using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
- e) Retail Individual Investors Bidding using the UPI Mechanism shall make Applications only through the SCSBs, Mobile Applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;
- f) Read all the instructions carefully and complete the Application Form in the prescribed form;
- g) Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only
- h) Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Retail Individual Applicants using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, sub-Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
- i) All Applicants should submit their Applications Bids through the ASBA process only;
- j) In case of joint Applications, ensure that first Applicant is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Applicant is included in the Application Form;
- k) Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Applicant is included in the Application Forms. PAN of the First Applicant is required to be specified in case of joint Applicants;
- l) Applicants should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Application Form;
- m) Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form under the ASBA process to any of the Designated Intermediaries;
- n) Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- o) Ensure that the Demographic Details are updated, true and correct in all respects;
- p) Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- q) Ensure that the category and the investor status is indicated in the Application Form to ensure proper upload of your Application in the electronic Bidding system of the Stock Exchanges;

- r) Ensure that in case of Application under power of attorney or by limited companies, corporates, trust, etc., relevant documents, including a copy of the power of attorney, are submitted;
- s) Ensure that Applications submitted by any person resident outside India should be in compliance with applicable foreign and Indian laws;
- t) Retail Individual Investors applying using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
- u) Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Applications are liable to be rejected;
- v) However, Applications received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Applications have been made with different beneficiary account numbers, Client IDs and DP IDs
- w) Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Issue Closing Date;
- x) FPIs making MIM Applications using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, were required to submit a confirmation that their Applications are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids are liable to be rejected;
- y) Ensure that while Applying through a Designated Intermediary, the Application Form (other than for RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI (at [www.sebi.gov.in](http://www.sebi.gov.in)) or such other websites as updated from time to time;
- z) Ensure that you have correctly signed the authorization /undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Application Form at the time of submission of the Application;
- aa) Retail Individual Investors applying using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, the Retail Individual Investor shall be deemed to have verified the attachment containing the application details of the Retail Individual Investor Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to issue a request to block the Bid Amount mentioned in the Application Form in his/her ASBA Account;
- bb) Retail Individual Investors Applying using the UPI Mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the First Applicant (in case of joint account) in the Application Form
- cc) Applications by Eligible NRIs and HUFs for an Application Amount of less than ₹. 2,00,000 would be considered under the Retail Portion, and Applications for an Application Amount exceeding ₹ 2,00,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Issue.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts:***

1. Do not apply for lower than the minimum Application size;
2. Do not apply on another Application Form after you have submitted an Application to a Designated Intermediary;
3. Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Application Forms by post, instead submit the same to the Designated Intermediary only;
5. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the

Bidding Centres;

6. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms;
7. Do not Apply on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
8. Do not fill up the Application Form such that the Equity Shares Bid for exceeds the Issue/Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
9. Do not submit your Application after 3.00 pm on the Issue Closing Date;
10. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
11. If you are a RIB and are using UPI mechanism, do not submit more than one Application Form for each UPI ID
12. Do not submit the General Index Register (GIR) number instead of the PAN;
13. Do not apply for an amount exceeding ₹ 200,000 (for Bids by Retail Individual Investors)
14. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
15. Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account or in the case of Retail Individual Investors Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;
16. Do not withdraw your Application or lower the size of your Application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors may revise or withdraw their Bids until the Bid/Issue Closing Date;
17. Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Bidder;
18. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by Retail Individual Investors using the UPI Mechanism;
19. Do not submit an Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
20. Do not apply if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
21. Do not submit more than one Application Form per ASBA Account. If you are a Retail Individual Investor Bidding using the UPI Mechanism, do not submit Applications through an SCSB and/or Mobile Applications and/or UPI handle that is not listed on the website of SEBI;
22. Do not submit an Application using UPI ID, if you are not a Retail Individual Investor;
23. Do not apply for Equity Shares more than specified by respective Stock Exchanges for each category;
24. RIIs applying through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a banks which is not mentioned in the list provided in the SEBI website is liable to be rejected;
25. Do not submit an Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by Retail Individual Investors using the UPI Mechanism); and

26. Do not Apply if you are an OCB.

**The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

**Further, for helpline details of the Lead Manager pursuant to the March 2021 Circular, see “General Information – Lead Manager” on page 43 of this Prospectus.**

**Further, in case of any pre-issue or post-issue related issues regarding share certificates/demat credit/refund orders/unblocking, etc., investors shall reach out to our Company Secretary and Compliance Officer. For details, see “General Information – Company Secretary and Compliance Officer” on page 43 of this Prospectus.**

### **Depository Arrangements**

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Issue:

1. Tripartite Agreement dated February 20, 2023 among NSDL, our Company and the Registrar to the Issue.
2. Tripartite Agreement dated February 21, 2023 among CDSL, our Company and Registrar to the Issue.

### **GROUNDS FOR TECHNICAL REJECTIONS**

In addition to the grounds for rejection of Application on technical grounds as provided in the “General Information Document” Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

1. Applications submitted without instruction to the SCSBs to block the entire Application Amount;
2. Applications submitted by Applicants which do not contain details of the Application Amount and the bank account details / UPI ID in the Application Form;
3. Applications submitted on a plain paper;
4. Applications submitted by applicants using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
5. Applications submitted by UPI applicants using third party bank accounts or using a third party linked bank account UPI ID;
6. Applications by HUFs not mentioned correctly as given in the sub-section “Who can Apply?” on page 212 of this Prospectus;
7. Application Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
8. Application submitted without the signature of the First Applicant or sole Applicants;
9. Applications by person for whom PAN details have not been verified and whose beneficiary accounts are ‘suspended for credit’ in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Application by Retail Individual Investors with Application Amount for a value of more than ₹ 2,00,000;
12. Applications by person who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

13. Applications by Applicants accompanied by cheques or demand drafts;
14. Applications accompanied by stock invest, money order, postal order or cash;
15. Application by OCB.

For further details of grounds for technical rejections of Application Form, please refer to the General Information Document and UPI Circulars.

For details of instruction in relation to the Application Form, please refer to the General Information Document and UPI Circulars.

### **INVESTOR GRIEVANCE**

In case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please refer to the chapter titled “General Information” on page 43 of this Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100/- per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking

### **Impersonation**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who—

- A. *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- B. *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- C. *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name*

*shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least Rs. 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months period extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than Rs. 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to Rs. 5 million or with both.

### **Undertakings by our Company**

Our Company undertakes the following:

- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily
- that if the Allotment is not made within the prescribed time period under applicable law, the entire

subscription amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Applicants at the rate prescribed under applicable law for the delayed period

- that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid/Issue Closing Date or such other time as may be prescribed
- that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund
- that if our Company does not proceed with the Issue after the Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly
- that if our Company, in consultation with the LM, withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh draft Issue document with the SEBI, in the event our Company subsequently decides to proceed with the Issue thereafter
- Promoter's contribution, if any, shall be brought in advance before the Issue Opening Date
- that adequate arrangements shall be made to collect all Application Forms submitted by Applicants; and
- no further issue of Equity Shares shall be made until the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.

#### **Utilisation of Issue Proceeds**

Our Company, specifically confirm and declare:

1. that all monies received from the Issue shall be credited / transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilised out of the proceeds from the Issue shall be disclosed, and continue to be disclosed till all the time any part of the proceeds from the Issue remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised, or the form in which such unutilised monies have been invested; and
3. details of all unutilised monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

**Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes (CBDT) on February 13, 2020, and press release dated June 25, 2021.**

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”) makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA. The DIPP also issues the Consolidated Foreign Direct Investment Policy (“FDI Policy”) from time to time. The regulatory framework pertaining to foreign investment, over a period of time, thus, consists of acts, regulations, master circulars, press notes, press releases, and clarifications among other amendments.

India’s current FDI Policy issued by the DIPP with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP till October 15, 2020. All the press notes, press releases, clarifications on FDI issued by DIPP till October 15, 2020 stand rescinded as on October 15, 2020. In terms of the FDI Policy, Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments.

Further, the existing individual and aggregate investment limits for an FPI in our Company are not exceeding 10% of the total paid-up Equity Share capital of our Company for each FPI and the total holdings of all FPIs in the Company shall not exceed 24% of the total paid-up Equity Share capital of our Company. The RBI, in exercise of its power under the FEMA, has also notified Foreign Exchange Management (Non-debt Instruments) Rules, 2019 and Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. SEBI registered FPIs have been permitted to purchase shares of an Indian company through the Offer, subject to total FPI investment being within the individual FPI/sub account investment limit of less than 10% of the total paid-up equity capital on a fully diluted basis of the Company subject to the total holdings of all FPIs/sub accounts including any other direct and indirect foreign investments in the Company shall not exceed 24% of the paid-up equity capital of the Company on a fully diluted basis. The aggregate limit of 24% in case of FPIs may be increased up to the sectoral cap/statutory ceiling, as applicable, by the Company concerned by passing of resolution by the Board of the Company to that effect and by passing of a special resolution to that effect by its Shareholders. With effect from April 1, 2020, the aggregate limit of 24% has increased to the sectoral cap applicable to the Indian Company which in case of the Company is 100%. As per the Regulations, the aggregate limit as provided above was permitted to be decreased by the Company to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its Board of Directors through a resolution and also of its shareholders by means of a special resolution, before March 31, 2021. The Company has passed no such Board Resolution and hence, has not revised its sectoral caps have not been reduced in the past. Our Company falls within the applicable statutory ceiling limits which stand at 100% for the manufacturing sector under the FDI Policy. Further, eligible NRIs and OCIs investing on repatriation basis are subject to individual investment limit of 5% of the total paid-up equity capital on a fully diluted basis subject to the aggregate paid-value of the shares purchased by all NRIs and OCIs put together on repatriation basis not exceeding 10% of the total paid-up equity capital on a fully diluted basis of the Company. The aggregate limit of 10% in case of NRIs and OCIs together may be raised to 24 % if a special resolution to that effect is passed by the shareholders of the Company. The shareholders of our Company have passed the necessary resolutions approving the increase in the investment limits for FPIs, NRIs and OCIs.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of RBI, subject to fulfillment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where**

those offers and sale occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that the Bids are not in violation of laws or regulations applicable to them.

## SECTION X – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Sr. No.	PARTICULARS	
1.	The Regulations contained in Table ‘F’ in the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company	Table F Applicable
	<b>INTERPRETATION CLAUSE</b>	
2.	In these Articles	
	a. The Act’ or ‘The Companies Act’ shall mean ‘The Companies Act, 2013, its rules and any statutory modifications or re-enactments thereof	Act
	b. ‘The Board’ or ‘The Board of Directors’ means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.	Board
	c. “Articles” means these articles of association of the Company or as altered from time to time.	Articles
	‘d. The Company’ or ‘This Company’ means <b>Khazanchi Jewellers Limited</b>	Company
	e. Directors’ means the Directors for the time being of the Company.	Directors
	f. “Rules” means the applicable rules for the time being in force as prescribed under relevant sections of the Act.	Rules
	g. “Seal” means the common seal of the Company	Seal
	<b>SHARE CAPITAL AND VARIATION OF RIGHTS</b>	
3.	The Authorized Share Capital of the Company shall be as prescribed in Clause V of the Memorandum of Association of the Company.	Capital
4.	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper	Shares under control of Board
5.	Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment or any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.	Shares for Consideration other than cash
6.	The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:	Kinds of Share Capital

	i. Equity share capital: a. with voting rights; and / or b. with differential rights as to dividend, voting or otherwise in accordance with the Rules; and ii. Preference share capital	
7.	1) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,— a) one certificate for all his shares without payment of any charges; or b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.	Issue of Certificates
	2) Every certificate shall be under the Seal and shall specify the shares to which it relates and the amount paid-up thereon.	Certificate to bear seal
	3) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.	One Certificate for Shares held Jointly
8.	1) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued without any fee or on payment of such other fees as may be fixed by the Board from time to time in accordance with the Act, for each certificate.	Issue of new share certificate in place of one defaced, lost or destroyed
	2) The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.	Provisions as to issue of certificates to apply mutatis mutandis to debentures, etc.
9.	1) The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.  2) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Act and the Rules	Power to pay commission in connection with securities issued  Rate of commission in accordance with the Rules
	3) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.	Mode of payment of commission
10.	1) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that	Variation of the members right

	class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class, as prescribed under the Act.	
	2) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply.	Provisions as to general meetings to apply mutatis mutandis to each meeting
11.	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith	Issue of further shares not to affect rights of existing members
12.	Subject to the provisions of the Act, the Board shall have power to issue or re-issue the preference Shares of one or more classes including cumulative convertible preference shares which are liable to be redeemed, or converted to Equity Shares, on such terms & conditions and in such manner as determined by the Board in accordance with the Act.	Power to issue redeemable preference shares
13.	1) The Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to:  a) persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or  b) employees under any scheme of employees' stock option or  c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above, subject to approval by the shareholders of the Company by way of a special resolution.	Further issue of Share Capital
14.	Subject to the provisions of the Act and other applicable provisions of law, the Company may with the approval of the shareholders by a special resolution in general meeting issue sweat equity shares in accordance with such rules and guidelines issued by the Securities and Exchange Board of India and/or other competent authorities for the time being and further subject to such conditions as may be prescribed in that behalf.	Sweat equity shares
15.	Any debentures, debenture-stock or other securities may be issued subject to the provisions of the Act and these Articles, at a discount, premium or otherwise and may be issued on the condition that they shall be convertible into shares of any denomination and with any special privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the general meeting, appointment of Directors and otherwise. Debentures or other securities with the right to conversion into or allotment of shares shall	Terms of issue of debentures

	be issued only with the consent of the Company in the general meeting by way of a special resolution.	
15(a)	The Board shall be entitled to issue, from time to time, subject to the provisions of the Act, any other Securities, including Share Warrants, Securities convertible into Shares, exchangeable into Shares, or carrying a warrant, with or without any attached Securities, carrying such terms as to coupon, returns, repayment, servicing as may be decided by the terms of such issue. Such Securities may be issued at premium or discount, and redeemed at premium or discount, as may be determined by the terms of the issuance: Provided that the Company shall not issue any Shares or Securities convertible into Shares at a discount.	Issue of warrants
<b>LIEN</b>		
16	1) The Company shall have a first and paramount lien- a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and  b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company:  Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause,	Company's lien on shares
	2) The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares.	Lien to extend to dividends, etc
17.	The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:  Provided that no sale shall be made: unless a sum in respect of which the lien exists is presently payable; or  until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency or otherwise.	As to enforcing lien by sale
18.	a) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.  b) The purchaser shall be registered as the holder of the shares comprised in any such transfer.  c) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be	Validity of sale  Purchaser to be registered Holder  Purchaser not affected

	affected by any irregularity or invalidity in the proceedings in reference to the sale.	
19.	The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share	Validity of Company's receipt
20.	a) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.	Application of proceeds of sale
	b) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.	Payment of residual money
21.	In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.	Outsider's lien not to effect Company's lien
22.	The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company	Provisions as to lien to apply mutatis mutandis to debentures, etc.
<b>CALL ON SHARES</b>		
23.	1) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:  Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for payment of the last preceding call.	Board may make calls
	2) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.	Notice of call
	3) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances	Board may extend time for payment
	4) A call may be revoked or postponed at the discretion of the Board.	Revocation or postponement of call
24.	A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.	Call to take effect from date of resolution
25.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	Liability of joint holders of shares

26.	1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.  2) The Board shall be at liberty to waive payment of any such interest wholly or in part.	When interest on call payable  Board may waive interest
27.	1) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable  2) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.	Sums deemed to be calls  Effect of non-payment of sums
28.	The Board:  1) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and 2) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.	Payment in anticipation of calls may carry interest
29.	If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.	Instalments on shares to be duly paid
30.	All calls shall be made on a uniform basis on all shares falling under the same class	Calls on shares of same class to be on uniform basis
31.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.	Partial Payment not to preclude forfeiture
32.	The provisions of these Articles relating to calls on shares shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to calls to apply mutatis mutandis to debentures etc
	<b>TRANSFER OF SHARES</b>	

33.	<p>1) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.</p> <p>2) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.</p>	Instrument of transfer to be executed by transferor and transferee
34.	<p>The Board may, subject to the right of appeal conferred by section 58 decline to register—</p> <p>a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or</p> <p>b) any transfer of shares on which the company has a lien.</p>	Board may refuse to register transfer
35.	<p>35. The Board may decline to recognise any instrument of transfer unless—</p> <p>a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;</p> <p>b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right</p> <p>c) the instrument of transfer is in respect of only one class of shares.</p>	Board may decline to recognize instrument of transfer
36.	The Company may, after giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situate, close the register of members or the register of debenture-holders or other security holders for any period or periods not exceeding in the whole forty-five days in each year, but not exceeding thirty days at any one time.	Power to close Register of Members or other security-holders
37.	The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company	Provisions as to transfer of shares to apply mutatis mutandis to debentures, etc
<b>TRANSMISSION OF SHARES</b>		
38.	1) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.	Title to shares on death of a member
	2) Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.	Estate of deceased member liable
39.	<p>Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—</p> <p>a) to be registered himself as holder of the share; or</p>	Transmission Clause

	b) to make such transfer of the share as the deceased or insolvent member could have made	
	2) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.	Board's right unaffected
40.	The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.	Indemnity to the Company
41.	1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects  2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share  3) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.	Right to election of holder of share  Manner of testifying Election  Limitations applicable to notice
42.	A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:  Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.	Claimant to be entitled to same advantage
43.	The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of the Company	Provisions as to transmission to apply mutatis mutandis to debentures, etc.
44.	If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued	If call or installment not paid notice must be given.
45.	The notice aforesaid shall: i. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and ii. state that, in the event of non-payment on or before	Form of notice

	the day so named, the shares in respect of which the call was made shall be liable to be forfeited.	
46.	If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.	In default of payment of shares to be forfeiture
47.	When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.	Entry of forfeiture in register of members
48.	The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share	Effect of forfeiture
49.	1) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit  2) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	Forfeited shares maybe sold, etc  Cancellation of forfeiture
50.	1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.  2) All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realisation. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.	Member still liable to pay money owing at time of forfeiture  Member still liable to pay money owing at time of forfeiture and interest
	3) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.	Cesser of liability
51.	1) A duly verified declaration in writing that the declarant is a Director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;  2) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;  i. The transferee shall thereupon be registered as the holder of the share; and	Certificate of forfeiture  Title of purchaser and transferee of forfeited shares  Transferee to be registered as holder

	ii. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share	Transferee not affected
52.	Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	Validity of the sales
53.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.	Cancellation of share certificate in respect of forfeited shares
54.	The Board may, subject to the provisions of the Act, accept a surrender of the share certificate for any forfeited share from or by any member desirous of surrendering them on such terms as they think fit	Surrender of Shares
55.	The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	Sums deemed to be calls
56.	The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company	Provisions as to transmission to apply mutatis mutandis to debentures, etc.
<b>ALTERATION OF CAPITAL</b>		
57.	Subject to the provisions of the Act, the company may, by ordinary resolution: <ul style="list-style-type: none"> <li>i. increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution;</li> <li>ii. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</li> <li>iii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;</li> <li>iv. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;</li> </ul>	Power to alter share capital

	v. cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.	
58.	<p>Where shares are converted into stock—</p> <p>1) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:</p> <p>Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.</p>	Shares may be converted into stock
	2) the holders of stock shall, according to the amount of stock held by them ,have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage(except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	Right of stockholders
	3) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.	
59.	<p>The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law:</p> <p>i. its share capital; ii. any capital redemption reserve account; or iii. any share premium account iv. any other reserve in the nature of share capital</p>	Reduction of capital
	<b>DEMATERIALISATION OF SECURITIES</b>	
60	<p>Definitions</p> <p>For the purpose of articles:</p> <p>‘Beneficial Owner’ means a person or persons whose name is recorded as such with a depository; ‘SEBI’ means the Securities and Exchange Board of India;</p> <p>‘Depository’ means a company formed and registered under the Companies Act, 1956 or Companies Act, 2013, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and</p> <p>‘Security’ means such security as may be specified by SEBI from time to time.</p>	Company entitled to dematerialise its shares, debentures and other securities
61.	Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialize its shares, debentures and other securities form pursuant to the	

	Depositories Act, 1996 and the rules framed thereunder, if any. and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialised form and on the same being done, the Company shall further be entitled to maintain a register of members/ debenture-holders/ other security-holders with the details of members/ debenture-holders/ other security-holders holding shares, debentures or other securities both in rematerialised and dematerialised form in any media as permitted by the Act.	
62.	Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allottee as the beneficial owner of the security.	Option to hold shares in electronic or physical form
63.	Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares, interest/premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by a court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.	Beneficial owner deemed as absolute owner
64.	In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply.  Provided that in respect of the shares and securities held by the Depository on behalf of a beneficial owner, provisions of Section 9 of the Depositories Act, 1996, shall apply so far as applicable.	Shares, debentures and other securities held in electronic form
65.	Every Depository shall furnish to the Company, information about the transfer of securities in the name of the beneficial owner at such intervals and in such manner as may be specified by the bye-laws of the Depository and the Company in that behalf.	Information about transfer of securities
66.	Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act, 1996.	Provisions to apply to shares in electronic form

<b>JOINT HOLDERS</b>		
67.	Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint holders with benefits of survivorship, subject to the following and other provisions contained in these Articles:	Joint-holders
	i. The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share.	Liability of joint-holders
	ii. On the death of any one or more of such joint holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.	Death of one or more joint holders
	iii. Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.	Receipt of one sufficient delivery of certificate and giving notice to first named holder
	iv. Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.	Vote of Joint Holders
	V a. Any one of two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint holder present by attorney or by proxy although the name of such joint holder present by any attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares.  b. Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.	Executors or administrator as joint holders
	vi. The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names.	Provisions as to joint holders as to shares to apply mutatis mutandis to debentures, etc.
<b>CAPITALISATION OF PROFITS</b>		
68.	1) The Company in general meeting may, upon the recommendation of the Board, resolve—	Capitalisation

	<p>i. that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and</p> <p>ii. that such sum be accordingly set free for distribution in the manner specified in clause</p> <p>(ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions</p>	
	<p>2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3), either in or towards—</p> <p>i. paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>ii. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;</p> <p>iii. partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);</p>	Sum how applied
	<p>3) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;</p>	
	<p>4) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.</p>	
69.	<p>Whenever such a resolution as aforesaid shall have been passed, the Board shall:</p> <p>i. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and</p> <p>ii. generally do all acts and things required to give effect thereto.</p>	Powers of the Board for Capitalization
	<p>2) The Board shall have power:</p> <p>iii. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and</p> <p>iv. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;</p>	Board's power to issue fractional certificate/coupon etc

	3) Any agreement made under such authority shall be effective and binding on such members.	Agreement binding on members
	<b>BUY-BACK OF SHARES</b>	
70.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	Buy-back of shares
	<b>GENERAL MEETINGS</b>	
71.	1) All General Meetings other than the Annual General Meeting shall be called Extraordinary General Meetings	Extraordinary general meeting
72.	2) The Board may, whenever it thinks fit, call an extraordinary general meeting	Powers of Board to call extraordinary general meeting
	i. The Board shall, on the requisition of such number of members of the Company as is specified below, proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition. ii. The requisition shall set our matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office. iii. The requisition may consist of several documents in like forms, each signed by one or more requisitionists. iv. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold, on the date of the deposit of the requisition, not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of the voting in regard to the matter set out in the requisition. v. If the Board does not, within 21 days from the date of receipt of deposit of the requisition with regard to any matter, proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such of the requisitionists, as represent either majority in the value of the paid-up share capital held by them or of not less than one tenth of such paid-up capital of the Company as is referred to in Sub-clause (iv) above, whichever is less.	Extraordinary General Meeting by requisition
73.	i. A General Meeting of the Company may be called by giving not less than twenty one day notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded by the members holding not less than 95 per cent of the part of the paid- up share capital which gives the right to vote on the matters to be considered at the meeting.	Length of notice for calling meeting
	ii. The accidental omission is to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of any resolution passed at such meeting.	Accidental omission to give notice not to invalidate meeting

74.	<p>All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement             aforesaid.</p> <p>Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.</p>	Special business and statement to be annexed
<b>PROCEEDINGS AT GENERAL MEETING</b>		
75.	1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.	Presence of Quorum
	2) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in the Act	Quorum for general meeting
76.	The Chairman, if any, of the Board of Directors shall preside as Chairman at every General Meeting of the Company.	Chairman of the Meetings
77.	No business shall be discussed or transacted at any general meeting whilst the chair is vacant, except election of Chairperson.	Business confined to election of Chairman whilst chair vacant
78.	If there is no such Chairman or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, the Directors present shall elect one of their members to be the Chairman of the meeting	Directors to elect Chairman
79.	If at any meeting no Director is willing to act as Chairman or if no Director is present within 15 (Fifteen) minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairman of the meeting.	Members to elect Chairman
80.	On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.	Casting vote of Chairman at general meeting

81.	<p>1) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>2) There shall not be included in the minutes any matter which, in the opinion of the Chairman of the meeting:</p> <ul style="list-style-type: none"> <li>i. is, or could reasonably be regarded, as defamatory of any person; or</li> <li>ii. is irrelevant or immaterial to the proceedings; or</li> <li>iii. is detrimental to the interests of the Company.</li> </ul> <p>3) The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.</p> <p>4) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.</p>	Minutes of proceedings of meetings and resolutions passed by postal ballot  Certain matters not to be included in the minutes books  Discretion of the Chairman in relation to Minutes  Minutes to be evidence
82	<p>1) The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:</p> <ul style="list-style-type: none"> <li>i. be kept at the registered office of the Company; and</li> <li>ii. be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.</li> </ul> <p>2) Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to above.</p>	Inspection of minute books of general meeting  Members may obtain copy of the minutes
	<b>ADJOURNMENT OF MEETING</b>	
83.	<p>1) The Chairperson may with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>4) Save as aforesaid, and as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting</p>	Chairperson may adjourn the meeting  Business at adjourned meeting  Notice of adjourned meeting  Notice of adjourned meeting not required
	<b>VOTING RIGHTS</b>	
84.	Subject to any rights or restrictions for the time being attached to any class or classes of shares,	Entitlement to vote on show of hands and on poll

	<p>i. on a show of hands, every member present in person shall have one vote; and</p> <p>ii. on a poll, the voting rights of members shall be in proportion to their share in the paid-up equity share capital of the Company.</p>	
85.	A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.	Voting through electronic means
86.	<p>1) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.</p> <p>2) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	<p>Vote of joint-holders</p> <p>Seniority of names</p>
87.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians	How members non compos mentis and minor may vote
88.	Subject to the provisions of the Act and other provisions of these Articles, any person entitled to any shares, pursuant to the provisions related to Transmission in these Articles, may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof	Votes in respect of shares of deceased or insolvent members, etc
89.	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.	Business may proceed pending poll
90.	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien	Restriction on voting rights
91.	A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.	Restriction on exercise of voting rights in other cases to be void
92.	Any member shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.	Equal rights of members
<b>PROXY</b>		
93.	Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.	Member may vote in person or otherwise

94.	The instrument appointing a proxy and the power-of attorney or other authority ,if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	Proxies when to be Deposited
95.	ument appointing a proxy shall be in the form as prescribed in the Rules and under the Act	Form of Proxy
96.	A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.	Proxies to be valid notwithstanding death of the principal
<b>BOARD OF DIRECTORS</b>		
97.	The First Directors of the Company are 1) Ashok M. Mehta 2)Sanjay K Mehta	Board of Directors
98.	Unless otherwise determined by the Company in general meeting the number of Directors shall not be less than 3 (three) and shall not be more than 15(fifteen).	Number of Directors
99.	The Directors need not hold any qualification shares in the Company.	Qualification shares
100.	1) All the Directors of the Company, excluding Independent Directors, be persons whose period of office is liable to determination by retirement of directors by rotation (hereinafter called "the Rotational Directors").  2) At every Annual General Meeting of the Company, one-third of the Rotational Directors, or if their number is not three or a multiple of three, then, the number nearest to one-third, shall retire from office.  3) A retiring Director shall be eligible for re-election	Retirements and rotation of directors
101.	The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company, subject to section 203 of the Act.	Same individual may be Chairman and Managing Director/ Chief Executive Officer
102	The Board of Directors may, from time to time, by ordinary resolution increase or reduce the number of Directors within the limits specified in Article 98.	Increase or reduce the number of Directors
103	1) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.  2) The remuneration payable to the Directors, including any managing or whole-time director or manager, if any, shall be	Remuneration of directors

	<p>determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting.</p> <p>3) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them –</p> <ul style="list-style-type: none"> <li>i) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or</li> <li>ii) in connection with the business of the company.</li> </ul>	<p>Remuneration to require member's consent</p> <p>Travelling and other Expenses</p>
	<p>4) Subject to the provisions in the Companies Act, 2013, if any Director, being willing shall be called upon to perform extra services for the purposes of the Company, the Company shall remunerate such Directors by such fixed sum or percentage of profits or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his remuneration provided above.</p>	
	<p>5) The fees payable to the Director for attending the meeting of the Board or committee thereof shall be decided by the Board of Directors from time to time within the maximum limits of such fees that may be prescribed under the Act or the Rules.</p>	Sitting fees
104.	<p>All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company shall be signed drawn, accepted endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board or a committee thereof shall from time to time by resolution, determine.</p>	Execution of negotiable Instruments
105	<p>1) Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the Directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles</p> <p>2) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act</p>	<p>Appointment of Additional Director</p> <p>Duration of the office of the additional director</p>
	<p>3) The Company shall appoint such number of Independent Directors as it may deem fit, for a term specified in the resolution appointing him. An Independent Director may be appointed to hold office for a term of up to five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of Special Resolution and such other compliances as may be required in this regard. No Independent Director shall hold office for more than two consecutive terms. The provisions relating to retirement of directors by rotation shall not be applicable to appointment of Independent Directors.</p>	Independent Directors

106	The Board may appoint an alternate director to act for a Director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act	Appointment of alternate director
	2) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India	Duration of office of alternate director
	3) If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the alternate director.	Re-appointment provisions applicable to Original Director
107	1) If the office of any Director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.	Appointment of director to fill casual vacancies
	2) The Director so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated.	Duration of office of Director appointed to fill casual vacancies
108	Notwithstanding anything contrary contained in the Articles, if the Company has availed any loan(s) from, or issued any debentures or other instruments/securities to, any bank(s), financial institution(s), non-banking financial companies, asset reconstruction companies or any other body corporate ("Lender(s)") and so long as any monies with respect to such loan(s) granted by such Lender(s) to the Company remain outstanding by the Company to any Lender(s) or so long as the Lender(s) continue to hold debentures in the Company by direct subscription or private placement, or so long as the Lender(s) hold equity shares in the Company as a result of conversion of such loans/debentures, or if the agreement with the respective Lender(s) provide for appointment of any person or persons as a Director or Directors, or if the Company is required to appoint to appoint any person as a director pursuant to any agreement,(which Director or Directors is /are herein after referred to as "Nominee Director(s) / Observer(s)") on the Board, the Company may appoint such person nominated by such Lender(s) as Nominee Director / Observer, in accordance with the terms and conditions specified in the agreement executed with such lender.	Nominee Director
109	Subject to the compliance of the provisions of disclosure of interest as provided under the Companies Act,2013, no Directors shall be disqualified by his office from contracting with the Company, nor shall any such contract entered into by or on behalf of the Company in which any Director shall be in any way interested nor shall any Director contracting or being so interested be liable to account to the Company for any profit	Disclosure of Interest

	realised by any such contract by reason only of such Director holding that office or of the fiduciary relations thereby established but it is declared that the nature of his/her interest must be disclosed by him/her at the meeting of the Directors at which the contract is determined if his/her interest then exists or in any other case, at the first meeting of the Directors after he/she acquires such interest.	
110	The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.	General powers of the Company vested in Board
<b>BORROWING POWERS</b>		
111.	1) The Directors may, from time to time, at their discretion, raise or borrow, or secure the payment of, any sum or sums of money for the purposes of the Company; Provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not at any time except with the consent of the Company by way of special resolution in general meeting exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.	Power to borrow
	2) The Directors, with shareholders' consent where required by the Act and Rules, may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and, in particular, by the issue of debentures or debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being.	Conditions on which money may be borrowed
<b>PROCEEDINGS OF THE BOARD</b>		
112.	1) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.	When meeting to be convened
	2) The chairman or any one Director with previous consent of the Chairman may, or the company secretary on the direction of the Chairman shall, at any time summon a meeting of the Board.	Who may summon Board meeting
113.	1) A meeting of the Board of Directors shall be held at least four times every year and not more than 120 days shall lapse between two Board meetings	No. of Meetings

	2) Notice of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means.	Notice of Meetings
	3) The quorum for a Board meeting shall be as provided in the Act.	Quorum for Board Meetings
	4) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	Participation at Board meetings
114.	1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes	Questions at Board meeting how decided
	2) In case of an equality of votes, the Chairman of the Board shall have a second or casting vote	Casting vote of Chairman at Board meeting
115.	The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.	Directors not to act when number falls below minimum
116	1)The Board may elect a Chairman of its meetings and determine the period for which he is to hold office	Who to preside at meetings of the Board
	2) If no such Chairman is elected, or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be Chairman of the meeting.	Absence of Chairman
117	1) The Board may subject to provisions of the act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.	Delegation of Powers
	2)Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.	Committee to conform to Board regulations
	3)The participation of Directors in a meeting of the committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	Participation at Committee meetings
118	1)A committee may elect a Chairman of its meetings	Chairman of Committee
	2) If no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairman of the meeting.	Who to preside at meetings of committee
119	1)A committee may meet and adjourn as it thinks fit.	Committee to meet
	2)Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairman shall have a second or casting vote.	Questions at Committee meeting how decided
120	All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that	Acts of Board or Committee valid notwithstanding defect of appointment

	they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.	
121	Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.	Passing of resolution by circulation
	<b>CHIEF EXECUTIVE OFFICER, MANAGER &amp; COMPANY SECRETARY, CHIEF FINANCIAL OFFICER</b>	
122	<p>Subject to the provisions of the Act:</p> <p>1) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration etc and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board. The Board may appoint one or more chief Executive officers for its multiple businesses.</p> <p>2) A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer</p>	Chief Executive Officer, etc.
	<b>MANAGING DIRECTOR &amp; WHOLE-TIME DIRECTOR</b>	
123	<p>1) Subject to the provisions of the Act the Directors may from time to time appoint one or more of their body to be the Managing Director or Whole-Time Director of the Company, in accordance with the provisions of the Act and the Rules.</p> <p>2) A Managing Director so appointed shall exercise the powers and authorities conferred upon him by an agreement entered into between him and the Company and/or by a resolution of the Board and be subject to the obligations and restrictions imposed upon him thereby or by the Act.</p> <p>3) His appointment will be automatically terminated if he ceases to be a Director.</p> <p>4) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such reappointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	Managing or Wholetime Director
	<b>REGISTERS</b>	
124	1)The Company shall keep and maintain at its registered office all statutory registers including, register of charges, register of annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as	Statutory Registers

	prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.	
	2) The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register. The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members	Foreign registers
	<b>DIVIDENDS AND RESERVE</b>	
125	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.	Company in general meeting may declare dividends
126.	Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company	Interim dividends
127.	The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.	Dividends only to be paid out of profits
	The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve	Carry forward of profits
128.	1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.	Division of profits
	2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share	Payments in advance
	3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	Dividends to be apportioned

129.	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.	No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom
130.	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.	Retention of Dividend
131.	1) Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or cheque or warrant sent through post or courier directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.	Dividend how remitted
	2) Every such cheque or warrant or electronic payment mode shall be made payable to the order of the person to whom it is sent.	Instrument of payment
132	Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.	Receipt of one holder sufficient
133	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	Notice of Dividend
134.	The waiver in whole or in part of any dividend on any share by any document (whether or not under Seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.	Waiver of Dividend
135.	No dividend shall bear interest against the Company	No Interest on Dividend
	<b>ACCOUNTS</b>	
136	The books of account and books and papers of the Company, or any of them, shall be open to the inspection of Directors in accordance with the applicable provisions of the Act and the Rules.	
137	1) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being Directors.	Inspection by Directors
	2) No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.	Restriction on inspection by members
	<b>WINDING UP</b>	
138	Subject to the provisions of Chapter XX of the Act and Rules thereunder	
	1) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst	Winding up of the company

	<p>the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.</p> <p>2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members</p>	
	<p>3) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p>	
	<b>INDEMNITY AND INSURANCE</b>	
139	<p>Subject to the provisions of the Act, every Director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such Director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such Director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.</p>	Directors and officers right to indemnity
140.	<p>Subject as aforesaid, every Director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by a court or such authority.</p>	
141	<p>The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.</p>	Insurance
	<b>GENERAL POWER</b>	
142	<p>Wherever in the Act or the Rules, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.</p>	General Power
	<b>SECRECY CLAUSE</b>	
143	<p>Subject to the provisions of the Act, no member shall be entitled to require discovery of any information respecting any detail of the Company's trading or any matter in the</p>	Secrecy clause

	nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board of Directors it may be inexpedient in the interest of the Company to communicate to the public.	
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## SECTION XI – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 130, NSC Bose Road, Sowcarpet, Chennai-600 079, Tamil Nadu India from date of filing the Prospectus with RoC on working days from 10.00 a.m. to 5.00 p.m. until the Issue Closing Date.

#### Material Contracts

1. Issue Agreement dated June 02, 2023 between our Company and the LM;
2. Registrar Agreement dated May 22, 2023 between our Company and Registrar to the Issue;
3. Market Making Agreement dated June 27, 2023, executed between our Company, Lead Manager and Market Maker to the Issue;
4. Banker to the Issue Agreement dated June 30, 2023, executed between our Company, Lead Manager, Banker to the Issue and the Registrar to the Issue;
5. Underwriting Agreement dated June 27, 2023, executed between our Company, Lead Manager, and Underwriter
6. Tripartite Agreement dated February 20, 2023 among NSDL, our Company and the Registrar to the Issue;
7. Tripartite Agreement dated February 21, 2023 among CDSL, our Company and Registrar to the Issue.

#### Material Documents

1. Certified true copy of the Memorandum and Articles of Association of our Company;
2. Board Resolution dated May 16, 2023 and Special Resolution passed pursuant to Section 62(1)(C) of the Companies Act, 2013 at the EGM by the shareholders of our Company held on May 26, 2023;
3. Statement of Tax Benefits dated June 01, 2023 issued by our Statutory Auditors M/s. PSDY & Associates, Chartered Accountants;
4. Copy of Audited Financial Statement for the year ended on March 31, 2023, 2022 and 2021 ;
5. Copy of Restated Financial Statement along with Report dated July 06, 2023 from the Peer Review Certified Auditor, M/s. PSDY & Associates, Chartered Accountants, Puducherry for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 included in the Prospectus;
6. Copy of Certificate from M/s. PSDY & Associates, Chartered Accountants, Puducherry dated July 13, 2023 regarding the source and deployment towards the objects of the Issue;
7. Consents of the Lead Manager to the Issue, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Banker to the Issue, Statutory Auditor and Peer Review Auditor of the Company, Promoters of our Company, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Bankers to our Company (HDFC Bank), as referred to, in their respective capacities.
8. Due Diligence Certificate from Lead Manager dated July 15, 2023;
9. Copy of In-principle approval letter no. LO\SMIE-IPO\MJ\IP\145/2023-24 dated July 13, 2023 from the BSE Limited.

## DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, the Securities Contracts (Regulation) Act, 1956 as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in this Prospectus are true and correct.

### SIGNED BY ALL THE DIRECTORS OF OUR COMPANY

Name	DIN	Designation	Sd/-
Tarachand Mehta	01234768	Managing Director	Sd/-
Goutham	01642002	Executive Director	Sd/-
Naresh Jain	08102162	Independent Director	Sd/-
Bijal Durgavale	07403891	Independent Director	Sd/-

### SIGNED BY THE CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY OF OUR COMPANY

Name	Designation	Sd/-
Vikas Mehta	Chief Financial Officer	Sd/-
Sakshi Jain	Company Secretary and Compliance Officer	Sd/-

**Place:** Chennai

**Date:** July 15, 2023