(Please scan this QR Code to view the DRHP)

DRAFT RED HERRING PROSPECTUS
Dated: January 13, 2025
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Issue

SHANTI GOLD INTERNATIONAL LIMITED

CORPORATE IDENTITY NUMBER: U74999MH2013PLC249748

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
Plot No A-51, 2nd Floor to 7th Floor, MIDC, Marol Industrial Area, Road No.-1, Near Tunga International Hotel, Andheri (E), Chakala MIDC, Mumbai - 400093, Maharashtra, India.	Vrushti Parag Shah Company Secretary and Compliance Officer	**Tel**: + 91 22 4824 9647 (413) **Email**: cs@shantigold.in	www.shantigold.in

PROMOTERS OF OUR COMPANY: PANKAJKUMAR H JAGAWAT, MANOJKUMAR N JAIN AND SHASHANK BHAWARLAL JAGAWAT

DETAILS OF THE ISSUE TO THE PUBLIC

Type	Fresh Issue Size	Offer for Sale Size	Total Issue Size	Eligibility and Share Reservation among QIBs, NIIs and RIIs
Fresh Issue	Fresh issue of up to 18,096,000 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] Million	Not Applicable	Up to 18,096,000 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] Million	The Issue is being made in accordance with Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, ("SEBI ICDR Regulations"). For further details, see "*Other Regulatory and Statutory Disclosures – Eligibility for the Issue*" on page 318. For details in relation to share reservation among QIBs, NIBs and RIBs, see "*Issue Structure*" on page 334.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue 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. The Floor Price, the Cap Price and the Issue Price (as determined by our Company, in consultation with the BRLM), on the basis of the assessment of market demand for the Equity Shares by way of the book building process, as stated in "*Basis for Issue Price*" on page 111, should not be considered to be indicative of the market price of the Equity Shares after the EquityShares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor 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 this 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 this 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 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 28.

ISSUE'S ABSOLUTE RESPONSIBILTY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring 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 Draft Red Herring 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 Draft Red Herring 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, once offered through the Red Herring Prospectus, are proposed to be listed on National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**" and together with NSE, the "**Stock Exchanges**"). For the purposes of the Issue, [●] is the Designated Stock Exchange. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013.

BOOK RUNNING LEAD MANAGER

NAME OF BRLM AND LOGO	Contact Person	EMAIL AND TELEPHONE
Choice Capital Advisors Private Limited	Nimisha Joshi/ Anuj Killa	**E-mail**: sgil.ipo@choiceindia.com **Tel.:** +91 22 6706 9999 (7919)

REGISTRAR TO THE ISSUE

NAME OF THE REGISTRAR	CONTACT PERSON	EMAIL AND TELEPHONE
Bigshare Services Private Limited	Babu Rapheal C.	**E-mail**: ipo@bigshareonline.com **Tel.:** +91 22 6263 8200

BID/ISSUE PERIOD

ANCHOR INVESTOR BIDDING DATE	[●]*	BID/ISSUE OPENS ON	[●]*	BID/ISSUE CLOSES ON#	[●]**

**Our Company, in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.*

*** Our Company, in consultation with the Book Running Lead Manager, may consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

 # UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.

(Please scan this QR Code to view the DRHP)

DRAFT RED HERRING PROSPECTUS
Dated: January 13, 2025
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Issue

SHANTI GOLD INTERNATIONAL LIMITED

Our Company was originally formed as a partnership firm in the name and style of "M/s Shanti Gold" pursuant to partnership deed dated August 05, 2003 with Pankajkumar H Jagawat and Manojkumar N Jain as its partners. Subsequently, by way of a restated partnership deed dated July 13, 2013, Mukesh Shantilal Jain, Rakesh Shantilal Jagawat, Shashank Bhawarlal Jagawat, Llalet Gulab Jagasia and Vikramsingh Prakash Verma joined as partners and the name of the firm was changed to "M/s. Shanti Gold International". In accordance with the provisions of Part IX of the Companies Act, 1956, the partnership firm was converted to a public limited company under the name and style of 'Shanti Gold International Limited', and a fresh certificate of incorporation dated November 01, 2013 was issued by the RoC. Our Company was granted the certificate of commencement of business on November 22, 2013 by the RoC. For details of incorporation, changes in the name and registered office address of our Company, see '*History and Certain Corporate Matters*' on page 199.

Corporate Identity Number: U74999MH2013PLC249748
Registered and Corporate Office:
Plot No A-51, 2nd Floor to 7th Floor, MIDC, Marol Industrial Area, Road No.-1, Near Tunga International Hotel, Andheri (E), Chakala MIDC, Mumbai - 400093, Maharashtra, India.
Tel: + 91 22 4824 9647 (413) **Contact Person**: Vrushti Parag Shah, Company Secretary and Compliance Officer;
E-mail: cs@shantigold.in ; **Website:** www.shantigold.in

OUR PROMOTERS: PANKAJKUMAR H JAGAWAT, MANOJKUMAR N JAIN AND SHASHANK BHAWARLAL JAGAWAT

INITIAL PUBLIC OFFERING OF UP TO 18,096,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF SHANTI GOLD INTERNATIONAL LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING UP TO [●] MILLION ("ISSUE") COMPRISING A FRESH ISSUE OF UP TO 18,096,000 EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹ [●] MILLION ("FRESH ISSUE"). THE ISSUE SHALL CONSTITUTE [●] % OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT, WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] EDITIONS OF THE ENGLISH NATIONAL DAILY NEWSPAPER, [●] EDITIONS OF THE HINDI NATIONAL DAILY NEWSPAPER, [●] EDITIONS OF [●], WIDELY CIRCULATED MARATHI DAILY NEWSPAPER (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE THE REGISTERED AND CORPORATE OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SUCH ADVERTISEMENT SHALL BE MADE AVAILABLE TO BSE AND NSE ("BSE" AND TOGETHER WITH NSE, "THE STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES

In case of any revision in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of *force majeure*, banking strike or similar circumstances, our Company may in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid /Issue Period for a minimum of one Working Day, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLM and at the terminals of the Syndicate Members and by intimation to Designated Intermediaries and the Sponsor Bank(s), as applicable.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (**"SCRR"**) read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("**QIBs**" and such portion, the "**QIB Portion**"), provided that our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("**Anchor Investor Portion**"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors (the "**Anchor Investor Allocation Price**"). In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Issue Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds. Further, not less than 15% of the Issue shall be available for allocation to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. One-third of the Non-Institutional Portion shall be available for allocation to Non-Institutional Bidders with a Bid size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Portion shall be available for allocation to Non-Institutional Bidders with a Bid size of more than ₹1.00 million provided that under-subscription in either of these two sub-categories of the Non-Institutional Portion may be allocated to Non-Institutional Bidders in the other sub-category of Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are mandatorily required to participate in the Issue through the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA accounts and UPI ID in case of UPI Bidders, as applicable, pursuant to which their corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or by the Sponsor Bank(s) under the UPI Mechanism, as the case may be, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "*Issue Procedure*" on page 338.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue 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. The Floor Price, Cap Price and Issue Price as determined and justified by our Company, in consultation with the BRLM, in accordance with the SEBI ICDR Regulations, as stated under "*Basis for Issue Price*" on page 111 should not be considered 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 nor 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" beginning on page 28.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring 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 Draft Red Herring 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 Draft Red Herring 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 to be Allotted through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Issue, the Designated Stock Exchange shall be [●]. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/ Issue Closing Date, see "*Material Contracts and Documents for Inspection*" on page 379.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
Choice The Joy of Earning	
Choice Capital Advisors Private Limited India Sunil Patodia Tower, Plot No. 156-158, J.B. Nagar, Andheri (East), Mumbai City, Mumbai, Maharashtra – 400099 **Tel**: +91 22 6706 9999 (7919) **E-mail**: sgil.ipo@choiceindia.com **Investor Grievance E-mail:** investorgrievances_advisors@choiceindia.com **Website:** www.choiceindia.com/merchant-investment-banking **Contact person:** Nimisha Joshi/Anuj Killa **SEBI Registration No.:** INM000011872	**Bigshare Services Private Limited** S62, 6th Pinnacle Business Park, Mahakali Caves Road, Next to Ahura Centre, Andheri East, Mumbai – 400093 Maharashtra, India **Tel:** +91 22 6263 8200 **E-mail:** ipo@bigshareonline.com **Investor grievance E-mail:** investor@bigshareonline.com **Website:** www.bigshareonline.com **Contact person:** Babu Rapheal C. **SEBI Registration No:** INR000001385

BID/ ISSUE PERIOD

ANCHOR INVESTOR BIDDING DATE	[●]*	**BID/ ISSUE OPENS ON**	[●]*	**BID/ ISSUE CLOSES ON#**	[●]**

**Our Company, in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.*
***Our Company, in consultation with the Book Running Lead Manager, may consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*
 # UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring 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, and references to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rule guidelines or policy 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.

In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

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

Notwithstanding the foregoing, terms in "Description of Equity Shares and Terms of the Articles of Association", "Statement of Special Tax Benefits", "Industry Overview", "Our Business", "History and Certain Corporate Matters", "Key Regulations and Policies in India", "Basis for the Issue Price" "Restriction on Foreign Ownership of Indian Securities", "Restated Financial Information", and "Outstanding Litigation and Material Developments" on pages 359, 121, 126, 175, 199, 192, 111, 357, 226 and 310 respectively, will have the meaning ascribed to such terms in those respective sections.

General terms

Term	Description
Our Company/ the Company/ the Issuer	Shanti Gold International Limited, a public limited company incorporated under the Companies Act, 1956 and having its Registered Office at Plot No A-51, 2nd Floor to 7th Floor, MIDC, Marol Industrial Area, Road No.-1, Near Tunga International Hotel, Andheri (E), Chakala MIDC, Mumbai - 400093, Maharashtra, India.
We/ us/ our	Unless the context otherwise indicates or implies, refers to our Company.

Company related terms

Term	Description
AoA/Articles of Association or Articles	The articles of association of our Company, as amended.
Audit Committee	The audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and as described in "*Our Management –Board Committees – Audit Committee*" on page 209.
Auditors/ Statutory Auditors	The statutory auditors of our Company, being J. Kala & Associates, Chartered Accountants.
Board/ Board of Directors	The board of directors of our Company, as constituted from time to time. For further details, please see "*Our Management – Board of Directors*" on page 203.
CARE	CARE Analytics & Advisory Private Limited
CARE Report	Industry report titled "*Industry Report on Indian Gems and Jewellery*" dated January 4, 2025, issued by CARE pursuant to an engagement letter with CARE dated November 05, 2024. The CARE Report shall be available on the website of our Company at www.shantigold.in. The CARE Report has been exclusively commissioned and paid for by us in connection with the Issue.
Chairman and Managing Director	Chairman and Managing Director of our Company, being Pankajkumar H Jagawat. For further details, please see "*Our Management – Board of Directors*" on page 203.
Chief Financial Officer/ CFO	Chief Financial Officer of our Company, being Shriram Kannan Iyengar. For further details, please see "*Our Management – Key Managerial Personnel*" on page 215.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, being Vrushti Parag Shah. For further details, please see "*Our Management – Key Managerial Personnel*" on page 215.

Term	Description
"Corporate Social Responsibility Committee" or "CSR Committee"	The corporate social responsibility committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and as described in "*Our Management – Board Committees –Corporate Social Responsibility Committee*" on page 214.
Director(s)	The director(s) on our Board as appointed from time to time.
Equity Shares	The equity shares of our Company of face value of ₹ 10 each.
Executive Director(s)	Executive director(s) of our Company. For further details of the Executive Directors, see "*Our Management*" on page 203.
Group Companies	In terms of Regulation 2(1)(t) of the SEBI ICDR Regulations, the term "group companies" includes companies with which there were related party transactions as per Ind AS 24, and any other companies as considered material by the Board as per the Materiality Policy, in accordance with the resolution dated November 18, 2024 passed by the Board. For further details, see "*Our Group Companies*" on page 222.
Independent Director(s)	Non-executive and independent director(s) of our Company who are eligible to be appointed as independent director(s) under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see "*Our Management- Board of Directors*" on page 203.
KMP/ Key Managerial Personnel	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 further described in "*Our Management-Key Managerial Personnel and Senior Management*" on page 215.
Materiality Policy	The policy adopted by our Board on November 18, 2024, for identification of: (a) outstanding material litigation proceedings; (b) Group Companies; and (c) material creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus.
MoA/ Memorandum of Association	The memorandum of association of our Company, as amended.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and as described in "*Our Management – Committees of the Board – Nomination and Remuneration Committee*" on page 212.
Non-Executive Director	Non-executive and non-independent director of our Company, being Shashank Bhawarlal Jagawat. For further details, please see "*Our Management – Board of Directors*" on page 203.
Promoters	The promoters of our Company in terms of Regulation 2(1)(oo) of the SEBI ICDR Regulations namely Pankajkumar H Jagawat, Manojkumar N Jain and Shashank Bhawarlal Jagawat. For further details, please see "*Our Promoters and Promoter Group*" on page 218.
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in "*Our Promoters and Promoter Group*" on page 218.
Registered and Corporate Office/ Registered Office	The registered and corporate office of our Company, situated at Plot No A-51, 2nd Floor to 7th Floor, MIDC, Marol Industrial Area, Road No.-1, Near Tunga International Hotel, Andheri (E), Chakala MIDC, Mumbai - 400093, Maharashtra, India.
Registrar of Companies/RoC	The Registrar of Companies, Maharashtra at Mumbai.
Restated Financial Information / Restated Financial Statements	The restated financial information of our Company, for the six months period ended September 30, 2024 and Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022, which comprises the restated statement of assets and liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the restated statement of profit and loss (including other comprehensive income), the restated statement of changes in equity, the restated statement of cash flow for the six months period ended September 30, 2024 and Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022 and the summary of significant accounting policies and other explanatory information prepared, in terms of the requirements of Section 26 of

Term	Description
	Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI, as amended from time to time.
Senior Management/ Senior Management Personnel/ SMP	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as further described in "*Our Management-Key Managerial Personnel and Senior Management*" on page 215.
Shareholder(s)	The holders of the Equity Shares 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 from time to time.
Stakeholders Relationship Committee	The Stakeholders' Relationship Committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations and as described in "*Our Management – Board committees – Stakeholders' Relationship Committee*" on page 213.
Whole-Time Director	The whole-time director of our Company being Manojkumar N Jain. For further details, please see "*Our Management – Board of Directors*" on page 203.

Issue related terms

Term	Description
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 slip or document issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form.
Allot/ Allotment/ Allotted	Unless the context otherwise requires, allotment of Equity Shares pursuant to the Issue.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee(s)	A successful Bidder(s) to whom the Equity Shares are Allotted.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus who has Bid for an amount of at least ₹ 100 million.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus and Prospectus, which will be decided by our Company, in consultation with the BRLM, on the Anchor Investor Bidding Date.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus.
Anchor Investor Bidding Date/ Anchor Investor Bid/ Issue Period	The date, being one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLM will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed.
Anchor Investor Issue Price	Final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the BRLM.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/Issue Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company in consultation with the BRLM, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above

Term	Description
	the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained by an ASBA Bidder with a SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a UPI Bidder linked to a UPI ID, which will be blocked by the SCSB upon acceptance of the UPI Mandate Request in relation to a Bid by a UPI Bidder Bidding through the UPI Mechanism.
ASBA Bid	A Bid made by an ASBA Bidder.
ASBA Bidders	All Bidders except Anchor Investors.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Banker(s) to the Issue	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Sponsor Bank(s) and Public Issue Account Bank(s), as the case may be.
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Issue, as described in "*Issue Procedure*" on page 338.
Bid(s)	An indication to make an offer during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. The term "*Bidding*" shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder and, in the case of RIIs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIIs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Issue, as applicable.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid/Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), and Marathi edition of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located). In case of any revisions, the extended Bid/Issue Closing Date shall also be notified on the websites and terminals of the members of the Syndicate, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Bank. Our Company, in consultation with the BRLM, may consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations.

Term	Description
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Issue, being [●], which shall be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), and Marathi edition of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located).
Bid/ Issue Period	Except in relation to Bids by Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and in terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bidding Centers	Centers at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
Book Running Lead Manager/ BRLM/Manager	The book running lead manager to the Issue namely, Choice Capital Advisors Private Limited.
Broker Centers	Broker Centers of the Registered Brokers where ASBA Bidders can submit the ASBA Forms, provided that UPI Bidders may only submit ASBA Forms at such broker Centers if they are Bidding using the UPI Mechanism. The details of such broker Centers, along with the names and contact details of the Registered Brokers, are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
CAN/ Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price.
Cash Escrow and Sponsor Bank(s) Agreement	The agreement to be entered into amongst our Company, the Registrar to the Issue, the BRLM, the Syndicate Members and Banker(s) to the Issue in accordance with the UPI Circulars, collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account(s) and where applicable remitting refunds, if any, to Bidders, on the terms and conditions thereof.
Client ID	Client identification number maintained with one of the Depositories in relation to the Bidder's beneficiary account.
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and the SEBI UPI Circulars, issued by SEBI and as per the list available on the websites of BSE and NSE.
Collecting Registrar and Share Transfer Agents/ CRTAs/ RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Cut-off Price	Issue Price, finalised by our Company, in consultation with the BRLM, which shall be any price within the Price Band.

Term	Description
	Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details and UPI ID, where applicable.
Designated CDP Locations	Such locations of the CDPs where Bidders (other than Anchor Investors) 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 respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account(s) or the Refund Account(s), as appropriate, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Issue.
Designated Intermediaries	In relation to ASBA Forms submitted by UPI Bidders (not using the UPI Mechanism) authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIIs (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate, Registered Brokers, CDPs and CRTAs.
Designated RTA Locations	Such locations of the CRTAs where Bidders (other than Anchor Investors) can submit the ASBA Forms to CRTAs. The details of such Designated CRTA Locations, along with names and contact details of the CRTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at 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.
Designated Stock Exchange	[●]
Draft Red Herring Prospectus/ DRHP	This draft red herring prospectus dated January 13, 2025 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue including any addenda or corrigenda thereto.
Eligible FPI(s)	FPI(s) that are eligible to participate in the Issue in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to subscribe or purchase the Equity Shares.
Eligible NRI(s)	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Red Herring Prospectus and the Bid Cum Application Form constitutes an invitation to subscribe or purchase for the Equity Shares.
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid.

Term	Description
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI BTI Regulations and with whom the Escrow Account(s) will be opened, in this case being [●].
First Bidder or Sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
Fresh Issue	The fresh issue of up to 18,096,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] each (including a share premium of ₹ [●] each), aggregating up to ₹ [●] Million.
General Information Document or GID	The General Information Document for investing in public offers, prepared and issued in accordance with the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020, issued by SEBI, suitably modified and updated pursuant to, among others, the UPI Circulars and any subsequent circulars or notifications issued by SEBI from time to time.
Gross Proceeds	The gross proceeds of the Issue that will be available to our Company.
ISIN	International Securities Identification Number of our Company being INE06ZD01017.
Issue	The initial public offering of up to 18,096,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] each (including a share premium of ₹ [●] each), aggregating up to ₹ [●] Million by our Company.
Issue Agreement	The agreement dated January 13, 2025 amongst our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	₹ [●] per Equity Share, being the final price within the Price Band, at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors as determined in accordance with the Book Building Process and determined by our Company, in consultation with the Book Running Lead Manager, in terms of the Red Herring Prospectus on the Pricing Date. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company, in consultation with the BRLM on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus.
Issue Proceeds	The proceeds of the Issue which shall be available to our Company. For further information about use of the Issue Proceeds, see "*Objects of the Issue*" on page 92.
Mobile App(s)	The mobile applications listed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=4 or such other website as may be updated from time to time, which may be used by UPI Bidders to submit Bids using the UPI Mechanism.
Monitoring Agency	[●]
Monitoring Agency Agreement	The agreement dated [●] to be entered into between our Company and the Monitoring Agency.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Mutual Fund Portion	The portion of the Issue being 5% of the Net QIB Portion consisting of [●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Net Proceeds	Proceeds of the Issue less our Company's share of the Issue expenses. For further details regarding the use of the Net Proceeds and the Issue expenses, see "*Objects of the Issue*" beginning on page 92.

Term	Description
Non-Institutional Bidders/ Non-Institutional Investors/ NIIs	All Bidders that are not QIBs or Retail Individual Investors and who have Bid for Equity Shares for an amount more than ₹ 0.20 million (but not including NRIs other than Eligible NRIs).
Non-Institutional Portion	The portion of the Issue being not more than 15% of the Issue, consisting of [●] Equity Shares, which shall be available for allocation to Non-Institutional Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price, out of which i) one third shall be reserved for Bidders with Bids exceeding ₹ 0.20 million up to ₹ 1 million; and ii) two-thirds shall be reserved for Bidders with Bids exceeding ₹ 1 million. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (i) or (ii), may be allocated to Bidders in the other sub-category of Non-Institutional Bidders.
Non-Resident/NR	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price. The Price Band and the minimum Bid Lot for the Issue will be decided by our Company, in consultation with the BRLM, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and Marathi edition of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is situated) at least two Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	The date on which our Company, in consultation with the BRLM, will finalise the Issue Price.
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account(s)	Bank account(s) to be opened with the Public Issue Account Bank(s) under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date.
Public Issue Account Bank(s)	The banks with which the Public Issue Account(s) is opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●].
QIB Category/ QIB Portion	The portion of the Issue (including the Anchor Investor Portion being not more than 50% of the Issue comprising not more than [●] Equity Shares, which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company, in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price.
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus/ RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue including any addenda or corrigenda thereto. The Bid/Issue Opening Date shall be at least three Working Days after the filing of Red Herring Prospectus with the RoC. The Red Herring Prospectus will become the Prospectus upon filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto.
Refund Account(s)	The account(s) opened with the Refund Bank(s), from which refunds, if any, of the

Term	Description
	whole or part of the Bid Amount to the Anchor Investors shall be made.
Refund Bank(s)	The Banker(s) to the Issue which are a clearing member registered with SEBI under the SEBI BTI Regulations with whom the Refund Account(s) will be opened, in this case being [●].
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of SEBI circular number CIR/CFD/14/2012 dated October 4, 2012, and the UPI Circulars, issued by SEBI.
Registrar Agreement	The agreement dated December 19, 2024 between 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.
Registrar to the Issue/ Registrar	Bigshare Services Private Limited.
Retail Individual Bidders/ Retail Individual Investors(s)/ RII(s) / RIB(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹ 0.20 million in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	The portion of the Issue being atleast 35% of the Issue consisting of [●] Equity Shares, which shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date.
SCORES	Securities and Exchange Board of India Complaints Redress System.
Self-Certified Syndicate Bank(s)/ SCSB(s)	(i) The banks registered with SEBI, offering services in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable, or such other website as updated from time to time, and (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=4 or such other website as updated from time to time.
Specified Locations	Bidding Centers where the Syndicate shall accept ASBA Forms from Bidders, a list of which will be included in the Bid cum Application Form.
Sponsor Bank(s)	The Bankers to the Issue registered with SEBI, which have been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the UPI Bidders using the UPI and carry out other responsibilities, in terms of the UPI Circulars, in this case being [●].
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited.
Sub-syndicate Members	The sub syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement to be entered into amongst our Company, the BRLM, the Syndicate Members and the Registrar, in relation to collection of Bids by the Syndicate.
Syndicate Members	Intermediaries (other than the BRLM) registered with SEBI who are permitted to carry out activities in relation to collection of Bids and as underwriters, namely, [●].
Syndicate/ members of the Syndicate	Together, the BRLM and the Syndicate Members.
Systemically Important Non-	Systemically important non-banking financial company as defined under Regulation

Term	Description
Banking Financial Company/ NBFC-SI	2(1)(iii) of the SEBI ICDR Regulations.
Underwriters	[●]
Underwriting Agreement	The agreement dated [●] entered among the Underwriters and our Company to be entered into on or after the Pricing Date, but prior to filing of the Prospectus with RoC.
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI.
UPI Bidder(s)	Collectively, individual investors applying as Retail Individual Investors in the Retail Portion, and individuals applying as Non-Institutional Investors with a Bid Amount of up to ₹ 0.50 million in the Non-Institutional Portion and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Collecting Registrar and Share Transfer Agents. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹ 0.50 million shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL- 2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (to the extent these circulars are not rescinded by the SEBI RTA Master Circular), SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, SEBI Master Circular and SEBI RTA Master Circular (to the extent it pertains to UPI)along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the UPI Bidders, by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidders using the UPI Mechanism initiated by the Sponsor Banks to authorize blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI linked mobile application, and the subsequent debit of funds in case of Allotment.
UPI Mechanism	The Bidding mechanism that may be used by UPI Bidders to make Bids in the Issue in accordance with UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.
Wilful Defaulter or Fraudulent Borrower	Wilful defaulter or a fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.

Term	Description
Working Day(s)	All days on which commercial banks in Maharashtra, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India are open for business and the time period between the Bid/Issue Closing Date and 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 in accordance with circulars issued by SEBI, including UPI Circulars.

Conventional and general terms and abbreviations

Term	Description
A/c	Account.
AGM	Annual general meeting.
AIF	Alternate Investment Fund.
AY	Assessment Year.
BSE	BSE Limited.
CAGR	Compounded Annual Growth Rate.
Category I AIF	AIFs registered as “Category I alternative investment funds” under the SEBI AIF Regulations.
Category I FPIs	FPIs registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations.
Category II AIF	AIF AIFs registered as “Category II alternative investment funds” under the SEBI AIF Regulations.
Category II FPIs	FPIs registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations.
Category III AIF	AIFs registered as “Category III alternative investment funds” under the SEBI AIF Regulations.
Calendar Year or year	Unless the context otherwise requires, shall refer to the twelve-month period ending December 31.
CDSL	Central Depository Services (India) Limited.
CGST	Central Goods and Services Tax.
CIN	Corporate Identity Number.
Copyright Act	Copyright Act, 1957.
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires.
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder.
Consolidated FDI Policy	The FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any amendments or substitutions thereof, issued from time to time.
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.
CSR	Corporate Social Responsibility.
Demat	Dematerialised.
Depositories Act	Depositories Act, 1996 read with the rules and regulations thereunder.
Depository or Depositories	NSDL and CDSL.
DIN	Director Identification Number.
DP ID	Depository Participant’s Identification Number.
DP/ Depository Participant	A depository participant as defined under the Depositories Act.
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India.
EBITDA	Earnings before interest, tax, depreciation and amortization.

Term	Description
EBITDA Margin	EBITDA divided by revenue from operations (net).
EPS	Earnings Per Share.
ESOP	Employee Stock Option Plan.
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign direct investment.
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder.
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended.
Financial Year, Fiscal, FY/ F.Y.	Period of twelve months ending on March 31 of that particular year, unless stated otherwise.
FI	Financial institutions.
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations.
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI.
GAAP	Generally Accepted Accounting Principles.
GIR Number	General Index Registry number.
GoI / Central Government	Government of India.
GST	Goods and services tax.
GSTIN	Goods and Services Tax Identification Number.
HUF	Hindu undivided family.
ICAI	The Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards.
Ind AS	Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015.
India	Republic of India.
Indian GAAP	Generally Accepted Accounting Principles in India, being, accounting principles generally accepted in India including the accounting standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.
IGST	Integrated GST.
IPO	Initial public offer.
IT	Information technology.
IRDAI	Insurance Regulatory and Development Authority of India.
IT Act	The Information Technology Act, 2000.
I.T. Act	The Income Tax Act, 1961.
KPI	Key Performance Indicators.
MCA	Ministry of Corporate Affairs, Government of India.
MCLR	Marginal cost of fund-based lending rate.
MSME	Micro, Small and Medium Enterprises.
N.A. or NA	Not applicable.
NACH	National Automated Clearing House.
NAV	Net asset value.
NBFC	Non-Banking Finance Company
NEFT	National electronic fund transfer.
Non-Resident	A person resident outside India, as defined under FEMA.
NPCI	National Payments Corporation of India.

Term	Description
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016.
NRI/ Non-Resident Indian	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an ‘Overseas Citizen of India’ cardholder within the meaning of section 7(A) of the Citizenship Act, 1955.
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016.
NSDL	National Securities Depository Limited.
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 the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue.
P/E Ratio	Price/earnings ratio.
PAN	Permanent account number allotted under the I.T. Act.
PLR	Prime Lending Rate
Provident Fund	Provident Fund for employees managed by the Employee’s Provident Fund Organisation in India.
R&D	Research and development.
RBI	Reserve Bank of India.
Regulation S	Regulation S under the U.S. Securities Act.
RONW	Return on net worth.
Rs. / Rupees/ ₹ / INR	Indian Rupees.
RTGS	Real time gross settlement.
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994.
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI Master Circular	SEBI master circular bearing number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.
SEBI Mutual Funds Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
SEBI RTA Master Circular	SEBI master circular bearing number SEBI/HO/MIRSD/POD-1/P/CIR/2024/37

Term	Description
	dated May 7, 2024.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations.
SGST	State Goods and Services Tax.
State Government	Government of a state of India.
STT	Securities Transaction Tax.
UAE	United Arab Emirates
U. S. Securities Act	United States Securities Act of 1933, as amended.
US GAAP	Generally Accepted Accounting Principles in the United States of America.
USA/ U.S. / US	The United States of America.
USD / U.S.$	United States Dollars.
TAN	Tax deduction account number
VAT	Value added tax.
VCFs	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be.
WACA	Weighted Average Cost of Acquisition.

Technical and Industry Related Terms or Abbreviations

Term	Description
Andheri Manufacturing Facility	The manufacturing facility of our Company located at Plot No A-51, 2nd Floor to 7th Floor, MIDC, Marol Industrial Area, Road No.-1, Near Tunga International Hotel, Andheri (E), Chakala MIDC, Mumbai - 400093, Maharashtra, India.
BIS	Bureau of Indian Standards
CAD	Computer-Aided Design
Corporate Clients	Business entities or brands that purchase jewellery products from our Company for further sales or distribution.
CPD	Cut & Polished Diamonds
CZ	Cubic Zirconia.
Debt-Equity Ratio (in times)	Debt- equity ratio is a gearing ratio which compares shareholder's equity to company debt to assess our Company's amount of leverage and financial stability.
Days Working Capital	Days working capital is a metric that measures how many days it takes our company to transform its working capital into sales cash flows.
GDP	Gross Domestic Product
GDS	Gross Domestic Savings
GJEPC	Gem & Jewellery Export Promotion Council
GNDI	Gross National Disposable Income
IGJS	International Gem and Jewellery Show
Kt	Karat
PAT	Profit after Tax
Proposed Jaipur Facility	The manufacturing facility of our Company at Jaipur proposed to be set up at Plot No. DTA-02-14 and DTA-02-15, Khasra No. 1181, 1189 and 1192, Village Newata, DTA Phase II, Tehsil Sanganer, Off Jaipur- Ajmer Road, NH 08, Jaipur, Rajasthan, India.
EBITDA	EBITDA provides information regarding the operational efficiency of our business.
EBITDA Margin	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Net Profit after tax	Net Profit after tax provides information regarding the overall profitability of our business.

Term	Description
Net Profit Margin	Net Profit Margin is an indicator of the overall profitability and financial performance of our business.
Return on Net Worth	Return on Net Worth provides how efficiently our Company generates profits from shareholders' funds.
Return on Capital Employed	Return on Capital Employed provides how efficiently our Company generates earnings from the capital employed in our business.
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of our business and in turn helps assess the overall financial performance of our Company and size of our business.
Tier 1	Over 4 Million Population
Tier 2	1 Million to 4 Million Population
Tier 3	Less than 1 Million Population
UK	United Kingdom

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

Certain Conventions

All references in this Draft Red Herring 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 herein to the "US", "USA", the "U.S." or the "United States" are to the United States of America and its territories and possessions.

Unless indicated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to page numbers of this Draft Red Herring Prospectus.

Financial Data

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year and accordingly, all references to a particular financial year or fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year and references to a Fiscal/Fiscal Year are to the year ended on March 31, of that calendar year.

Unless indicated otherwise or the context requires otherwise, the financial information and financial ratios in this Draft Red Herring Prospectus have been derived from the Restated Financial Information. For further information, see "*Restated Financial Information*" on page 226.

The Restated Financial Information comprises the restated statement of assets and liabilities as at six months period ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022; the restated statement of profit and loss (including other comprehensive income); the restated statement of changes in equity; the restated statement of cash flow for the six months period ended September 30, 2024 and Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022, and the summary of significant accounting policies and other explanatory information prepared, in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI, as amended from time to time and included in "*Restated Financial Information*" on page 226. The Restated Financial Information has been compiled from audited Ind AS financial statements of our Company as at and for the fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India.

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 Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS, see "*Risk Factors– 54. Significant differences exist between Ind AS and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which may affect investor's assessment of our financial condition.*" on page 58. The degree to which the financial information included in this Draft Red Herring 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 Draft Red Herring 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.

In this Draft Red Herring 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, discrepancies in any table between the sums of the amounts listed in the table and totals are due to rounding off.

Further, any figures sourced from third party industry sources may be rounded off to other than to the second decimal to conform to their respective sources.

Any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 28, 175 and 279, respectively, and elsewhere in this Draft Red

Herring Prospectus, unless otherwise stated or context requires otherwise, have been derived from Restated Financial Information or non-GAAP financial measures as described below.

Non-GAAP Financial Measures

Certain measures included in this Draft Red Herring Prospectus, for instance Net Asset Value per Equity Share, EBITDA, EBITDA Margin, Net Profit After Tax, Net Profit Margin, Return on Capital Employed, Debt to Equity Ratio, Net Worth, Return on Net Worth and Days Working Capital (the **"Non-GAAP Measures"**), presented in this Draft Red Herring Prospectus are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with Ind AS, IFRS or US GAAP. Furthermore, these Non-GAAP Measures, are not a measurement of our financial performance or liquidity under Indian GAAP, IFRS or US GAAP and should not be considered as an alternative to net profit revenue from operations or any other performance measures derived in accordance with Ind AS, IFRS or US GAAP or as an alternative to cash flow from operations or as a measure of our liquidity. Further, these Non- GAAP Measures and other statistical and other information relating to operations and financial performance should not be considered in isolation or construed as an alternative to cash flows, profit for the years 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, IFRS or US GAAP. In addition, these Non-GAAP Measures and other statistical and other information relating to operations and financial performance, are not standardised terms and may not be computed on the basis of any standard methodology that is applicable across the industry and therefore, may not be comparable to financial measures 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. Further, they may have limited utility as a comparative measure. Although such Non-GAAP financial measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance. For further information, see "*Management's Discussion and Analysis of Financial Position and Results of Operations – Non-GAAP Measures*" on page 301.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from report titled "*Industry Report on Indian Gems and Jewellery*" dated January 4, 2025, prepared by CARE ("**CARE Report**"), which has been prepared exclusively for the purpose of understanding the industry in connection with the Issue and commissioned and paid for by our Company, pursuant to the engagement letter dated November 5, 2024. The CARE Report is available on the website of our Company at the following web-link: www.shantigold.in until the Bid / Issue Closing Date. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CARE Report and included in this Draft Red Herring Prospectus with respect to any particular year, refers to such information for the relevant calendar year. CARE is an independent agency which has no relationship with our Company, our Promoters, members of our Promoter Group, any of our Directors, Key Managerial Personnel, Senior Management, Group Companies or the Book Running Lead Manager.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but accuracy, completeness relevance of such information shall be subject to the disclaimers, context and underlying assumptions of such sources. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. The excerpts of the CARE Report are disclosed in this Draft Red Herring Prospectus and there are no parts, information, data (which may be relevant for the proposed Issue), left out or changed in any manner. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful and depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies, and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors –38. Industry information included in this Draft Red Herring Prospectus has been derived from an industry report prepared by CARE exclusively commissioned and paid for by us for such purpose.*" on page 52. Accordingly, no investment decision should be solely made on the basis of such information.

In accordance with the disclosure requirements under the SEBI ICDR Regulations, *"Basis for the Issue Price"* on page 111 includes information relating to our peer group companies. Such information has been derived from publicly available sources specified therein.

Currency and Units of Presentation

All references to:

- "Rupees" or "INR" or "₹" or "Rs." Are to Indian Rupees, the official currency of the Republic of India; and

- "U.S $", "U.S. Dollar", "USD" are to United States Dollars, the official currency of the United States of America.

All the figures in this Draft Red Herring Prospectus, have been presented in million or in whole numbers where the numbers have been too small to present in million unless stated otherwise. One million represents 1,000,000 and one billion represents 1,000,000,000. Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal. 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 figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, figures sourced from third-party industry sources may be expressed in denominations other than million or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Time

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Exchange Rates

This Draft Red Herring Prospectus may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be construed as a representation that such 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 the ₹ and USD:

(in ₹)

Currency	For the six months ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
1 USD	83.79	83.37	82.22	75.81

Source: FBIL Reference Rate as available on www.fbil.org.in
Note: Exchange rate is rounded off to two decimal points.
#On instances where the given day is a holiday, the exchange rate from the previous working day has been considered.

Please note that the above exchange rates have been provided for indicative purposes only and the amounts reflected in our Restated Financial Information may not have been converted using any of the above-mentioned exchange rates.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as "forward-looking statements". These forward-looking statements include statements which can generally be identified by words or phrases such as "aim", "anticipate", "are likely", "believe", "continue", "can", "could", "expect", "estimate", "intend", "may", "likely", "objective", "plan", "propose", "will continue", "seek to", "will achieve", "will likely", "will pursue" or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue, and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Red Herring Prospectus that are not historical facts. However, these are not the exclusive means of identifying forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such 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. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally, which have an impact on our 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, changes in competition in our industry and incidence of any natural calamities and/or acts of violence.

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

1. We depend on the success of our relationships with our customers and we do not have long term contracts with them. Any loss of one or more of our top customers, or the deterioration of their financial condition or prospects, or a reduction in their demand for our products, could adversely affect our business, results of operations, financial condition and cash flows.

2. A significant portion of our business operations and revenue generation is concentrated in the Southern India. This regional concentration could expose our Company to economic, cultural, geopolitical and local market risks.

3. Our business is highly concentrated on the sale of 22kt CZ jewellery and is vulnerable to variations in demand and changes in consumer preference, which could have an adverse effect on our business, results of operations and financial condition.

4. Our dependence on gold may expose us to market and demand fluctuations. Further, the non-availability or high cost of quality gold, may have an adverse effect on our business, results of operations, financial condition and prospects.

5. 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.

6. Our Company has experienced negative net cash flow from operating activities in the past three Fiscals and six months period ended September 30, 2024 and may continue to do so in future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.

7. Our business is dependent on our manufacturing capabilities at our Andheri Manufacturing Facility. Unplanned slowdowns, unscheduled shutdowns or prolonged disruptions in our manufacturing operations and an inability to effectively utilize our production capacity could have an adverse effect on our business, results of operations, cash flows and financial condition.

8. We intend to further expand our operations through setting up the Proposed Jaipur Facility and such expansion will be subject to the risks of unanticipated delays in implementation and cost overruns.

9. The nature of our business requires us to maintain sufficient inventories resulting into high inventory costs. If we are unable to maintain an optimal level of inventory, including due to changes in consumer demands, our business, results of operations and financial condition may be adversely affected.

10. Our business and the demand for our product is reliant on the success of our customers' products with end consumers, and any decline in the demand for the end-products could have an adverse impact on our business, results of operations, cash flows and financial condition.

For a further discussion of factors that could cause our actual results to differ from the expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 28, 175 and 279, 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 future gains or losses could materially be different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's belief and assumptions, which in turn are based on currently available information. Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate and the forward- looking statements based on these assumptions could be incorrect.

Neither our Company, our Directors, nor the Syndicate or 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 will ensure that investors in India are informed of material developments pertaining to our Company from the date of this Draft Red Herring Prospectus until the time of the grant of listing and trading permissions by the Stock Exchanges.

SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring 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 Draft Red Herring Prospectus, including the sections "Risk Factors", "Our Business", "Industry Overview", "Capital Structure", "The Issue", "Restated Financial Information", "Objects of the Issue", "Management's Discussion and Analysis of Financial Position and Results of Operations" and "Outstanding Litigation and Material Developments" on pages 28, 175, 126, 80, 65, 226, 92, 279, and 310 respectively of this Draft Red Herring Prospectus.

Primary business of our Company

We are one of the leading manufacturers of high-quality 22kt CZ casting gold jewellery, in terms of installed production capacity, specializing in the design and production of all types of gold jewellery (*Source: CARE Report*). Our Company offers a wide range of high-quality, intricately designed pieces, including bangles, rings, necklaces, and complete jewellery sets across various price points ranging from jewellery for special occasions, such as weddings to festive and daily-wear jewellery. For further details on our business and operations, see "*Our Business*" beginning on page 175.

Summary of industry in which our Company operates

In CY24 the Indian jewellery market is expected to grow by 13.1% y-o-y to Rs.4,653 billion. Furthermore, the market is expected to grow at a compounded annual growth rate (CAGR) of 9.7% between CY23 and CY29 to Rs 7,162 billion. In India, the surge in demand for gold jewellery can be attributed to the growing middle-class population and their increasing disposable income levels. As more individuals experience higher income levels, they are more capable of affording luxury items like gold jewellery. These growing middle-class views gold jewellery as a status symbol, a reflection of their improved lifestyle, and a worthwhile investment. For further details on the industry in which we operate, see "*Industry Overview*" beginning on page 126.

Our Promoters

Pankajkumar H Jagawat, Manojkumar N Jain and Shashank Bhawarlal Jagawat are our Promoters. For further details, see "*Our Promoters and Promoter Group*" at page 218.

The Issue

Issue [(1)]	Fresh Issue of up to 18,096,000 Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of [●] per Equity Share), aggregating up to [●] million

(1) *The Issue has been authorized by a resolution of our Board dated November 18, 2024 and by our Shareholders pursuant to a special resolution passed on November 30, 2024.*

The Issue shall constitute [●] % of the post-Issue paid-up Equity Share capital of our Company. For further details, see "*The Issue*" and "*Issue Structure*" on pages 65 and 334, respectively.

Objects of the Issue

The Net Proceeds are proposed to be utilised towards the following objects:

(in ₹ millions)

Particulars	Estimated amount
Funding of capital expenditure requirements towards setting up of the Proposed Jaipur Facility	458.32
Funding incremental working capital requirements of our Company	1900.00
Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company	200.00
General corporate purposes[(1)]	[●]
Net Proceeds[(1)]	[●]

(1) *To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

For further details, see "*Objects of the Issue*" on page 92.

Aggregate pre-Issue and post-Issue shareholding of our Promoters and the members of our Promoter Group

The aggregate pre-Issue and post-Issue shareholding of our Promoters and members of our Promoter Group as on the date of this Draft Red Herring Prospectus is set out below:

S. No.	Name of the Shareholder	Pre-Issue Equity Share Capital		Post-Issue Equity Share Capital	
		No. of Equity Shares held	% of paid-up Equity Share capital	No. of Equity Shares held	% of paid-up Equity Share capital#
Promoters					
1.	Pankajkumar H Jagawat	2,69,86,500	49.98	2,69,86,500	[●]
2.	Manojkumar N Jain	2,69,86,500	49.98	2,69,86,500	[●]
3.	Shashank Bhawarlal Jagawat	5,400	0.01	5,400	[●]
Promoter Group					
4.	Krish Pankaj Jagawat	5,400	0.01	5,400	[●]
5.	Vansh Manojkumar Jain	5,400	0.01	5,400	[●]
Total		5,39,89,200	99.98	5,39,89,200	[●]

#*Subject to completion of the Issue and finalization of Allotment.*

Summary of selected financial information

The details of certain financial information as set out under the SEBI ICDR Regulations, as at and for the six months period ended September 30, 2024 and for the Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022, as derived from the Restated Financial Information are set forth below:

(₹ in million, except per share data)

Particulars	For the Period / Financial Year ended on			
	September 30, 2024*	March 31, 2024	March 31, 2023	March 31, 2022
Equity Share Capital	90.00	90.00	90.00	90.00
Revenue from Operations	5059.00	7114.34	6794.04	4283.41
Net Worth	1148.43	966.69	698.05	500.13
Restated Earnings per Equity Share				
-Basic Earnings per Equity Share	3.38	4.98	3.67	0.61
-Diluted Earnings per Equity Share	3.38	4.98	3.67	0.61
Net asset value per Equity Share	21.27	17.90	12.93	9.26
Net Profit after Tax	182.48	268.68	198.19	33.01
Net Profit after Tax Margin (%)	3.61%	3.78%	2.92%	0.77%
Total Borrowings	2729.10	2106.78	1653.35	1439.72

***** *Not Annualized*

Notes:

1. *Revenue from operations means the Revenue from Operations as appearing in the Restated Financial Information.*
2. *Net worth means, as restated and consolidated, 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, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation*
3. *Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of Equity Shares outstanding during the year*
4. *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*
5. *The Equity shares and basic/diluted earnings per share has been presented to reflect the adjustments as per IND AS 33.*
6. *Net Asset Value per share = Net Worth at the end of the year divided by weighted average no. of Equity Shares outstanding during the year.*
7. *Net Profit after tax represents the restated profits of our Company after deducting all expenses.*
8. *Net Profit after tax margin is calculated as restated net profit after tax for the year/period divided by revenue from operations.*
9. *Total borrowings is the sum of long term borrowings, short term borrowings and lease liabilities.*

For further details, see "*Restated Financial Information*" on page 226.

Qualifications of the Statutory Auditors which have not been given effect to in the Restated Financial Information

There are no qualifications included by the Statutory Auditors in their audit reports and hence no effect is required to be given in the Restated Financial Information.

In addition, our Statutory Auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2020/ Companies (Auditor's Report) Order, 2016 (together, the "**CARO Report**") issued by the Central Government of India under Section 143(11) of the Companies Act, 2013 on the audited financial statements as at and for Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively.

For a complete reproduction of the statements/comments included in the CARO Report, which do not require any adjustments in our Restated Financial Information, please see "*Restated Financial Information*" and "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" beginning on pages 226 and 279, respectively.

Summary of outstanding litigations

A summary of outstanding litigation proceedings involving our Company, our Directors, our Promoters and our Group Companies in accordance with the SEBI ICDR Regulations and the Materiality Policy as on the date of this Draft Red Herring Prospectus, is provided below:

Name of entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Other material proceedings	Aggregate amount involved* (₹ in million)
Company						
By our Company	Nil	Nil	4	Nil	Nil	Nil
Against our Company	Nil	10	Nil	Nil	Nil	45.39
Directors						
By our Directors	1	Nil	Nil	Nil	Nil	32.53
Against our Directors	1	3	Nil	Nil	Nil	6.43
Promoters						
By our Promoters	1	Nil	Nil	Nil	Nil	32.53
Against our Promoters	1	Nil	Nil	Nil	Nil	6.10
Group Companies						
By our Group Companies	Nil	Nil	Nil	Nil	Nil	Nil
Against our Group Companies	Nil	Nil	Nil	Nil	Nil	Nil

**To the extent ascertainable and quantifiable*

For further details, see "*Outstanding Litigation and Material Developments*" on page 310.

Risk Factors

Specific attention of Bidders is invited to the section "*Risk Factors*" on page 28. Bidders are advised to read the risk factors carefully before taking an investment decision in the Issue.

Summary of contingent liabilities

The following is a summary table of our contingent liabilities as at September 30, 2024:

(₹ in million)

Particulars	As at September 30, 2024
VAT In Dispute	0.60
GST In Dispute	16.93
Income Tax in Dispute	27.86
Guarantees	101.60
Total	**146.99**

For further information on such contingent liabilities as at September 30, 2024 as per Ind AS 37, see "*Restated Financial Information – Note 30 – Provisions and Contingent Liabilities*" on page 264.

Summary of Related Party Transactions

The summary of related party transactions entered into by us for the six months period ended September 30, 2024 and Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022, as derived from the Restated Financial Information are as set out in the table below:

S. No	Particulars	Transaction During the year ended 30 Sept 2024 *(₹ in million)*	% of Revenue from Operations	Transaction During the year ended 31 Mar 2024 *(₹ in million)*	% of Revenue from Operations	Transaction During the year ended 31 Mar 2023 *(₹ in million)*	% of Revenue from Operations	Transaction During the year ended 31 Mar 2022 *(₹ in million)*	% of Revenue from Operations
Pankajkumar H Jagawat									
1.	Directors Remuneration	5.42	0.00	10.80	0.00	10.80	0.00	9.40	0.00
2.	Unsecured Loan Taken	.00	0.00	16.92	0.00	16.86	0.00	24.70	0.01
3.	Unsecured Loan Repaid	11.96	0.00	26.90	0.00	20.70	0.00	25.20	0.01
Shashank Bhawarlal Jagawat									
4.	Sitting Fees	0.10	0.00	0.06	0.00	-	-	-	-
Manojkumar N Jain									
5.	Directors Remuneration	5.42	0.00	10.00	0.00	8.60	0.00	7.20	0.00
6.	Unsecured Loan Taken	0.00	-	1.50	0.00	2.06	0.00	0.00	-
7.	Unsecured Loan Repaid	0.00	-	1.66	0.00	1.90	0.00	0.00	-
Kavita M. Jain									
8.	Salary	1.00	0.00	1.20	0.00	1.20	0.00	1.20	0.00
9.	Refund of Advance given	0.00	-	0.00	-	0.00	-	0.00	-
Suman Pankaj Jagawat									
10.	Salary	0.98	0.00	1.50	0.00	1.50	0.00	1.50	0.00
11.	Sale of Capital Assets	0.00	-	0.00	-	0.00	-	18.75	0.00

S. No	Particulars	Transaction During the year ended 30 Sept 2024 *(₹ in million)*	% of Revenue from Operations	Transaction During the year ended 31 Mar 2024 *(₹ in million)*	% of Revenue from Operations	Transaction During the year ended 31 Mar 2023 *(₹ in million)*	% of Revenue from Operations	Transaction During the year ended 31 Mar 2022 *(₹ in million)*	% of Revenue from Operations
Krish Pankaj Jagawat									
12.	Salary	0.33	0.00	0.66	0.00	0.4	0.00	0.00	-
Vansh Manojkumar Jain									
13.	Salary	0.91	0.00	0.66	0.00	0.31	0.00	0.00	-
Shriram Iyengar									
14.	Salary	0.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Vrushti Shah									
15.	Salary	0.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Namrata Somani									
16.	Salary	0.14	0.00	0.70	0.00	0.14	0.00	0.00	0.00
Nayankumar Babubhai Gamdha									
17.	Salary	0.00	0.00	0.00	0.00	0.37	0.00	0.43	0.00
Uzuri Jewels Private Limited									
18.	Unsecured Loan Taken	-		-		-		-	
19.	Unsecured Loan Repaid	0	-	0.05	0.00	0.01	0.00	0.01	0.00
Utssav CZ Gold Jewels Limited									
20.	Sale of Goods/ Services	-	-	0.07	0.00	0.93	0.00	0.05	0.00
21.	Purchase of Goods/ Services	-	-	0.00	-	0.93	0.00	0.05	0.00
M/s. Sanskriti Gold									
22.	Purchase of Goods	-	-	0.12	0.00	-	-	-	-
23.	Purchase of Capital Goods	-	-	0.99	0.00	-	-	-	-

Note: Percentage from Revenue from Operations are appearing as "₹ 0.00" due to presentation of figures in million.

For details of the related party transactions, as per the requirements under Ind AS 24 '*Related Party Disclosures'* and as reported in the Restated Financial Information, see *"Restated Financial Information – Note 33: Related Party Transactions"* on page 265.

Financing arrangements

There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors and their relatives (as defined under Companies Act, 2013) have financed the purchase by any other person of securities of our Company (other than in the normal course of the business of the financing entity) during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Weighted average price at which the Equity Shares were acquired by our Promoters in the last one year preceding the date of this Draft Red Herring Prospectus

Except as disclosed below, no Equity Shares have been acquired by our Promoters in the last one year immediately preceding the date of this Draft Red Herring Prospectus.

Name of Promoter	Number of Equity Shares acquired in the preceding one year	Weighted average price of acquisition per Equity Share*(₹)
Pankajkumar H Jagawat	22,488,750	Nil^
Manojkumar N Jain	22,488,750	Nil^
Shashank Bhawarlal Jagawat	4,500	Nil^

**As certified by J. Kala & Associates, Chartered Accountants, our Statutory Auditors, pursuant to their certificate dated January 13, 2025.*
^ Equity Shares were acquired pursuant to bonus issue hence, cost of acquisition is Nil.

Average cost of acquisition of Equity Shares by our Promoters

The average cost of acquisition of Equity Shares by our Promoters as at the date of this Draft Red Herring Prospectus is:

Name of Promoters	Number of Equity Shares held	Average cost of acquisition per Equity Share* (₹)
Pankajkumar H Jagawat	26,986,500	1.66
Manojkumar N Jain	26,986,500	1.66
Shashank Bhawarlal Jagawat	5,400	1.66

***** *As certified by J. Kala & Associates, Chartered Accountants, our Statutory Auditors, pursuant to their certificate dated January 13, 2025.*

Weighted average cost of all Equity Shares transacted in the three years, 18 months and one year preceding the date of this Draft Red Herring Prospectus

Period	Weighted average cost of acquisition per Equity Share (in ₹)	Cap Price is 'x' times the weighted average cost of acquisition	Range of acquisition price per Equity Share: lowest price – highest price (in ₹)
Last one year preceding the date of this Draft Red Herring Prospectus.	0.01^	NA	NA
Last 18 months preceding the date of this Draft Red Herring Prospectus	0.01^	NA	NA
Last three years preceding the date of this Draft Red Herring Prospectus.	0.01^	NA	NA

***** *As certified by J. Kala & Associates, Chartered Accountants, our Statutory Auditors, pursuant to their certificate dated January 13, 2025.*
^ Includes Equity Shares acquired pursuant to bonus issue where cost of acquisition is Nil.

Details of the price at which equity shares were acquired in the last three years immediately preceding the date of this Draft Red Herring Prospectus by our Promoters, members of our Promoter Group and the Shareholders with special rights

Except as stated below, none of our Promoters and members of our Promoter Group, have acquired any equity shares in the three years immediately preceding the date of this Draft Red Herring Prospectus:

Name of Shareholder	Date of acquisition	Number of Equity Shares acquired*	Face Value (₹)	Acquisition price per Equity Share (in ₹)	Nature of Transaction
Promoters					
Pankajkumar H Jagawat	November 18, 2024	22,488,750	10	-	Bonus issue in the ratio of 5 Equity Shares for every 1 Equity Share held[(1)]

Name of Shareholder	Date of acquisition	Number of Equity Shares acquired*	Face Value (₹)	Acquisition price per Equity Share (in ₹)	Nature of Transaction
Manojkumar N Jain	November 18, 2024	22,488,750	10	-	Bonus issue in the ratio of 5 Equity Shares for every 1 Equity Share held[(1)]
Shashank Bhawarlal Jagawat	November 18, 2024	4,500	10	-	Bonus issue in the ratio of 5 Equity Shares for every 1 Equity Share held[(1)]
Promoter Group (excluding the Promoters)					
Krish Pankaj Jagawat	November 18, 2024	4,500	10	-	Bonus issue in the ratio of 5 Equity Shares for every 1 Equity Share held[(1)]
Vansh Manojkumar Jain	November 18, 2024	4,500	10	-	Bonus issue in the ratio of 5 Equity Shares for every 1 Equity Share held[(1)]

[(1)] The bonus issue was in the ratio of 5(five) Equity Shares of face value of ₹ 10 each for every 1(one) Equity Share of face value of ₹ 10 each held by the Shareholders, authorized by a resolution passed by our Board at its meeting dated October 15, 2024 and by the Shareholders at the extra-ordinary general meeting held on November 09, 2024 with the record date as November 14, 2024, in the manner set out above by capitalization of the free reserves of our Company.

Note: As certified by J. Kala & Associates, Chartered Accountants, by way of their certificate dated January 13, 2025.

No Shareholders have any special rights in our Company, including the right to nominate directors on our Board.

Details of pre-IPO placement

No pre-IPO placement is being contemplated for the Issue.

Issue of equity shares of our Company for consideration other than cash or by way of bonus in the last one year

Except as disclosed below, our Company has not issued any equity shares or preference shares for consideration other than cash or by way of bonus issue in the one year preceding the date of this Draft Red Herring Prospectus:

Pursuant to resolutions passed by our Board at its meeting dated October 15, 2024 and the Shareholders at their extra-ordinary general meeting dated November 09, 2024, our Company has issued bonus shares in the proportion of 5:1 i.e. 5 Equity Shares of face value of ₹10 each for every 1 Equity Share of face value of ₹10 each held by the existing equity Shareholders of the Company.

Split or consolidation of equity shares in the last one year

Our Company has not undertaken split or consolidation of its equity shares in the one year preceding the date of this Draft Red Herring Prospectus.

Exemption from complying with any provisions of securities laws, if any, granted by the SEBI

We have not sought any exemption in respect of the Issue. Our Company has not made any application for seeking any exemption by SEBI from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also have an adverse effect on our business. If any or a combination of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occurs, our business, financial condition, results of operations and cash flows could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Furthermore, some events may be material collectively rather than individually.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the effect is not quantifiable and hence have not been disclosed in the applicable risk factors. Prospective investors should read this section together with "Our Business", "Industry Overview", "Key Regulations and Policies in India", "Management's Discussions and Analysis of Financial Condition and Results of Operations" and "Restated Financial Information" on pages 175, 126, 192, 279 and 226, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors should rely on their own examination of us and the terms of the Issue, including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares. Potential investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to legal and regulatory environment which may differ in certain respects from that of other countries.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties where actual results could materially differ from those anticipated in these forward-looking statements. For further details, see "Forward-Looking Statements" on page 19.

Unless the context otherwise requires, in this section, references to "our Company", "the Company", "we", "us", or "our" refers to Shanti Gold International Limited.

Further, names of certain customers and suppliers have not been included in this Draft Red Herring Prospectus either because relevant consents for disclosure of their names were not available or in order to preserve confidentiality.

Unless the context requires otherwise, the financial information used in this section is derived from our Restated Financial Information on page 226. Our Fiscal Year ends on March 31 of each year, and references to a particular Fiscal are to the twelve months ended March 31 of that year.

*Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus is derived from the report titled, "Industry Report on Indian Gems and Jewellery" dated December January 4, 2025, 2024 ("**CARE Report**") prepared and issued by CARE, pursuant to an engagement letter dated November 5, 2024. The CARE Report is commissioned and paid for by our Company in connection with the Issue. The data included herein includes excerpts from the CARE Report and may have been re-ordered by us for the purposes of presentation. A copy of the CARE Report is available on the website of our Company at www.shantigold.in. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular Fiscal/ calendar year refers to such information for the relevant Fiscal/ calendar year.*

Internal Risk Factors

1. ***We depend on the success of our relationships with our customers and we do not have long term contracts with them. Any loss of one or more of our top customers, or the deterioration of their financial condition or prospects, or a reduction in their demand for our products, could adversely affect our business, results of operations, financial condition and cash flows.***

   A significant portion of our revenue from operations is derived from a limited number of clients, including our Corporate Clients, such as Joyalukkas India Limited, Lalithaa Jewellery Mart Limited, Alukkas Enterprises Private Limited, Vysyaraju Jewellers Private Limited, Shree Kalptaru Jewellers (I) Private Limited and others. These relationships have been built on our ability to provide a wide range of designs for our product offering tailored to the needs of our clients by understanding market preferences. However, loss of any of our key clients could have a material adverse effect on our business, financial condition, and results of operations.

   Set out in the table below is the share of our top customers during the below mentioned periods:

Customer concentration	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operations (₹ in million)	% of revenue from operations	Revenue from operations (₹ in million)	% of revenue from operations	Revenue from operations (₹ in million)	% of revenue from operations	Revenue from operations (₹ in million)	% of revenue from operations
Top 1	436.06	8.62	634.85	8.92	345.28	5.08	288.96	6.75
Top 5	1,466.13	28.99	1,717.40	24.15	1,432.90	21.09	1,159.15	27.08
Top 10	2,053.90	40.6	2,591.41	36.43	2,253.33	33.17	1,753.30	40.95

We expect that we will continue to be reliant on our top customers for the foreseeable future. There can be no assurance that our top customers will continue to place similar orders with us in the future as they had placed in the past. A significant decrease in business from such top customers, whether due to circumstances specific to such customer or adverse market conditions or the economic environment generally, may materially and adversely affect our business, results of operations and financial condition. Our reliance on our top customers may also provide such customers increased pricing leverage against us when negotiating orders. We cannot assure you that we will be able to maintain historic levels of business from our significant customers, or that we will be able to significantly reduce customer concentration in the future.

In addition, we do not enter into long-term contracts with our customers and have no exclusivity arrangement with any of them. In the absence of long-term contracts, there can be no assurance that our existing customers will continue to purchase our products. Therefore, there are no past instances of termination of contracts before the completion of its term. The sales of our product to our customers are undertaken through orally communicated orders or orders placed during physical meetings with them which are then fulfilled by our Company.

Further, cancellation by customers or delay or reduction in their orders or instances where anticipated orders fail to materialize can result in mismatch between our inventories of raw materials and of manufactured products, thereby increasing our inventory costs, which may adversely affect our profitability and liquidity. While there have been no such instances in the last three Fiscals and in the six months ended September 30, 2024, wherein the customers cancelled their orders, we cannot assure you that such events may not happen in future. In addition, we may not find any customers or purchasers for the surplus or excess products manufactured, in which case we would be forced to incur a loss. Our inability to find customers for surplus products may result in excessive inventories which may become obsolete and may be required to be melted and reproduced thereby incurring additional cost. For further details, please also see "*- The nature of our business requires us to maintain sufficient inventories resulting into high inventory costs. If we are unable to maintain an optimal level of inventory, including due to changes in consumer demands, our business, results of operations and financial condition may be adversely affected*." on page 34.

Our relationships with our customers are therefore dependent to a large extent on our ability to regularly meet customer requirements, including price competitiveness, efficient and timely product deliveries and consistent product quality. In the event we are unable to meet such requirements in the future, it may result in decrease in orders or cessation of business from affected customers. Additionally, as we do not bind our customers to any long-term agreements specifying a certain volume of business required to be transacted between us, our customers may terminate their relationship with us, with or without cause, with no advance notice and without compensation. Consequently, there is no commitment on the part of the customer to continue to place new purchase orders with us and as a result, our sales from period to period may fluctuate significantly. In the event of any disputes with our customers including in relation to payments for the product supplied by us, we may not be able to seek contractual remedies against our customers due to absence of formal or long-term agreements with them. While we have not faced any instances of material disputes with our key customers, we are currently involved in a legal matter with one of our customers. Our Chairman and Managing Director, Pankajkumar H. Jagawat, had filed a FIR dated October 28, 2019 with the MIDC Police Station, Mumbai, under Sections 406, 420 and 34 of the Indian Penal Code, alleging fraud by two individuals who had purchased gold ornaments worth Rs. 140.50 million from our Company and out of which amount of Rs. 32.53 million remained outstanding. Since the aforesaid individuals were not able to repay the outstanding amount, they had defrauded us by selling inferior quality diamond jewellery to our Company. For further details, see "*Outstanding Litigations and Material Developments – Litigation involving our Directors – Litigation filed by our Directors – Criminal proceedings*" on page 312. The occurrence of any such events could adversely affect our business, results of operations, cash flows and financial condition.

Further, if any of our clients is exposed to financial difficulties or insolvency, the loss or delay in payments from a major client could negatively affect our working capital, cash flow, and overall financial stability. While we have not faced delays in payments from our major clients in the last three financial years and the six months period ended September 30, 2024, we cannot assure you that we will not have any such incidences in future. We typically provide our customers with credit periods of 40 days to 60 days from the date of delivery, as part of our standard payment terms. While we generally limit the credit we extend to our customers based on their financial condition and payment history, we may still experience losses because of a customer being unable to pay. As a result, there is a risk that our estimates may not be accurate. As at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, our trade receivables were ₹ 1,528.87 million, ₹ 782.31 million, ₹ 1,023.25 million and ₹ 698.46 million, respectively which accounted for 30.22%, 11.00%, 15.06% and 16.31% of our revenue from operations, respectively. Any increase in our receivable turnover days or write-offs will negatively affect our business. If we are unable to collect customer receivables or if the provisions for doubtful receivables are inadequate, it could have a material adverse effect on our business, financial condition, cash flows and results of operations.

2. ***A significant portion of our business operations and revenue generation is concentrated in the Southern India. This regional concentration could expose our Company to economic, cultural, geopolitical and local market risks.***

A significant portion of our current presence is in the Southern Indian states of Tamil Nadu, Andhra Pradesh, Karnataka, Telangana and Kerala. For details in relation to our market presence, see "*Our Business – Our presence*" on page 176.

Below is the revenue split of our operations from Southern India, rest of India and through exports for the periods indicated:

Particulars	**Six months period ended September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Revenue from operations (₹ in million)	**% of total revenue from operations**	**Revenue from operations (₹ in million)**	**% of total revenue from operations**	**Revenue from operations (₹ in million)**	**% of total revenue from operations**	**Revenue from operations (₹ in million)**	**% of total revenue from operations**
South India	4,077.08	80.59	5,683.44	79.89	4,832.35	71.13	2,843.95	66.39
(i) Tamil Nadu	1,983.91	39.22	2,786.39	39.17	2,232.18	32.85	1,124.32	26.25
(ii) Andhra Pradesh	799.99	15.81	966.45	13.58	1,065.18	15.68	918.81	21.45
(iii) Karnataka	700.95	13.86	1,046.61	14.71	836.51	12.31	350.35	8.18
(iv) Telangana	570.43	11.28	778.77	10.95	647.42	9.53	404.97	9.45
(v) Kerala	21.81	0.43	105.22	1.48	51.06	.75	45.50	1.06
Rest of India*	588.65	11.64	1,128.86	15.87	1403.21	20.65	1,223.85	28.58
Exports	393.26	7.77	302.04	4.25	558.48	8.22	215.61	5.03
(i) UAE	158.25	3.13	208.79	2.93	442.08	6.51	142.88	3.34
(ii) Singapore	148.26	2.93	81.98	1.15	68.85	1.01	15.71	0.37
(iii) Qatar	15.09	0.30	11.27	0.16	47.55	0.70	29.33	0.68
(iv) USA	71.66	1.42	Nil	0.00	Nil	0.00	27.68	0.65

**Rest of India includes Delhi, Punjab, Haryana, Rajasthan, Gujarat, Maharashtra, Madhya Pradesh, Uttar Pradesh and Odisha*

In South India, the tradition of investing heavily in gold jewellery, is deeply ingrained, with families often prioritizing substantial, intricate designs that reflect both wealth and cultural heritage. The emphasis on gold as an investment also drives higher expenditure in this region (*Source: CARE Report*).

This regional preference for gold jewellery in Southern India has significantly influenced the Company's business strategy, market presence, and financial performance. However, our heavy reliance on these regions exposes the Company to a variety of risks, including economic vulnerability of these regions, shifts in consumer behaviour, geopolitical, regulatory and local market risks such as natural disasters, infrastructure issues, or political instability, which could disrupt supply chains, operations, and sales in these regions. While we have not faced any such instances in the past, the occurrence of such events could adversely affect our business, results of operations, cash flows and financial condition.

Further, while we are planning to expand our reach, and as part of our strategy, we are planning to (a) geographically expand in North India, (b) set up a new manufacturing facility in Jaipur, and (c) expand our presence in global markets, including the USA and the UAE, any delays or challenges in expanding our geographical footprint may expose us to continued dependency on Southern India. For further details in relation to our business strategies, see "*Our Business – Our Strategies*" on page 181.

3. ***Our business is highly concentrated on the sale of 22kt CZ jewellery and is vulnerable to variations in demand and changes in consumer preference, which could have an adverse effect on our business, results of operations and financial condition.***

We are one of the leading manufacturers of high-quality 22kt CZ casting gold jewellery, in terms of installed production capacity, specializing in the design and production of all types of gold jewellery (*Source: CARE Report*). Our major reliance on a single product category, *i.e.*, 22kt CZ gold jewellery made from casting gold, exposes us to risks that could impact our revenue and profitability, including fluctuations in the demand for 22kt CZ gold jewellery, changes in consumer preferences, and socio-cultural shifts. For details in relation to our product portfolio, see "*Our Business – Product Portfolio*" on page 184.

Apart from gold jewellery, the other type of jewellery gaining traction is the studded ornaments segment. The key factor contributing to this segment's growth is the younger population's preference for diamond-studded gold jewellery, typically made of 14-carat or 18-carat gold rather than heavy 22-carat gold. There has also been a noticeable shift towards more informal and everyday use of diamond studded jewellery (*Source: CARE Report*). Economic downturns, changing consumer preferences, lower disposable incomes, or any other economic disruption in the markets we serve could lead to a reduction in consumer spending on 22kt CZ casting gold jewellery, impacting our revenue streams.

Further, the Company's focus on 22kt CZ casting gold jewellery, limits our ability to cater to a wide range of customer needs. If consumer demand shifts towards more varied options, including other variants of gold jewellery, silver, platinum, and fashion jewellery, our Company's reliance on 22kt CZ casting gold jewellery may make it difficult to adapt to new market demands and trends, and this may impact our business, results of operations, cash flows and financial condition. Additionally, we plan to diversify our product offerings to cater to a broader customer base by introducing a new line of machine-made plain gold jewellery at the Proposed Jaipur Facility. On an overall basis, plain gold jewellery accounts for 85% of the total bridal jewellery (*Source: CARE Report*). This new product line at the Proposed Jaipur Facility will cater to the demand for plain gold jewellery. However, this new product line will also be produced from 22kt CZ casting gold. Please see "*Our Strategies - Capturing market opportunities in the growing jewellery industry*" on page 181. By focusing on contemporary designs, we aim to appeal to a wider audience, meeting the evolving tastes of consumers, but there can be no assurance that such diversification will be successful or help us in capturing the demand shifts in the market.

4. ***Our dependence on gold may expose us to market and demand fluctuations. Further, the non-availability or high cost of quality gold, may have an adverse effect on our business, results of operations, financial condition and prospects.***

Our business is significantly dependent on timely procurement, quality and price of gold, which forms a substantial part of our raw material for jewellery production. As a result, we are exposed to fluctuations in the price and availability of gold, both of which are influenced by regulatory factors such as import duties, global economic conditions, geopolitical factors, and fluctuations in demand and supply in the international markets.

Set forth below is the details of gold procured by our Company in the corresponding periods:

(₹ in million, except %)

Particulars	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Purchase cost	% of total purchase	Purchase cost	% of total purchase	Purchase cost	% of total purchase	Purchase cost	% of total purchase
Gold Bar	4,528.65	98.96	6,646.73	98.16	6,031.47	98.24	4,188.70	97.40

The price of gold is volatile and subject to frequent changes, and any significant increase in the cost of gold may adversely affect our cost of production and margins. Additionally, if are unable to procure quality gold or the supply of gold is disrupted due to factors such as changes in government policies or import duties, trade restrictions, or other unforeseen circumstances, it may lead to difficulties in sourcing gold or result in higher procurement costs. Such disruptions in supply or sharp price increases could affect our ability to meet customer demands in a timely manner or lead to a decline in the quality of the jewellery produced. While there have been no adverse effect on our financial performance or business operations due to such fluctuations in the past three Fiscals and six months period ended September 30, 2024, we cannot assure you that we will not have any impact due to such incidences in future.

Further, if the demand for gold jewellery weakens, whether due to changes in consumer preferences, economic downturns, or fluctuations in disposable income, our sales, and revenues could be adversely impacted. Please also see, "- *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*" on page 32. The non-availability or high cost of quality gold could have a disproportionate impact on our operations, financial results, and growth prospects. Further, if we are unable to pass on increased costs to our customers or manage our raw material costs efficiently, it could lead to lower profitability and affect our competitive position in the market.

5. 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.

Our business is subject to significant seasonal fluctuations, which can affect our sales, income, and overall financial performance. Historically, the demand for gold jewellery is driven by cultural events, festivals, and wedding seasons, which vary throughout the year.

Long-term trends in economic growth, wage growth, wealth division, and urbanization rate will all influence the demand for gold jewellery in India (*Source: CARE Report*). Demand for jewellery rises in the months of the wedding season such as May-June, September-December, and January. During the months of November and December, rural households invest their crop money in gold jewellery. Moreover, gold demand in Tier II and Tier III towns is influenced by agricultural output and monsoon. During auspicious religious events like Diwali/Dhanteras in October and November, and Akshaya Tritiya in April and May, demand for gold and silver jewellery increases (*Source: CARE Report*).

Our revenues and operations tend to experience peaks and troughs based on the timing of these events. Furter, seasonal fluctuations may also affect our inventory management. A large buildup of inventory in anticipation of peak periods could lead to excess stock if sales do not meet expectations. Conversely, insufficient inventory to meet demand during peak seasons could lead to missed sales opportunities and strained relationships with customers.

Further, seasonal fluctuations can also create cash flow volatility. While we may generate significant revenue during peak periods, the off-season may lead to lower sales, affecting our working capital. If we are unable to manage our cash flow effectively during slower months, it may strain our ability to meet operational expenses and fulfill obligations.

6. Our Company has experienced negative net cash flow from operating activities in the past three Fiscals and six months period ended September 30, 2024 and may continue to do so in future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.

Our Company had negative net cash flow from operating activities in the six months period ended September 30, 2024 and Fiscals 2024, 2023 and 2022 amounting to ₹ (503.83) million, ₹ (125.10) million, ₹ (35.66) million and ₹ (157.97) million, respectively. There is no assurance that we may have positive operating cash flows in some or any of the future years, which could materially adversely affect our business, prospects, financial condition, cash flows, and results of operations. For further details on our financial performance, please refer to "*Management's Discussion and Analysis of Financial Position and Results of Operations" on page 279*.

Cash flow is a critical indicator of our ability to generate sufficient funds from operations to cover capital expenditures, pay dividends, repay loans, and make new investments without resorting to external financing. If we fail to generate adequate cash flows, it may negatively impact our business operations and hinder our growth prospects.

7. Our business is dependent on our manufacturing capabilities at our Andheri Manufacturing Facility. Unplanned slowdowns, unscheduled shutdowns or prolonged disruptions in our manufacturing operations and an inability to effectively utilize our production capacity could have an adverse effect on our business, results of operations, cash flows and financial condition.

We operate from our Andheri Manufacturing Facility, situated at Mumbai, Maharashtra with an area of 13,448.46 sq. ft. Our Andheri Manufacturing Facility is equipped to produce variety of jewellery with precision and efficiency. As on date, we have an installed manufacturing capacity of 2,700 kg per annum. The installed production capacity *vis-a-vis* actual production (in kgs) at the Andheri Manufacturing Facility as of the last three Fiscals and six months period ended September 30, 2024 is set out below:

Financial Year / Period	Period of utilisation (in months)	Installed capacity for 12 months (in kgs)	Actual production (in kgs)	Utilization (in %)
Six months period ended September 30, 2024*	6	2,700	775.54	57.45*
2023-24	12	2,700	1,364.24	50.53
2022-23	12	2,700	1,440.82	53.36
2021-22	12	2,700	1,076.47	39.85

**On annualised basis*

Any unscheduled, unplanned or prolonged disruption of our manufacturing process, including on account of power failure, industrial accidents, fire, mechanical failure of equipment, performance below expected levels of output or efficiency, obsolescence, non-availability of adequate labour, or disagreements with our workforce, lock-outs, could affect our ability to operate our facility. Further, any significant malfunction or breakdown of our equipment or machinery may involve significant repair and maintenance costs and cause delays in our operations. While there have been no such instances in the three preceding Fiscals and the six months period ended September 30, 2024, any such incidence in future may adversely affect our manufacturing operations and production, which may give rise to disputes with our customers and the occurrence of such events could adversely affect our business, operations, cash flows and financial condition. We may also be required to carry out planned shutdowns of our manufacturing facilities for maintenance, statutory inspections and testing, or shut down due to equipment upgrades.

Further, any accident may result in a loss of property and/ or disruption in our production operations entirely, levy of fines, penalties or compensation and/or adverse action against our employees, officers or management, which could also have an adverse effect on our business, operations, cash flows and overall financial condition.

Additionally, the level of our capacity utilization can impact our operating results. Further, if there is any under-utilization of our capacities, and the capacity of the manufacturing facility is not be fully utilized, it could affect our ability to fully absorb fixed costs and thus may adversely impact our financial performance. High-capacity utilization allows us to spread our fixed costs, resulting in higher net profit margin. Our capacity utilization is affected by industry/ market conditions as well as by the product requirements of, and procurement practice followed by, our customers. In the event that we are unable to optimize our production process and use of machinery, we would not be able to achieve full capacity utilization of our facility, resulting in operational inefficiencies which could have an adverse effect on our business prospects and financial performance. Further, if our customers place orders for less than anticipated volume of products or cancel existing orders or change their procurement policies, resulting in reduced quantities being supplied by us, it could result in the under-utilization of our manufacturing capacities. The changes in demand for the products could reduce our ability to estimate accurately future customer requirements, make it difficult to schedule production and lead to over production or utilization of our manufacturing capacity for our product. Any such mismatch leading to over or under utilization of our manufacturing facility could adversely affect our business, results of operations, cash flows and financial condition. For further details in relation to our installed manufacturing capacity and capacity utilisation, see "*Our Business – – Manufacturing Capabilities*" on page 186.

8. We intend to further expand our operations through setting up the Proposed Jaipur Facility and such expansion will be subject to the risks of unanticipated delays in implementation and cost overruns.

We intend to scale our annual capacity to manufacture products by establishing the Proposed Jaipur Facility which will be equipped with a wide range of advanced and diverse machineries and equipment such as laser soldering machines, continuous casting machines, double station polishing machines, *etc*. The proposed facility will have an installed production capacity of 1,200 kgs, which will augment our currently existing installed production capacity to a total of 3,900 kgs. The construction of this facility will be carried out on a land admeasuring 50,000 square feet held on a leasehold basis. For further details, see "*Our Business – Our Strategies – Capturing market opportunities in the growing jewellery industry*" and "*Objects of the Issue – Funding of capital expenditure requirements towards setting up of the Proposed Jaipur Facility*" on pages 181 and 94, respectively.

The construction and setting-up of the Proposed Jaipur Facility, is subject to various regulatory approval and may encounter regulatory, personnel and other difficulties that could potentially delay construction and result in an increase in capital expenditure. These difficulties may relate to labour shortages, issues with procurement of equipment, increase in cost of equipment or manpower, as well as defects in design or construction of such proposed facility, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, increase in pre-operating expenses, taxes and duties, increase in interest and finance charges, working capital margin, environment and ecology costs and other factors beyond our control. There can be no assurance that the construction of the required infrastructure at the Proposed Jaipur Facility will be completed in a timely manner, or within our budgeted capital expenditure and other costs. Further, there can be no assurance that we will be able to fully utilize Proposed Jaipur Facility.

In addition, we may not be able to achieve the intended economic benefits of such proposed new facility and may not be able to achieve the intended or proposed capacity utilization of our facility, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects.

9. ***The nature of our business requires us to maintain sufficient inventories resulting into high inventory costs. If we are unable to maintain an optimal level of inventory, including due to changes in consumer demands, our business, results of operations and financial condition may be adversely affected.***

The success of our business depends upon our ability to anticipate and forecast customer demand and trends. Any error in our forecast could result in either surplus stock, which we may not be able to sell in a timely manner, or at all, or under stocking, which could affect our ability to meet customer demand. We are also subject to the risks associated with changes in market demand, shifting consumer preferences, and the ability to identify and adapt to consumer tastes. If we misjudge the demand for our products or fail to anticipate a shift in consumer preferences, we may be left with inventory that is difficult to sell, leading to a reduction in revenues.

An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively and to maintain range of jewellery designs. We plan our inventory and estimate our sales based on the forecast, demand and requirements for the forthcoming festivals and seasons.

Set out below are the details of our inventory for the corresponding periods:

Particulars	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ in million)	% of current assets	(₹ in million)	% of current assets	(₹ in million)	% of current assets	(₹ in million)	% of current assets
Inventory	1,285.97	35.86	1,286.02	48.26	853.93	37.61	850.46	45.92

Due to the nature of our business operations, we generally maintain a large inventory. Furthermore, as we plan to expand our product offerings, we expect to include a wider variety of products in our inventory, which will make it more challenging for us to manage our inventory and logistics effectively. We cannot guarantee that our inventory levels will be able to meet the demands of customers, which may adversely affect our sales. If we fail to manage our inventory effectively, we may be subject to a heightened risk of inventory obsolescence, a decline in inventory value, and significant inventory write-downs or write-offs. Failure to respond promptly to market trends may exacerbate this risk, as customer preferences could shift toward competitors' products. This could result in excess inventory, necessitating the sale of unsold stock at a loss or at lower prices, further impacting our business and financial condition.

Any of the above may materially and adversely affect our results of operations and financial condition. Further, a decline in demand for our product or a misjudgment on our part regarding the nature in demand could lead to an increased market acceptance of our competitors' products or may result in the substitution of our product in the market, which could lead to us having lower sales and excess inventory, which may necessitate us to sell this excess inventory at cost price / lower than cost price.

10. ***Our business and the demand for our product is reliant on the success of our customers' products with end consumers, and any decline in the demand for the end-products could have an adverse impact on our business, results of operations, cash flows and financial condition.***

We are one of the leading manufacturers of high-quality 22kt CZ casting gold jewellery, in terms of installed production capacity, specializing in the design and production of all type of gold jewellery (*Source: CARE Report*). High and volatile gold prices significantly impact the working capital requirements of India's gems and jewellery industry. Jewellers, particularly smaller players, need to maintain large gold inventories to meet customer demand. As gold prices rise, the cost of these inventories increases substantially (*Source: CARE Report*).

Our customers, including Corporate Clients, further sell our products to end use customers. For further details in relation to our customers, see "*Our Business – Customer network and operational overview*" on page 176. Any material downturn in any of our customers services, as a result of increased competition, seasonality of demand, our customers' failure to successfully market their products or to compete effectively, loss of market share, macro-economic conditions in the markets of key end-customers, regulatory action, litigation, pricing fluctuation or other factors may impact us. Any of these factors could have an adverse effect on the end-use customers and sales of our product could decline substantially which could adversely affect our profitability and result of operations.

11. We operate in a high-value commodity sector and there are certain security risks associated with the transit and delivery of gold jewellery, including potential loss or theft.

The security of our gold jewellery, particularly during transit and delivery to customers, represents a significant risk to our business. For details in relation to our security systems, see "*Our Business – Security*" on page 187. As we operate in a high-value, precious commodity sector, the movement of our products is vulnerable to various security risks. This includes potential theft, loss, or damage during transportation, which could have an adverse impact on our financial performance, reputation, and customer trust.

Gold jewellery, due to its intrinsic value, is a high-risk item for theft, making it a potential target during transportation. Our products, which include valuable gold jewellery, are often transported in bulk to fulfil large orders from our customers. As these deliveries typically involve significant monetary value, the risk of theft, fraud, or loss during transit is inherently higher compared to other non-precious goods. Although we have not experienced any such instances during transit or deliveries, we are currently involved in a legal matter with one of our customers. Our Chairman and Managing Director, Pankajkumar H. Jagawat, had filed a FIR dated October 28, 2019 with the MIDC Police Station, Mumbai, under Sections 406, 420 and 34 of the Indian Penal Code, alleging fraud by two individuals who had purchased gold ornaments worth Rs. 140.50 million from our Company and out of which amount of Rs. 32.53 million remained outstanding. Since the aforesaid individuals were not able to repay the outstanding amount, they had defrauded us by selling inferior quality diamond jewellery to our Company. For further details, see "*Outstanding Litigations and Material Developments – Litigation involving our Directors – Litigation filed by our Directors – Criminal proceedings*" on page 312. 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.

The transportation of gold jewellery is typically carried out through a third-party logistics service provider. The transit process can involve multiple stages, including storage, packaging, handling, and shipment. Each stage introduces a potential risk point where gold jewellery can be lost, stolen, or damaged due to theft, mishandling, or accidents. While there have been no such incidences of theft or loss in the past three Fiscals and six months ended September 30, 2024, there can be no assurance that we will have not have any such incidences in future.

Further, while we have insurance coverage for transportation-related risks, there may be limitations on the value of gold jewellery covered under such policies. In the event of a loss, theft, or damage during transit, there is a possibility that our recovery through insurance may not fully compensate for the financial loss or cover the associated reputational damage. Additionally, the claims process can be time-consuming and may not fully restore the business to its previous position. For further details in relation to our insurance policies, see "*Our Business - Insurance*" on page 189.

12. We do not enter into long-term agreements with suppliers for our raw materials. An increase in the cost of, or a shortfall in the availability or quality of such raw materials, in a timely manner or at all, could have an adverse effect on our business, cash flows and results of operations

Our jewellery production primarily relies on raw materials, including gold bar, stones (pearls, beads, gemstones, CZ stones), alloy metals of copper. To maintain the standards of quality, we source raw materials from established suppliers, such as Choksi Vimal Bullion LLP, Nakoda Bullion & Traders LLP and Patil & Sons Jewellers. Our key suppliers are based in Mumbai, Maharashtra. Although we repeatedly procure raw materials from such suppliers, we do not have firm commitments or long-term supply agreements with them and have no exclusivity arrangement with any of them. Therefore, there are no past instances of termination of contracts with our suppliers before the completion of its term. The procurement of raw materials from our suppliers is undertaken through orally communicated orders or orders placed by our Company during physical meetings with them, which are then fulfilled by our suppliers.

In the absence of long-term contracts, our suppliers may terminate their relationship with us, with or without cause, with no advance notice and without compensation. This lack of commitment from suppliers to accept new purchase orders could disrupt our raw material procurement process, potentially impacting our operations and ability to meet customer demand. Further, in the event of any disputes with our suppliers including in relation to payments for the raw material procured, we may not be able to seek contractual remedies against our suppliers due to absence of formal or long term agreements with them. While we have not faced any instances of material disputes with our suppliers, the occurrence of such events could adversely affect our business, results of operations, cash flows and financial condition.

During the six months period ended September 30, 2024 and Fiscals 2024, 2023, 2022, we had procured raw materials at a total cost of ₹ 4,542.81 million, ₹ 6,665.29 million, ₹ 6,070.97 million and ₹ 4,214.62 million, respectively. Further, set out in the table below is the share of our top suppliers from whom we had procured raw material during the below mentioned periods:

Supplier concentration	**Six months period ended September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Amount (₹ in million)	**% of total cost of raw material procured**	**Amount (₹ in million)**	**% of total cost of raw material procured**	**Amount (₹ in million)**	**% of total cost of raw material procured**	**Amount (₹ in million)**	**% of total cost of raw material procured**
Top 1	1,327.94	29.02	3,442.70	50.84	1,990.50	32.42	1,817.14	42.25
Top 5	4,105.55	89.71	6,103.61	90.14	5,200.19	84.70	3,788.74	88.10
Top 10	4,409.55	96.36	6,332.27	93.51	5,708.81	92.98	4,042.60	94.00

Set forth below is a break-up of raw materials obtained from our suppliers in the corresponding periods:

(₹ in million, except %)

Raw material	**Six months period ended September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Purchase cost	**% of total purchase**	**Purchase cost**	**% of total purchase**	**Purchase cost**	**% of total purchase**	**Purchase cost**	**% of total purchase**
Gold bar	4,528.65	98.96	6,646.73	98.16	6031.47	98.24	4,188.70	97.40
Stones*	13.80	0.30	17.75	0.26	38.83	0.63	23.05	0.54
Alloy	0.35	0.01	0.45	0.01	0.35	0.01	0.42	0.01
Diamond	Nil	Nil	Nil	Nil	Nil	Nil	2.14	0.05
Wax	Nil	Nil	0.35	0.01	0.32	0.01	0.29	0.01

* *Stones include pearls, beads, gemstones, CZ stones*

The amount of raw materials procured and the price at which we procure such materials, may fluctuate from time to time and the availability and price of our raw materials may be subject to a number of factors beyond our control, including economic factors, seasonal factors, environmental factors and changes in Government policies and regulations, including those relating to the jewellery industry in general. Please also see "- *Our dependence on gold may expose the Company to market and demand fluctuations. Further, the non-availability or high cost of quality gold, may have an adverse effect on our business, results of operations, financial condition and prospects*" on page 31.

An inability to procure quality raw materials on a consistent basis may lead to a decline in the quality of our products which made lead to an increase in the cost of the product, decline in our sales volumes and profit margins and adversely affect our results of operations. Further, if any of our suppliers is exposed to financial difficulties or insolvency, the delay in raw material supplies from a major supplier could negatively affect our working capital, cash flow, and overall financial stability. While we have not faced delays in supplies from our major suppliers in the last three financial years and the six months ended September 30, 2024, we cannot assure you that we will not have any such incidences in future.

13. ***Failure to protect our jewellery designs and susceptibility to intellectual property infringement litigation could adversely affect our reputation, results of operations, and financial condition.***

Our Company regularly updates its jewellery designs to meet evolving customer preferences and market trends. However, we do not register these designs under the Design Act, 2000. As a result, it becomes difficult for us to enforce intellectual property rights over these designs, leaving us vulnerable to imitation or infringement by competitors. For details in relation to our intellectual properties, see "*Our Business – Intellectual properties*" on page 190. If any of our competitor replicates our designs, particularly those featured on our website or in our product offerings, it could lead to a loss of revenue, adversely affecting our financial condition and results of operations.

While we have a dedicated in-house design team focused on creating jewellery that aligns with market trends and customer preferences, our competitors may be able to produce similar or identical designs. This could lead to a situation where customers may choose to purchase imitated jewellery from our competitors instead of our original products. For further details in relation to our design team, see "*Our Business – Design team*" on page 187. Additionally, if these designs are not sufficiently protected, we risk losing our competitive edge in the market, which could harm our customer base, revenues, and brand reputation.

Furthermore, there is a risk that some of the designs created by us could inadvertently infringe upon the intellectual property rights of third parties, leading to potential legal claims or litigation. Although we have not encountered any legal challenges related to the protection of our jewellery designs in the past, there is no assurance that we will not face such challenges in the future. Please also see "*- Inability to obtain or protect our intellectual property rights may adversely affect our business.*" on page 53. In addition, the inability to protect our designs or defend against claims of infringement could undermine customer trust and harm our relationships with business partners, thereby affecting our overall growth prospects and long-term financial stability.

14. We may not be successful in penetrating new export markets due to cultural, economic, regulatory, or competitive factors.

In the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022, we exported our products outside India to UAE, Singapore and Qatar. Further, in Fiscal Year 2022 and during six months ended September 30, 2024, we had also exported in the USA. While our revenue from operations from the export market increased from ₹ 215.61 million in Fiscal 2022 to ₹ 558.48 million in Fiscal 2023, representing 159.02% of increase in our revenue from operations, however, it has decreased from ₹ 558.48 million in Fiscal 2023 to ₹ 302.04 million in Fiscal 2024, representing 45.92% of decrease in our revenue from operations. Further, our revenue from operations from export market was ₹ 393.26 million in the six months ended September 30, 2024 in aggregate representing 7.77 % of our revenue from operations during such period.

The table below provides a geographic split of our revenue from operations from domestic sales, and export sales, respectively, in six months ended September 30, 2024 and Fiscal 2024, 2023 and 2022:

Particulars	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operations (₹ in million)	% of revenue from operations	Revenue from operations (₹ in million)	% of revenue from operations	Revenue from operations (₹ in million)	% of revenue from operations	Revenue from operations (₹ in million)	% of revenue from operations
South India	4,077.08	80.59	5,683.44	79.89	4,832.35	71.13	2,843.95	66.39
(i) Tamil Nadu	1,983.91	39.22	2,786.39	39.17	2,232.18	32.85	1,124.32	26.25
(ii) Andhra Pradesh	799.99	15.81	966.45	13.58	1,065.18	15.68	918.81	21.45
(iii) Karnataka	700.95	13.86	1,046.61	14.71	836.51	12.31	350.35	8.18
(iv) Telangana	570.43	11.28	778.77	10.95	647.42	9.53	404.97	9.45
(v) Kerala	21.81	0.43	105.22	1.48	51.06	0.75	45.50	1.06
Rest of India*	588.65	11.64	1,128.86	15.87	1403.21	20.65	1,223.85	28.58
Exports	393.26	7.77	302.04	4.25	558.48	8.22	215.61	5.03
(i) UAE	158.25	3.13	208.79	2.93	442.08	6.51	142.88	3.34
(ii) Singapore	148.26	2.93	81.98	1.15	68.85	1.01	15.71	0.37
(iii) Qatar	15.09	0.30	11.27	0.16	47.55	0.70	29.33	0.68
(iv) USA	71.66	1.42	Nil	0.00	Nil	0.00	27.68	0.65

**Rest of India includes Delhi, Punjab, Haryana, Rajasthan, Gujarat, Maharashtra, Madhya Pradesh, Uttar Pradesh and Odisha*

As part of our strategy for international growth, we intend to expand our presence in global market. For further details, see "*Our Business - Penetrate new clients within the existing export countries*" on page 183. While we intend to continue our focus on expanding our export sales, expansion into new export markets subjects us to various challenges, including those relating to our lack of familiarity with the culture and economic conditions of these new markets, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such regions. We believe establishing a presence in such international markets would facilitate our sales, marketing and business development activities and provide us with timely insights into the economic, product requirements and regulatory environment in such markets. The risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets. In the eventuality we are unable to successfully expand into new geographical regions, our growth plans and future performance shall be adversely affected. By expanding into new geographical regions, we could be subject to additional risks associated with establishing and conducting operations, including compliance with a wide range of laws, regulations and practices; exposure to expropriation or other government actions; and political, economic and social instability.

15. ***Our Statutory Auditor have, for Fiscals 2024, 2023 and 2022, included remarks in connection with the Companies (Auditor's Report) Order, 2020 ("CARO Report").***

Our Statutory Auditor have, for Fiscals 2024, 2023 and 2022, included remarks in connection with the CARO Report on the audited financial statements of our Company as at and for Fiscals 2024, 2023 and 2022.

<table>
<tr><th>Fiscal year</th><th>Observation</th></tr>
<tr><td>Fiscal 2024</td><td>

(a) According to the records made available to us, company has deposited the undisputed statutory dues including Provident fund, employee's state insurance, income-tax, wealth tax, duty of customs, cess, goods and service tax and any other statutory dues, if any with appropriate authorities which are outstanding as on the last day of the financial year concerned for a period of more than 6 months from the date, they became payable.

<table>
<tr><th>Name of Statute</th><th>Nature of Dues</th><th>Amount (in Rs.)</th><th>Remarks</th></tr>
<tr><td>Direct Tax</td><td>Income Tax - A.Y. 2022-23</td><td>16,88,100</td><td>Rectification filed</td></tr>
<tr><td>Direct Tax</td><td>Income Tax - A.Y. 2023-24</td><td>1,62,810</td><td>Rectification under process</td></tr>
<tr><td>Direct Tax</td><td>TDS - A.Y. 2024-25</td><td>20</td><td>Unpaid</td></tr>
<tr><td>Direct Tax</td><td>TDS - A.Y. 2022-23</td><td>420</td><td>Unpaid</td></tr>
<tr><td>Direct Tax</td><td>TDS - A.Y. 2021-22</td><td>80</td><td>Unpaid</td></tr>
<tr><td>Direct Tax</td><td>TDS - A.Y. 2020-21</td><td>160</td><td>Unpaid</td></tr>
<tr><td>Direct Tax</td><td>TDS - Prior to A.Y. 2020-21</td><td>3,04,840</td><td>Proceed for justification report</td></tr>
</table>

(b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute Except for the following:

<table>
<tr><th>Name of Statute</th><th>Nature of Demand</th><th>Amount (in Rs.)</th><th>Forum Where Dispute is Pending</th></tr>
<tr><td>Indirect Tax</td><td>VAT (Maharashtra) - F.Y. 2016-17</td><td>5,99,720</td><td>Joint Commissioner of Sales Tax, Mumbai</td></tr>
<tr><td>Indirect Tax</td><td>GST (Jaipur) - F.Y. 2017-2023</td><td>1,69,31,979</td><td>Additional Commissioner (AE), CGST, Jaipur</td></tr>
<tr><td>Direct Tax</td><td>Income Tax - A.Y. 2019-20 u/s 147</td><td>27,73,590</td><td>Commissioner of Income Tax (Appeals)</td></tr>
<tr><td>Direct Tax</td><td>Income Tax - A.Y. 2018-19 u/s 272A(1)(d)</td><td>20,000</td><td>Commissioner of Income Tax (Appeals)</td></tr>
<tr><td>Direct Tax</td><td>Income Tax - A.Y. 2021-22 u/s 270A</td><td>3,28,042</td><td>Commissioner of Income Tax (Appeals)</td></tr>
<tr><td>Direct Tax</td><td>Income Tax - A.Y. 2018-19</td><td>2,09,06,700</td><td>DCIT 7(3) u/s 154 of the IT Act, WRIT petition with Bombay High Court</td></tr>
</table>

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<table>
<tr><th>Fiscal year</th><th>Observation</th></tr>
<tr><td>Fiscal 2023</td><td> (c) According to the information and explanations given to us, there are no dues of Sales tax, Service tax, duty of Excise, Value Added tax, Goods and Services tax, Provident Fund Employees' State Insurance, Income-tax, duty of Customs, Cess and other statutory dues, which have not been deposited by the Company on account of disputes, except for the following-
<table>
<tr><th>Statute/Nature of Demand</th><th>Amount (in Rs.)</th><th>Forum Where Dispute is Pending</th></tr>
<tr><td>Income Tax</td><td>31,93,702</td><td>Commissioner of Income Tax (Appeals) - 49, Mumbai CIT(A), Faceless & the Assessing Officer</td></tr>
<tr><td>Value Added Tax (VAT)</td><td>5,99,720</td><td>Joint Commissioner of Sales Tax, Mumbai</td></tr>
<tr><td>Goods & Service Tax (GST)</td><td>1,40,23,621</td><td>Additional Commissioner (AE) CGST Jaipur</td></tr>
<tr><td>Income Tax</td><td>2,09,06,700</td><td>DCIT 7(3) u/s 154 of the IT Act; WRIT petition with Bombay High Court</td></tr>
</table></td></tr>
<tr><td></td><td> (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of accounts, in the tax assessments under the Income Tax Act, 1961 as income during the year except one-
<table>
<tr><th>Sr. No.</th><th>Prior Period Income</th><th>Amount (in Rs.)</th><th>Incurred for P.Y.</th></tr>
<tr><td>1</td><td>Interest on Fixed Deposits</td><td>45,029</td><td>2021-22</td></tr>
</table></td></tr>
<tr><td>Fiscal 2022</td><td> (e) According to the information and explanations given to us, there are no dues of Sales tax, Service tax, duty of Excise, Value Added tax, Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Customs, Cess and other statutory dues, which have not been deposited by the Company on account of disputes, except for the following:-
<table>
<tr><th>Statute/Nature of Demand</th><th>Amount (in Rs.)</th><th>Forum Where Dispute is Pending</th></tr>
<tr><td>Income Tax</td><td>67,91,218</td><td>Commissioner of Income Tax (Appeals) - 49, Mumbai CIT(A), Faceless & Assessing Officer</td></tr>
<tr><td>Value Added Tax (VAT)</td><td>5,99,720</td><td>Joint Commissioner of Sales Tax, Mumbai</td></tr>
</table></td></tr>
</table>

There can be no assurance that any similar matters prescribed under the CARO Reports, will not form part of our financial statements for the future fiscal periods, which could subject us to additional liabilities due to which our reputation, credit position and financial condition may be adversely affected.

16. We are subject to strict quality requirements, and sales of our products is dependent on our quality controls and standards. Any failure to comply with quality standards may adversely affect our business prospects, cash flows and financial performance, including cancellation of existing and future orders.

All our products and manufacturing processes are subject to stringent quality standards. As a result, any failure on our part to maintain applicable standards and manufacture products according to prescribed quality specifications, may lead to loss of reputation and goodwill, cancellation of the order, loss of customers, rejection of the product, which will require us to incur additional cost, that may not be borne by the customer, which could have an adverse impact on our business prospects and financial performance. Additionally, it could expose us to pecuniary liability and/ or litigation.

Quality defects resulting from errors and omission may result in customers cancelling current or future orders resulting in damage to our reputation, loss of customers, which could adversely affect our business prospects and financial performance. While there have been certain instances of our products being returned by our customers in the past as the products did not meet the customers specifications, such instances did not have a material impact on our results of operations. There can be no assurance that our products will at all times comply with customer specifications, and the rejection of a large volume of products could adversely affect our operations.

The quality of our products is critical to the success of our business, which, in turn, depends on a number of factors, including the implementation and application of our quality control policy and guidelines, and strength and experience of our quality control team. As of November 15, 2024, we had a team of 23 employees in our tagging and quality control team. Further, all our gold jewellery products are hallmarked by Bureau of Indian Standards ("**BIS**"). For details in relation to the quality control measures adopted by us, see "*Our Business – Quality control*" on page 187. Any significant failure or deterioration of our quality control system could result in defective or substandard products, which, in turn, may result in delays in the delivery of our products and the need to replace defective or substandard products.

17. ***Any delay in payment of statutory dues by our Company in future, may result in the imposition of penalties and in turn may have an adverse effect on our Company's business, financial condition, results of operation and cash flows.***

Our Company is required to pay certain statutory dues including provident fund contributions and employee state insurance contributions as indicated in the tables below. The table below sets forth the details of the statutory dues paid by our Company, including in relation to our employees for the periods indicated below:

Six months period ended September 30, 2024:

(₹ in million)

Nature of Payment	No. of employees*	Total dues	Paid	Unpaid
Employee state insurance	90	0.33	0.33	Nil
Gratuity	Nil	Nil	Nil	Nil
Provident fund	205	4.24	4.24	Nil
Professional tax	215	0.21	0.21	Nil
Tax deducted at source on salary	19	5.27	5.27	Nil
Labour welfare fund	209	0.02	0.02	Nil

Fiscal 2024:

(₹ in million)

Nature of Payment	No. of employees*	Total dues	Paid	Unpaid
Employee state insurance	93	0.71	0.71	Nil
Gratuity	205	1.74	1.74	Nil
Provident fund	201	8.34	8.34	Nil
Professional tax	211	0.42	0.42	Nil
Tax deducted at source on salary	18	10.35	10.35	Nil
Labour welfare fund	205	0.02	0.02	Nil

Fiscal 2023:

(₹ in million)

Nature of Payment	No. of employees*	Total dues	Paid	Unpaid
Employee state insurance	85	0.65	0.65	Nil
Gratuity	195	1.90	1.90	Nil
Provident fund	179	7.36	7.36	Nil
Professional tax	186	0.44	0.44	Nil
Tax deducted at source on salary	14	8.31	8.31	Nil
Labour welfare fund	172	0.02	0.02	Nil

Fiscal 2022:

(₹ in million)

Nature of Payment	No. of employees*	Total dues	Paid	Unpaid
Employee state insurance	97	0.69	0.69	Nil
Gratuity	188	0.87	0.87	Nil
Provident fund	170	6.52	6.52	Nil
Professional tax	177	0.40	0.40	Nil

Nature of Payment	No. of employees*	Total dues	Paid	Unpaid
Tax deducted at source on salary	13	6.57	6.57	Nil
Labour welfare fund	163	0.02	0.02	Nil

Note: As certified by M/s J Kala & Associates, Chartered Accountants by way of their certificate dated January 13, 2025.
**number of employees have been considered on an average basis during the particular Fiscal Year/ period and rounded off, due to fluctuation in the number of employees as at the end of each month during the particular Fiscal Year/ period.*

Further, during Fiscal 2024, our Company had delayed in making payment of statutory dues towards TDS for an aggregate amount of ₹ 680. If we are unable to pay our statutory dues on time or in future, we could be subjected to penalties which could impact our financial condition and results of operations.

18. ***Our Company requires significant amounts of working capital for continued growth. Our inability to meet our working capital requirements, on commercially acceptable terms, may have an adverse impact on our business, financial condition and results of operations.***

Our business requires a substantial amount of working capital. For details of our existing working capital as at September 30, 2024, March 31, 2024 and March 31, 2023 and March 31, 2022, see "*Objects of the Issue - Funding incremental working capital requirements of our Company - Basis of estimation of incremental working capital requirement*" on page 103. The working capital is primarily required to finance the purchase of raw materials to keep optimum level of finished products and to support trade receivables. Set forth below is a break-up of raw materials procured by us in the corresponding periods:

(₹ in million, except %)

Raw material	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Purchase cost	% of total purchase	Purchase cost	% of total purchase	Purchase cost	% of total purchase	Purchase cost	% of total purchase
Gold bar	4,528.65	98.96	6,646.73	98.16	6031.47	98.24	4,188.70	97.40
Stones*	13.80	0.30	17.75	0.26	38.83	0.63	23.05	0.54
Alloy	0.35	0.01	0.45	0.01	0.35	0.01	0.42	0.01
Diamond	Nil	Nil	Nil	Nil	Nil	Nil	2.14	0.05
Wax	Nil	Nil	0.35	0.01	0.32	0.01	0.29	0.01

* *Stones include pearls, beads, gemstones, CZ stones*

Further, in order to scale operations and support the growing demand for products, our Company recognizes the need to augment the working capital. As of November 14, 2024, our fund based working capital facilities and non-fund based working capital facilities was ₹ 1,810.00 million and ₹ 400.00 million, respectively. As we scale our business, additional working capital is required to support our growth and expand our market presence. As part of our strategy, we are planning to raise [●] through the proceeds of the Issue out of which ₹ 1,900.00 million will be utilised towards our working capital requirements. Further, we are planning to expand our operations by construction of and setting up of the Proposed Jaipur Facility, which will require significant working capital. For further details, see "*Our Business – Our Strategies*" and "*Objects of the Issue*" on pages 181 and 92, respectively.

Our ability to meet our working capital requirements on commercially acceptable terms is critical to our business operations. We rely on external financing, primarily in the form of working capital lines of credit, to meet our short-term funding needs. Any significant tightening in the availability of credit or any deterioration in our creditworthiness may limit our ability to access adequate funding, which could result in delays in procurement, production, or order fulfilment. In turn, this could negatively affect our sales, market share, and profitability. Additionally, any increase in the cost of financing could impact our overall cost structure and reduce our margins.

Adequate working capital is essential to maintaining healthy cash flow, enabling us to meet short-term obligations such as supplier payments, operational expenses, and labor costs. In the absence of sufficient working capital, we may face cash flow gaps that could affect our ability to make timely payments or meet production deadlines. Extended delays in working capital replenishment could lead to disruptions in our business operations, strained relationships with suppliers, or delays in fulfilling customer orders, all of which may adversely impact our revenue and profitability.

19. ***Our Andheri Manufacturing Facility is dependent on adequate and uninterrupted supply of electricity. Any shortage or disruption in electricity or water supply may lead to disruption in operations, higher operating cost and consequent decline in our operating margins.***

We rely on an uninterrupted supply of electricity for our operations, the shortage or non-availability of which may adversely affect our operations. Set forth below are our utilities expenses in the six months period ended September 30, 2024 and three preceding Fiscals:

Particulars	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
Power expense	6.49	0.13	8.89	0.12	6.47	0.10	5.21	0.12

Our Andheri Manufacturing Facility has adequate power supply to carry out manufacturing operations. For further details, see "*Our Business - Utilities*" on page 187.

Owing to the energy-intensive nature of our manufacturing operations, any fluctuation in energy price could impact our results of operations. Any disruption in the supply of energy and utilities whether due to market conditions, legislative or regulatory actions, natural events, or other disruption, could prevent us from meeting our contractual commitments, harming our business and financial results. Further, any failure on our part to obtain alternate sources of electricity, fuel, in a timely manner, and at an acceptable cost, may cause a slowdown or interruption to our production process and have an adverse effect on our business, results of operations, cash flows and financial condition.

20. ***Our Promoters, Directors, Key Managerial Personnel, Senior Management and our employees, especially the members of the design and marketing teams are critical to our continued success and we may be unable to attract and retain such personnel in the future.***

We depend on the management skills and guidance of our Promoters for development of business strategies, monitoring successful implementation and meeting future challenges. Further, our success depends substantially on the continued efforts of our Directors and our design and marketing teams. For further details, please see "*Our Management*", "*Our Business – Competitive Strengths - Experienced Promoters with execution capabilities*", "*Our Business - Design team*" and "*Our Business - Marketing*" on pages 202, 180, 187 and 189, respectively. As of November 15, 2024, we had 225 permanent employees and 80 contract labourers. For further details, please see "*Our Business - Employees*" on page 188. We believe our employees and personnel are one of our most important assets and critical to maintaining our competitive position in our industry, and the success of our operations depends on availability of workforce and maintaining good relationship with them. Set forth below are details regarding our employees in the corresponding years:

Particulars	Six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total no. of pay-roll employees	228	205	195	188
Attrition rate of our employees (%)*	13.4	38.5	25.6	25.8
No. of employees in the design team	66	56	46	48
Attrition rate of our employees in the design team (%)*	8.2	19.4	44.7	54.7
No. of employees in the marketing team	18	15	17	12
Attrition rate of our employees in the marketing team (%)*	12.1	18.8	20.7	18.2

**Attrition rate has been calculated by dividing the total number of permanent employees who resigned during the relevant year/period with the total headcount of the permanent employees at the end of the year and the number of permanent employees* *resigned during the year.*

If one or more of our Promoters, Directors, Key Managerial Personnel, Senior Management or key employees are unable or unwilling to continue their services with us we might not be able to replace them easily, in a timely manner, or at all, and our business, financial condition and results of operations could be adversely affected. Our future performance will depend largely on our ability to retain the continued service of our Promoters, Directors, Key Managerial Personnel, Senior Management and our workforce. If any of our Promoters, Directors, Key Managerial Personnel, Senior Management or other personnel terminates their services with us due to death, disability or any other reason, or if their reputation is adversely impacted by personal actions or omissions or other events within or outside their control, our business may be disrupted and we may incur additional expenses to recruit, train, and retain qualified personnel. In the event that we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and results of operations may be adversely affected. Further, shortage of skilled/ unskilled personnel or work stoppages caused by disagreements with work force could also have an adverse effect on our business, results of operations, cash flows and financial condition. While we have not experienced any major prolonged disruption in our business operations due to strikes, disputes or other problems of similar nature with our work force in the three preceding Fiscals and six months period ended September 30, 2024, there can be no assurance that we will not experience any such disruption in the future.

21. Disruptions of transportation network and transportation infrastructure may have an adverse effect on our business and results of operations.

Our success depends on our ability to supply our products to our customers on time. We utilize the services of logistics service providers to transport our products across India and exports via air shipments. The following table provides our freight and forwarding expenses and as a percentage of total revenue from operations for the periods indicated:

Particulars	**Six months period ended September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Amount (₹ in million)	**% of revenue from operations**	**Amount (₹ in million)**	**% of revenue from operations**	**Amount (₹ in million)**	**% of revenue from operations**	**Amount (₹ in million)**	**% of revenue from operations**
Freight and forwarding	2.22	0.04	3.62	0.05	5.03	0.07	3.34	0.08

We depend on the transportation and logistics networks, and the connectivity and conditions of the road, air and general transportation infrastructure in India and outside India. Delays in supply and transportation of our products to our customers due to inadequacies of the transportation infrastructure in India, disruptions in road or air transportation networks due to weather related events, labour strikes, wars or otherwise, could impact our operations. While these instances did not have a significant impact on our operations, there is no assurance that such delays will not occur in the future. Further, while our transit insurance covers risk of damage and thefts, it does not cover delays in raw material supply, or transportation of our products to our trade partners and any claims brought against us by trade partners or consumers, which could require us to expend significant resources to defend such claims. This in turn could have a material impact on our financial condition.

While the Government of India has announced and implemented several initiatives such as National Infrastructure Pipeline, Gati Shakti Scheme and National Logistics Policy to improve the transportation infrastructure in the country, improvement in such infrastructure may involve major capital expenditure and policy and administrative focus. We cannot assure you that the road and general transportation infrastructure will improve to a level or be maintained at such level that would result in improvement in our business or that the planned improvements to such infrastructure will be completed in a timely manner, or at all. Any disruption of or failure of the transportation network in and outside India, could have an adverse impact on our supplies and production schedule as well as delivery of products to our trade partners, and consumers, and in turn have an adverse impact on our business, financial condition and results of operations.

22. Information relating to the installed and actual manufacturing capacity of our Andheri Manufacturing Facility and proposed installation capacity of our Proposed Jaipur Facility included in this Draft Red Herring Prospectus are based on various assumptions and estimates. These assumptions and estimates may prove to be inaccurate and our future production and capacity may vary.

Information relating to the installed and actual manufacturing capacity of our Andheri Manufacturing Facility and proposed installation capacity of our Proposed Jaipur Facility included in this Draft Red Herring Prospectus are based on various assumptions and estimates of our management including expected operations, availability of raw materials, expected unit utilization levels, downtime resulting from scheduled maintenance activities, downtime resulting from change in stock keeping units for a particular product, unscheduled breakdowns, as well as expected operational efficiencies. Assumptions and estimates taken into account for measuring installed and actual capacities include expected operations, availability of raw materials, expected unit utilization levels, downtime resulting from scheduled maintenance activities, downtime resulting from change in stock keeping units for a particular product, unscheduled breakdowns, as well as expected operational efficiencies working days in a year, at 1 shift for 10 hours. While we have obtained a certificate dated January 7, 2025 from Sharjeel Aslam Faiz, independent chartered engineer, in relation to such installed and actual manufacturing capacity of our Andheri Manufacturing Facility and proposed installation capacity of our Proposed Jaipur Facility, future capacity utilisation at our Andheri Manufacturing Facility and Proposed Jaipur Facility may vary significantly from the estimated production capacities. For further information, see "*Our Business – Manufacturing capabilities*" on page 186. Further, the installed capacity and actual capacity utilisation and other related information may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to capacity information that may be computed and presented by other comparable companies in the industry in which we operate.

23. Our Andheri Manufacturing Facility, which also serves as our Registered and Corporate Office, from where we operate, the proposed manufacturing unit, Proposed Jaipur Facility, as well as the branch offices of our Company are located on land not owned by us and have been leased to us by third parties. In the event we lose or are unable to renew such leasehold rights, our business, financial condition, cash flows and results of operations may be adversely affected.

Our Andheri Manufacturing Facility, which also serves as our Registered and Corporate Office, is located at Plot No A-51, 2nd Floor to 7th Floor, MIDC, Marol Industrial Area, Road No.-1, Near Tunga International Hotel, Andheri (E), Chakala Midc, Mumbai, Maharashtra, India- 400093 and is held by us on a leasehold basis. Further, our Proposed Jaipur Facility which will be situated at Plot No. DTA-02-14 and DTA-02-15, Khasra No. 1181, 1189 and 1192, Village Newata, DTA Phase II, Tehsil Sanganer, Off Jaipur- Ajmer Road, NH 08, Jaipur, Rajasthan, India as well as the branch offices of our Company as mentioned below are held by us on a leasehold basis.

The table below provides leased details of our properties:

Sr. No.	Office / Facility	Leased by	Description of the property	Tenure of lease	Lease Rent per month (in ₹ million)
1.	Andheri Manufacturing Facility (Registered and Corporate Office)	Aakash Innovations and Designs Private Limited	2nd Floor to 7th Floor, Plot No A-51, MIDC, Marol Industrial Area, Road No.-1, Near Tunga International Hotel, Andheri(E), Mumbai, Maharashtra, India- 400093.	5 years commencing from March 01, 2023	2.74*
2.	Proposed Jaipur Facility	Mahindra World City (Jaipur) Limited	Plot No. DTA-02-14 and DTA-02-15, Khasra No. 1181, 1189 and 1192, Village Newata, DTA Phase II, Tehsil Sanganer, Off Jaipur- Ajmer Road, NH 08, Jaipur, Rajasthan, India.	87 years commencing from January 15, 2018	0.88
3.	Andhra Pradesh Branch 1	Mr. Satyanaryana Talluri	47-11-3/2, Revenue Ward 15, Dwarka Nagar 1st, Dwarkanagar, Vishakapatnam, Andhra Pradesh- 530016.	2 years commencing from December 15, 2024	0.24*
4.	Andhra Pradesh Branch 2	Atmakuri Rajendra Prasada Rao	Door No. 27-14-34, 3rd Floor, Balaji Jewel Word, Shop No. 319, Rajagopala Chari Street, Governorpet, Vijayawada.	2 years commencing from August 1, 2024	0.02*

Sr. No.	Office / Facility	Leased by	Description of the property	Tenure of lease	Lease Rent per month (in ₹ million)
5.	Karnataka Branch	Sri Ashok kumar Jain and Sri Abhishek Jain	4th Floor, Shop No. 9, Property No. 934, Sri Purandara Bhavana, Dharmarya Swamy Temple, Bangalore, Karnatka-560002.	Valid until terminated by either party by giving 3 months' notice	0.02
6.	Karnataka Guest House	Mr. AR Ramasubramanyam	Flat No. 401, 4th Floor Ashish pride Subbarama Chetty Road, Basavangudi, Bangalore.	2 years commencing from December 01, 2023	0.05
7.	Tamil Nadu Branch 1	Mr. S Vishal	Shop no. 7 Third floor, No 124, Aadinath Complex, Netaji Shubash Chandra Bose Road, Sowcarpet, Chennai, Tamil Nadu – 600079.	1 year commencing from November 1, 2024	0.39**
8.	Tamil Nadu Branch 2	M/s Kumran Complex, through its partner Venketesh Dhendapani	Shop No. B- 8, 323, 2nd Floor, Kumaran Complex, Raja Street, Coimbatore, Tamil Nadu- 641001.	5 years commencing from August 01, 2022	0.03*
9.	Madhya Pradesh Branch	Krishna Baheti	Office no 101 G-13, Rajratan Complex, Shakkar Bazar, Indore, Madhya Pradesh – 452002	3 years commencing from August 01, 2022	0.02
10.	Telangana Guest House	N. Naresh Kumar Jain & N. Bhupesh Kumar Jain	2nd Floor, Syed Jalal Gardens, West Marredpalli, Secunderabad, Hyderabad, Telangana 500003	3 years commencing from July 01, 2024	0.02*
11.	Telangana Branch	K. S. Manohar & K. M. Swapna	Muncipal No. 3-3-57/3, 3rd Floor, Kurma Basthi, Kings Way (R. P. Road), Secunderabad, Hyderabad.	3 years commencing from July 1, 2024	0.02*
12.	Gujarat Branch	Zalak Dhvanish Shah & Nita Piyush Shah	Unit No. 202, 2nd Floor, Shriji Chambers, Near Cargo Motors Opp Ratnam Complex, Chandra Colony Corner, CG Road, Ellisbride, Ahmedabad - 380006	3 years commencing from January 16, 2024	0.01*

**The disclosed lease rental is applicable as on the date of filing of the Draft Red Herring Prospectus. The license fee is subject to escalation in accordance with the terms of their respective agreements.*
***The rental amount is payable on lumpsum basis for the tenor of the agreement.*
 # As of the date of this DRHP, the lease agreement has expired and we are currently in the process of renewing the same.

For further details in relation to our properties see "*Our Business -Properties*" on page 190.

In the event that we are required to vacate our current premises, we would be required to make alternative arrangements for our office and facilities, and we cannot assure that the new arrangements will be on commercially acceptable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay increased charges. While we have not faced any such incidents in the past, any such incident in future could have an adverse effect on our business, prospects, results of operations and financial condition. If we are unable to renew the lease or the license or relocate on commercially suitable terms, it may have a material adverse effect on our business, cash flows, results of operation and financial condition. Further, our lease agreements may not be adequately stamped or registered, and we may not be able to enforce them in a court of law in case there is any dispute with a counter-party. While we have not faced such disputes in the past, any such incident in future could have an adverse effect on us and we may not be able to utilize the underlying property which may have an adverse effect on our business, prospects, results of operations and financial condition.

24. There have been instances of delays in compliance with the corporate governance requirements within the prescribed timelines provided in the Companies Act by us, and we have filed suo moto compounding applications with the RoC for these non-compliances.

Our Company has, on its own initiative, filed four compounding applications with the RoC on December 31, 2024, seeking compounding of certain non-compliances under the Companies Act. These non-compliances pertain to delays in the appointment of Independent Directors, a Woman Director, and the composition of the Audit and Nomination and Remuneration Committees, all of which were not complied with within the prescribed timelines under the relevant sections of the Companies Act. For further details, see "*Outstanding Litigation and Material Developments – Litigation involving our Company - Compounding applications filed by our Company*" on page 311.

While, as on the date, Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof and the Company has prayed for the condonation or compounding of these offences under Section 441 of the Companies Act, these matters are currently pending before the RoC. The outcome of these applications remain uncertain, and the RoC may impose penalties or take other corrective actions pursuant to Section 454 of the Companies Act.

There can be no assurance that the RoC will accept the compounding applications or that the penalties, if imposed, will be minimal. Any adverse decision could impact the Company's reputation, financial position, and compliance standing, which may, in turn, affect investor confidence and the Company's business operations.

25. We may not be able to successfully manage the growth of our business if we are not able to effectively implement our strategies.

Our current growth strategies include (i) capturing market opportunities in the growing jewellery industry, (ii) geographical expansion in North India, (iii) penetrate new clients within the existing export countries, and (iv) augmenting working capital for scalable business operations. For further information, see "*Our Business – Our Strategies*" on page 181.

We cannot assure you that our growth strategies will be successful or gain market acceptance. Our ability to achieve our growth strategies will be subject to a range of factors, including our ability to identify market opportunities and demands in the industry, making accurate assessment of the resources we require, acquiring new customers and increasing contribution from existing customers, procuring raw materials at sustainable costs, recruiting and retaining skilled personnel, maintaining customer satisfaction, and improving operational efficiencies. Accordingly, our revenue from operations may be impacted by various reasons, including increasing competition, challenging macro-economic environment and we may not always be able to maintain profitability in future. If, for any reason, the benefits we realize from our expansion plans and growth strategies are less than our estimates, our business, results of operations, cash flows and financial condition may be adversely affected.

26. There are certain outstanding legal proceeding involving our Company, Promoters and Directors. Any adverse outcome in such proceeding may have an adverse impact on our reputation, business, results of operations, cash flows and financial condition.

There are certain taxation proceedings involving our Company and outstanding criminal and taxation proceedings involving two of our Promoter Directors. Our Company has, on its own initiative, filed four compounding applications with the RoC on December 31, 2024, seeking compounding of certain non-compliances under the Companies Act. For further details, see "- *There have been instances of delays in compliance with the corporate governance requirements within the prescribed timelines provided in the Companies Act by us, and we have filed suo moto compounding applications with the RoC for these non-compliances.*" and "*Outstanding Litigation and Material Developments – Litigation involving our Company - Compounding applications filed by our Company*" on pages 46 and 311, respectively.

The following table sets forth a summary of the litigation proceedings involving our Company, Directors and our Promoters in accordance with the Materiality Policy. For further details of such outstanding legal proceedings, see "*Outstanding Litigation and Material Developments*" beginning on page 310.

Name of entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Other material proceedings	Aggregate amount involved* (₹ in million)
	Company					
By our Company	Nil	Nil	4	Nil	Nil	Nil
Against our Company	Nil	10	Nil	Nil	Nil	45.39
	Directors					
By our Directors	1	Nil	Nil	Nil	Nil	32.53
Against our Directors	1	3	Nil	Nil	Nil	6.43
	Promoters					
By our Promoters	1	Nil	Nil	Nil	Nil	32.53
Against our Promoters	1	Nil	Nil	Nil	Nil	6.10
	Group Companies					
By our Group Companies	Nil	Nil	Nil	Nil	Nil	Nil
Against our Group Companies	Nil	Nil	Nil	Nil	Nil	Nil

**To the extent ascertainable and quantifiable*

Further, we cannot assure you that any of the outstanding litigation proceedings against our Company, Promoters and Directors will be settled in their favor, or that no additional liability will arise out of these proceedings. Further, such proceedings could divert management time and attention and consume financial resources in their defense or prosecution. Further, an adverse outcome in these proceedings may affect our reputation, standing and future business, and could adversely affect our reputation, business, results of operations, cash flows and financial conditions.

27. ***We have certain contingent liabilities as stated in the Restated Financial Information, which if they materialize, may adversely affect our financial condition.***

As of September 30, 2024, our contingent liabilities as per our Restated Financial Information, were as follows:

(₹ in million)

Particulars	For the six months ended September 30, 2024
VAT in dispute	0.60
GST in dispute	16.93
Income tax in dispute	27.86
Guarantees	101.60

There can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future and if a significant portion of these liabilities materialise, it could have an adverse effect on our business, financial condition and results of operations. For further information, see "*Restated Financial Information- Note 30- Provisions and Contingent Liabilities*" on page 264.

28. ***We are subject to environmental, health and safety laws, regulations and quality standards. Non-compliance with and adverse changes in health, safety, labour, and environmental laws and other similar regulations to our manufacturing operations may adversely affect our business, results of operations, cash flows and financial condition.***

We are subject to a wide range of laws and government regulations, including in relation to health and safety laws, labour, and environmental protection. These safety, health, labour, and environmental protection laws and regulations, *inter alia*, impose controls on discharge of environment pollutants.

In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment, and emissions management and other expenditure to comply with environmental standards. Any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings, including public interest litigation being commenced against us, third party claims or the levy of regulatory fines.

In Fiscal 2018, we had obtained consent to operate from Maharashtra Pollution Control Board for our Andheri Manufacturing Facility prior to commencement of operations, however, we did not obtain consent to establish from Maharashtra Pollution Control Board prior to setting up the Andheri Manufacturing Facility and we had to bear a penalty of ₹ 0.05 million which was paid to the Maharashtra Pollution Control Board for this non-compliance. While there have been no adverse actions against us which resulted in suspension of operations in relation to such violation, any violation of such laws in future may result in fines, criminal sanctions, revocation of operating permits, or shutdown of our Andheri Manufacturing Facility or suspension of our operations. The occurrence of any of these events could have an adverse effect on our business, results of operations, cash flows and financial condition.

We are also subject to the laws and regulations governing employees in our Andheri Manufacturing Facility such as minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, and work permits. There is a risk that we may fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities. We cannot assure you that we will not be involved in future litigation or other proceedings, or be held liable in any litigation or proceedings including in relation to safety, health and environmental matters, the costs of which may be significant. For further details on the laws and regulations applicable to us, see "*Key Regulations and Policies in India*" on page 192.

29. Any failure to obtain, renew and maintain requisite statutory and regulatory permits, licenses and approvals for our operations from time to time may adversely affect our business.

In terms of applicable laws, we require various statutory and regulatory permits, licenses, registrations, certifications, consents and approvals to carry out our business and operations (cumulatively, the "**Approvals**"). A majority of these Approvals are granted for a limited duration and must be periodically renewed. We cannot assure you that such Approvals will be issued or granted to us in a timely manner, or at all. If we do not receive these Approvals or if we are unable to renew the Approvals in a timely manner, or at all, then our business and operations may be adversely affected. Except for the failure on our part to obtain consent to establish from Maharashtra Pollution Control Board for our Andheri Manufacturing Facility, there have been no instances of failure to obtain or renew Approvals in the past, or any action taken by any regulatory authority for breach of terms of any Approval. For further details in relation to the aforesaid non-compliance and consequent penalty levied on us, see "- *We are subject to environmental, health and safety laws, regulations and quality standards. Non-compliance with and adverse changes in health, safety, labour, and environmental laws and other similar regulations to our manufacturing operations may adversely affect our business, results of operations, cash flows and financial condition*" and "*Outstanding Litigation and Material Developments – Litigation involving our Company - Outstanding actions by regulatory and statutory authorities*" on pages 47 and 310, respectively. We cannot assure you that there will be no such instances of failure in the future which will adversely affect our business. For details of material Approvals applied for, but not received by our Company, see "*Government and Other Statutory Approvals - Material approvals applied for but not yet received by our Company*" on page 317.

Moreover, the Approvals are subject to numerous conditions and there can be no assurance that these Approvals will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Suspension or revocation of the Approvals by the relevant regulatory authority, either on account of non-compliance or otherwise, could impair our Company's operations and, consequently, have an adverse effect on our business, cash flows and financial condition. Our Company may also be liable to monetary penalties and concerned officers in default may be subject to imprisonment.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. Further, if we are affected, directly or indirectly, by the application or interpretation of any provision of such laws and regulations or any related proceedings, or are required to bear any costs in order to comply with such provisions or to defend such proceedings, our business and financial performance may be adversely affected.

30. We operate in a labour-intensive industry and are subject to stringent labor laws and any strike, work stoppage or increased wage demand by our employees or any other kind of disputes with our employees could adversely affect our business, financial condition, results of operations and cash flows.

Our manufacturing processes are labour intensive in nature, which makes us prone to labour shortage due to reasons such as labour availability, pandemics such as COVID- 19 etc., which may affect our ability to manufacture and deliver our products on time. Further, if we are unable to negotiate with the labour, it could result in work stoppages or increased operating costs due to higher than anticipated wages or benefits. During periods of shortages in labour, we may not be able to deliver or manufacture our products according to our previously determined time frames, at our previously estimated product costs, or at all, which may adversely affect our business, results of operations, cash flows and reputation.

As of November 15, 2024, we had a total of 225 employees and 80 contract laborers. For details, see "*Our Business - Employees*" on page 188. There can be no assurance that we will not experience any disruptions in our operations due to any disputes with our employees, strike or work stoppage in the future. While we have not faced any such instance in the last three Fiscals and six months period ended September 30, 2024, however, occurrence of such instances in the future could have an adverse effect on our business, financial condition, cash flows and results of operations.

We are also subject to a number of stringent labour laws that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes financial obligations on employers upon retrenchment. For further details see, "Key *Regulations and Policies in India*" on page 192. If labour laws become more stringent, it may become more difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

In addition, we have entered into contracts with independent contractors under the Contract Labour (Regulation and Abolition) Act, 1970, for engaging contract labour for performance of certain of our ancillary operations in India. Although our Company does not engage these laborers directly, we may be held responsible for any wage payments to be made to such laborers in the event of default by such independent contractors. While we have not faced any such instances in last three Fiscals and during the six months period ended September 30, 2024, any requirement to fund their wage requirements in the future may have an adverse impact on our results of operations and financial condition. If we are unable to renew the contracts with our independent contractors at commercially viable terms or at all, our business, financial condition, results of operations and cash flows could be materially and adversely affected.

31. We have incurred significant indebtedness which exposes us to various risks which may have an adverse effect on our business, results of operations and financial conditions. Conditions and restrictions imposed on us by the agreements governing our indebtedness could adversely affect our ability to operate our business.

As of November 14, 2024, we had total outstanding borrowings of ₹ 2474.19 million (excluding the non-fund based facility of ₹ 101.68 million) . For further information, see "*Financial Indebtedness*" on page 276. Our financing agreements may contain restrictive covenants that limit our ability to undertake certain types of transactions, as set forth below, any of which could adversely affect our business and financial condition. An indicative list of such restrictive covenants is disclosed below:

- change in the ownership, shareholding pattern and management control of our Company, which may result in a material adverse effect;
- making any amendments in the constitutional documents of our Company;
- undertaking any new project or any expansion, diversification, modernizationor further capital expenditure except being funded by our Company's own resources; and
- entry into any scheme of amalgamation, de-merge, reorganization, reconstruction, scheme of compromise or arrangement.

We may be required to obtain the approval of the lenders under our financing arrangements before undertaking these significant actions. While we have received consents from, or provided intimation to, the relevant lenders in connection with the Issue, we cannot assure you that lenders will grant required approvals in future in a timely manner, or at all. We are also required to maintain certain financial ratios under our financing arrangements. These financial ratios and the restrictive provisions could limit our flexibility to engage in certain business transactions or activities, which could put us at a competitive disadvantage and could have an adverse effect on our business, financial condition and results of operations. In the event we are unable to remedy defaults or obtain necessary waivers for any non-compliance, in a timely manner or at all, one or more of our lenders may accelerate our obligations under the financing agreements and seek to enforce their security interest in respect of such borrowings.

Any failure to comply with a covenant under our financing agreements may also trigger cross default and cross acceleration provisions under certain of our other financing agreements and may adversely affect our ability to conduct our business. It is possible that we would not have sufficient funds upon such an acceleration of our financial obligations to pay the principal and interest in full. Our future borrowings may also contain similar or more onerous covenants. For further information, see "*Financial Indebtedness*" on page 276.

32. Our Company has availed unsecured borrowing which is repayable on demand.

As of November 14, 2024, our Company had outstanding unsecured borrowings that amounted to ₹ 61.65 million. Since these loans are unsecured, it does not require any collateral, and is repayable on demand. Any unforeseen demand for immediate repayment could adversely affect our Company's liquidity, cash flow, and financial stability. A significant disruption in our ability to manage or refinance these liabilities may also impact our operations and overall financial health. For further details of unsecured loans of our Company, please refer "*Financial Indebtedness*" and "*Restated Financial Information – Note 11 – Financial liabilities (i) Borrowings*" on pages 276 and 257, respectively.

33. Our Company may face adverse financial impact due to non-provision for potential decline in the value of investments.

Our Company may hold certain investments in marketable securities, equity shares, bonds, or other financial instruments as part of its treasury operations or for strategic purposes. These investments are subject to market fluctuations and changes in value based on prevailing economic conditions, industry trends, or specific performance factors related to the companies or instruments in which we invest.

As of the date of this DRHP, our Company has not made any provision for the potential decline in the value of certain investments, which could be subject to impairment or fair value adjustments. While the Company assesses the performance of its investments regularly, there is no guarantee that these investments will maintain their current carrying value. If the value of these investments declines significantly, our Company may be required to recognize an impairment loss, which could adversely affect our financial performance and position. While we have not faced any such instance in the six months period ended September 30, 2024, and during Fiscals 2024, 2023 and 2022, we cannot assure you that such instances will not happen in the future.

In the event of a significant and sustained decline in the value of investments, our financial results may be negatively impacted, and we may face challenges in meeting financial obligations or achieving anticipated returns. Additionally, any unforeseen deterioration in investment value could affect the overall investor perception of our Company and its future growth prospects.

34. Our Promoters have provided personal guarantees in connection with our borrowings. Our business, financial condition, results of operations and prospects may be adversely affected by the revocation of all or any of the guarantees provided by them in connection with our borrowings.

Our Promoters, Pankajkumar H. Jagawat and Manojkumar N. Jain, have provided personal guarantees for our borrowings, amounting to ₹ 2,201.48 million as of November 14, 2024. If any of these guarantees are revoked, our lenders may require alternative guarantees or cancel such loans or facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations and prospects may be adversely affected by the revocation of all or any of the guarantees provided by our Promoters, in connection with our borrowings. For further information, see "*Restated Financial Information*" and "*Financial Indebtedness*" on pages 226 and 276, respectively.

35. We have not yet placed orders in relation to the capital expenditure to be incurred for the project we intend to fund through our Net Proceeds. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the equipment in a timely manner, or at all, may result in time and cost over-runs and our business, prospects and results of operations may be adversely affected.

Our Company is planning a capacity expansion by setting up a new manufacturing facility, the Proposed Jaipur Facility, which will be equipped with a wide range of machineries and equipment such as laser soldering machines, continuous casting machines, double station polishing machines, *etc.* The Proposed Jaipur Facility will have an installed production capacity of 1,200 kgs. The construction of this facility will be carried out on a land admeasuring 50,000 sq. ft. For further details, see "*Our Business - Capturing market opportunities in the growing jewellery industry*" on page 181.

While we have procured quotations from various vendors in relation to the capital expenditure to be incurred for the Proposed Jaipur Facility, we have not placed any firm orders for any of them. For details, see "*Objects of the Issue*" on page 92. Such quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations or that there will not be cost escalations. In the event of any delay in placing the orders, or an escalation in the cost of acquisition of the equipment or in the event the vendors are not able to provide the equipment in a timely manner, or at all, we may encounter time and cost overruns for the Proposed Jaipur Facility. We have estimated the total cost of such capital expenditure to be incurred by our Company as ₹ 288.11 million which will be funded from the Net Proceeds. For further information including details regarding quotations obtained from vendors for the purchase of equipment and machinery, see "*Objects of the Issue – Funding of capital expenditure requirements towards setting up of the Proposed Jaipur Facility - Machinery and equipment at the Proposed Jaipur Facility*" on page 97. We cannot assure you that we will be able to place orders for such equipment and machinery, in a timely manner or at all.

Further, the costs of such equipment and machinery may escalate or vary based on external factors which may not be in our control. If our actual expenses on equipment and machinery significantly exceed our estimates, or there is a delay in the delivery of such equipment and machinery, we may not be able to achieve the intended economic benefits, which in turn may adversely affect our results of operations, financial condition, cash flows, and prospects. We may not be able to install and duly utilise the equipment and machinery to be purchased from the Net Proceeds due to factors beyond our control such as labour shortages, inadequate performance of the equipment and machinery installed in our manufacturing facility, defects in design or construction, the possibility of unanticipated future regulatory restrictions, taxes and duties, delays in receiving or non-receipt of governmental, statutory and other regulatory approvals as we apply for them at various stages of the project, environment costs and other external factors. In the event of any delay in the placement of such orders and/or delivery of such equipment and machinery, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or may vary accordingly, which could have an adverse impact on our growth, prospects, cash flows, results of operations and financial condition.

36. Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.

We propose to utilize the Net Proceeds for the purposes described in "*Objects of the Issue*" on page 92. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act, 2013, and the applicable rules, and the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds 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 utilization of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms thereof, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations. Additionally, the requirement on Promoters to provide an exit opportunity to such dissenting Shareholders may deter the Promoters from agreeing to variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

37. ***Failure to maintain confidential information of our customers could adversely affect our results of operations or damage our reputation.***

As part of our business operations, we are entrusted to keep confidential certain details of our customers. While we do not have formal confidentiality agreements with our customers, there remains an ethical obligation to safeguard their confidential information. In the event of any breach or alleged breach of our confidentiality obligations, these customers may initiate litigation against us. Moreover, if our customers' confidential information is misappropriated by us or our employees, our customers may seek damages and compensation from us. Assertions of misappropriation of confidential information or the intellectual property of our customers against us, if successful, could have a material adverse effect on our business, financial condition and results of operations. Even if such assertions against us are unsuccessful, they may cause us to incur reputational harm and substantial cost. While there have been no instances of assertions of misappropriation of confidential information or intellectual property of our customers against us in the last three Fiscals and in the six months ended September 30, 2024, we cannot assure you that any such assertions may not be made against us going forward which may cause us to incur reputational harm.

38. ***Industry information included in this Draft Red Herring Prospectus has been derived from an industry report prepared by CARE exclusively commissioned and paid for by us for such purpose.***

We have availed the services of an independent third-party research agency, CARE, which is not or has not been engaged or interested in the formation or promotion or management of the Company and is not related in any manner to our Company, its Promoters, its Directors, its KMPs or Senior Management, its Group Companies or the BRLM and which has been appointed by our Company to prepare an industry report titled *"Industry Report on Indian Gems and Jewellery"* dated January 4, 2025 ("**CARE Report**') for purposes of inclusion of such information based on or derived from the CARE Report or its extracts in this Draft Red Herring Prospectus to understand the industry in which we operate. The CARE Report is subject to various limitations and is based upon certain assumptions that are subjective in nature. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus. The CARE Report uses certain methodologies for market sizing and forecasting. Further, CARE Report is not a recommendation to invest/disinvest in any entity covered in the CARE Report and no part of the CARE Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Accordingly, investors should read the industry related disclosure in this Draft Red Herring Prospectus in this context. A copy of the CARE Report shall be available on the website of our Company at www.shantigold.in. See "*Industry Overview*" on page 126. For further details, including disclosures made by CARE in connection with the preparation and presentation of their report, see "*Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation*" on page 16.

39. ***Our funding requirements and proposed deployment of the Net Proceeds of the Issue have not been appraised by a bank or a financial institution, and the proposed utilization of Net Proceeds is based on, amongst others, our current business plan and management estimates, and if there are any delays or cost overruns, our business, cash flows, financial condition and results of operations may be adversely affected.***

We intend to use the Net Proceeds of the Fresh Issue for the purposes described in "*Objects of the Issue*" on page 92. The objects of the Issue and deployment of funds have not been appraised by any external agency or any bank or financial institution or any other independent agency. While our Company, has procured a certificate dated January 13, 2025, issued by our Statutory Auditors, J. Kala & Associates, Chartered Accountants, in relation to the capital expenditure requirements of our Company towards setting up of the Proposed Jaipur Facility, which is proposed to be funded from a portion of the Net Proceeds, such certificate is prepared based on information provided by us, including quotations received from vendors. Further, a monitoring agency will be appointed for monitoring utilization of the Net Proceeds, prior to the filing of the Red Herring Prospectus with the RoC, the proposed utilization of Net Proceeds is based on our current business plan, management estimates, prevailing market conditions and other commercial considerations, which are subject to change and may not be within the control of our management. Based on the competitive nature of our industry, we may have to revise our business plan and/ or management estimates from time to time and consequently our funding requirements may also change. Our internal management estimates may exceed fair market value or the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our capital expenditure plans and may have an adverse impact on our business, financial condition, results of operations and cash flows.

Further, the proposed deployment of Net Proceeds also includes funding working capital requirements, which is based on management estimates and certain assumptions and certified by our Statutory Auditors, M/s J Kala & Associates, Chartered Accountants by way of their certificate dated January 13, 2025. For details, see "*Objects of the Issue*" on page 92. Our business requires significant working capital, and the actual amount of our future working capital requirements may differ from estimates as a result of, among other factors, unanticipated expenses, availability of raw material, economic conditions, growth in revenue, changes in the terms of our financing arrangements, additional market developments, and other external factors which may not be within the control of our management. Any delay in the Issue may impact the funding of our working capital requirements, and adversely affect our business, operations, cash flows and financial condition.

Our Company, in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Net Proceeds. Further, pending utilization of Net Proceeds towards the Objects of the Issue, our Company will have the flexibility to deploy the Net Proceeds and to deposit the Net Proceeds temporarily in deposits with one or more scheduled commercial banks included in Second Schedule of Reserve Bank of India Act, 1934, as may be approved by our Board. Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of Net Proceeds.

40. Our Promoters have significant control over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.

Currently, our Promoters collectively hold 99.96 % of the pre-Issue issued, subscribed and paid-up equity share capital of our Company and upon completion of this Issue, our Promoters will collectively hold [●] % of the Equity share capital of our Company. As a result, our Promoters will have the ability to exercise significant influence over all matters requiring shareholders' approval. Accordingly, our Promoters will continue to retain significant control, including being able to control the composition of our Board of Directors, determine decisions requiring simple or special majority voting of shareholders, undertaking sale of all or substantially all of our assets, timing and distribution of dividends and termination of appointment of our officers, and our other shareholders may be unable to affect the outcome of such voting. There can be no assurance that our Promoters will exercise their rights as shareholders to the benefit and best interests of our Company. Further, such control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company's best interest. The interests of our Promoters could conflict with the interests of our other shareholders, and our Promoters could make decisions that materially and adversely affect your investment in the Equity Shares.

41. Inability to obtain or protect our intellectual property rights may adversely affect our business.

Our Company has obtained registration of “ ” and “SHANTI GOLD INTERNATIONAL LTD” trademark under class 14. For further details, see “*Our Business – Intellectual properties*” on page 190.

As we expand our activities, we are also exposed to the risk that other entities may pass off their products as ours by imitating our brand name, packaging look and attempting to create counterfeit products. Any such activities may harm the reputation of our brand and sales of our products, which could in turn adversely affect our financial performance. Please also see, “- *Failure to protect our jewellery designs and susceptibility to intellectual property infringement litigation could adversely affect our reputation, results of operations, and financial condition.*” on page 36.

We rely on protections available under Indian law, which may not be adequate to prevent unauthorized use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving, and could involve substantial risks to us. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may infringe on our rights, which may have an adverse effect on our business, results of operations and financial condition. Our inability to obtain or maintain our trademarks in our business, could adversely affect our reputation, goodwill, business prospectus, and results of operations.

42. We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures and our inability to compete effectively could have a material adverse effect on our operating margins, business growth and prospects, financial condition and results of operations and may lead to a lower market share.

We operate in a competitive business environment, where competition from both existing players and new entrants may exert significant pressure on our pricing, market positioning, and margins. This competition could adversely affect our operating margins, business growth, financial condition, and results of operations, potentially leading to a loss of market share. Please also see “*Our Business - Competition*” on page 188 for further details.

To remain competitive in the market we must meet exacting quality standards, continuously strive to enhance our manufacturing capabilities and improve our operating efficiencies. We cannot assure you that we will continue to effectively compete with existing players and, or new entrants in the industry in the future, and failure to compete effectively may have an adverse effect on our business, financial condition, and results of operations. Moreover, the competitive nature of the industry that we operate in may result in lower prices for our product and decreased profit margins, which may materially adversely affect our revenue and profitability.

43. We enter into related party transactions in the ordinary course of our business and we cannot assure you that such transactions will not have an adverse effect on our results of operation and financial condition.

We have entered into transactions with related parties, including our Promoters and members of our Promoter Group, in the past and from, time to time, we may enter into related party transactions in the future. These transactions principally include and are in the nature of remuneration paid and purchase of goods. A summary of our transactions with related parties is set out below:

(in ₹ million, expect %)

Particulars	Six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total related party transactions	27.45	73.79	66.71	88.48
Total Related Party Transaction as a percentage of Revenue from Operations (%)	0.54	1.04	0.98	2.07

Please also see '*Summary of Offer Documents –Summary of Related Party Transactions*' and '*Restated Financial Information – Note 33 - Related Party Transactions*' on pages 24 and 265, respectively.

While our Company believes that all such transactions have been conducted on an arm's length basis and in accordance with the Companies Act, 2013 and other applicable laws and contain commercially reasonable terms, there can be no assurance that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that our Company may enter into related party transactions in the future. All related party transactions that we may enter into post-listing, will be subject to an approval by our Audit Committee, Board, or Shareholders, as required under the Companies Act, 2013 and the SEBI Listing Regulations. Such related party transactions in the future or any other future transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company and we cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our Company or minority shareholders and will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects.

44. An inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.

We have obtained a number of insurance policies in connection with our operations including burglary risk insurance policy, insurance for motor car, jeweller's block policy inter alia covering in- transit risks, and insurance policy for buildings, furniture, fittings and fixtures covering risks against fire, earthquake and terrorism. For further information, see "*Our Business – Insurance*" on page 189.

The table below sets forth our total insurance coverage as of the dates indicated:

Particulars	As of September 30, 2024	As of March 31, 2024	As of March 31, 2023	As of March 31, 2022
Insured assets (₹ million)	1,734.40	1,646.79	1,084.69	1,187.64
Percentage of total insurable assets (%)	100.00	100.00	100.00	100.00

While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. Further, while we have insurance coverage for transportation-related risks, there may be limitations on the value of gold jewellery covered under such policies. In the event of a loss, theft, or damage during transit, there is a possibility that our recovery through insurance may not fully compensate for the financial loss or cover the associated reputational damage. Additionally, the claims process can be time-consuming and may not fully restore the business to its previous position.

While in the last three Fiscals and the six months period ended September 30, 2024, there has not been any instance of any claim exceeding the insurance cover, our insurance policies may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. Further, we do not maintain product liability insurance for our products. A product liability claim arising from quality concerns or any other reason, may adversely affect our brand image and lead to a loss of confidence of customers in our products, which may have an adverse effect on our reputation, business, results of operations, financial condition and cash flows. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance or exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial condition may be adversely affected.

45. Our Promoters, Promoter Group, Directors, Group Companies, Key Managerial Personnel, Senior Management of our Company may enter into ventures that may lead to real or potential conflicts of interest with our business. Further, our Promoters and Directors have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits. Any real or potential conflicts of interest that may arise in this regard may materially adversely impact our business, financial condition, results of operations and cash flows.

Our Promoters and Directors may be deemed to be interested in our Company, in addition to the regular remuneration or benefits arising from their directorship in our Company. Our Promoters, Directors, Key Managerial Personnel and Senior Management may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. For further details, see "*Our Promoters and Promoter Group - Confirmations*", "*Our Management – Interest of Directors*" and "*Our Management - Interest of Key Managerial Personnel and Senior Management*" on pages 220, 207 and 216, respectively.

Our Promoters and Directors may also be interested to the extent of Equity Shares and to the extent of any dividend payable to them, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors, kartas or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue. For further details, see "*Capital Structure - Build-up of the shareholding of our Promoters in our Company*" and "*Capital Structure - Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company*" on pages 83 and 89, respectively.

Further, our Promoters and Directors, Pankajkumar H. Jagawat and Manojkumar N. Jain, have also extended personal guarantees in favour of certain of our lenders to secure the borrowings availed by our Company and may be deemed to be interested to that extent. Please also see "*-Our Promoters have provided personal guarantees in connection with our borrowings. Our business, financial condition, results of operations and prospects may be adversely affected by the revocation of all or any of the guarantees provided by them in connection with our borrowings.*" and "*Financial Indebtedness*" on pages 50 and 276, respectively.

Further, conflict of interest may occur between our business and the business of such ventures in which our Promoters, Directors, Key Managerial Personnel our Company are involved with, which could have an adverse effect on our operations. Our Group Companies, namely, Utssav CZ Gold Jewels Limited and Uzuri Jewels Private Limited are enabled under their memorandum of association to carry on similar activities as those of our Company. Further, while Uzuri Jewels Private Limited and Utssav CZ Gold Jewels Limited have entered into separate non-compete agreements dated January 06, 2025 and January 06, 2025, respectively, with our Company, to ensure that the designs and products of Uzuri Jewels Private Limited and Utssav CZ Gold Jewels Limited do not compete with those of our Company, we cannot assure you that these Group Companies will always fully comply with these non-compete obligations. Further, any termination or variation of terms of these non-compete agreements could result in a conflict of interest, which could have a material adverse effect on our revenue from sales, results of operations and financial condition. Please also see "*Our Group Companies - Common pursuits among our Group Companies and our Company*", "*History and Certain Corporate Maters - Key terms of other subsisting material agreements - Non-Compete Agreement dated January 06, 2025, 2024, entered into among our Company and Utssav CZ Gold Jewels Limited ("Non-Compete Agreement 1")"* and *"History and Certain Corporate Maters - Key terms of other subsisting material agreements - Non-Compete Agreement dated January 06, 2025, entered into among our Company and Uzuri Jewels Private Limited ("Non-Compete Agreement 2")*" on pages 223, 202 and 202, respectively. Our Promoters, members of the Promoter Group, Group Companies, Directors, Key Managerial Personnel and Senior Management may compete with us and have no obligation to direct any opportunities to us. We cannot assure you that these or other conflicts of interest will be resolved in an impartial manner.

We cannot assure you that there will not be any conflict of interest between our Company, Promoters, members of the Promoter Group or Group Companies. There can be no assurance that such entities will not compete with our existing business or any future business that we might undertake or that we will be able to suitably resolve such a conflict without an adverse effect on our business and financial performance.

Interests of Promoters, Promoter Group, Group Companies, Directors, Key Managerial Personnel and Senior Management may conflict with the interests of our Company, and they may, for business considerations or otherwise, cause us to take certain actions, or refrain from taking certain actions, which in turn may materially adversely impact our business, financial condition, results of operations and cash flows.

46. Our Company has not paid dividends during the last three Fiscals and during the current Fiscal. There can be no assurance that our Company will be in a position to pay dividends in the future. Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.

Our Board of Directors, pursuant to a resolution dated November 18, 2024, have adopted a dividend distribution policy. The declaration and payment of dividends, if any, will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and other applicable laws, including the Companies Act. Our Company has not paid dividends on its Equity Shares for Fiscal 2024, Fiscal 2023, Fiscal 2022 and during the current Fiscal. Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, cash requirements, capital expenditure, business prospects and restrictive covenants of our financing arrangements. Further, our Promoters will continue to hold a significant portion of our post-Issue paid-up Equity Share capital and may have a significant ability to control the payment and/or the rate of dividends. Therefore, our Company cannot assure you that it will be able to declare dividends, of any particular amount or with any frequency in the future. For further details, see "*- Our Promoters have significant control over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder*." and "*Dividend Policy*" on pages 53 and 225, respectively.

47. We have in this Draft Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the Indian biorefinery industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.

Certain non-GAAP financial measures, viz., Net Asset Value per Equity Share, EBITDA, EBITDA Margin, Net Profit After Tax, Net Profit Margin, Days Working Capital, Return on Capital Employed, Debt to Equity Ratio, Return on Net Worth and Net Worth, and certain other industry measures relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of companies in the Indian jewellery industry, many of which provide such non-GAAP financial measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed elsewhere in this Draft Red Herring Prospectus.

These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies. For further information, see "*Management's Discussions and Analysis of Financial Condition and Results of Operation –Non-GAAP Financial Measures*" on page 301.

48. We have, in the last year, issued Equity Shares at a price that could be lower than the Issue Price.

In the preceding one year from the date of this Draft Red Herring Prospectus, our Company has issued Equity Shares at a price that may be lower than the Issue Price. The price at which Equity Shares have been issued by our Company in the preceding one year is not indicative of the price at which they will be issued or traded after listing. For details on such allotments, see "*Capital Structure –Notes to Capital Structure –Share capital history of our Company*" on page 80.

49. Our Company has issued bonus shares on November 18, 2024 in the proportion of 5:1, i.e., 5 Equity Shares each for every 1 Equity Share each held by existing equity Shareholders of the Company as on November 14, 2024. There can be no assurance that our Company will be in a position to declare bonus in the future. Our ability to declare and issue bonus in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.

On November 18, 2024, our Company had issued bonus shares in the ratio of 5 Equity Shares for every one Equity Share held by the Shareholders, utilizing its reserves, including accumulated retained earnings. The bonus issue was authorized by a resolution passed by the Shareholders at the extra-ordinary general meeting held on November 9, 2024 with the record date as November 14, 2024. For further details, see "*Capital Structure – Equity Share capital history of our Company*" on page 80. While this issue was in accordance with applicable laws and did not adversely impact the financial position of our Company, the ability to declare and issue bonuses in the future will depend on the availability of sufficient reserves, our Company's profitability, and compliance with applicable regulations at the time. There is no guarantee that our Company will be able to issue bonus shares in the future, as it will require the availability of adequate reserves and may be subject to legal requirements, and corporate approvals. Any future bonus issues could also impact our Company's financial flexibility and its ability to distribute profits in other forms.

50. Negative publicity against us, our Promoters, Promoter group, our suppliers, our customers or any of our or their affiliates could cause us reputational harm and could have a material adverse effect on our business, financial condition, results of operations and prospects.

From time to time, we, our Promoters, Promoter Group, our suppliers, our customers or any of our or their affiliates may be subject to negative publicity in relation to our or their business or staff, including publicity covering issues such as anti-corruption, safety and environmental protection. While we have not faced any such instances of negative publicity which had a material adverse effect on us in the past, such negative publicity in future, however, even if later proven to be false or misleading, and even where the entities or individuals implicated are members or employees of our suppliers, customers or our or their affiliates and not of us, could lead to a temporary or prolonged negative perception against us by virtue of our affiliation with such individuals, suppliers, customers or affiliates. Our reputation in the marketplace is important to our ability to generate and retain business. In particular, damage to our reputation could be difficult and time-consuming to repair, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

51. For our business, we rely heavily on our Promoters namely, Pankajkumar H. Jagawat, Manojkumar N. Jain and Shashank Bhawarlal Jagawat, who are our Managing Director, Whole time Director and Non-Executive Director, respectively. Our business performance may have an adverse effect by their departure or by our failure to recruit or keep them.

Our Promoters are in charge of our day-to-day operations, strategy, and business expansion. They are also responsible for the execution of our business plan. It may be challenging to find a suitable replacement for one or more of these Promoters in a timely and economical manner if they are unable to continue in their current roles.

While Pankajkumar H. Jagawat and Manojkumar N. Jain have over 20 years of experience each, and Shashank Bhawarlal Jagawat has over 16 years of experience in the jewellery industry, they do not possess formal educational qualifications. However, their industry experience has contributed significantly to our Company's growth. For further details, see "*Our Management – Brief profiles of our Directors*" on page 203.

Our ability to keep these Promoters on board cannot be guaranteed. Given their experience and critical role in our Company, finding suitable replacements for one or more of these Promoters, should the need arise, may be challenging and time-consuming. Our ability to grow, execute our strategy, build brand awareness, raise capital, make strategic decisions, and oversee the day-to-day operations of our business could be hampered by the loss of these Promoters or our inability to find suitable replacements. Further, there could be a materially negative effect on our operations, financial position, cash flows, and business.

52. We incur significant employee benefits expense. An increase in employee costs, including on account of changes in regulations, may prevent us from maintaining our competitive advantage and may reduce our profitability.

We incur various employee benefits expense, including salaries and bonus (including directors' remuneration), contribution to provident and other funds and staff welfare expenses. During the six months period ended September 30, 2024 and during Fiscals 2024, 2023 and 2022, our employee benefits expense amounted to ₹ 27.41 million, ₹ 49.85 million, ₹ 44.63 million, and ₹ 39.03 million, respectively, representing 0.54%, 0.70 %, 0.66%, and 0.91% respectively, of our revenue from operations for such periods. Salaries and wages may increase in the future due to various factors, including ordinary course pay increases, a raise in minimum wage levels, enhancement in social security measures, competition for talent or through changes in regulations in the jurisdictions in which we operate. For instance, such an increase may arise in India on the implementation by the Government of India of its labour codes, namely (i) the Code on Wages, 2019; (ii) the Code on Social Security, 2020; (iii) the Occupational Safety, Health and Working Conditions Code, 2020; and (iv) the Industrial Relations Code, 2020. Our profit margins may be adversely impacted if we are unable to pass on such increases in expenses to our customers.

Unless we can maintain appropriate resource utilization levels, continue to increase the efficiency and productivity of our employees, the increase in employee benefits expense in the long term may reduce our profit margins, which in turn may adversely affect our results of operations and financial condition.

53. If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our Company has a dedicated quality control and inventory and operations teams comprising 23 and 11 employees, respectively, as of November 15, 2024, that is responsible for maintaining our required quality standards and inventory. We have put in place quality control processes that require us to ensure hallmarking of our products, technical inspections of jewellery and checks for scratches, imperfections or damage of pieces for ensuring consistent quality of our products. There have been no past material instances of failure to maintain effective internal controls and compliance system. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our equity shares. Our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance. Our operations may be subject to incidents of theft or damage to inventory in transit, prior to or during stocking or delivery. For related risks, see "- *We operate in a high-value commodity sector and there are certain security risks associated with the transit and delivery of gold jewellery, including potential loss or theft*." on page 35. Although we have not experienced any such instances during transit or deliveries, we are currently involved in a legal matter with one of our customers. Our Chairman and Managing Director, Pankajkumar H. Jagawat, had filed a FIR dated October 28, 2019 with the MIDC Police Station, Mumbai, under Sections 406, 420 and 34 of the Indian Penal Code, alleging fraud by two individuals who had purchased gold ornaments worth Rs. 140.50 million from our Company and out of which amount of Rs. 32.53 million remained outstanding. Since the aforesaid individuals were not able to repay the outstanding amount, they had defrauded us by selling inferior quality diamond jewellery to our Company. For further details, see "*Outstanding Litigations and Material Developments – Litigation involving our Directors – Litigation filed by our Directors – Criminal proceedings*" on page 312. 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 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.

Further, if we are not in compliance with applicable anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, financial condition, results of operations and liquidity. Likewise, any investigation of any potential violations of anti-corruption laws by the relevant authorities could also have an adverse impact on our business and reputation. As we continue to grow, there can be no assurance that there will be no instances of non-compliances with statutory requirements, which may subject us to regulatory action, including monetary penalties, which may adversely affect our business and reputation.

54. Significant differences exist between Ind AS and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which may affect investor's assessment of our financial condition.

Our Restated Financial Information has been compiled from our audited financial statements prepared and presented in accordance with Ind-AS, and restated in accordance with the SEBI ICDR Regulations. Ind-AS differs from accounting principles with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Ind-AS, U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Draft Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is dependent on the prospective investor's familiarity with Ind-AS and the Companies Act. Any reliance by persons not familiar with Ind-AS on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. In addition, some of our competitors may not present their financial statements in accordance with Ind AS and their financial statements may not be directly comparable to ours, and therefore reliance should accordingly be limited.

55. ***The determination of the Price Band is based on various factors and assumptions and the Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchanges.***

The determination of the Price Band and discount, if any, is based on various factors and assumptions, and will be determined by our Company, in consultation with the Book Running Lead Manager. Furthermore, the Issue Price of the Equity Shares will be determined by our Company, in consultation with the Book Running Lead Manager through the book building process. These will be based on numerous factors, including those described under "*Basis for Issue Price*" on page 111, and may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchanges.

The price of our Equity Shares upon listing on the Stock Exchanges will be determined by the market and may be influenced by many factors outside of our control. For further details, see "*– Our Equity Shares have never been publicly traded, and after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the Issue Price may not be indicative of the market price of the Equity Shares after the Issue.*" on page 62.

56. ***Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (ASM) and Graded Surveillance Measures (GSM) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.***

SEBI and the Stock Exchanges have introduced various pre-emptive surveillance measures in order to enhance market integrity and safeguard the interests of investors, including ASM and GSM. ASM and GSM are imposed on securities of companies based on various objective criteria such as significant variations in price and volume, concentration of certain client accounts as a percentage of combined trading volume, average delivery, securities which witness abnormal price rise not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net worth, price / earnings multiple and market capitalization.

Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, low trading volumes, and a large concentration of client accounts as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include requiring higher margin requirements, requirement of settlement on a trade for trade basis without netting off, limiting trading frequency, reduction of applicable price band, requirement of settlement on gross basis or freezing of price on upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of these restrictions and curbs on trading may have an adverse effect on market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company.

For further details in relation to the ASM and GSM Surveillance Measures, including criteria for shortlisting and review of listed securities, exemptions from shortlisting and frequently asked questions, among other details, refer to the websites of the NSE and the BSE.

External Risk Factors

<u>Risks Related to India</u>

57. ***The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease, and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic, or political events in India could have an adverse effect on our business. 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 market price of the Equity Shares.

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

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent largely 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 product may be adversely affected by an economic downturn in domestic, regional and global economies. Our results of operations are significantly affected by factors influencing the Indian economy. Economic growth in India is affected by various factors including:

- domestic consumption and savings, and prevailing income conditions among consumers and corporations in India;
- any increase in Indian interest rates or inflation;
- political instability, terrorism, or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- 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;
- balance of trade movements, namely export demand and movements in key imports (oil and oil products);
- any downgrading of India's debt rating by a domestic or international rating agency;
- financial instability in financial markets;
- global economic uncertainty and liquidity crisis and volatility in exchange currency rates; and
- other significant regulatory or economic developments in or affecting India or its jewellery industry.

Consequently, any future slowdown in the Indian economy could harm our business, results of operations, financial condition and cash flows. 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.

On February 24, 2022, Russian military forces invaded Ukraine. Although the length, impact and outcome of the ongoing military conflict in Ukraine is highly unpredictable, this conflict and responses from international communities could lead to significant market and other disruptions, including significant volatility in commodity prices and supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, changes in consumer or purchaser preferences as well as increase in cyberattacks and espionage.

To date, we have not experienced any material interruptions in our business operations in connection with these conflicts. We have no way to predict the progress or outcome of the conflict in Ukraine as the conflict, and any resulting government reactions, are rapidly developing and beyond our control. The extent and duration of the military action, sanctions and resulting market disruptions could be significant and could potentially have a substantial impact on the global economy and our business for an unknown period of time. Any of the abovementioned factors could affect our business, financial condition, cash flows and results of operations.

59. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business and cash flows.

The Competition Act was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India to regulate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Central Government notified and brought into force the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations ("**Combination Regulations**") under the Competition Act with effect from June 1, 2011. The Combination Regulations require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India. Additionally, on May 11, 2011, the Competition Commission of India issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, which sets out the mechanism for implementation of the merger control regime in India. The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the Competition Commission of India has extraterritorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India.

However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We do not have any outstanding notices in relation to non- compliance with the Competition Act or the agreements entered into by us.

The Government of India has also introduced the Competition (Amendment) Bill, 2023 in the Lok Sabha on February 8, 2023, which has proposed several amendments to Competition (Amendment) Bill, 2022 introduced in the Lok Sabha in August, 2022 and the Competition Act. These amendments include the introduction of deal value thresholds for assessing whether a merger or acquisition qualifies as a "combination", expedited merger review timelines, codification of the lowest standard of "control" and enhanced penalties for providing false information or a failure to provide material information. As these are draft amendments, we cannot ascertain at this stage whether the proposed amendments will come into force in the form suggested or at all, their applicability, partially or at all, in respect of our operations once they come into force, or the extent to which the amendments, if and when they come into force, will result in additional costs for compliance, which in turn may adversely affect our business, results of operations, cash flows and prospects.

However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the Competition Commission of India, or any adverse publicity that may be generated due to scrutiny or prosecution by the Competition Commission of India or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business and cash flows.

60. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change.

Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations.

Further, any future amendments may affect our tax benefits such as exemptions for interest received in respect of tax-free bonds, and long-term capital gains on equity shares. The Government of India has announced the union budget for Fiscal 2025, pursuant to which certain provisions of the Finance Act, 2024, came into force on April 1, 2024 which has introduced various amendments to the IT Act. We have not fully determined the impact of these recent and proposed laws and regulations on our business. We cannot predict whether the amendments made pursuant to the Finance Act, 2024 would have an adverse effect on our business, financial condition, future cash flows and results of operations.

Furthermore, changes in capital gains tax or tax on capital market transactions or the sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance. For further discussion on capital gains tax, see "- *Investors may be subject to Indian taxes arising out of income arising out of capital gains on the sale of the Equity Shares*" on page 63.

We cannot predict the impact of any changes in or interpretations of existing, or the promulgation of, new laws, rules, and regulations applicable to us and our business. Unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us, our business, operations, or group structure being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. We may incur increased costs and expend resources relating to compliance with such new requirements, which may also require significant management time, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation, or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

61. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract 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 compliance with sectoral norms and certain other exceptions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If a transfer of shares, which are sought to be transferred, 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 addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Rules, investments where the beneficial owner of the equity shares is situated in or is a citizen of a country which shares a land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. 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 Government of India. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or conditions or at all. For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 357.

62. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

Risks Related to the Issue

63. Our Equity Shares have never been publicly traded, and after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the Issue Price may not be indicative of the market price of the Equity Shares after the Issue.

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market for our Equity Share on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares.

Furthermore, the Issue Price of the Equity Shares will be determined through the Book Building Process. These will be based on numerous factors, including factors as described under "*Basis for Issue Price*" on page 111 and may not be indicative of the market price for the Equity Shares after the Issue.

The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, the failure of security analysts to cover the Equity Shares after this Issue, or changes in the estimates of our performance by analysts, the activities of competitors and suppliers, future sales of the Equity Shares by our Company or our shareholders, 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. We cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. There can be no assurance that the investor will be able to resell their Equity Shares at or above the Issue Price.

64. Investors may be subject to Indian taxes arising out of income 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 is generally taxable in India. A securities transaction tax ("STT") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long term capital gains tax in India at the specified rates depending on certain factors, such as STT is paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. Furthermore, 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. Earlier, distribution of dividends by a domestic company was subject to Dividend Distribution Tax ("DDT"), in the hands of the company and such dividends were generally exempt from tax in the hands of the shareholders. However, the government of India has amended the Income Tax Act, 1961 to abolish the DDT regime. Under the extant provisions, any dividend distributed by a domestic company is subject to tax in the hands of the concerned shareholder at the applicable rates. Additionally, the company distributing dividends is required to withhold tax on such payments at the applicable rate. However, non-resident shareholders may claim benefit of the applicable tax treaty, subject to satisfaction of certain conditions.

Furthermore, if non-resident shareholders of entities holding the Equity Shares exit by way of sale or redemption of the shares held by them abroad in such entities, such non-resident shareholders could be taxed on capital gains in India if the offshore shares derive substantial value from Indian assets, subject to certain exemptions. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India only in limited situations and 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. Similarly, any business income realized from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller.

Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our Company's business, results of operations, financial condition and cash flows. Investors should consult their own tax advisors about the consequences of investing in or trading in Equity Shares.

65. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid, and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Issue Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. However, Retail Individual Investors can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Issue within such period as may be prescribed under applicable law, events affecting the Bidders' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

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

Under the Companies Act, a company having share capital and incorporated in India must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution. However, if the laws of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in our Company would be reduced.

67. ***Future issuances or sales of Equity Shares, or convertible securities or other equity-linked securities could adversely affect the trading price of the Equity Shares.***

Our future issuances of Equity Shares, convertible securities or securities linked to the Equity Shares by us (including under employee stock option plans) or the disposal of Equity Shares by our Promoter or any of our other principal 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 significantly affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber the Equity Shares. Any future issuances could also dilute the value of your investment in our Company.

68. ***Fluctuation in the exchange rate of the Rupee and other currencies could have an adverse effect on the value of our Equity Shares, independent of our operating results.***

Subject to requisite approvals, on listing, our Equity Shares will be quoted in Rupees on the Stock Exchanges. Any dividends, if declared, in respect of our Equity Shares will be paid in Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to such investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the net proceeds received by shareholders.

The exchange rate of the Rupee has changed substantially in the last two decades and could fluctuate substantially in the future, which may have a material adverse effect on the value of the Equity Shares and returns from the Equity Shares, independent of our operating results.

69. ***Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Issue.***

The Equity Shares will be listed on the Stock Exchanges. Pursuant to the applicable Indian laws and practice, permission for listing of the Equity Shares will not be granted till the Equity Shares in this Issue have been issued and allotted and all relevant documents are submitted to the Stock Exchanges. Further, certain actions must be completed prior to the commencement of listing and trading of the Equity Shares such as the Investor's book entry or 'demat' accounts with the depository participants in India, the Allotment of Equity Shares in the Issue and the credit of such Equity Shares to the applicant's demat account with the depository participant. Any failure or delay in obtaining the approval or otherwise commence trading in Equity Shares would restrict your ability to dispose of your Equity Shares. We cannot assure you that the Equity Shares will be credited to investors' demat accounts or that trading in the Equity Shares will commence in a timely manner (as specified herein) or at all. We could also be required to pay interest at the applicable rates if the allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

SECTION III: INTRODUCTION

THE ISSUE

The following table summarizes details of the Issue:

Issue of Equity Shares (1) *	Up to 18,096,000 Equity Shares of face value ₹ 10 each, aggregating up to ₹ [●] million.
Of which:	
A) QIB Portion(2)(3)	Not more than [●] Equity Shares of face value ₹ 10 each aggregating up to ₹ [●] million.
Of which:	
(i) Anchor Investor Portion(2)	Up to [●] Equity Shares of face value ₹ 10 each.
(ii) Net QIB Portion available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares of face value ₹ 10 each.
Of which:	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares of face value ₹ 10 each.
(b) Balance for all QIBs including Mutual Funds	[●] Equity Shares of face value ₹ 10 each
B) Non-Institutional Portion(3)(4)	Not less than [●] Equity Shares of face value ₹ 10 each aggregating up to ₹ [●] million
Of which:	
(a) One-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million	[●] Equity Shares of face value ₹ 10 each
(b) Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 1.00 million	[●] Equity Shares of face value ₹ 10 each
C) Retail Portion(3)	Not less than [●] Equity Shares of face value ₹ 10each aggregating up to ₹ [●] million
Pre and post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue (as at the date of this Draft Red Herring Prospectus)	54,000,000 Equity Shares of face value ₹ 10 each
Equity Shares outstanding after the Issue	[●] Equity Shares of face value ₹ 10 each
Use of Net Proceeds	See "*Objects of the Issue*" on page 92 for information about the use of the Proceeds arising from the Issue.

**Subject to finalisation of Basis of Allotment.*

(1) *The Issue has been authorized by a resolution of our Board dated November 18, 2024 and has been authorized by a special resolution of our Shareholders dated November 30, 2024.*

(2) *Our Company in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. 5% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see "Issue Procedure" on page 338.*

(3) *Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws. In case of under-subscription in the Issue, subject to receipt of minimum subscription for 90% of the Issue, compliance with Rule 19(2)(b) of the SCRR and allotment of not more than 50% of the Net Issue to QIBs, Equity Shares shall be allocated in the manner specified in the section "Terms of the Issue" on page 327 of this Draft Red Herring Prospectus.*

(4) *The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following (i) 1/3rd of the Non- Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹*

0.20 million and up to ₹ 1.00 million and (ii) 2/3rd of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 1.00 million provided that under-subscription in either of these two sub-categories specified in (i) and (ii), may be allocated to Bidders in the other sub-category of Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

For further details, including in relation to grounds for rejection of Bids, refer to "*Issue Structure*" and "*Issue Procedure*" on page 334 and 338, respectively. For further details of the terms of the Issue, see *"Terms of the Issue"* on page 327.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from the Restated Financial Information. The summary financial information presented below should be read in conjunction with "*Restated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 226 and 279, respectively.

Summary Restated Statement of Assets and Liabilities

(₹ in million except for share data and if otherwise stated)

Particulars	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
ASSETS				
Non - Current Asset				
(a) Property, Plant and Equipment	167.43	185.18	117.22	116.07
(b) Capital Work-in-progress	80.65	78.45	59.54	37.83
(c) Investment Property	240.34	214.74	218.88	223.02
(d) Intangible Assets	0.06	0.07	0.12	0.91
(e) Right-of-use asset	187.79	202.00	88.78	92.70
(f) Financial Assets				
(i) Investments	0.03	0.03	0.03	0.03
(ii) Other Financial Assets	22.79	18.20	48.88	24.37
(e) Other non current assets	0.00	0.00	0.00	0.00
Current Assets				
(a) Inventories	1285.97	1286.02	853.93	850.46
(b) Financial Assets				
(i) Trade receivables	1528.87	782.31	1023.25	698.46
(ii) Cash and cash equivalents	70.72	34.56	14.14	2.64
(iii) Bank balances other than cash and cash equivalents	448.03	394.26	97.96	44.16
(iv) Other financial assets	1.97	1.72	0.57	2.00
(d) Other current Assets	77.91	56.46	45.53	51.45
TOTAL ASSETS	**4,112.56**	**3,254.01**	**2,568.83**	**2,144.10**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	90.00	90.00	90.00	90.00
(b) Other Equity	1058.43	876.69	608.05	410.13
Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowing	307.12	346.20	430.68	393.89
(ii) Lease Liabilities	97.55	105.68	11.41	12.68
(iii) Other Financial Liabilities	10.80	10.80	5.86	4.02
(b) Deferred Tax Liability	68.39	72.14	80.51	78.81
(c) Provisions	1.77	1.67	1.80	.83
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowing	2307.31	1637.43	1204.96	1025.81
(ii) Lease Liabilities	17.13	17.47	6.29	7.34
(iii) Trade Payables				
(a) Dues of micro enterprises and small enterprises	15.07	19.70	15.71	18.31

Particulars	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
(b) Dues of creditors other than micro enterprises and small enterprises	77.79	24.94	47.20	58.42
(b) Other Current Liabilities	37.04	32.39	41.44	43.83
(c) Short Term Provisions	24.16	18.89	24.92	0.03
TOTAL LIABILITIES	**4,112.56**	**3,254.01**	**2,568.83**	**2,144.10**

Summary Restated Statement Of Profit And Loss

(₹ in million except for share data and if otherwise stated)

Particulars	For the six months period ended September 30,2024	For the year ended March, 31,2024	For the year ended March 31,2023	For the year ended March 31,2022
INCOME				
I Revenue from Operations	5059.00	7114.34	6794.04	4283.41
II Other Income	37.65	36.04	28.71	17.93
III Total Income (I+II)	**5096.65**	**7150.38**	**6822.75**	**4301.34**
IV EXPENSES				
Cost of materials consumed	4646.61	6939.08	6248.32	4393.96
Changes in inventories of Finished Goods, Work-in-progress and Stock-in-Trade	22.72	(441.97)	17.88	(378.47)
Employee benefits expenses	27.41	49.85	44.63	39.03
Finance costs	87.48	142.78	121.27	97.97
Depreciation and amortisation expense	27.31	33.52	24.87	25.04
Other Expenses	37.98	68.88	56.22	39.88
Total Expenses (IV)	**4849.51**	**6792.14**	**6513.19**	**4217.41**
V Profit before exceptional and extraordinary items and tax (III - IV)	**247.14**	**358.24**	**309.56**	**83.93**
VI Exceptional items (net)	.	.	.	.
VII Profit / (Loss) before extraordinary items and tax	**247.14**	**358.24**	**309.56**	**83.93**
VIII Extraordinary items				
IX Profit / (Loss) before tax	**247.14**	**358.24**	**309.56**	**83.93**
X Tax expense:				
1. Current tax	68.15	97.38	109.53	33.65
2. Deferred Tax	(3.49)	(8.36)	1.84	17.27
3. Earlier Year Tax	0.00	0.54	0.00	0.00
Total Tax Expense	**64.66**	**89.56**	**111.37**	**50.92**
XI Profit / (Loss) for the period (IX - X)	**182.48**	**268.68**	**198.19**	**33.01**
XII Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Remeasurement gains/(losses) on defined benefit plan	(0.98)	(0.06)	(0.41)	0.50
Income tax effect on above	0.25	0.01	0.14	0.18
Other comprehensive income for the year	(0.73)	(0.04)	(0.27)	0.68
XIII Total comprehensive income for the year (XI + XII)	**181.75**	**268.64**	**197.92**	**33.69**

WEIGHTED AVERAGE NUMBER OF SHARES	54.00	54.00	54.00	54.00
XIV Earning per Equity Share of Rs. 10/- fully paid:				
1. Basic	3.38*	4.98	3.67	0.61
2. Diluted	3.38*	4.98	3.67	0.61

Summary Restated Statement Of Cash Flows

(₹ in million except for share data and if otherwise stated)

Particulars	For the six months period ended September 30,2024	For the year ended March, 31,2024	For the year ended March 31,2023	For the year ended March 31,2022
A) Cash Flow From Operating Activities				
Net Profit Before Tax For The Year	**247.14**	**358.24**	**309.56**	**83.93**
Adjustment For				
Depreciation/ Amortisation	27.31	33.52	24.87	25.04
(Profit)/Loss On Sale Of Fixed Assets	0.19	1.42	(1.46)	0.00
Impairment Provision / (Reversal) Of Financial Instruments (Net)	0.13	0.26	(0.46)	(0.65)
Unwinding Of Discount On Security Deposits	(0.77)	(0.44)	(0.16)	(0.15)
Remeasurement Gains/(Losses) On Defined Benefit Plans	(0.98)	(0.06)	(0.41)	0.50
Interest & Finance Charges	87.48	142.78	121.27	97.97
Dividend Income	0.00	0.00	(0.01)	(0.01)
Rent Income	(14.75)	(15.81)	(10.62)	(14.04)
Interest Income	(17.69)	(14.09)	(3.64)	(0.42)
Operating Profit Before Working Capital Changes	**328.07**	**505.82**	**438.94**	**192.17**
Adjustment For Working Capital Changes				
Decrease/(Increase) In Trade And Other Receivables	(746.56)	240.93	(324.78)	125.24
Decrease/(Increase) In Inventories	0.05	(432.09)	(3.47)	(386.65)
Decrease/(Increase) In Short Term Loans & Advances	(0.25)	(1.15)	1.43	(0.63)
Decrease In Other Current Assets	41.55	4.09	60.39	134.85
Decrease/(Increase) In Other Bank Balances	(53.77)	(296.30)	(53.81)	(32.56)
Increase/(Decrease) In Other Current Liabilities	4.65	(9.05)	(2.39)	(27.83)
Increase/(Decrease) In Trade And Other Payables	48.21	(18.27)	(13.82)	21.10
Increase/(Decrease) In Long/Short Term Provisions	62.78	(17.02)	(57.67)	(149.59)
Cash Generated From Operations	**(440.83)**	**(23.05)**	**44.80**	**(123.88)**
Income Tax Paid (Net Of Refund Received)	63.00	102.05	80.46	34.08
Net Cash Flow From Operating Activities (A)	**(503.83)**	**(125.10)**	**(35.66)**	**(157.97)**
B) Cash Flow From Investing Activities				
Purchase Of Fixed Assets	(49.55)	(84.98)	(17.44)	(3.54)
Proceeds From Sales Of Fixed Assets	29.45	1.13	4.72	0.00
Investment In Constuction Of Building (Capital Work In Progress)	(2.20)	(18.91)	(21.70)	(37.44)

Proceeds From Sale Of Capital Assets	0.00	0.00	0.00	21.14
Fixed Deposit (Given)/ Received Back	(0.36)	2.21	(20.31)	(0.84)
Security Deposit (Given)/ Received Back	(3.50)	19.90	(4.31)	(19.79)
Interest Received	17.69	14.09	3.64	0.42
Dividend Received	0.00	0.00	0.01	0.01
Rent Received	14.75	15.81	10.62	14.04
Net Cash Used In Investment Activities (B)	**6.29**	**(50.75)**	**(44.77)**	**(26.00)**
C. Cash Flow From Financing Activities				
Proceeds From Long Term Borrowings	0.00	35.95	159.57	338.47
Repayment Of Long Term Borrowings	(39.21)	(120.69)	(122.33)	(57.56)
Principal Payment Of Lease Liabilities	(16.66)	(21.02)	(7.36)	(6.26)
Security Deposit (Given)/ Received Back	0.00	4.95	1.84	0.00
Increase/(Decrease) In Short Term Borrowings	669.88	432.47	179.16	2.92
Interest & Finance Charges Paid	(80.30)	(135.39)	(118.95)	(95.49)
Net Cash Flow From Financing Activities (C')	**533.70**	**196.27**	**91.93**	**182.08**
Net Increase / Decrease In Cash And Cash Equivalents (A+B+C)	**36.16**	**20.42**	**11.50**	**(1.88)**
Cash & Cash Equivalents As At The Beginning Of The Period	34.56	14.14	2.64	4.52
Cash & Cash Equivalents As At The End Of The Period	**70.72**	**34.56**	**14.14**	**2.64**

GENERAL INFORMATION

Our Company was originally formed as a partnership firm in the name and style of "M/s Shanti Gold" pursuant to partnership deed dated August 05, 2003, with Pankajkumar H Jagawat and Manojkumar N Jain as its partners. Subsequently, by way of a restated partnership deed dated July 13, 2013, Mukesh Shantilal Jain, Rakesh Shantilal Jagawat, Shashank Bhawarlal Jagawat, Llalet Gulab Jagasia and Vikramsingh Prakash Verma joined as partners and the name of the firm was changed to "M/s. Shanti Gold International". In accordance with the provisions of Part IX of the Companies Act, 1956, the partnership firm was converted to a public limited company under the name and style of 'Shanti Gold International Limited', and a fresh certificate of incorporation dated November 01, 2013, was issued by the RoC. Our Company was granted the certificate of commencement of business on November 22, 2013, by the RoC. For details of incorporation, changes in the name and registered office of our Company, see '*History and Certain Corporate Matters-Brief History of our Company*' on page 199.

REGISTERED AND CORPORATE OFFICE OF OUR COMPANY

Shanti Gold International Limited
Plot No A-51, 2nd Floor to 7th Floor,
MIDC, Marol Industrial Area, Road no.-1,
Near Tunga International Hotel, Andheri (East),
Chakala MIDC,
Mumbai - 400093,
Maharashtra, India.
Tel No: + 91 22 4824 9647 (413)
Email: cs@shantigold.in
Website: www.shantigold.in

Corporate Identification Number: U74999MH2013PLC249748
Registration Number: 249748

ADDRESS OF REGISTRAR OF COMPANIES

Our Company is registered with the RoC, which is situated at the following address:

100, Everest, Marine Drive,
Mumbai- 400002,
Maharashtra, India.

Board of Directors of our Company

As on the date of this Draft Red Herring Prospectus, our Board of Directors is as set out below:

Name of Director	Designation	DIN	Address
Pankajkumar H Jagawat	Chairman and Managing Director	01843846	Navratan C.H.S, 401/402, 14th/33rd Road, Near Mira Agrwal nursing home, Bandra West, Mumbai - 400050, Maharashtra, India
Manojkumar N Jain	Whole-time Director	01817027	1001/1101, Nav Sonarbala CHS Ltd Annexe Building, 35 Gurunanak Road (Turner Road), Bandra (West), Mumbai - 400050, Maharashtra, India
Shashank Bhawarlal Jagawat	Non-Executive Director	01824609	Flat No. 901, Ekta Verve, 16th Road, Khar West, Mumbai - 400052, Maharashtra, India
Yash Mahansaria	Independent Director	10776135	Shyam ji Mandir, Pratibha Nagar, ward No-41, Churu - 331001, Rajasthan, India
Bhavika Yash Ghuntla	Independent Director	10084723	A-1902, Gokul Concorde CHS, Dattani Park, Thakur Village, Near Western Express Highway, Kandivali East, Mumbai – 400101, Maharashtra, India
Purvi Pathik Shah	Independent Director	10694424	C 401, MandPeshwar Kripa Co-op Housing Society Ltd, S V Road, Opp St Francis School, Borivali West, Mandapeshwar,

Name of Director	Designation	DIN	Address
			Mumbai Suburban, Mumbai – 400103, Maharashtra, India

For further details of our Directors, see "*Our Management*" on page 203 of this Draft Red Herring Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Vrushti Parag Shah
Plot No A-51, 2nd Floor to 7th Floor,
MIDC, Marol Industrial Area, Road no.-1
Near Tunga International Hotel, Andheri (East),
Chakala MIDC,
Mumbai – 400093,
Maharashtra, India
Tel No.: .: + 91 22 4824 9647 (413)
Email: cs@shantigold.in

Investor grievances

Bidders 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 grievances such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders, non-receipt of funds by electronic mode, etc. For all Issue -related queries and for redressal of complaints, Investors may also write to the BRLM.

All Issue-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or first Bidder, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, the Bid amount paid on submission of the Bid cum Application Form and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB 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 Centers, 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 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 Centers, 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 UPI ID of the UPI ID Linked Bank Account in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to Bids 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.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLM where the Bid cum Application Form was submitted by the Anchor Investor.

The Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned above.

BOOK RUNNING LEAD MANAGER

Choice Capital Advisors Private Limited
Sunil Patodia Tower, Plot No. 156-158,
J.B. Nagar, Andheri (East),
Mumbai, Maharashtra – 400099
Tel: +91 22 6706 9999 (7919)
E-mail: sgil.ipo@choiceindia.com
Website: www.choiceindia.com/merchant-investment-banking
Investor Grievance fE-mail: investorgrievances_advisors@choiceindia.com
Contact Person: Nimisha Joshi/Anuj Killa
SEBI Registration No.: INM000011872

STATEMENT OF RESPONSIBILITIES

Choice Capital Advisors Private Limited is the sole Book Running Lead Manager to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by Choice Capital Advisors Private Limited and hence, a statement of inter-se allocation of responsibilities is not required.

LEGAL COUNSEL TO THE ISSUE

Messrs. Kanga and Company
Advocates & Solicitors,
Readymoney Mansion,
43, Veer Nariman Road, Fort,
Mumbai – 400 001
Tel No: +91 22 6623 0000

STATUTORY AUDITORS TO OUR COMPANY

J. Kala & Associates, Chartered Accountants
504 Rainbow Chambers, S.V. Road,
Kandivali (West),
Mumbai - 400 067,
Maharashtra, India.
Tel No.: 022 2862 5129/5153
Email: admin@jka.co.in/ hiral.mehta@jka.co.in
Contact person: CA Hiral Mehta
Membership Number: 149085
Peer Review Number: 014847
Firm Registration Number: 118769W

Changes in statutory auditors

Except as stated below, there has been no change in the statutory auditors of our Company during the three years immediately preceding the date of this Draft Red Herring Prospectus:

Particulars	Date of change	Reason of change
Ankit Paras and Associates, Chartered Accountants 204, Dwarka Thanawala Lane, Vile Parle (East), Mumbai, Maharashtra - 400057 **Tel No.:** +91 9821714567 **Email**: ajain1986@gmail.com **Contact person:** Ankit Paras Jain **Membership Number:** 154324 **Firm Registration Number:** 138236W	August 2, 2022	Resignation due to ill health of family member of the proprietor.
Shahji & Co., Chartered Accountants B-401, 4th floor, Blue Orbit, Opp. Inorbit Mall, Goregaon Mulund Link Road,	March 23, 2024	Resignation due to pre-occupation in other assignments.

Particulars	Date of change	Reason of change
Malad (West), Mumbai, Maharashtra - 400064 **Tel No.:** +022 24368000 **Email**: sureshshahji2012@gmail.com **Contact person:** S. C. Shahji **Membership Number:** 016763 **Firm Registration Number:** 125826W		
J. Kala & Associates, **Chartered Accountants** 504 Rainbow Chambers, S.V. Road, Kandivali (West), Mumbai - 400 067, Maharashtra, India. **Tel No.:** 022 2862 5129/5153 **Email**: admin@jka.co.in/ hiral.mehta@jka.co.in **Contact person:** CA Hiral Mehta **Membership Number:** 149085 **Peer Review Number:** 014847 **Firm Registration Number:** 118769W	September 27, 2024	Appointment as Statutory Auditors for a period of five years with effect from the AGM held in Fiscal 2024, i.e. September 27, 2024 till the conclusion of the Annual General Meeting of the Company to be held for the Fiscal 2029.

REGISTRAR TO THE ISSUE

Name: Bigshare Services Private Limited
Address: S62, 6th Pinnacle Business Park,
Mahakali Caves Road, next to Ahura Centre,
Andheri East, Mumbai – 400093
Maharashtra, India
Tel: +91 22 6263 8200
E-mail: ipo@bigshareonline.com
Investor grievance E-mail: investor@bigshareonline.com
Website: www.bigshareonline.com
Contact person: Babu Rapheal C.
SEBI Registration No: INR000001385

BANKER TO OUR COMPANY

Name: Saraswat Co-operative Bank Limited
Address: The Kollage, Near Regency Hotel,
Dr. N.S. Phadke Marg, Andheri (E),
Mumbai -400069.
Tel: 022 - 69569901 / 9833789156.
E-mail: swati.nakharekar@saraswatbank.com
Website: www.saraswatbank.com
Contact Person: Ms. Swati Nakharekar

Name: YES Bank Limited
Address: YES Bank House,
6th Floor, South Wing,
Off Western Express Highway,
Santacruz East,
Mumbai – 400055.
Telephone Number(s): 022 5091 9410
Contact Person: Sachin Patel
Website: yesbank.in
Email: sachin.patel@yesbank.in

Name: HDFC Bank Limited
Address: HDFC Bank House,
Senapati Bapat Marg,
Lower Parel West,
Mumbai – 400013.
Maharashtra.

Tel: 022-24988484
E-mail: girish.hemnani@hdfcbank.company
Website: https://www.hdfcbank.com/
Contact Person: Girish Hemnani

DESIGNATED INTERMEDIARIES

SYNDICATE MEMBERS

The Syndicate Member(s) will be appointed prior to filing of the Red Herring Prospectus with the RoC.

BANKERS TO THE ISSUE

The Bankers to the Issue will be appointed prior to filing of the Red Herring Prospectus with the RoC.

ESCROW COLLECTION BANK, PUBLIC ISSUE ACCOUNT BANK, REFUND BANK AND SPONSOR BANK

The Sponsor Bank/Refund Bank/Escrow Collection Bank, Public Issue Account Bank shall be appointed prior to filing of the Red Herring Prospectus with the RoC.

SELF CERTIFIED SYNDICATE BANKS

The banks registered with the SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorizing an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time.

SCSBS ELIGIBLE AS ISSUER BANKS FOR UPI AND MOBILE APPLICATIONS ENABLED FOR UPI MECHANISM

In accordance with SEBI RTA Master Circular, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders using the UPI Mechanism may only apply through the SCSBs and mobile applications using the UPI handles specified 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. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

SYNDICATE SCSB BRANCHES

In relation to Bids (other than Bids by Anchor Investors) 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 Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 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 Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI, www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time 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, Bidders 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 www.bseindia.com and www.nseindia.com, respectively, as updated from time to time.

REGISTRAR AND SHARE TRANSFER AGENTS (RTAs)

The list of the RTAs 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 https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx and https://www.nseindia.com/products/consent/equities/ipos/asba-procedures.htm, respectively as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit Bid cum Application Forms through CDPs who are depository participants registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at www.bseindia.com and www.nseindia.com, respectively, as updated from time to time.

COLLECTING RTAs

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit Bid cum 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 websites of the BSE and the NSE at http://www.bseindia.com and http://www.nseindia.com, respectively, as updated from time to time.

CREDIT RATING

As this is an Issue consisting only of Equity Shares, there is no requirement to obtain credit rating for the Issue.

GREEN SHOE OPTION

No Green Shoe Option is contemplated under this Issue.

BROKERS TO THE ISSUE

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

DEBENTURE TRUSTEE

As this is an Issue consisting of Equity Shares, the appointment of a debenture trustee is not required for the Issue.

IPO GRADING OF THE ISSUE

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

EXPERTS

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

Our Company has received written consent dated January 13, 2025, from our Statutory Auditors, J. Kala & Associates, Chartered Accountants, who hold a valid peer review certificate dated January 13, 2023, to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of (i) the examination report dated December 19, 2024 on the Restated Financial Information and (ii) the Statement of Possible Tax Benefits dated January 13, 2025, included in this Draft Red Herring Prospectus and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Our Company has received written consent dated January 7, 2025, from Sharjeel Aslam Faiz, to include his name as an ‘expert’ as defined under Section 2(38) of the Companies Act to the extent and in his capacity as independent chartered engineer with respect to the certificates issued by them, as included in this Draft Red Herring Prospectus; and such consent as not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under U.S. Securities Act.

TRUSTEES

As this is an Issue consisting of Equity Shares, the appointment of trustees is not required.

MONITORING AGENCY

Our Company will appoint the monitoring agency for monitoring the utilization of the Net Proceeds in compliance with Regulation 41 of the SEBI ICDR Regulations, prior to filing of the Red Herring Prospectus with the RoC. For details, see “*Objects of the Issue – Monitoring of utilization of funds*” on page 109 of this Draft Red Herring Prospectus.

APPRAISING AGENCY

None of the objects for which the Net Proceeds will be utilized have been appraised by any agency. Accordingly, no appraising entity has been appointed in relation to the Issue.

FILING OF THIS DRAFT RED HERRING PROSPECTUS

A copy of this Draft Red Herring Prospectus has been filed electronically with SEBI through the SEBI intermediary portal at https://siportal.sebi.gov.in, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, as specified in Regulation 25(8) of SEBI ICDR Regulations and circular SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018, issued by SEBI. A copy of this Draft Red Herring Prospectus will also physically be filed with SEBI at:

Securities and Exchange Board of India

Corporation Finance Department
Division of Issues and Listing
Plot No.C4-A, 'G' Block
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400051, Maharashtra

FILING OF THE RED HERRING PROSPECTUS AND THE PROSPECTUS

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed, under Section 32 of the Companies Act, would be filed with the RoC at its office and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, would be filed with the RoC at its office and through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do. For details of the address of the RoC, see “- *Address of the Registrar of Companies*” on page 71.

BOOK BUILDING PROCESS

The book building, in context of the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band, which will be decided by our Company in consultation with the BRLM, and advertised in [●] editions of the widely circulated English national daily newspaper [●], [●] editions of the widely circulated Hindi national daily newspaper [●] and [●] editions of the widely circulated Marathi daily newspaper [●], (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located) at least 2 (two) Working Days prior to the Bid/ Issue Opening Date and was made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Issue Price shall be determined by our Company, in consultation with the BRLM, after the Bid/ Issue Closing Date. For details, see “*Issue Procedure*” beginning on page 338 of this Draft Red Herring Prospectus.

All potential Bidders (excluding Anchor Investors) are mandatorily required to utilize the ASBA process to participate in the Issue by providing details of their bank account in which the corresponding Bid Amount which will be blocked by the SCSBs. UPI Bidders can also participate in the Issue through the UPI Mechanism under the ASBA process by either (a) providing the details of their ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹ 5,00,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository

Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid / Issue Period and withdraw their Bids on or before the Bid/ Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than the Anchor Investors), in the Issue will be on a proportionate basis. However, allocation to the Anchor Investors will be on a discretionary basis. For allocation to the Non-Institutional Bidders, the following shall be followed:

(a) One-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with application size of more than ₹ 200,000 and up to ₹ 10,00,000;

(b) Two-thirds of the portion available to Non-Institutional Bidders shall be reserved for Bidders with application size of more than ₹ 10,00,000.

Provided that the unsubscribed portion in either of the sub-categories specified under clauses (a) or (b), may be allocated to Bidders in the other sub-category of Non-Institutional Bidders.

Each Bidder by submitting a Bid in the Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue.

The process of Book Building under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to submitting a Bid in the Issue.

For further details, see "*The Issue*", "*Terms of the Issue*" and "*Issue Procedure*" on pages 65, 327 and 338, respectively of this Draft Red Herring Prospectus.

Our Company will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for the Issue. In this regard, our Company has appointed the BRLM to manage the Issue and procure Bids for the Issue.

For further details on the method and procedure for Bidding, see "*Issue Structure*" and "*Issue Procedure*" on pages 334 and 338, respectively of this Draft Red Herring Prospectus.

Bidders should note that the Issue is also subject to (i) filing of the Prospectus by the Company with the RoC; and; (ii) the Company obtaining final listing and trading approvals from the Stock Exchanges, which the Company shall apply for post-Allotment.

UNDERWRITING AGREEMENT

After the determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through this Issue. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein. The Underwriting Agreement is dated [●].

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(The extent of underwriting obligations and the Bids to be underwritten in the Issue shall be as per the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus. This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC, upon the execution of the Underwriting Agreement. The extent of underwriting obligations and the Bids to be underwritten in the Issue shall be as per the Underwriting Agreement.)

Name, address, telephone number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in million)
[●]	[●]	[●]

The above- mentioned underwriting commitment is indicative and will be finalized after determination of the Issue Price and actual allocation subject to the provisions of Regulation 40(2) of the SEBI ICDR Regulations.

In the opinion of our Board (based on a certificate given by the Underwriters), the resources of the abovementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12 (1) of the SEBI Act or registered as merchant bankers with SEBI or as brokers with the Stock Exchange(s). Our Board of Directors, at its meeting held on [●], approved the acceptance and entering into the Underwriting Agreement mentioned above on behalf of our Company.

Notwithstanding the table above, the BRLM and the Syndicate Members shall be responsible for ensuring payment with respect to the Equity Shares allocated to the Bidders procured by them in accordance with the Underwriting Agreement. Subject to the applicable laws and pursuant to the terms of the Underwriting Agreement, the BRLM will be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfil their underwriting obligations.

CAPITAL STRUCTURE

The share capital of our Company, as on the date of this Draft Red Herring Prospectus is set forth below:

(In ₹, except share data)

	Particulars	Aggregate Value at Face value	Aggregate Value at Issue Price*
A.	**AUTHORISED SHARE CAPITAL (1)**		
	80,000,000 Equity Shares of face value of ₹ 10/- each	800,000,000	-
B.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**		
	54,000,000 Equity Shares of face value of ₹ 10/- each	540,000,000	[●]
C.	**PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Issue of up to 18,096,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million (2)	180,960,000	[●]
D.	**ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL AFTER THE ISSUE***		
	[●] Equity Shares of face value of ₹ 10/- each*	[●]	-
E.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue (as on the date of this Draft Red Herring Prospectus)	Nil	
	After the Issue*	[●]	

**To be updated upon finalisation of the Issue Price and subject to finalisation of Basis of Allotment.*
(1) For details in relation to the changes in the authorised share capital of our Company in the last ten years, see "History and Certain Corporate Matters –Amendments to the Memorandum of Association" on page 199.
(2) Our Board has authorised the Issue, pursuant to their resolution dated November 18, 2024. Our Shareholders have authorised the Issue pursuant to their special resolution dated November 30, 2024.

Notes to Capital Structure

1. **Share Capital history of our Company**

(a) ***Equity Share capital history of our Company***

The following table sets forth the history of the Equity Share Capital of our Company:

Date of allotment / buy-back	Reason/ nature of allotment / buy-back	Name of allottees along with the number of Equity Shares allotted to each allottee	Number of Equity Shares allotted	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Face value per Equity Share (₹)	Issue / buy-back price per Equity Share (₹)	Nature of consideration
November 01, 2013	Initial subscription to MoA(1)	4,997,500 Equity Shares allotted to Pankajkumar H Jagawat, 49,97,500 Equity Shares allotted to Manojkumar N Jain, 1,000 Equity Shares allotted to Mukesh Shantilal Jain, 1,000 Equity Shares allotted to Rakesh	10,000,000	10,000,000	100,000,000	10	10	Other than cash

Date of allotment / buy-back	Reason/ nature of allotment / buy-back	Name of allottees along with the number of Equity Shares allotted to each allottee	Number of Equity Shares allotted	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Face value per Equity Share (₹)	Issue / buy-back price per Equity Share (₹)	Nature of consideration
		Shantilal Jagawat, 1,000 Equity Shares allotted to Shashank Bhawarlal Jagawat, 1,000 Equity Shares allotted to Llalet Gulab Jagasia and 1,000 Equity Shares allotted to Vikramsingh Prakash Varma						
April 29, 2016	Buy-back	Buy-back of 499,750 Equity Shares from Pankajkumar H Jagawat, 499,750 Equity Shares from Manojkumar N Jain, 100 Equity Shares from Mukesh Shantilal Jain, 100 Equity Shares from Rakesh Shantilal Jagawat, 100 Equity Shares from Shashank Bhawarlal Jagawat, 100 Equity Shares from Llalet Gulab Jagasia and 100 Equity Shares from Vikramsingh Prakash Varma	(1,000,000)	9,000,000	90,000,000	10	10.41	Cash
November 18, 2024*	Bonus issue in the ratio of 5 Equity Shares for every 1 Equity Share held (2)	22,488,750 Equity Shares allotted to Pankajkumar H Jagawat, 22,488,750 Equity Shares allotted to Manojkumar N Jain, 4,500 Equity Shares allotted to Rakesh Shantilal Jagawat, 4,500 Equity Shares allotted to Mukesh Shantilal Jain, 4,500 Equity Shares allotted to Shashank Bhawarlal Jagawat, 4,500 Equity Shares allotted to Krish Pankaj Jagawat and 4,500 Equity Shares allotted to Vansh Manojkumar Jain	45,000,000	54,000,000	5,40,000,000	10	N. A	N. A

(1) *Our Company was originally formed as a partnership firm in the name and style of "M/s Shanti Gold" pursuant to partnership*

deed dated August 05, 2003 with Pankajkumar H Jagawat and Manojkumar N Jain as its partners. Subsequently, by way of a restated partnership deed dated July 13, 2013, Mukesh Shantilal Jain, Rakesh Shantilal Jagawat, Shashank Bhawarlal Jagawat, Llalet Gulab Jagasia and Vikramsingh Prakash Verma joined as partners and the name of the firm was changed to "M/s. Shanti Gold International". In accordance with the provisions of Part IX of the Companies Act, 1956, the partnership firm was converted to a public limited company under the name and style of 'Shanti Gold International Limited', and a fresh certificate of incorporation dated November 01, 2013 was issued by the RoC. Post conversion into a public limited company, 10,000,000 Equity Shares of face value of Rs. 10 each were issued to the erstwhile partners of M/s Shanti Gold International who became the first members of our Company pursuant to their subscription to its MoA.

(2) *The bonus issue was in the ratio of 5 (five)Equity Shares of face value ₹ 10 for every 1(one) Equity Share held by the Shareholders, authorized by a resolution passed by our Board at its meeting held on October 15, 2024 and by the Shareholders at the extra-ordinary general meeting held on November 09, 2024 with the record date as November 14, 2024, in the manner set out above by capitalization of the free reserves of our Company.*

** While the bonus issue was approved by the Shareholders' of the Company on November 09, 2024, the Equity Shares pursuant to the bonus issue were allotted to the Shareholders on November 18, 2024.*

Our Company has made the abovementioned issuances and allotments of Equity Shares from the date of incorporation of our Company till the date of filing of this Draft Red Herring Prospectus in compliance with the relevant provisions of the Companies Act, 1956 and the Companies Act, 2013, to the extent applicable.

(b) ***Preference Share capital history of our Company***

Our Company does not have any issued or outstanding preference share capital as on the date of this Draft Red Herring Prospectus.

2. **Shares issued for consideration other than cash or out of revaluation reserves**

Our Company has not issued any Equity Shares out of revaluation reserves since its incorporation. Further, except as disclosed below, our Company has not issued any Equity Shares for consideration other than cash or as a bonus issue:

Date of allotment	No. of equity shares allotted	Details of allottee and equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Reason/ Nature of allotment	Benefits accrued to our Company
November 01, 2013	10,000,000	4,997,500 Equity Shares allotted to Pankajkumar H Jagawat, 4,997,500 Equity Shares allotted to Manojkumar N Jain, 1,000 Equity Shares allotted to Mukesh Shantilal Jain, 1,000 Equity Shares allotted to Rakesh Shantilal Jagawat, 1,000 Equity Shares allotted to Shashank Bhawarlal Jagawat, 1,000 Equity Shares allotted to Llalet Gulab Jagasia and 1,000 Equity Shares allotted to Vikramsingh Prakash Varma	10	10	Initial subscription to MoA(1)	Our Company was converted into a public limited company in accordance with the applicable provisions of the Companies Act, 1956.
November 18, 2024*	45,000,000	22,488,750 Equity Shares allotted to Pankajkumar H Jagawat, 22,488,750 Equity Shares allotted to Manojkumar N Jain, 4,500 Equity Shares allotted to Rakesh Shantilal Jagawat 4,500 Equity Shares allotted to Mukesh Shantilal Jain, 4,500 Equity Shares allotted to Shashank Bhawarlal Jagawat, 4,500 Equity Shares allotted to Krish Pankaj Jagawat and 4,500 Equity	10	N.A,	Bonus issue in the ratio of 5 Equity Shares for every 1 Equity Share held (2)	N.A.

Date of allotment	No. of equity shares allotted	Details of allottee and equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Reason/ Nature of allotment	Benefits accrued to our Company
		Shares allotted to Vansh Manojkumar Jain				

[(1)] *Our Company was originally formed as a partnership firm in the name and style of "M/s Shanti Gold" pursuant to partnership deed dated August 05, 2003 with Pankajkumar H Jagawat and Manojkumar N Jain as its partners. Subsequently, by way of a restated partnership deed dated July 13, 2013, Mukesh Shantilal Jain, Rakesh Shantilal Jagawat, Shashank Bhawarlal Jagawat, Llalet Gulab Jagasia and Vikramsingh Prakash Verma joined as partners and the name of the firm was changed to "M/s. Shanti Gold International". In accordance with the provisions of Part IX of the Companies Act, 1956, the partnership firm was converted to a public limited company under the name and style of 'Shanti Gold International Limited', and a fresh certificate of incorporation dated November 01, 2013 was issued by the RoC. Post conversion into a public limited company, 10,000,000 Equity Shares of face value of Rs. 10 each were issued to the erstwhile partners of M/s Shanti Gold International who became the first members of our Company pursuant to their subscription to its MoA.*

[(2)] *The bonus issue was in the ratio of 5(five)Equity Shares of face value ₹ 10 for every 1(one) Equity Share held by the Shareholders, authorized by a resolution passed by Board at its meeting held on October 15, 2024 and by the Shareholders at the extra-ordinary general meeting held on November 09, 2024 with the record date as November 14, 2024, in the manner set out above by capitalization of the free reserves of our Company.*

**While the bonus issue was approved by the Shareholders of the Company on November 09, 2024, the Equity Shares pursuant to the bonus issue were allotted to the Shareholders on November 18, 2024.*

3. **Issue of shares at a price lower than the Issue Price in the last year**

The Issue Price shall be determined by our Company, in consultation with the BRLM, after the Bid / Issue Closing Date.

Except as disclosed above in *"- Equity Share capital history of our Company*" on page 80, our Company has not issued any shares at a price which may be lower than the Issue Price, during a period of one year preceding the date of this Draft Red Herring Prospectus.

4. **Allotment of shares pursuant to schemes of arrangement**

Our Company has not allotted any Equity Shares in terms of any scheme approved under Sections 391 to 394 of the Companies Act 1956 or Sections 230 to 234 of the Companies Act 2013.

5. **Issue of equity shares under employee stock option schemes**

As on the date of this Draft Red Herring Prospectus, our Company does not have any employee stock options scheme or any employee stock option plan.

6. **Details of shareholding of our Promoters and members of the Promoter Group**

i) Equity shareholding of the Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 53,978,400 Equity Shares of face value ₹10/- each, equivalent to 99.96 % of the issued, subscribed and paid-up Equity Share capital of our Company.

ii) Build-up of the shareholding of our Promoters in our Company

The details regarding the shareholding of our Promoters since incorporation of our Company are set forth in the table below:

Date of allotment/ transfer	Nature of transaction	Number of equity shares	Nature of consideration	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre-Issue share capital (%) *	Percentage of the post-Issue share capital (%)
PANKAJKUMAR H JAGAWAT							
November 01, 2013	Initial subscription to	4,997,500	Other than	10	10	9.25	[●]

Date of allotment/ transfer	Nature of transaction	Number of equity shares	Nature of consider ation	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre-Issue share capital (%) *	Percentage of the post-Issue share capital (%)
	MoA[(1)]		Cash				
April 29, 2016	Buy-back	(499,750)	Cash	10	10.41	(0.93)	[●]
November 18, 2024	Bonus issue in the ratio of 5 Equity Shares for every 1 Equity Share held [(2)]	22,488,750	Other than cash	10	N.A.	41.65	[●]
	Total (A)	**26,986,500**				49.98	[●]
MANOJKUMAR N JAIN							
November 01, 2013	Initial subscription to MoA[(1)]	4,997,500	Other than Cash	10	10	9.25	[●]
April 29, 2016	Buy-back	(499,750)	Cash	10	10.41	(0.93)	[●]
November 18, 2024	Bonus issue in the ratio of 5 Equity Shares for every 1 Equity Share held [(2)]	22,488,750	Other than cash	10	N.A.	41.65	[●]
	Total (B)	**2,69,86,500**				49.98	[●]
SHASHANK BHAWARLAL JAGAWAT							
November 01, 2013	Initial subscription to MoA[(1)]	1,000	Other than Cash	10	10	0.00	[●]
April 29, 2016	Buy-back	(100)	Cash	10	10.41	(0.00)	[●]
November 18, 2024	Bonus issue in the ratio of 5 Equity Shares for every 1 Equity Share held [(2)]	4,500	Other than cash	10	N.A.	0.01	[●]
	Total (C)	**5,400**				0.01	[●]
	Total (A+B+C)	**53,978,400**				99.96	[●]

The pre-Issue Equity Share capital (%) has been rounded off up to two decimal places.

[(1)] Our Company was originally formed as a partnership firm in the name and style of "M/s Shanti Gold" pursuant to partnership deed dated August 05, 2003 with Pankajkumar H Jagawat and Manojkumar N Jain as its partners. Subsequently, by way of a restated partnership deed dated July 13, 2013, Mukesh Shantilal Jain, Rakesh Shantilal Jagawat, Shashank Bhawarlal Jagawat, Llalet Gulab Jagasia and Vikramsingh Prakash Verma joined as partners and the name of the firm was changed to "M/s. Shanti Gold International". In accordance with the provisions of Part IX of the Companies Act, 1956, the partnership firm was converted to a public limited company under the name and style of 'Shanti Gold International Limited', and a fresh certificate of incorporation dated November 01, 2013 was issued by the RoC. Post conversion into a public limited company, 10,000,000 Equity Shares of face value of Rs. 10 each were issued to the erstwhile partners of M/s Shanti Gold International who became the first members of our Company pursuant to their subscription to its MoA.

[(2)] The bonus issue was in the ratio of 5 (five) Equity Shares of face value ₹ 10 for every 1 (one) Equity Share held by the Shareholders, authorized by a resolution passed by the Board at its meeting held on October 15, 2024 and by the Shareholders at the extra-ordinary general meeting held on November 09, 2024 with the record date as November 14, 2024, in the manner set out above by capitalization of the free reserves of our Company. While the bonus issue was approved by the Shareholders of the Company on November 09, 2024, the Equity Shares pursuant to the bonus issue were allotted to the Shareholders on November 18, 2024.

iii) All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

iv) All Equity Shares held by our Promoters are in dematerialized form as on the date of this Draft Red Herring Prospectus.

v) Except as disclosed below, none of the Equity Shares held by our Promoters are pledged as on date of this Draft Red Herring Prospectus.

vi) Details of minimum Promoters' contribution and lock-in

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters, shall be considered as minimum Promoters' contribution and will be locked-in for a period of eighteen months from the date of Allotment or any other period as may be prescribed under applicable law ("**Minimum Promoters' Contribution**") and the shareholding of our Promoters in excess of 20% shall be locked in for a period of six months from the date of Allotment. Our Promoters have given consent to include such number of Equity Shares held by them, in aggregate, as may constitute 20% of the fully diluted post-Issue Equity Share capital of our Company as the Minimum Promoters' Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Minimum Promoters' Contribution from the date of filing of this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

Details of the Equity Shares held by our Promoters, which will be locked-in as Minimum Promoters' Contribution are set forth in the table below:

Name of Promoter	Number of Equity Shares held	Number of Equity Shares locked-in	Date of allotment/ transfer of Equity Shares and when made fully paid-up	Nature of transaction	Face value per equity share (₹)	Issue/ Acquisition price per equity share (₹)	Percentage of the pre-Issue paid-up capital (%)	Percentage of the post-Issue paid-up capital (%)*
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Grand Total								**[●]**

[*] *Subject to finalisation of basis of allotment*

Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Minimum Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

(i) The Equity Shares offered for Minimum Promoters' Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash, and revaluation of assets or capitalisation of intangible assets; or (b) have resulted from bonus issue by utilization of revaluation reserves or unrealised profits of our Company or bonus issue against Equity Shares, which are otherwise ineligible for computation of Minimum Promoters' Contribution;

(ii) The Minimum Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;

(iii) Our Company was incorporated pursuant to conversion of a partnership firm into a public limited company under Part IX of the of the Companies Act, 1956 and a certificate of incorporation dated November 01, 2013 was issued by the RoC. For further details please see "*History and Certain Corporate Matters – Brief history of our Company*" on page 199. No Equity Shares have been issued to our Promoters upon such conversion, in the last one year;

(iv) The Equity Shares forming part of the Minimum Promoters' Contribution are not subject to any pledge; and

(v) All the Equity Shares held by the Promoters are held in dematerialised form.

vii) Other Lock-in requirements

(a) In terms of Regulation 17 of the SEBI ICDR Regulations, the entire pre-Issue Equity Share capital of our Company held by the person other than the promoters, shall, unless otherwise permitted under the SEBI ICDR Regulations, will be locked-in for a period of six months from the date of Allotment as required under the SEBI ICDR Regulations.

(b) In terms of Regulation 21 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters, which are locked-in as per Regulation 16 of the SEBI ICDR Regulations, may be pledged only with scheduled commercial banks, public financial institutions, NBFC-SIs or housing finance companies as collateral security for loans granted by such entities, provided that such loans have been granted for the purpose of financing one or more of the objects of the Issue and pledge of the Equity Shares is a term of sanction of such loans.

(c) In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters, which are locked-in may be transferred to and amongst the members of the Promoter Group including other Promoters or to any new promoter, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired.

(d) 50% of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period 30 days from the date of Allotment and the remaining 50% shall be locked-in for a period of 90 days from the date of Allotment.

viii) Shareholding of the members of our Promoter Group

As on the date of this Draft Red Herring Prospectus, two of the members of the Promoter Group, namely, Krish Pankaj Jagawat and Vansh Manojkumar Jain hold 5,400 Equity Shares each, equivalent to 0.01%, respectively of the issued, subscribed and paid-up pre-Issue Equity Share capital of our Company.

The details regarding the build-up of the equity shareholding of members of the Promoter Group (excluding our Promoters) in our Company is set forth in the table below:

Date of allotment/ transfer	Nature of transaction	Number of equity shares	Nature of consideration	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre-Issue share capital (%) *	Percentage of the post-Issue share capital (%)
KRISH PANKAJ JAGAWAT							
October 14, 2024	Transfer from Llalet Gulab Jagasia	900	Cash	10	172	0.00	[●]
November 18, 2024	Bonus issue in the ratio of 5 Equity Shares for every 1 Equity Share held (1)	4,500	Other than cash	10	-	0.01	[●]
	Total (A)	**5,400**				0.01	[●]
VANSH MANOJKUMAR JAIN							
October 14, 2024	Transfer from Vikramsingh Prakash Verma	900	Cash	10	172	0.00	[●]
November 18, 2024	Bonus issue in the ratio of 5 Equity Shares for every 1 Equity Share held (1)	4,500	Other than cash	10	-	0.01	[●]
	Total (B)	**5,400**				0.01	[●]
	Total (A+B)	**10,800**				0.02	[●]

The pre-Issue Equity Share capital (%) has been rounded off up to two decimal places.

(1) The bonus issue was in the ratio of 5 (five) Equity Shares of face value ₹ 10 for every 1(one) Equity Share held by the Shareholders, authorized by a resolution passed by the Board at its meeting held on October 15, 2024 and by the Shareholders at the extra-ordinary general meeting held on November 09, 2024 with the record date as November 14, 2024, in the manner set out above by capitalization of the free reserves of our Company. While the bonus issue was approved by the Shareholders of the Company on November 09, 2024, the Equity Shares pursuant to the bonus issue were allotted to the Shareholders on November 18, 2024.

Except as disclosed above and in "*–Build-up of the shareholding of our Promoters in our Company*" on page 83, there has been no acquisition of securities through secondary transactions by the members of the Promoter Group, as on the date of this Draft Red Herring Prospectus.

7. **Shareholding pattern of our Company**

Set forth below is the shareholding pattern of our Company as on the date of this Draft Red Herring 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 nos. shares held (VII)= (IV + (V)+(VI)	Shareholding as a % total No. of shares (calculated as per SCRR, 1957 (VII) 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) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	No. of locked in shares (XII)		No. of shares pledged or otherwise encumbered (XIII)		No. of equity shares held in dematerialised form (XIV)
								No. of voting Rights			Total as a % of A+B+C							
								Class (Equity)	Class (Others)	Total				No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter & Promoter Group	5	53,989,200	-	-	53,989,200	99.98	Equity Shares	-	53,989,200	99.98	-	-	-	-	-	-	53,989,200
(B)	Public	2	10,800	-	-	10,800	0.02	Equity Shares	-	10,800	0.02	-	-	-	-	-	-	10,800
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A)+(B)+ (C)	7	54,000,000	-	-	54,000,000	100.00	Equity Shares	-	54,000,000	100.00	-	-	-	-	-	-	54,000,000

8. **Details of equity shareholding of the major equity Shareholders of our Company**

(i) The major Equity Shareholders holding more than 1% or more of the paid-up Equity Share capital of the Company and the number of Equity Shares held by them as on the date of this Draft Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of Equity Shares having face value of ₹ 10 each on a fully diluted basis*	Percentage of the pre-Issue Equity Share capital (%) on a fully diluted basis
1.	Pankajkumar H Jagawat	26,986,500	49.98
2.	Manojkumar N Jain	26,986,500	49.98
	Total	**53,973,000**	**99.95**

** Based on the beneficiary position statement dated January 10, 2025 and register of members of our Company, as applicable.*

(ii) The major equity Shareholders who held more than 1% or more of the paid-up Equity Share capital of the Company and the number of Equity Shares held by them 10 days prior to the date of this Draft Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of Equity Shares having face value of ₹ 10 each on a fully diluted basis*	Percentage of the pre-Issue Equity Share capital (%) on a fully diluted basis
1.	Pankajkumar H Jagawat	26,986,500	49.98
2.	Manojkumar N Jain	26,986,500	49.98
Total		**53,973,000**	**99.95**

***** *Based on the beneficiary position statement dated January 03, 2025 and register of members of our Company, as applicable.*

(iii) The major Equity Shareholders who held more than 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them one year prior to the date of this Draft Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of Equity Shares having face value of ₹ 10 each on a fully diluted basis*	Percentage of the pre-Issue Equity Share capital (%) on a fully diluted basis
1.	Pankajkumar H Jagawat	4,497,750	49.98
2.	Manojkumar N Jain	4,497,750	49.98
Total		**8,995,500**	**99.95**

***** *Based on the register of members of our Company.*

(iv) The major Equity Shareholders who held more than 1% or more of the paid-up Equity Share capital of the Company and the number of shares held by them two years prior to the date of this Draft Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of Equity Shares having face value of ₹ 10 each on a fully diluted basis*	Percentage of the pre-Issue Equity Share capital (%) on a fully diluted basis
1	Pankajkumar H Jagawat	4,497,750	49.98
2	Manojkumar N Jain	4,497,750	49.98
Total		**8,995,500**	**99.95**

***** *Based on the register of members of our Company.*

9. **Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company**

Except as stated below, none of our Directors or Key Managerial Personnel or Senior Management hold any Equity Shares of face value Rs. 10 each in our Company:

Sr. No.	Name of the Shareholder	Pre-Issue Equity Share capital	
		No. of Equity Shares	% of total Shareholding
1.	Pankajkumar H Jagawat	26,986,500	49.98

Sr. No.	Name of the Shareholder	Pre-Issue Equity Share capital	
		No. of Equity Shares	% of total Shareholding
2.	Manojkumar N Jain	26,986,500	49.98
3.	Shashank Bhawarlal Jagawat	5,400	0.01
Total		**53,978,400**	**99.96**

10. As on the date of this Draft Red Herring Prospectus, none of the BRLM or its associates (as defined under as per the definition of the term 'associate' under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) hold any Equity Shares of face value ₹ 10 each in our Company. The BRLM and its associates may engage in 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.

11. None of the Shareholders of our Company are directly or indirectly related to the BRLM or its associates.

12. The BRLM and persons related to the BRLM or Syndicate Members cannot apply in the Issue under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associates of the BRLM, or insurance companies promoted by entities which are associates of the BRLM or AIFs sponsored by entities which are associates of the BRLM, a FPI (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLM.

13. All Equity Shares are fully paid up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. The Equity Shares to be issued pursuant to the Issue shall be fully paid-up at the time of Allotment.

14. Our Company has not made any public issue of securities of any kind or class of securities since its incorporation.

15. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, or our Directors shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.

16. As of the date of this Draft Red Herring Prospectus, our Company has 7 Shareholders.

17. Our Company, the Promoters, our Directors and the BRLM have not made any or entered into any buy-back arrangements for purchase of Equity Shares to be offered as a part of the Issue.

18. Except for the Allotment of Equity Shares pursuant to the Issue, there will be no further issuance of specified securities, whether by way of public issue, rights issue, preferential issue, qualified institutions placement, bonus issue or in any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus with SEBI, until the listing of the Equity Shares on the Stock Exchanges or the refund of application monies, as the case may be.

19. Except for the Allotment of Equity Shares pursuant to the Issue, there is no proposal or intention or negotiations or consideration by our Company to alter our capital structure by way of split or consolidation of the denomination of the shares or issue of specified securities on a preferential basis or issue of bonus or rights issue or further public offer of specified securities within a period of six months from the Bid / Issue Opening Date.

20. Except as disclosed in "*-Details of shareholding of our Promoters and members of the Promoter Group*" on page 83, none of the members of the Promoter Group, the Promoters, the Directors of our Company, nor any of their respective relatives (as defined under the Companies Act, 2013) have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

21. There have been no financing arrangements whereby our Promoters, members of our 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 preceding the date of filing of this Draft Red Herring Prospectus.

22. Our Company shall ensure that any transactions in the specified securities of our Company by our Promoters and our Promoter Group during the period between the date of filing of this Draft Red Herring Prospectus and the date of closure of the Issue shall be reported to the Stock Exchanges within 24 hours of the transactions.

23. Our Company does not have any outstanding convertible securities or any other right, which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

24. Our Promoters and the members of our Promoter Group will not participate in the Issue will not receive any proceeds from the Issue.

25. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

OBJECTS OF THE ISSUE

Issue of up to 18,096,000 Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] million, subject to finalization of Basis of Allotment. For details, see "*Summary of the Offer Document*" and "*The Issue*" on pages 21 and 65, respectively.

Objects of the Issue

Our Company proposes to utilise the Net Proceeds towards funding of the following objects:

1. Funding of capital expenditure requirements towards setting up of the Proposed Jaipur Facility (*defined below*)
2. Funding working capital requirements of our Company;
3. Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company; and
4. General corporate purposes.

The main objects set out in the Memorandum of Association enable our Company (i) to undertake our existing business activities; and (ii) to undertake the activities proposed to be funded from the Net Proceeds. Further, our Company expects to receive the benefits of listing of the Equity Shares, including to enhance our visibility and our brand image among our existing and potential customers, and to create a public market for our Equity Shares in India.

Net Proceeds

The details of the proceeds of the Issue are summarised in the following table:

(in ₹ million)

Particulars	Estimated amount
Gross Proceeds	[●]
(Less) Issue related expenses [(1)]	[●]
Net Proceeds[(1)]	[●]

[(1)] *To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with RoC.*

Utilisation of Net Proceeds

The Net Proceeds are proposed to be utilised in the following manner:

(in ₹ million)

Particulars	Amount
Funding of capital expenditure requirements towards setting up of the Proposed Jaipur Facility	458.32
Funding working capital requirements of our Company	1,900.00
Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company	200.00
General corporate purposes[(1)]	[●]
Total	[●]

[(1)]*To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

(collectively, the "**Objects**")

Proposed Schedule of Implementation and Deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as follows:

(₹ in million)

Particulars	Total estimated cost	Amount deployed as on December 31, 2024	Amount to be funded from the Net Proceeds	Estimated deployment from Net Proceeds	
				Fiscal 2025	Fiscal 2026
Funding of capital expenditure requirements towards setting up of the Proposed Jaipur Facility	540.00	76.67	458.32	5.01	458.32
Funding working capital requirements of our Company	1,900.00	Nil	1,900.00	-	1,900.00
Repayment and/or pre-payment, in full or part, of certain borrowings	200.00	Nil	200.00	-	200.00
General corporate purposes(1)			[●]		[●]
Total(1)			[●]		[●]

(1) *To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with RoC.*
Note: As certified by J Kala and Associates, Chartered Accountants, our Statutory Auditors, by way of their certificate dated January 13, 2025

The fund requirements, the deployment of funds and the intended use of the Net Proceeds, as indicated above, are based on our current business plan and circumstances, management estimates, prevailing market conditions and other commercial and technical factors, which are subject to change from time to time. These fund requirements have not been appraised by any bank, financial institution, or any other external agency. Our Company may have to revise its funding requirements and deployment on account of a variety of factors, including but not limited to our financial and market condition, business and strategy, competition, interest or exchange rate fluctuations 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 applicable law. For further details, please see, *"Risk Factors – 39. Our funding requirements and proposed deployment of the Net Proceeds of the Issue have not been appraised by a bank or a financial institution, and the proposed utilization of Net Proceeds is based on, amongst others, our current business plan and management estimates, and if there are any delays or cost overruns, our business, cash flows, financial condition and results of operations may be adversely affected." on page 52.*

In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds, as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to availability and compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds, our management may explore a range of options including utilising our internal accruals or seeking additional equity and / or debt arrangements from existing and future lenders. If the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for (i) general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations; or (ii) towards any other object where there may be a shortfall, at the discretion of the management of our Company and in compliance with applicable laws.

In the event the Net Proceeds are not completely utilised for the objects stated above by the end of Fiscal 2026, such amounts will be utilised (in part or full) in subsequent periods, as determined by our Company, in accordance with applicable law. Further, if the Net Proceeds are not completely utilised for the objects during the respective periods stated above due to factors such as (i) economic and business conditions; (ii) timely completion of the Issue; (iii) market conditions outside the control of our Company; and (iv) any other commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws.

Means of finance

The fund requirements for the Objects are proposed to be met from the Net Proceeds and our internal accruals. Accordingly, we confirm that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue as required under Regulation 7(1)(e) the SEBI ICDR Regulations.

Details of the utilisation of the Net Proceeds

1. Funding of capital expenditure requirements towards setting up of the Proposed Jaipur Facility.

In CY24 the Indian jewellery market is expected to grow by 13.1% y-o-y to ₹ 4,653 billion. Furthermore, the market is expected to grow at a compounded annual growth rate (CAGR) of 9.7% between CY23 and CY29 to ₹ 7,162 billion. In India, the surge in demand for gold jewellery can be attributed to the growing middle-class population and their increasing disposable income levels. As more individuals experience higher income levels, they are more capable of affording luxury items like gold jewellery. These growing middle-class views gold jewellery as a status symbol, a reflection of their improved lifestyle, and a worthwhile investment. The trend is especially prominent in urban areas where economic growth has enhanced financial independence and purchasing power. (*Source: CARE Report*)

As on date, we have an installed manufacturing capacity of 2,700 kg per annum, and as of September 30, 2024, our actual production stood at 775.54 kgs. For further details in relation to our installed manufacturing capacity and capacity utilisation, see "*Our Business - Manufacturing Capabilities*" on page 186. To cater to the growing demand in the Indian jewellery market and expand our geographical reach, we are planning a capacity expansion by construction and setting up of a new manufacturing facility in Jaipur ("**Proposed Jaipur Facility**"). The land on which the Proposed Jaipur Facility is proposed to be constructed is at DTA- 02-14 & 15, Mahindra World City, Shanti Gold, Jaipur (Rajasthan). Our Company has by way of a lease deed dated January 15, 2018 executed with Mahindra World City (Jaipur) Limited, leased 50,000 square feet of land on the Proposed Jaipur Facility will be located, for a term of 87 years from January 15, 2018.

The Proposed Jaipur Facility will have an installed production capacity of 1,200 kgs, which will augment our currently existing installed production capacity to a total of 3,900 kgs. On an overall basis, plain gold jewellery accounts for 85% of the total bridal jewellery (*Source: CARE Report*). The new product line at the Proposed Jaipur Facility will cater to the demand for plain gold jewellery. For further details about our expansion plans, see "*Our Strategies - Capturing market opportunities in the growing jewellery industry*" on page 181.

We expect the proposed capital expansion will help increase our capacities for existing products, enter into a new product line, enter into new markets and cater to the growing demand of the industry.

Estimated Cost

The total estimated cost towards setting up of the Proposed Jaipur Facility is ₹ 540.00 million (including taxes), of which ₹ 76.67 million has been deployed in respect of the Proposed Jaipur Facility as at December 31, 2024, from internal accruals of our Company, as certified by J Kala and Associates, Chartered Accountants, our Statutory Auditors, pursuant to their certificate dated January 13, 2025. We propose to utilize an aggregate of ₹ 458.32 million towards the capital expenditure to be incurred by our Company towards the Proposed Jaipur Facility, from the Net Proceeds and the balance shall be met from internal accruals. The fund requirements, the deployment of funds and the intended use of the Net Proceeds for the Proposed Jaipur Facility as described herein are based on our current business plan, management estimates, current and valid quotations from suppliers or purchase orders issued to suppliers/vendors, and other commercial and technical factors. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution.

Accordingly, based on our current estimates, we propose to utilise an aggregate of ₹ 458.32 million towards (i) civil construction and interior development at the Proposed Jaipur Facility; and (ii) purchase of machinery and equipment at the Proposed Jaipur Facility.

Our Board in its meeting dated January 13, 2025 approved an amount of ₹ 458.32 million for the purpose of funding the proposed expenditure as stated herein above from the Net Proceeds.

Set out below is a break-up of the estimated cost:

(₹ in million)

Particulars	Total estimated cost	Amount deployed as on December 31, 2024	Amount to be funded from the Net Proceeds
Civil construction and interior development at the Proposed Jaipur Facility	251.89	76.67	170.21
Purchase of machinery and equipment at the Proposed Jaipur Facility	288.11	-	288.11
Total	540.00	76.67	458.32

Break up of estimated cost

Set out below is a detailed break up of each element of capital expenditure towards setting up of the Proposed Jaipur Facility proposed to be funded from the Net Proceeds.

i. Civil construction and interior development at the Proposed Jaipur Facility

The estimated expenditure towards civil construction and interior development at the Proposed Jaipur Facility which we propose to deploy from the Net Proceeds is ₹ 170.21 million (including GST). Set out in the table below are the quotations received for the estimated cost across various aspects of civil construction and interior development at the Proposed Jaipur Facility:

Sr. No.	Item Description	*Total Estimated Cost (in ₹ million)	Potential Vendor	Dates of Quotation	Validity
1.	**Civil and Interior Works**				
	Plain Cement Concrete. Work	19.35	Creative Projects & Contracts Private Limited	December 19, 2024	6 months
	Cinder Filling in Sunkon				
	Reinforcement Work				
	Shuttering Work				
	Reinforced Cement Concrete Work				
	Water Proofing Work- Toilet				
	Brick Work				
	Plaster Work				
	Flooring and Dado Work				
	Flooring Granite				
	Granite Counter- Kitchen, Utility and Basin				
	Granite Cladding- Lift Facia				
	Toilet Grid Ceiling Work				
	Paint and Plaster of Paris Work				
2.	**Toilet and Sanitary works**				
	C.P. sanitary Ware Work of Director's, Executive & Staff Toilet	4.07	M. R. Plumbing Services	December 09, 2024	6 months
	Twin booster Pressure Pump on terrace floor 1 Set (1W+1S)				
	Automatic Water Level Controller with Float Switch (1W & 1S)				
	Gardening Tank (6000 litre)				
	Effluent Treatment Plant Tank (20,000 litre)				
	B-Type Pipe and Fitting, Cupling, Shoket, Tee, Band, Solvent Cement Concreting				
	Mainhole Cach Besin work Plain Cement Concrete, Brick Work, Plaster, Cover				
	Sewer Line Meter Mainhole Work				
3.	**Window and Doors**				
	Ground Floor W1 Outer Facade	3.63	Parquet Décor	December 19, 2024	3 months
	Ground Floor Outer Facade				
	Ground Floor W3 Lobby Area				

	Ground FloorV1 Director Toilet				
	Ground FloorV2 EXC Toilet				
	Ground Floor V3 Casting Area				
	Ground Floor DW1 Director Entry				
	Ground Floor D1 Labour Entry				
	Ground Floor D2 Kitchen				
	First Floor				
	First Floor Stair				
	First Floor Stair 9 (W12)				
	First Floor Hall side				
	Ground Floor Inside Hall				
4.	**Office and Factory Furniture, Fittings**				
	Plaster of Paris Punning	35.70	Woody's Inspiration	December 14, 2024	6 months
	Flooring and Skirting				
	Acrylic Paint				
	Full Height Wooden & Glasss Partition				
	Workers Table				
	Workers Chair				
	Staff Chair				
5.	**Internal Electrical Works**				
	Point and Submain Wiring	26.63	Rising Trans Infra Solutions	November 14, 2024	6 months
	Distribution Boards				
	Wiring for TV and it's accessories				
	Wiring for Telephone system				
	Data Networking system & Raceway System				
	Surface Surveillance & Access Control System				
	S&F Lighting Fixture				
6.	**Airconditioning**				
	Chilled Water Systems	48.65	Pentagon	December 17, 2024	6 months
	Direst Expansion Cassette Systems				
7.	**Strong Room Vault (Godrej)**				
	Prime Strong room door with grill gate Class B BIS and air ventilator and exhaust fan	0.79	Shree Balaji Enterprises	December 20, 2024	6 months
8.	**Partitions, Panelling and Painting**				
	False Ceiling	23.72	Woody's Inspiration	December 10, 2024	6 months
	Wall Panelling				
	Painting				
9.	**Kitchen and Dining**				
	Equipments and Utensils	5.38	Woody's Inspiration	December 16, 2024	6 months
10.	**Worker's Lockers and Benches**				
	Industrial Lockers with 18 lockers and lock and plastic handle	2.30	Safalya Mechanical Works	December 20, 2024	6 months
	Industrial Lockers with 15 lockers and lock and plastic handle				
	Total cost	**170.21**			

**Including applicable 18.00% GST*

Note: As certified by J Kala and Associates, Chartered Accountants, our Statutory Auditors, pursuant to their certificate dated January 13, 2025.

i. Machinery and equipment at the Proposed Jaipur Facility

Our total estimated cost of purchase of machinery and equipment that we propose to deploy at the Proposed Jaipur Facility, as per the quotations received from various vendors, is ₹ 288.11 million (including GST), which we intend to utilise out of the Net Proceeds. An indicative list of such machinery and equipment that we intend to purchase for deployment at the Proposed Jaipur Facility, based on management estimates, along with details of the quotations, as certified by J Kala and Associates, Chartered Accountants, our Statutory Auditors, pursuant to their certificate dated January 13, 2025, have been set forth.

Sr. No.	Name of the Machinery/ Equipment /Model	Particulars/ Machine Type	Quantity	Total Estimated Cost (in ₹ million) (1)	Potential Vendor	Date of Quotation	Validity
1.	Resin Wet Jet Machine with full set of Accessories	Machine used for providing satin or matt finish on the jewellery pieces	1	0.32*	Doit Industries India Private Limited	December 6, 2024	6 months
2.	3D Printer Waxjet	Rapid Prototyping (RPT) machine used to print wax mandrels directly from 3D Cad files	10	56.64*	Doit Industries India Private Limited	December 6, 2024	6 months
3.	Induction Melter Machine 2 Kg/3 PH	Induction melting machine to melt gold	3	0.93*	Doit Industries India Private Limited	December 6, 2024	6 months
4.	Induction Furnace 4kg (STAND ALONE) (YIHUI)	Gold metal is melted by an induction melter and chiller machine is a part of the induction melter of this machine	1	0.34*	Doit Industries India Private Limited	December 6, 2024	6 months
5.	Water Jet Machine AA1001	Water jet machine used to spray water at high pressure to remove the investment casting powder from the gold casted tree after gold metal casting	2	1.06*	Doit Industries India Private Limited	December 6, 2024	6 months
6.	Pickling Plant	Machine used to remove any residual casting powder from the gold tree after water jet spray cleaning	2	0.11*	Doit Industries India Private Limited	December 6, 2024	6 months
7.	Electro Magnetic Polisher	Machine used to remove and brighten the gold after casting	5	4.09*	Doit Industries India Private Limited	December 6, 2024	6 months
8.	Ultrasonic Machine	Machine used for cleaning operation on gold pieces after filing and polishing, to remove oil and dirt residues	5	0.82*	Doit Industries India Private Limited	December 6, 2024	6 months
9.	Ultrasonic Machine	Machine used for cleaning operation on gold pieces after filing and polishing, to	3	2.23*	Doit Industries India Private Limited	December 6, 2024	6 months

		remove oil and dirt residues					
10.	Steam Machine	Steam generating machine used for cleaning purposes to remove polishing, oil sticking on the surfaces of the gold pieces	3	1.27*	Doit Industries India Private Limited	December 6, 2024	6 months
11.	Steam Machine	Steam generating machine used for cleaning purposes to remove polishing, oil sticking on the surfaces of the gold pieces	3	0.51*	Doit Industries India Private Limited	December 6, 2024	6 months
12.	Stripping machine	Machine used for removing residual gold from underneath the stone base (cavity) to improve and enhance the brightness of the CZ stones	2	1.17*	Doit Industries India Private Limited	December 6, 2024	6 months
13.	Stripping machine	Machine used for removing residual gold from underneath the stone base (cavity) to improve and enhance the brightness of the CZ stones	2	1.49*	Doit Industries India Private Limited	December 6, 2024	6 months
14.	Gold A Recovery Machine	Machine used for extracting gold from processing solutions	2	1.06*	Doit Industries India Private Limited	December 6, 2024	6 months
15.	Demineralisation unit kit big(50Ltr)	Machine removes all minerals present in raw water as jewellery manufacturing process requires de-mineralised water	1	0.23*	Doit Industries India Private Limited	December 6, 2024	6 months
16.	Spinner Polisher	Mass finishing machine where gold jewellery pieces are put into a tub and centrifugal force is employed along with cleaning solutions to brighten the jewellery pieces	1	0.42*	Doit Industries India Private Limited	December 6, 2024	6 months
17.	Electro Polishing Machine for Gold	Polishing machine used for polishing small pieces which are difficult to hold	1	1.70*	Doit Industries India Private Limited	December 6, 2024	6 months
18.	Electro Polishing Machine for Gold	Polishing machine used for polishing small pieces which are difficult to hold	1	3.19*	Doit Industries India Private Limited	December 6, 2024	6 months
19.	Dryer Machine	Centrifugal dryer where gold pieces after various cleaning process are dried by corncob grits	1	0.17*	Doit Industries India Private Limited	December 6, 2024	6 months
20.	Wet Jet Machine	Water jet machine sprays water at high	2	0.49*	Doit Industries	December 6, 2024	6 months

		pressure to remove the investment casting powder from the gold casted tree after gold metal casting			India Private Limited		
21.	Pen Plating Machine	Machine used to rhodium plate prongs holding the CZ stones for enhancing the brightness and lustre	10	0.21*	Doit Industries India Private Limited	December 6, 2024	6 months
22.	Plating Plant	Machine used to improve the colour of gold metal	1	0.53*	Doit Industries India Private Limited	December 6, 2024	6 months
23.	Plating Plant	Machine used to improve the colour of gold metal	1	2.95*	Doit Industries India Private Limited	December 6, 2024	6 months
24.	1HP water chiller	The process of induction heating to melt gold requires chilled water	3	0.38*	Doit Industries India Private Limited	December 6, 2024	6 months
25.	1HP water chiller (YIHUI)	The process of induction heating to melt gold requires chilled water	1	0.22*	Doit Industries India Private Limited	December 6, 2024	6 months
26.	Handwash Stand	Machine used by the workers for removing gold metal sticking on their hands	5	1.22*	Doit Industries India Private Limited	December 6, 2024	6 months
27.	Hot Flame 1000	Machines are used for brazing and soldering operations	1	0.42*	Doit Industries India Private Limited	December 6, 2024	6 months
28.	Hot Flame 2000	Machines are used for brazing and soldering operations	1	0.70*	Doit Industries India Private Limited	December 6, 2024	6 months
29.	Vacuum Differential Casting	Machines are used for gold casting. Where they inject liquid gold under vacuum and pressure in casting Molds	2	9.11*#	Western Equipments And Allied Private Limited	December 16, 2024	6 months
30.	Rotary Burnout Furnace	Machine burns out the wax which are inside the moulds at a very high temperature in a rotary turnstile/tray	5	24.29*#	Western Equipments And Allied Private Limited	December 16, 2024	6 months
31.	Automatic Investment Mixer	An investment pouring machine where a solution of water and investing powder are poured under pressure and vacuum into flask so that all the wax mandrels are fully soaked and enclosed with investment powder	2	5.18*#	Western Equipments And Allied Private Limited	December 16, 2024	6 months

32.	Laser Soldering Machine	Gold collets and findings are soldered together by this machine. Also, if during the manufacturing of jewellery some pieces may break then this machine is used to weld the pieces	10	18.86*#	Western Equipments And Allied Private Limited	December 16, 2024	6 months
33.	Graining System	A graining machine is used to make gold grains or grits from gold bars by melting the solid gold in the VPC casting machine	1	0.18*	Western Equipments And Allied Private Limited	December 16, 2024	6 months
34.	Gold Recovery & ETP Plant – Primary	Equipment is used to recover gold lost in the process of manufacturing jewellery	1	11.48*	Safalya Mechanical Works	December 10, 2024	6 months
35.	Gold Loss Recovery System - Secondary Recovery	Secondary gold recovery process where after primary recovery of the gold metal, further processes are employed to recover gold from the sludge of the primary process.	1	32.39*#	ITALIMPI ANTI ORAFI	November 27, 2024	3 months
36.	Pollution Control Equipment Fabrication	Machines required to To meet the norms of Pollution Control Board	1	11.64*	Safalya Mechanical Works	December 10, 2024	6 months
37.	Continuous Casting Machine	Machine is used for producing gold bars and rods in a continuous manner unlike a VPC machine which produces a fixed quantity of jewellery per flask	1	7.55*	Precious Alloys Private Limited	December 26, 2024	6 months
38.	Double Station Polishing Machine	Machines are used for polishing gold pieces having vacuum dust collectors and hoods	72	9.35*	Professional Engineering Works	December 20, 2024	6 months
39.	Filing Table Drawer Connected (FTDC) 1 New	Machines are used for filing the gold pieces with vacuum dust collectors and hoods to contain the loss of gold dust	72	7.65*	Professional Engineering Works	December 20, 2024	6 months
40.	Dry Sprue Grinder	Machine is used for cutting the gold pieces from the casting gold tree	2	0.18*	Professional Engineering Works	December 20, 2024	6 months
41.	Rapid Prototyping	Machine used to print wax mandrels directly from 3D cad files	10	57.11*	Shree Rapid Technologies	December 25, 2024	6 months
42.	DG Set & its ancillaries	Diesel generator set comprising of diesel motor and an AC	1	8.26*	Sudhir Gensets	November 30, 2024	3 months

		alternator of capacity 750 KVA/440 VAC					
Total				**288.11**			

[1] The amount may be subject to price revisions, basis, inter alia, prevailing market conditions, increase in taxes/ duties levied by the governmental authorities. In case of increase in quoted amount due to price revisions, our Company will bear the difference out of internal accruals.
**Including applicable 18.00% GST*
***Considered to account for other miscellaneous expenditures such as labour charges for loading/ unloading, inspection charges, freight, insurance, entry tax, customs duty, wherever applicable.*
#Quotation in Euros converted to INR basis conversion rates on December 24, 2024, being ₹ 88.56 per Euro, inclusive of 18.00% applicable GST but excluding forwarding charges, as applicable.

All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the equipment or at the same costs. The quantity of equipment to be purchased is based on the present estimates of our management. Our Company shall have the flexibility to deploy such equipment at any of our facilities, according to the business requirements of such facility and based on the estimates of our management. For further details see, "*Risk Factors - 35. We have not yet placed orders in relation to the capital expenditure to be incurred for the project we intend to fund through our Net Proceeds. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the equipment in a timely manner, or at all, may result in time and cost over-runs and our business, prospects and results of operations may be adversely affected.*"

No second-hand or used machinery is proposed to be purchased out of the Net Proceeds.

Additionally, there may be revision in the final amounts payable towards these quotations pursuant to any taxes or levies payable on such item.

Further, our Promoters, Directors, Key Managerial Personnel and Senior Management and our Group Companies do not have any interest in the proposed acquisition of the machinery or in the entities from whom we have obtained quotations in relation to such proposed acquisition of the machinery and equipment and our Company has confirmed that such entities do not form part of our Promoter Group or Group Companies.

Government and other approvals

In relation to the setting up of the Proposed Jaipur Facility, we are required to obtain certain pre-construction and post-construction approvals such as a factory licence, consent to establish, environmental clearances, consent to operate, and hazardous waste authorizations from the relevant pollution control board, no-objection certificates from fire safety authorities, etc. which are routine in nature. In the event of any unanticipated delay in receipt of such approvals, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or vary. Except for the consent to establish in relation to the Proposed Jaipur Facility, to be issued by Rajasthan State Pollution Control Board, which has already been received by us, necessary approvals for the Proposed Jaipur Facility shall be procured as and when they are required in accordance with applicable law. However, in the event of any regulatory changes there might be an ask for additional approvals beyond what the current norms require which might lead to the extension or delay in setting up of the Proposed Jaipur Facility.

Power and water requirements

Our Company proposes to meet the water requirements for the operations of the Proposed Jaipur Facility from Mahindra World City Jaipur Limited, the lessor of the property where the Proposed Jaipur Facility will be situated. Further, our Company plans to source power from Jaipur Vidyut Vitran Nigam Limited.

Our Directors, Key Managerial Personnel, members of Senior Management, Promoters, members of our Promoter Group and Group Companies do not have any interest in the proposed investment to be made by our Company towards the Proposed Jaipur Facility.

2. Funding incremental working capital requirements of our Company

We have working capital requirements in our business, and we fund our working capital requirements in the ordinary course of business from our internal accrual, financing from various banks. As of November 15, 2024, our fund based working capital facilities and non-fund based working capital facilities was ₹ 1,810.00 million and ₹ 400.00 million, respectively, from our banks.

Our Company operates in a working capital intensive industry. Our business model is such that we pay up front to procure raw material for jewellery manufacturing and deliver the finished goods to our clients as per the orders received for which payment is processed after an agreed credit period. Moreover, sufficient inventories of raw material and finished goods are to be maintained to support the business growth.

During Fiscal 2022 to Fiscal 2024 and six-month period ended September 30, 2024, our Company had an installed annual manufacturing capacity of 2,700 kg. With higher demand of its products, our Company was able to improve the utilization from 39.85% in Financial Year 2022 to 50.53% in Financial Year 2024 and further to 57.45% during the six month period ended September 30, 2024. Consequently, our Company was able to report a revenue growth of 28.88% CAGR during Fiscal 2022 to Fiscal 2024. With growth in the business and improvement in the working capital cycle, our Company's trade receivables increased by just 5.83% CAGR during the Fiscal 2022 to Fiscal 2024. To support the business growth, our inventories increased by 22.97% CAGR from ₹ 850.46 million in Fiscal 2022 to ₹ 1,286.02 million in Fiscal 2024. To meet the higher working capital requirements, our Company increased its working capital borrowings from ₹ 1,140.91 million in Fiscal 2022 to ₹ 1,803.74 million in Fiscal 2024 and further to 2,452.98 million for the six-month period ended September 30, 2024.

Historically, our Company largely relied on the domestic market for business growth. During Fiscal 2024, the Company had derived 95.14% of the revenue from operations from the domestic sales, while the rest from the exports sales and sale of service. In CY24 the Indian jewellery market is expected to grow by 13.1% y-o-y to ₹ 4,653 billion. Furthermore, the market is expected to grow at a compounded annual growth rate (CAGR) of 9.7% between CY23 and CY29 to ₹ 7,162 billion. Further, the global jewellery market is projected to reach USD 247 – USD 257 billion by 2028, exhibiting a CAGR of 5%. *(Source: CARE Report)*. Anticipating relatively better growth in the Indian jewellery market, domestic market will remain the key focus area for our Company. Moreover, we will continue to target the export market and improve its share in the revenue mix.

The growth of the wholesale gold jewellery market is closely tied to the expansion of retail jewellers across India. The organized sector, though smaller, is growing rapidly, led by established brands like Malabar Gold & Diamonds and Joyalukkas, and Titan's Tanishq. Market formalisation, driven by factors such as compulsory hallmarking, GST compliance, and consumer demand for transparency, has adversely impacted unorganized retailers, leading to market consolidation. Key players in the organized sector have seized this opportunity by expanding their retail footprints both domestically and internationally. For example, between FY22 and FY24, Titan added approximately 350 new retail stores, Senco Gold opened 32 stores, and Kalyan Jewellers established 93 new outlets. Consequently, the penetration of organized jewellery retailers has improved significantly from CY20 to CY23. Looking ahead, major brands are expected to strengthen their dominance further, with plans to open an estimated 400-440 new retail outlets across domestic and global markets in the near to mid-term. *(Source: CARE Report)*

During Fiscal 2024, our Company operated at 50.53% utilization levels, thus there is ample opportunity to improve the business potential from our existing Andheri Manufacturing Facility. Further, as a part of our strategy, we are planning to expand the capacity by setting-up our Proposed Jaipur Facility, which will be equipped with a wide range of advanced and diverse machineries & equipment such as laser welding machines, casting machines, ultrasonic polishing machines, etc. This proposed facility will have an installed production capacity of 1,200 kgs p.a., which will augment our currently existing installed production capacity to a total of 3,900 kgs p.a.

In order to cater to the sustained higher demand from the domestic and exports market and also better utilize the existing manufacturing capacity, our Company intends to manufacture more designs, increase its participation in various jewellery exhibitions as well as keep inventory of finished goods for walk-in clients and direct marketing sales. This would require our Company to mainly maintain sufficient levels of inventory of raw materials and finished goods. Thus our Company is estimating inventory of ₹ 1,261.03 million and ₹ 2,896.41 million, respectively in Fiscal 2025 and Fiscal 2026. Moreover, targeting higher revenue growth, trade receivables are anticipated at ₹ 1,758.01 million and ₹ 2,554.33 million, respectively in Fiscal 2025 and Fiscal 2026. These will expand our working capital requirement in Financial Year 2025 and Financial Year 2026. Our Company plans to fund the existing and estimated incremental working capital requirement through internal accruals and net proceeds from Issue. We intend to utilise ₹ 1,900.00 million from the Net Proceeds to fund working capital requirements of our Company in Fiscal 2026.

Our Company requires additional working capital for meeting the future demand for its products, for funding future growth requirements of our Company and for other strategic, business and corporate purposes, and the Net Proceeds deployed towards funding our working capital requirements are proposed to be utilised for the aforesaid purposes.

Set forth below are the current assets and working capital requirement of our Company as on Fiscals 2022, 2023 and 2024 as per the Restated Financial Information and as certified by J. Kala & Associates, Chartered Accountants, our Statutory Auditors, by way of their certificate January 13, 2025. As of November 14, 2024, the aggregate amount sanctioned by the banks to our Company under the fund based working capital facilities amounted to ₹ 1,810.00 million . For details of the working capital facilities availed by us, see "*Financial Indebtedness*" on page 276.

Basis of estimation of incremental working capital requirement

Details of the Company's composition of working capital as at Financial Years ended March 31, 2024, March 31, 2023 and as at March 31, 2022 based on the Restated Financial Information and source of funding of the same are as set out in the table below*:

Sr. No.	Particulars	For the six month period ended September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
I.	**Current Assets**				
(a)	Inventories	1,285.97	1,286.02	853.93	850.46
(b)	Trade receivables	1,528.87	782.31	1,023.25	698.46
(c)	Bank Balances other than cash and cash equivalent	448.03	394.26	97.96	44.16
(d)	Other current assets	79.88	58.19	46.10	53.45
	Total current assets (A)	**3,342.75**	**2,520.78**	**2,021.24**	**1,646.53**
II.	**Current Liabilities**				
(a)	Trade payables	92.85	44.64	62.91	76.73
(b)	Other current liabilities and Provisions	78.33	68.75	72.64	51.20
	Total current liabilities (B)	**171.18**	**113.39**	**135.55**	**127.93**
III.	**Total working capital requirement (A-B)**	**3,171.57**	**2,407.39**	**1,885.69**	**1,518.60**
IV.	**Funding Pattern**				
(a)	Short term borrowing from banks	2,198.78	1,521.26	1,120.52	878.88
(b)	Working capital term loan from banks	254.20	282.48	291.30	262.03
(c)	Internal accruals	718.59	603.65	473.87	377.69

**Certified by J. Kala & Associates, Chartered Accountants, our Statutory Auditors, pursuant to their certificate dated January 13, 2025.*

Expected working capital requirements

The estimates of the working capital requirements for the Financial Years ended March 31, 2025 and March 31, 2026 have been prepared based on the management estimates of current and future financial performance. The projection has been prepared using set of assumptions that include assumptions about future events and management's action that are not necessarily expected to occur.

On the basis of our existing working capital requirements and estimated working capital requirements, our Board pursuant to its resolution dated January 13, 2025 has approved the projected working capital requirements for Financial Year ended March 31, 2025 and Financial Year ended March 31, 2026, together with the assumptions and justifications for holding levels, and the proposed funding of such working capital requirements, as set forth below:

<u>Details of the Company's projected working capital requirements for Financial Year ended March 31, 2025 and Financial Year ended March 31, 2026, together with the assumptions and justifications for holding levels, and the proposed funding of such working capital requirements, are as set forth below*:</u>

Sr. No.	Particulars	Estimated amount as at March 31, 2025 (in ₹ million)	Estimated amount as at March 31, 2026 (in ₹ million)
I.	**Current Assets**		
(a)	Inventories	1,261.03	2,896.41
(b)	Trade receivables	1,758.01	2,554.33
(c)	Bank Balances other than cash and cash equivalents	375.00	400.00
(d)	Other current assets	252.58	359.11
	Total current Assets (A)	**3,646.62**	**6,209.85**
II.	**Current Liabilities**		
(a)	Trade payables	95.89	153.26
(b)	Other current liabilities and provisions	214.29	305.52
	Total current liabilities (B)	**310.18**	**458.78**
III.	**Total working capital requirements (A-B)**	**3,336.44**	**5,751.07**

Particulars	For Fiscal ended March 31, 2025 (Assumed)	For Fiscal ended March 31, 2026 (Assumed)
Working Capital Requirement	**3,336.44**	**5,751.07**
<u>Funding Pattern</u>		
Short term borrowing from banks	2,200.00	2,200.00
Working capital term loan from banks	231.83	21.22
Internal accruals	904.61	1,629.85
Net Proceeds from Fresh Issue	**-**	**1,900.00**

**As certified by J. Kala & Associates, Chartered Accountants, our Statutory Auditors, by way of their certificate dated January 13, 2025.*

Accordingly, we propose to utilise ₹ 1,900 million from the Net Proceeds to fund working capital requirements of our Company in Financial Year 2025 and Financial Year 2026.

Assumptions for our estimated working capital requirement*

Particulars	Holding Period (in Days)					
	March 31, 2022	**March 31, 2023**	**March 31, 2024**	**September 30, 2024**	**March 31, 2025**	**March 31, 2026**
Current Assets						
Inventories	56	46	55	46	40	41
Trade Receivables	65	46	46	42	40	42
Other current assets	4	3	3	2	5	6
Current Liabilities						
Trade Payables	6	4	3	2	2	2
Other current liabilities and provisions	6	3	4	3	4	5

**As certified by J. Kala & Associates, Chartered Accountants, our Statutory Auditors, pursuant to their certificate dated January 13, 2025.*

The table below sets forth the key assumptions for our working capital projections*:

Sr. No.	Particulars	Assumptions
Current Assets		
1.	Inventories	Our Company, intends to target and meet our customers' preferences, which often vary significantly by micro market and geography in which they operate. Thus, our Company has to keep ready stock available to cater different regions preferences and inventory of raw material to meet the demands of our customers. In Fiscal 2022, our Company's inventory holding levels were 56 days. In Fiscal 2023, our Company achieved significant growth in its revenue from operations while maintaining similar levels of inventory which led to decrease in its inventory holding levels to 46 days. In Fiscal 2024, our Company experienced moderate growth due to a rise in gold prices during the last quarter. This resulted in an increase in the inventory of finished goods. As a consequence of the higher inventory levels, our Company's inventory holding days increased to 55 days. For the six-month period ending September 30, 2024, our inventory holding level reduced to 46 days, mainly due to effective inventory management coupled with higher revenue growth from operations. We expect the inventory holding level to further fall to 40 days for the Fiscal 2025 resulting from efficient inventory management. In Fiscal 2026, our Company plans to expand its capacity by establishing a new manufacturing facility in Jaipur also produce a wider range of designs and increase participation in various jewellery exhibitions. Additionally, we will increase inventory of finished goods to cater to walk-in clients and direct marketing sales. Despite these initiatives, we expect our inventory holding levels to remain at approximately 41 days.
2.	Trade receivables	In Fiscal 2022, our Company's trade receivable days were 65 days. In Fiscal 2023, despite an increase in the value of trade receivables, we were able to reduce the holding level to 46 days, driven by efficient debtor recovery and significant growth in revenue from operations. In Fiscal 2024, our Company maintained the 46 day holding level, despite moderate revenue growth, due to continued efforts in effective recovery from debtor. For the six-month period ended September 30, 2024, we achieved further improvement, reducing the trade receivable days to 42. For Fiscal 2025 and Fiscal 2026, we expect the holding levels to remain stable at approximately 40 days and 42 days, respectively, supported by anticipated revenue growth.
3.	Other Current Assets	Other Current Assets include advances to suppliers, balance with government authorities, and prepaid expenses. For the Fiscal 2022, Fiscal 2023 and Fiscal 2024 and six-month period ended September 30, 2024, our Company's other current assets day were 4 days, 3 days, 3 days and 2 days respectively. Our Company aims to continue to manage its other current assets efficiently and anticipates holding levels for Fiscals 2025 and 2026 at 5 days and 6 days, respectively.
Current Liabilities		
4.	Trade Payables	Our business model requires upfront payment for procurement of gold, which is the key raw material for jewellery manufacturing. In Fiscal 2022, our Company's trade payable holding period was at 6 days. In Fiscal 2023, the trade payable holding level reduced to 4 days, due to faster payments and it slightly reduced to 3 days in Fiscal 2024. For the six-month period ended September 30, 2024, our trade payable holding level decreased to 2 days, it is expected to be maintained at 2 days in Fiscals 2025 and 2026.

Sr. No.	Particulars	Assumptions
5.	Other current liabilities and provisions	Other Current Liabilities include provision for income tax, lease liability, advances received from customers etc. For the Fiscal 2022, Fiscal 2023 and Fiscal 2024 and six-month period ended September 30, 2024, the Company's other current liabilities days were 6 days, 3 days, 3 days and 4 days and 3 days respectively. For Fiscal 2025 and Fiscal 2026, our Company is anticipating to maintain other current liabilities holding days at similar levels of 4 days and 5 days respectively.

**As certified by J. Kala & Associates, Chartered Accountants, our Statutory Auditors, pursuant to their certificate dated January 13, 2025.*

3. Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company

Our Company has entered into various borrowing arrangements with banks and other financial institutions, including borrowings in the form of terms loans and working capital facilities. As on November 14, 2024, our Company's aggregate outstanding borrowings was ₹ 2,474.19 million (excluding the non-fund based facility of ₹ 101.68 million) . For further details, including indicative terms and conditions, see "*Restated Financial Information – Note 11(a) – Financial Liabilities (i) Borrowing*" and "*Financial Indebtedness*" on pages 257 and 276, respectively.

Our Company intends to utilise an aggregate amount of ₹ 200.00 million from the Net Proceeds towards repayment/ prepayment of all or a portion of certain borrowings availed by our Company, including accrued interest thereon. Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, will be funded by the Company from its internal accruals.

Considering the nature of the borrowings and the terms of repayment/ prepayment, the aggregate outstanding amounts under the borrowings may vary from time to time, and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of their existing borrowings or avail additional borrowings prior to the Allotment. Accordingly, our Company may utilise the Net Proceeds for repayment/prepayment of any such refinanced facilities (including any prepayment fees or penalties thereon) or any additional facilities availed by our Company. However, the total amount to be utilised towards this Object shall not exceed ₹ 200.00 million from the Net Proceeds, subject to the other factors mentioned herein.

For the list of the borrowings availed by our Company, which are proposed to be fully or partially repaid or pre-paid from the Net Proceeds, please refer to the table below.

Sr. No.	Name of the lender	Nature of the borrowing	Date of Sanction	Date of Disbursement	Sanctioned amount (in ₹ million)	Amount outstanding as at November 14, 2024 (in ₹ million)	Rate of interest (1)(%)	Repayment date / Schedule	Pre-payment penalty	Purpose for which the loan was sanctioned*
1	Saraswat Co-Operative Bank Limited	Working Capital Term Loan - Guaranteed Emergency Credit Line	January 07, 2022	January 15, 2022	250.00	213.70	PLR-6.65% i.e. subject to minimum @ 9.25% p.a.	72 months commencing from February 15, 2024.	4.00% of the outstanding amount	Working Capital
	Total (A)				**250.00**	**213.70**				

Note: The details included in the above table have been certified by J. Kala & Associates, Chartered Accountants, our Statutory Auditors pursuant to their certificate dated January 13, 2025.

**J. Kala & Associates, Chartered Accountants, our Statutory Auditors by way of their certificate dated January 13, 2025 have confirmed the utilisation of the borrowings, specified above, for the purposes availed, is as per the sanction letter/loan agreement of the loans.*

[(1)] *The rate of interest mentioned in the table above, is the current rate of interest and is subject to changes as per the sanction letter/ loan agreement issued by the banks.*

4. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating up to ₹ [●] million towards general corporate purposes, subject to such amount not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilize Net Proceeds include funding strategic initiatives, funding growth opportunities, meeting fund requirements and other working capital requirements of our Company in the ordinary course of our business, strengthening marketing capabilities and brand building exercises, meeting corporate contingencies and expenses incurred in ordinary course of business, strategic and any other purpose as may be approved by our Board or a duly appointed committee from time to time, subject to compliance with applicable laws. The quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company and other relevant considerations, from time to time. Our Company's management, in accordance with the policies of our Board, shall have flexibility in utilizing surplus amounts, if any. In addition to the above, our Company may utilize the balance Net Proceeds towards any other expenditure considered expedient and as approved periodically by our Board or a duly appointed committee thereof, subject to compliance with applicable law. However, usage of funds will be as disclosed in the Objects of the Issue and any spill over from the intended Objects of the Issue to the general corporate purposes will not be carried out by the Company.

Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] million. The expenses of this Issue include, among others, listing fees, underwriting commission (if any), selling commission and brokerage, fees payable to the BRLM, fees payable to legal counsel, fees payable to the Registrar to the Issue, Escrow Collection Bank and Sponsor Bank to the Issue, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The expenses of this Issue include, among others, listing fees, underwriting fees, selling commission, fees payable to the BRLM, fees payable to the legal counsel, Registrar to the Issue, Bankers to the Issue, processing fee to the SCSBs for processing Bid cum Application Forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses, fees payable to auditors, consultants, independent chartered engineers, industry experts and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. All expenses in relation to the Issue will be borne by our Company.

The estimated Issue expenses are as follows:

(*₹ in million*)

S. No	Activity	Estimated expenses*	As a % of the total estimated Issue expenses	As a % of the total Issue size
1.	Fees payable to the BRLM including underwriting commission, brokerage and selling commission, as applicable	[●]	[●]	[●]
2.	Selling commission and processing fees for SCSBs [(1)(2)] and Bidding Charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs[(3)(4)(5)(6)]	[●]	[●]	[●]
3.	Processing fees payable to the Sponsor Banks	[●]	[●]	[●]
4.	Fees payable to the Registrar to the Issue	[●]	[●]	[●]
5.	Other expenses:			
	(i) Listing fees, SEBI and Stock Exchanges filing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
	(ii) Printing and stationery expenses	[●]	[●]	[●]
	(iii) Advertising and marketing expenses	[●]	[●]	[●]

	(iv) Fees payable to the legal counsel to the Issue	[●]	[●]	[●]
	(v) Fees payable to Statutory Auditor	[●]	[●]	[●]
	(vi) Fees payable to the independent chartered engineer			
	(vii) Fees payable to the industry service provider	[●]	[●]	[●]
	(viii) Miscellaneous^	[●]	[●]	[●]
	Total Estimated Issue Expenses	[●]	[●]	[●]

**To be incorporated in the Prospectus after finalisation of the Issue Price. Issue expenses are estimates and are subject to change. Issue expenses include goods and services tax, where applicable.*
^including fee payable to monitoring agency, etc.
(1) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders, portion for Non-Institutional Bidders, which are directly procured by them would be as follows:

*Portion for Retail Individual Bidders**	*[●] % of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*[●] % of the Amount Allotted (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price*

Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid book of BSE or NSE.

No additional processing/uploading charges shall be payable by our Company to the SCSBs on the applications directly procured by them.

(2) Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and portion for Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Brokers/RTAs/CDPs and submitted to SCSBs for blocking would be as follows:

Portion for Retail Individual Bidders	*₹ [●] per valid Bid cum Application Forms* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*₹ [●] per valid Bid cum Application Forms* (plus applicable taxes)*

**Based on valid Bid cum Application Forms*

(3) Selling commission on the portion for Retail Individual Bidders, the portion for Non-Institutional Bidders which are procured by Syndicate Members (including their sub-Syndicate Members) Registered Brokers, RTAs, CDPs would be as follows:

*Portion for Retail Individual Bidders **	*[●] % of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders **	*[●] % of the Amount Allotted (plus applicable taxes)*

**Amount allotted is the product of the number of Equity Shares Allotted and the Issue Price.*
Bidding Charges: ₹ [●] (plus applicable taxes) per valid application bid by the Members of the Syndicate (including their sub-Syndicate Members)/ RTA/CDPs.

Note: The brokerage/selling commission payable to the Syndicate/sub-Syndicate members will be determined on the basis of the ASBA Form number/series, provided that the application is also bid by the respective Syndicate/sub-Syndicate member. For clarification, if an ASBA bid on the application form number/series of a Syndicate/sub-Syndicate member, is bid for by an SCSB, the brokerage/selling commission will be payable to theSCSB and not to the Syndicate/sub-Syndicate member. The brokerage/selling commission payable to the SCSBs, RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid book of either of the Stock Exchanges. The bidding charges payable to the Syndicate/sub- Syndicate members will be determined on the basis of the bidding terminal ID as captured in the Bid book of the Stock Exchanges. Payment of brokerage/selling commission payable to the sub-brokers/agents of the sub-Syndicate members shall be handled directly by the sub-Syndicate members, and the necessary records for the same shall be maintained by the respective sub-Syndicate member.

(4) Selling commission payable to the Registered Brokers, RTAs and CDPs on the portion for Retail Individual Bidders, portion for Non-Institutional Bidder which are directly procured by the Registered Broker or RTAs or CDPs or submitted to SCSB for processing, would be as follows:

Portion for Retail Individual Bidders	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes)*

**Based on valid Bid cum Application Forms*
(5) Bidding charges of ₹ [•] (plus applicable taxes) shall be paid per valid Bid cum Application Form collected by the Syndicate, RTAs and CDPs (excluding applications made by Retail Individual Bidders using the UPI mechanism). The terminal from which the Bid has

been uploaded will be taken into account in order to determine the total bidding charges. Further, in order to determine to which Registered Broker/RTA/CDP, the commission is payable, the terminal from which the bid has been uploaded will be taken into account.
(6) Processing fees for applications made by UPI Bidders would be as follows:

RTAs / CDPs/ Registered Brokers/Members ofthe Syndicate	*₹ [●] per valid Bid cum Application Form (plus applicable taxes)*
Sponsor Bank(s)	*₹ [●] for applications made by UPI Bidders using the UPI mechanism** *The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, the NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other applicable laws.*

**Based on valid applications*
All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with the SEBI Master Circular.

Interim Use of Funds

Pending utilization of the Net Proceeds for the purposes described above, we undertake to temporarily deposit the funds from the Net Proceeds only with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board. In accordance with Section 27 of the Companies Act 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Loan

Our Company has not raised any bridge loans from any bank or financial institution as of the date of this Draft Red Herring Prospectus, which are required to be repaid from the Net Proceeds.

Monitoring of Utilization of Funds

In terms of Regulation 41 of the SEBI ICDR Regulations, prior to filing the Red Herring Prospectus with RoC, our Company will appoint a Monitoring Agency to monitor the utilization of the Gross Proceeds as the proposed Issue exceeds ₹ 1,000.00 million. The Monitoring Agency will monitor the utilisation of the Gross Proceeds and the Monitoring Agency shall submit the report required under Regulation 41(2) of the SEBI ICDR Regulations, on a quarterly basis, until such time as the Gross Proceeds have been utilised in full and Company shall provide details / information / certifications obtained from statutory auditors on the utilization of the Net Proceeds to the Monitoring Agency. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay.

Our Company will disclose and continue to disclose, the utilisation of the Gross Proceeds, including interim use under a separate head in our balance sheet for such Fiscals as required under applicable law, clearly specifying the purposes for which the Gross Proceeds have been utilised, till the time any part of the Gross Proceeds remains unutilised. Our Company will also, in its balance sheet for the applicable Fiscals, provide details, if any, in relation to all such Gross Proceeds that have not been utilised, if any, of such currently unutilised Gross Proceeds. Further, our Company, on a quarterly basis, shall include the deployment of Gross Proceeds under various heads, as applicable, in the notes to our quarterly financial results. Our Company will indicate investments, if any, of unutilised Gross Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

In accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Gross Proceeds from the Objects as stated above; and (ii) details of category wise variations in the actual utilisation of the Gross Proceeds from the Objects as stated above. Pursuant to Regulation 32(3) and Part C of Schedule II, of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applicationsof the Gross Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate.On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in the Red

Herring Prospectus and the Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors of our Company in accordance with Regulation 32(5) of SEBI Listing Regulations.

Variation in Objects of the Issue

In accordance with Sections 13(8) and 27 of the Companies Act and the SEBI ICDR Regulations, our Company shall not vary the objects of the Issue unless our Company is authorized to do so by way of a special resolution of its Shareholders. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("Notice") shall specify the prescribed details and be published in accordance with the Companies Act. The Notice shall simultaneously be published in the newspapers, one in English, one in Hindi, and one in Marathi, the vernacular language of the jurisdiction where our Registered and Corporate Office is situated. Our Promoters and controlling Shareholders, as of the time of such proposed variation, will be required to provide an exit opportunity to the Shareholders who do not agree to the above stated proposal, at a price and in such manner and subject to such conditions as prescribed by SEBI, in this regard.

Appraising Entity

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

Other Confirmations

No part of the Issue Proceeds will be paid to our Promoters, members of the Promoter Group, Group Companies, Directors, our Key Managerial Personnel or Senior Management. Our Company has neither entered into nor has planned to enter into any arrangement/ agreements with our Promoters, members of the Promoter Group, Directors, our Key Managerial Personnel, our Senior Management or our Group Companies in relation to the utilization of the Issue Proceeds. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects of the Issue as set out above.

BASIS FOR ISSUE PRICE

The Price Band and the Issue Price will be determined by our Company, in consultation with the Book Running Lead Manager, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Issue Price is [●] times the Floor Price and [●] times the Cap Price, and Floor Price is [●] times the face value and the Cap Price is [●] times the face value. Investors should also see "*Risk Factors*", "*Summary of Financial Information*", "*Our Business*", "*Restated Financial Information*", and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 28, 67, 175, 226, and 279, respectively,to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Issue Price are as follows:

- *Wide range of jewellery designs driven by team of experts*: Our jewellery business includes the designing and production of 22 Kt CZ gold jewellery. We offer a wide range of high-quality, intricately designed pieces, including bangles, rings, necklaces, and complete jewellery sets across various price points ranging from jewellery for special occasions, such as weddings to festive and daily-wear jewellery. We have primarily focused on our ability to develop and manufacture a wide variety of jewellery designs that cater to the diverse tastes of our clients.

- *Complete in-house manufacturing: Ensuring quality at every step*: We have fully integrated in-house manufacturing setup, which enables us to exercise greater control over the quality of products and meet the standards expected by our customers. All aspects of design, manufacturing, and packaging have been carried out in-house, enabling us to create jewellery tailored to our clients' preferences. Our manufacturing and processing operations are carried out using machines such as casting machines, steamers, induction melter, air compressors, *etc*. Additionally, a significant portion of our production process relies on outsourced labour, particularly for the manual setting of stones, which requires precision and craftsmanship. Our Andheri Manufacturing Facility spans over 13,448.86 square feet area, equipped to produce variety of jewellery with precision and efficiency. As on date, we have an installed manufacturing capacity of 2,700 kg per annum, allowing us to efficiently produce a wide range of jewellery.

- *Experienced Promoters with execution capabilities*: We attribute our growth to the experience of our Promoters. Our Promoters and Directors, Pankajkumar H. Jagawat and Manojkumar N. Jain, each have over 20 years of experience in jewellery industry, and our Promoter and Director, Shashank Bhawarlal Jagawat, has over 16 years of experience in jewellery industry. Our Promoters have been responsible in augmenting relationships with various stakeholders which has helped our Company expand its operations.

- *Financially stable business model*: Our Company has organically grown its operations and has demonstrated an increase in revenues and profitability. We believe that our focus on operational and functional excellence has contributed to our track record of healthy financial performance.

- *Established relations with corporate and jewellery businesses*: Over the years, we have developed and established sustained relationships with our clients, including Corporate Clients, enabling us to effectively address the distinct needs of our clients' segments. We have fostered long standing relationships with several jewellery businesses, including corporate jewellery brands ("**Corporate Clients**"), such as Joyalukkas India Limited, Lalithaa Jewellery Mart Limited, Alukkas Enterprises Private Limited, Vysyaraju Jewellers Private Limited and Shree Kalptaru Jewellers (I) Private Limited and numerous other esteemed clients. These relationships have been built on our ability to provide a wide range of designs for our product offering tailored to the needs of our clients by understanding market preferences. We endeavour to offer customised jewellery and collections that align with our Corporate Clients' and market preferences.

For further details, see "*Risk Factors*" and "*Our Business –Competitive Strengths*" on pages 28 and 179, respectively.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Financial Information. For details, see "*Restated Financial Information*" beginning on page 226.

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

A. **Basic and Diluted Earnings Per Equity Share ("EPS") (face value of each Equity Share is ₹ 10)**:

Fiscal/Period Ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2024	4.98	4.98	3
March 31, 2023	3.67	3.67	2
March 31, 2022	0.61	0.61	1
Weighted Average		3.81	-
Six months ended September 30, 2024#	3.38	3.38	-

#Not annualised

Notes:

(1) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/total of weights.

(2) Basic Earnings per Equity Share (₹) = Net Profit after tax attributable to equity shareholders of the Company, as restated / Weighted average number of Equity Shares outstanding during the year.

(3) Diluted Earnings per Equity Share (₹) = Net Profit after tax attributable to equity shareholders of the Company, as restated / Weighted average number of potential Equity Shares outstanding during the year.

(4) Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 'Earnings per share'.

(5) The figures disclosed above are based on the Restated Financial Information of the Company.

B. **Price/Earning ("P/E") ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:**

Particulars	P/E at the Floor Price* (number of times)	P/E at the Cap Price* (number of times)
Based on basic EPS for year ended March 31, 2024	[●]	[●]
Based on diluted EPS for year ended March 31, 2024	[●]	[●]

**To be computed after finalization of Price Band*

Notes:

(1) P/E ratio = Price per Equity Share / Earnings per Equity Share.

C. **Industry Peer Group P/E ratio**

Particulars	Industry Peer P/E	Name of the Company
Highest	168	Sky Gold Limited
Lowest	37	Utssav CZ Gold Limited
Average		102

The industry high and low has been considered from the industry peer set provided later in this section. For further details, see "Basis for Issue Price - Comparison of Accounting Ratios with Listed Industry Peers" beginning on page 113.

The industry P/E ratio mentioned above is computed based on the closing market price of equity shares on NSE on December 18, 2024 divided by the Diluted EPS as on for the financial year ended March 31, 2024.

D. **Return on Net worth ("RoNW")**

Fiscal/Period Ended	RoNW (%)	Weight
March 31, 2024	32.28%	3
March 31, 2023	33.08%	2
March 31, 2022	6.83%	1
Weighted Average	28.31%	
Six months ended September 30, 2024#	17.26%	

#Not annualized

Notes:

(1) Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/total of weights.

(2) Return on Net Worth (%) = Net Profit after tax, as restated attributable to equity shareholders of the Company / Restated

net worth at the end of the year/period.

(3) *'Net worth' under Ind-As: 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, as per the audited balance sheet, but does not include reserves created out of revaluation of assets and foreign currency translation reserves as on March 31, 2024; 2023 and 2022, in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations.*

(4) *The figures disclosed above are based on the Restated Financial Information of the Company.*

E. Net Asset Value ("NAV") per Equity Share

Particulars	Amount (₹)
As on March 31, 2024	17.90
As on September 30, 2024	21.27
After the completion of the Issue*	
- At the Floor Price	[●]
- At the Cap Price	[●]
Issue Price	[●]

**To be computed after finalization of price band*

Notes:

(1) *Issue Price per Equity Share will be determined on conclusion of the Book Building Process.*

(2) *Net asset value per share = Net asset value per share is calculated by dividing net worth by weighted average number of equity shares outstanding at the end of the year/period.*

(3) *Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during the 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 year.*

(4) *Pursuant to resolutions passed by the Board at its meeting held on October 15, 2024 and by the Shareholders at the extra ordinary general meeting held on November 09, 2024, our Company has issued 5 (five) Equity Shares of face value ₹ 10 for every 1(one) Equity Share held by the existing Shareholders. Such Equity Shares allotted pursuant to the bonus issue are retrospectively considered for the computation of Net asset value per Equity Share.*

F. Comparison of accounting ratios with Listed Industry Peers

Name of the Company	Face Value (₹ per share)	Closing Price ason December 18, 2024 (₹ pershare)	Revenue from operationsfor Financial Year 2024 (in ₹ million)	Earnings per share for Financial Year 2024 (₹)(1)		Net Asset Value per Equity share as on March 31, 2024(2)	Price / Earnings Ratio for the Financial Year 2024(3)	Return on networth for the Financial Year 2024(4)
				Basic	Diluted			
Shanti Gold International Limited	10	-	7,114.34	4.98	4.98	17.90	[●]	32.28
Peer Group								
Utssav CZ Gold Limited	10	280.05	3,401.96	7.65	7.65	20.96	37	44.62
RBZ Jewellers Limited	10	211.11	3,274.29	5.39	5.39	51.87	39	14.38
Sky Gold Limited	10	464.15	17,454.84	35.18	35.03	212.15	168	23.66

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports / annual results as available of the respective company for the financial year ended March 31, 2024 submitted to stock exchanges.

Notes:

(1) *Basic/diluted earnings per share refers to the basic/diluted earnings per share sourced from the financial statements of the respective peer group companies for the financial year ended.*

(2) *Net assets value per share = Net asset value per share is calculated by dividing net worth by weighted average number of equity shares outstanding at the end of the period.*

(3) *Price/earnings ratio for the peer group has been computed based on the closing market price of equity shares on NSE as on December 18, 2024, divided by the diluted earnings per share for financial year ended March 31, 2024.*

(4) *Return on Net Worth is computed as profit after tax attributable to shareholders divided by total equity attributable to the equity shareholders as on March 31, 2024. Return on Net Worth (%) is calculated as Profit for the year as a percentage of Net Worth.*

G. Key Performance Indicators

The tables below set forth the details of our certain financial data based on our Restated Financial Information, certain non-GAAP measures and KPIs that our Company considers have a bearing for arriving at the basis for Issue Price. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated January 13, 2025 and the Audit Committee has confirmed that other than the KPIs set out below, our Company has not disclosed any other KPIs to investors at any point of time during the three years period prior to the date of this Draft Red Herring Prospectus. The KPIs disclosed below have been used historically by our Company to understand and analyse its business performance, which helps in analysing the growth of various verticals in comparison to our Company's listed peers, and other relevant and material KPIs of the business of our Company that have a bearing for arriving at the Basis for Issue Price. The KPIs disclosed below have been certified by J Kala & Associates, our Statutory Auditors, pursuant to certificate dated January 13, 2025, 2025 which has been included in "*Material Contracts and Documents for Inspection—Material Documents*" on page 379.

The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational KPIs, to make an assessment of our Company's performance and make an informed decision.

H. The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below:

Particulars	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of our business and in turn helps assess the overall financial performance of our Company and size of our business.
EBITDA	EBITDA provides information regarding the operational efficiency of our business.
EBITDA Margin	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Net Profit after tax	Net Profit after tax provides information regarding the overall profitability of our business.
Net Profit Margin	Net Profit Margin is an indicator of the overall profitability and financial performance of our business.
Return on Net Worth	Return on Net Worth provides how efficiently our Company generates profits from shareholders' funds.
Return on Capital Employed	Return on Capital Employed provides how efficiently our Company generates earnings from the capital employed in our business.
Debt-Equity Ratio (in times)	Debt- equity ratio is a gearing ratio which compares shareholder's equity to company debt to assess our Company's amount of leverage and financial stability.
Days Working Capital	Days working capital is a metric that measures how many days it takes our company to transform its working capital into sales cash flows.

Details of our KPIs as of and for the six months ended September 30, 2024 and Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022, are set out below:

Our Operating and Financial Metrics

(*₹ in million, except as otherwise stated)*

Particulars	As of and for six Months Ended September 30, 2024	As of / For the Financial Year ended March 31,		
		2024	2023	2022
Revenue from Operations(1)	5,059.00	7,114.34	6,794.04	4,283.41

EBITDA[(2)]	361.94	534.54	455.70	206.94
EBITDA Margin[(3)] (in %)	7.15%	7.51%	6.71%	4.83%
Net Profit after tax [(4)]	182.48	268.68	198.19	33.01
Net Profit after tax Margin[(5)] (in %)	3.61%	3.78%	2.92%	0.77%
Return on Net Worth[(6)] (in %)	17.26%	32.28%	33.08%	6.83%
Return on Capital Employed[(7)] (in %)	9.44%	17.97%	19.36%	9.82%
Debt-Equity Ratio[(8)]	2.38	2.18	2.37	2.88
Days Working Capital (in number of days) [(9)]	115	124	102	130

Notes:

(1) *Revenue from operations means the Revenue from Operations as appearing in the Restated Financial Information.*

(2) *EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit/ (loss) before exceptional items and tax for the year/period and adding back finance costs, depreciation, and amortization expense.*

(3) *EBITDA margin is calculated as EBITDA as a percentage of Revenue from Operations.*

(4) *Net Profit after tax represents the restated profits of our Company after deducting all expenses.*

(5) *Net Profit after tax margin is calculated as restated Net Profit after Tax for the year/period divided by Revenue from Operations.*

(6) *Return on Net Worth (%) is calculated as Net Profit after Tax attributable to owner of the company, as restated for the end of the year/period divided by average Net worth as at the end of the year/period. Average net worth means the average of the net worth of current and previous financial year/period. Net worth means the aggregate value of the paid-up share capital and other equity.*

(7) *Return on Capital Employed is calculated as Earnings before interest and taxes divided by average capital employed (average capital employed is calculated as average of the total equity, including total debt (including borrowings and lease liabilities) and deferred tax liabilities (net of deferred tax assets) of the current and previous financial year/period.*

(8) *Debt- Equity Ratio is calculated by dividing total debt by total equity. Total debt represents long term and short term borrowings, including lease liabilities. Total equity includes the aggregate value of the paid-up share capital and other equity.*

(9) *Days Working Capital is arrived at by dividing working capital (current assets excluding cash and cash equivalents less current liabilities excluding short term borrowings and current lease liabilities) by revenue from operations multiplied by the number of days in the year/period (365/182).*

For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 175 and 279, respectively.

Subject to applicable law, our Company confirms that it shall continue to disclose all the above financial data based on the Restated Financial Information, certain non-GAAP measures and KPIs included in this "*Basis for Issue Price*" section, on a periodic basis, at least once in a year (or for any lesser period as determined by our Board), for a duration that is at least the later of (i) one year after the date of listing of the Equity Shares on the Stock Exchanges; or (ii) till the utilization of the Net Proceeds as disclosed under "*Objectsof the Issue*" section on page 92.

I. Description on the historic use of the KPIs by our Company to analyze, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs are not intended to be considered in isolation or as a substitute for the Restated Financial Information. We use theseKPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS.

Investors are encouraged to review the Ind AS financial measures and not to rely on any single financial or operational metric to evaluate our business. See *"Risk Factors – 54. Significant differences exist between Ind AS and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which may affect investor's assessment of our financial condition."* on page 58.

J. Comparison of KPIs based on additions or dispositions to our business

Our Company has not undertaken any acquisitions or dispositions of assets/ business during the six months ended September 30, 2024 and Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022.

K. Comparison with Listed Industry Peers

Set forth below is a comparison of our KPIs with our listed peer group companies:

(*remainder of this page has been intentionally left blank*)

(in ₹ million, except percentages and ratios)

Particulars	**Shanti Gold International Limited**				**RBZ Jewellers Limited**				**Sky Gold Limited**				**Utssav CZ Gold Limited**			
	Sep-24*	**FY 24**	**FY23**	**FY22**	**Sep-24***	**FY 24**	**FY23**	**FY22**	**Sep-24***	**FY 24**	**FY23**	**FY22**	**Sep-24***	**FY 24**	**FY23**	**FY22**
Revenue from Operations	5,059.00	7,114.34	6,794.04	4,283.41	1,990.44	3,274.29	2,879.28	2,521.07	14,918.76	17,454.84	11,538.01	7,857.02	2,845.31	3,401.96	2,381.86	1,232.99
EBITDA	361.94	534.54	455.70	206.94	284.94	388.67	394.62	271.92	970.30	809.89	372.69	308.47	158.74	229.01	138.85	66.25
EBITDA Margin (in %)	7.15%	7.51%	6.71%	4.83%	14.32%	11.87%	13.71%	10.79%	5.10%	4.43%	3.15%	2.58%	5.58%	6.73%	5.83%	5.37%
Net Profit after tax	182.48	268.68	198.19	33.01	171.44	215.69	223.33	144.06	579.41	404.81	186.09	169.51	98.74	128.48	71.50	33.39
Net Profit after tax Margin (in %)	3.61%	3.78%	2.92%	0.77%	8.61%	6.59%	7.76%	5.71%	3.88%	2.32%	1.61%	2.16%	3.47%	3.78%	3.00%	2.71%
Return on Net Worth (in %)	17.26%	32.28%	33.08%	6.83%	7.94%	14.38%	27.49%	22.94%	19.59%	23.66%	21.28%	24.97%	13.45%	44.62%	38.17%	24.88%
Return on Capital Employed (in %)	9.44%	17.97%	19.36%	9.82%	8.71%	16.05%	23.44%	20.47%	13.49%	18.55%	17.10%	19.47%	12.06%	24.77%	21.65%	13.31%
Debt-Equity Ratio	2.38	2.18	2.37	2.88	0.55	0.33	1.04	0.92	1.35	1.27	1.49	1.20	0.34	2.07	2.22	2.39
Days Working Capital (in number of days)	115	124	102	130	286.00	263.00	200.00	172.00	77.00	87.00	48.00	54.00	78.00	77.00	94.00	120.00

Notes:

All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from their respective audited/unaudited financial results and/or annual report.

For details and formulas of the method of computation of the above KPIs, see notes under "- Details of our KPIs as of and for the six months ended September 30, 2024 and Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022, are set out below" as specified above on page 114.

All the financial information pertaining to our Company has been extracted or derived from our Restated Financial Information.

Weighted average cost of acquisition ("WACA"), floor price and cap price

1. **Price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under the ESOP Scheme) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Primary Issuances”)**

   Our Company has not issued any Equity Shares, during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more that 5% of the fully diluted paid-up share capital of our Company, in a single transaction or multiple transactions combined together over a span of rolling 30 days.

2. **Price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involvingany of the Promoters, members of the Promoter Group, or other shareholders withrights to nominate directors during the 18 months preceding the date of filing of this Draft Red HerringProspectus / the Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company, in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Secondary Transactions”)**

   There have been no secondary sale/ acquisitions of Equity Shares or any convertible securities (“**Security(ies)**”), where the Promoters, members of the Promoter Group, or the Shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 monthspreceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transactionor multiple transactions combined together over a span of rolling 30 days.

3. **Since there are no such transactions to report to under 1 and 2, the following are the details basis the last five primary or secondary transactions (secondary transactions where Promoters, members of the Promoter Group, or Shareholder(s) having the right to nominate Director(s) on our Board, are a party to the transaction), not older than three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions:**

   Other than as disclosed below, there have been no primary or secondary transactions (secondary transactions where Promoters, members of the Promoter Group, or Shareholder(s) having the right to nominate Director(s) on our Board, are a party to the transaction), not older than three years prior to the date of this Draft Red Herring Prospectus.

Sr. No.	Name of Allotee/ Transferee	Type of Transaction	Number of securities	Date of Allotment/ Transfer	Nature of Allotment/Transfer	Nature of Specified Security	Issue/transferprice per security (in ₹)
1.	Krish Pankaj Jagawat	Secondary	900	October 14, 2024	Transfer from Llalet Gulab Jagasia	Equity Shares	172
2.	Vansh Manoj Kumar Jain	Secondary	900	October 14, 2024	Transfer from Vikramsingh Prakash Verma	Equity Shares	172
3.	22,488,750 Equity Shares allotted to Pankajkumar Hastimal Jagawat, 2,24,88,750 Equity Shares allotted to Manoj Kumar Jain, 4,500	Primary	45,000,000	November 18, 2024	Bonus issue in the ratio of 5 Equity Shares for every 1 Equity Share held	Equity Shares	N. A

	Equity Shares allotted to Rakesh Shantilal Jagawat, 4,500 Equity Shares allotted to Mukesh Shantilal Jain, 4,500 Equity Shares allotted to Shashank Bhawarlal Jagawat, 4,500 Equity Shares allotted to Krish Pankaj Jagawat and 4,500 Equity Shares allotted to Vansh Manoj Kumar Jain						

Note: As certified by J Kala & Associates, our Statutory Auditors by way of their certificate dated January 13, 2025.

4. The Floor Price is [●] times and the Cap Price is [●] times the weighted average cost of acquisition at which the equity shares were issued by our Company, or acquired orother shareholders with rights to nominate directors are disclosed below:

Past Transactions	Weighted average cost ofacquisition (in ₹)	Floor Price* (in ₹)	Cap Price* (in ₹)
WACA of equity shares that were issued by our Company	Not Applicable	[●] times	[●] times
WACA of equity shares that were acquired or sold by way of secondary transactions	Not Applicable	[●] times	[●] times
Since both paragraphs 1 and 2 are not applicable, please see below			
Based on primary issuances, as per paragraph 3 above	Nil^	[●] times	[●] times
Based on secondary transactions, as per paragraph 3 above	172	[●] times	[●] times

^ Equity Shares were acquired pursuant to bonus issue hence, cost of acquisition is Nil.
**To be computed after finalization of Price Band.*
As certified by J Kala & Associates, our Statutory Auditors by way of their certificate dated January 13, 2025.

5. Justification for Basis of Issue price

(i) The following provides an explanation to the Cap Price being [●] times of weighted average cost of acquisition of equity shares that were issued by our Company or acquired or sold by the Promoters, members of the Promoter Group, or other shareholders with rights to nominate directors by way of primary and secondary transactions (as disclosed above) compared to our Company's KPIs for the six months ended September 30, 2024 and for the Financial Years 2024, 2023 and 2022

[●]*

**to be computed after finalization of Price Band*

(ii) The following provides an explanation to the Cap Price being [●] times of weighted average cost of acquisition of equity shares that were issued by our Company or acquired by the Promoters, members of the Promoter Group, or other shareholders with rights to nominate directors by way of primary and secondary

transactions (as disclosed above) in view of external factors, if any, which may have influenced the pricing of the Issue

[●]*

**to be computed after finalization of Price Band*

The Issue Price of ₹ [●] has been determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the demand from investors for the Equity Shares through the Book Building process. Investors should read the abovementioned information along with "*Risk Factors*", "*Our Business*" and "*Restated Financial Information*" beginning on pages 28, 175 and 226, respectively, to have a more informed view.

STATEMENT OF SPECIAL TAX BENEFITS

Dated January 13, 2025
To,

The Board of Directors
Shanti Gold International Limited
Plot No A-51, 2nd Floor To 7th Floor, MIDC, Marol Industrial Area,
Road No.-1, Near Tunga International Hotel, Andheri (E),
Chakala Midc, Mumbai, Maharashtra, India, 400093
(the "**Company**")

Choice Capital Advisors Private Limited
Sunil Patodia Tower, Plot No. 156-158
J.B. Nagar, Andheri (East),
Mumbai, Maharashtra, India, 400099

*(Choice Capital Advisors Private Limited is referred to as the "**Book Running Lead Manager**" or the "**BRLM**")*

Dear Sir/ Madam,

Sub: Proposed initial public offering of equity shares of face value of ₹ 10 each (the "Equity Shares") of Shanti Gold International Limited ("the Company" and such issue, the "Issue")

Sub.: Statement of possible Special Tax Benefits available to the Company and its equity shareholders, under the direct and indirect tax laws

We, J Kala & Associates, Chartered Accountants (Firm registration number: 118769W), are Statutory Auditors of the Company and as per the engagement letter as on 20thNovember,2024, we have been appointed by the management of the Company to state the possible special tax benefits, available to the Company, its shareholders under direct and indirect taxes (together "the Tax Laws"), presently in force in India as on the signing date, which are defined in the Annexure.

We enclose herewith the statement (the "**Annexure**") showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the Indian direct and indirect tax laws including the Income-tax Act, 1961,("**Act**") the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "**GST Act**"), the Customs Act, 1962 ("**Customs Act**") and the Customs Tariff Act, 1975 ("**Tariff Act**") (collectively the "**Taxation Laws**") including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2025-26 relevant to the fiscal year 2024-25 for inclusion in the Draft Red Herring Prospectus ("**DRHP**") for the proposed initial public offering of Equity Shares of the Company as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**").

Management's Responsibility

The Company's management's responsibility includes the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Annexure and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The management is also responsible for ensuring that the Company complies with the requirements of the relevant provisions of the Tax laws and to avail the available special tax benefits.

The Company's management is also responsible for providing details pertaining to its returns, records and other relevant documentations and their reflection in the books of accounts/returns of the Company.

Statutory Auditor's Responsibility

In this regard, we have performed the following procedures in relation to the Annexure:

a) Review of the Company's fiscal statements and tax records to identify eligible tax benefits.

b) Review of requisite documentation, including tax computation sheets and supporting evidence of qualifying expenditures or investments.

We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" (the **"Guidance Note")** issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Charted Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Fiscal information, and Other Assurance and Related Services Engagements.

We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the Institute of Chartered Accountants of India.

Conclusion

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the direct and indirect taxation laws including the Income-tax Act 1961. Hence, the ability of the Company or its shareholders to derive these direct and indirect tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultants, with respect to the specific tax implications arising out of their participation in the Issue 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. We are neither suggesting nor are we advising the investors to invest or not to invest money based on this statement.

The contents of the enclosed Annexure are based on the representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Other Matters

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

- The Company or its Shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met;
- The revenue authorities/courts will concur with the views expressed herein.

This statement is provided solely for the purpose of assisting the Company in discharging its responsibilities under the ICDR Regulations.

We hereby give our consent to include this report and the enclosed Annexure regarding the tax benefits available to the Company and its Shareholders in the DRHP for the proposed initial public offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India and the National Stock Exchange of India Limited and BSE Limited (the "**Stock Exchanges**").

We also consent to the references to us as "Experts" as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the Draft Red Herring Prospectus, Prospectus, the Preliminary International Wrap/Offering Memorandum, the Abridged Prospectus and any other addendum thereto of the Company to be submitted/filed with the Securities and Exchange Board of India ("**SEBI**"), the Registrar of Companies, Maharashtra at Mumbai ("**ROC**") and the stock exchanges, or any other material (including in any corporate or investor presentation made by or on behalf of the Company) to be issued in relation to the Issue (together referred as "**Offer Documents**") or in any other documents in connection with the Issue

Our views expressed herein are based on the facts and assumptions indicated to us. 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 the Taxation Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We will not be liable to the Company and any other person in respect of this certificate, except as per applicable law.

The contents of enclosed Annexures are based on the information, explanation and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our Scope of work did not involve performance of any audit test in this context of our examination. Accordingly, we do not express an audit opinion.

The 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.

This certificate is not to be used, referred to or distributed for any other purpose without our prior written consent.

We hereby give consent to include this statement in the Draft Red Herring Prospectus, Red Herring Prospectus, the Prospectus and submission of this certificate as may be necessary, to the Stock Exchange/ SEBI/ any regulatory authority and/or for the records to be maintained by the Book Running Lead Manager in connection with the Issue and in accordance with applicable law.

This certificate may be relied on by the Book Running Lead Manager and the legal counsel in relation to the Issue.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

All capitalized terms not defined hereinabove shall have the same meaning as defined in the Offer Documents.

Yours sincerely,

For J Kala & Associates,
Chartered Accountants
ICAI Firm Registration No.: 118769W

CA Hiral Mehta
Partner
Membership No: 149085
Place: Mumbai
Date:
UDIN: 25149085BMJQIY6248

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO SHANTI GOLD INTERNATIONAL LIMITED ("COMPANY") AND THE SHAREHOLDERS OF THE COMPANY ("SHAREHOLDERS")

Outlined below are the special tax benefits available to the Company and its shareholders as per the Income tax Act, 1961 ("IT Act") as amended from time to time and applicable for fiscal year 2024-25 relevant to assessment year 2025-26(AY 2025-26) and Indirect Tax Laws as amended from time to time and applicable for fiscal year 2024-25. 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.

I. Under the IT Act

1. Special Tax Benefits to the Company

- Lower Corporate Tax rate under Section 115BAA

A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 ("the Amendment Act, 2019") granting an option to domestic companies to compute corporate tax at a reduced rate of 25.17% (22% plus surcharge of 10% and cess of 4%) from the Fiscal Year 2019-20, provided such companies do not avail specified exemptions/incentives (e.g. deduction under Section 10AA, 32(1) (iia), 33ABA, 35(2AB), 80-IA etc.) The Amendment Act, 2019 also provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax ("MAT") under Section 115JB. The Central Board of Direct Tax(CBDT) has further issued Circular 29/2019 dated October 02,2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAA, MAT credit would not be available. Corresponding amendment has been inserted under Section 115JAA dealing with MAT credit.
The Company has exercised the above option in the Fiscal Year 2023-24.

2. Special Tax Benefits available to Shareholders

There are no Special Tax Benefits available to the Shareholders (other than Resident Corporate Shareholder) of the Company.

With respect to a Resident Corporate Shareholder, a new section 80M is inserted in the Finance Act, 2020, to remove the cascading effect of taxes on inter-corporate dividends during fiscal year 2020-21 and thereafter. The section provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other Domestic Company or a Foreign Company or a Business Trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other Domestic Company or Foreign Company or Business Trust as does not exceed the amount of dividend distributed by it on or before the due date. The "due date" means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139.

NOTES:

- The above statement of Special Tax Benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- The above statement covers only certain Special Tax Benefits under Income Tax Act,1961 read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
- The above statement of Special Tax Benefits is as per the current Direct Tax Laws relevant for the assessment year 2025-26. Several of these benefits are dependent on the Company or its Shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.
- In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.
- As the Company has opted for concessional corporate income tax rate as prescribed under section 115BAA of Income Tax Act,1961, it will not be allowed to claim any of the following deductions:

a. Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)

b. Deduction under clause (iia) of sub-section (1) of section 32 (Additional Depreciation)

c. Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, Site restoration fund)

d. Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section or subsection (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)

e. Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)

f. Deduction under section 35CCD (Expenditure on skill development)

g. Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA or section 80M;

h. No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above

i. No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred above

This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

II. Under the Indirect Tax Laws

3. Special Indirect Tax Benefits available to the Company

The Company is not entitled to any special tax benefits under indirect tax laws

4. Special Tax Benefits available to Shareholders

The Shareholders of the Company are not entitled to any Special Tax Benefits under indirect tax laws

Notes:

1. *We have not considered the general tax benefits available to the Company, or shareholders of the Company.*

2. *The above is as per the Taxation Laws as on date.*

3. *The above Statement of possible special tax benefits sets out the provisions of Taxation Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of Equity Shares.*

4. *This Statement does not discuss any tax consequences in any country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible income –tax consequences that apply to them.*

SECTION IV: ABOUT OUR COMPANY

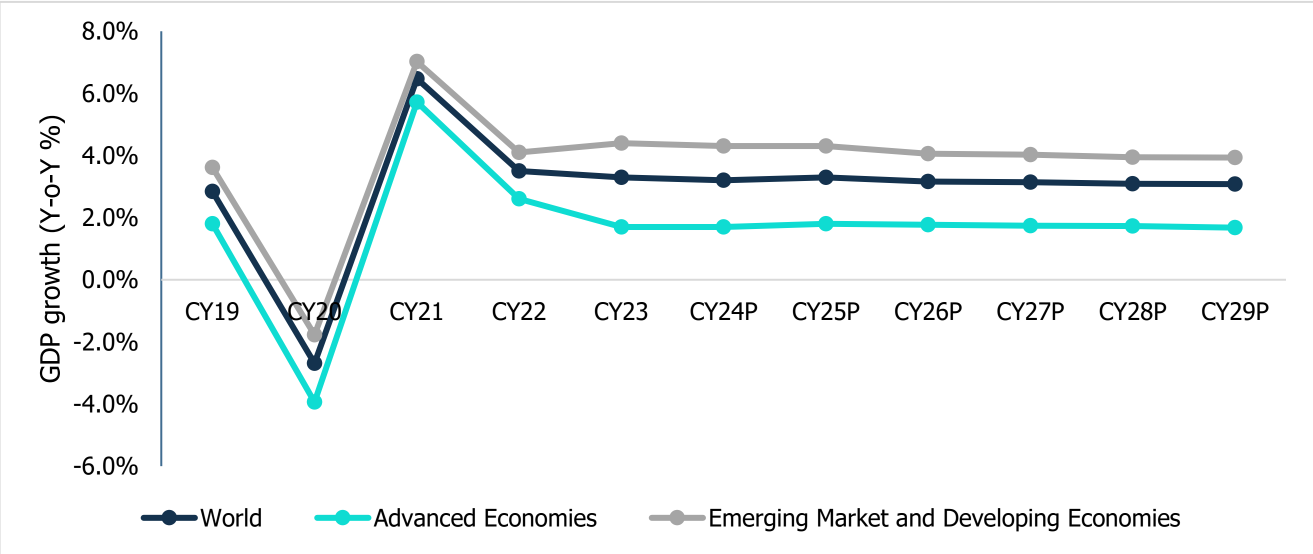
INDUSTRY OVERVIEW

1. Economic Outlook

1.1. Global Economy

Global growth, which stood at 3.3% in CY23, is anticipated to fall to 3.2% in CY24 and then bounce back again to 3.3% in CY25. The CY24 forecast has remained same compared to the April 2024 World Economic Outlook (WEO) Update, and increased by 0.1 percentage point compared to the January 2024 WEO. Despite this, the expansion remains historically low, attributed to factors including sustained high borrowing costs, inflation woes, reduced fiscal support, lingering effects of Russia's Ukraine invasion, Iran–Israel War, sluggish productivity growth, and heightened geo-economic fragmentation.

Chart 1: Global Growth Outlook Projections (Real GDP, Y-o-Y change in %)



Notes: P-Projection; Source: IMF – World Economic Outlook, July 2024

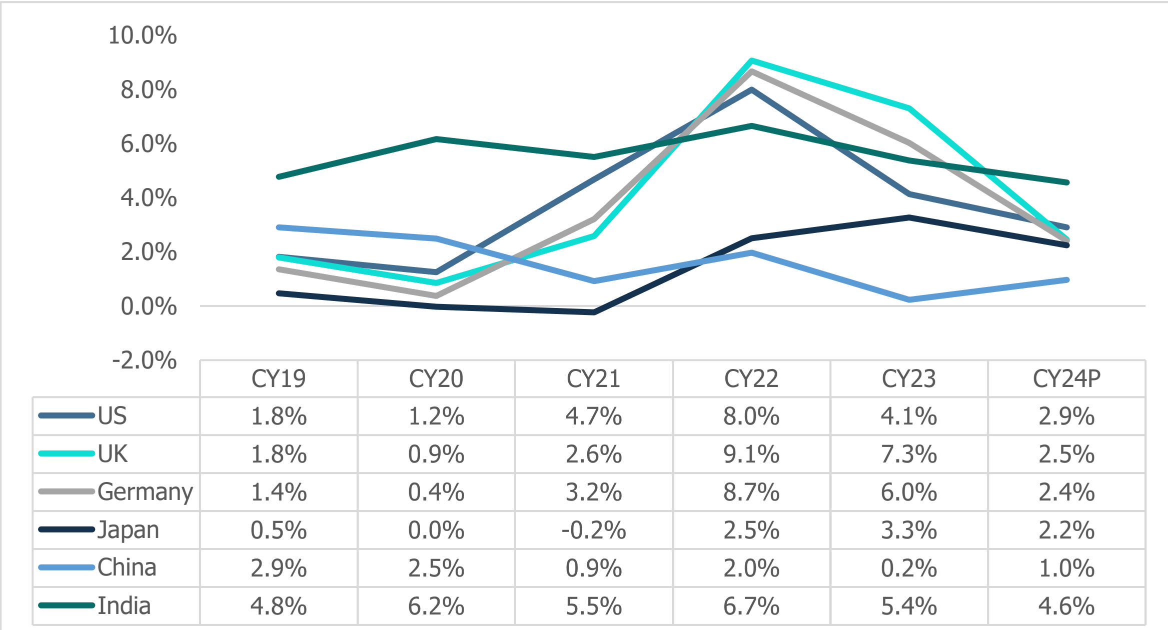
1.2. Trend in Global Inflation rate

Since 2022, inflation has been falling for all major global economies following a surge in inflation during 2021-22 due to the twin supply shocks of COVID and Russian invasion of Ukraine. This surge was preceded by a long period of low inflation for US, UK and the Eurozone countries like Germany. While inflation accounted due to the large fiscal stimulus provided in these countries was foreseen, the Russia-Ukraine war added an additional shock and led to this surge specially in Germany with high energy and gas bills being the major contributors of inflation. Even Japan which has had disinflation for many years, also saw an uptick in inflation post 2022 after which the Bank of Japan finally raised rates after years of ultra-loose monetary policy. Seeing these price shocks as transitory, Central Banks around the world reacted a little late to inflation but have been on a tightening cycle since 2022. Inflation, while falling, is yet to reach to pre-pandemic levels for these countries.

For China, this trend has been contradictory with its inflation remaining lower than many of its peers during 2020-2023, with a little rise in 2022, raising concerns of deflation. Unlike other major global economies, consumer spending did not rise much when lockdown restrictions were lifted. Weak domestic demand along with weak trade data, and challenges in housing market have been the major reasons for this trend. Youth unemployment along with increasing debt burden of the country are two major problems the country is facing whilst fighting deflation. While there has been recovery in manufacturing activity, increasing inflation numbers in 2024, it still is not expected to reach pre-pandemic level anytime soon.

India's response to the COVID-19 pandemic, through fiscal stimulus, had only a short-lived effect on inflation, which remained persistently high compared to other economies. Over the past few years, the Indian economy has faced a series of shocks, including the pandemic, supply-chain disruptions, and geopolitical tensions, which have kept inflation elevated. The Reserve Bank of India struggled to keep inflation within its target range, missing its mandate during several quarters. Despite these difficulties, India has managed to reduce both headline and core inflation through strategic administrative and monetary measures. By tightening monetary policy and increasing interest rates, the RBI has successfully curbed core inflation, bringing it down significantly by mid-2024.

Chart 2: Inflation across key economies



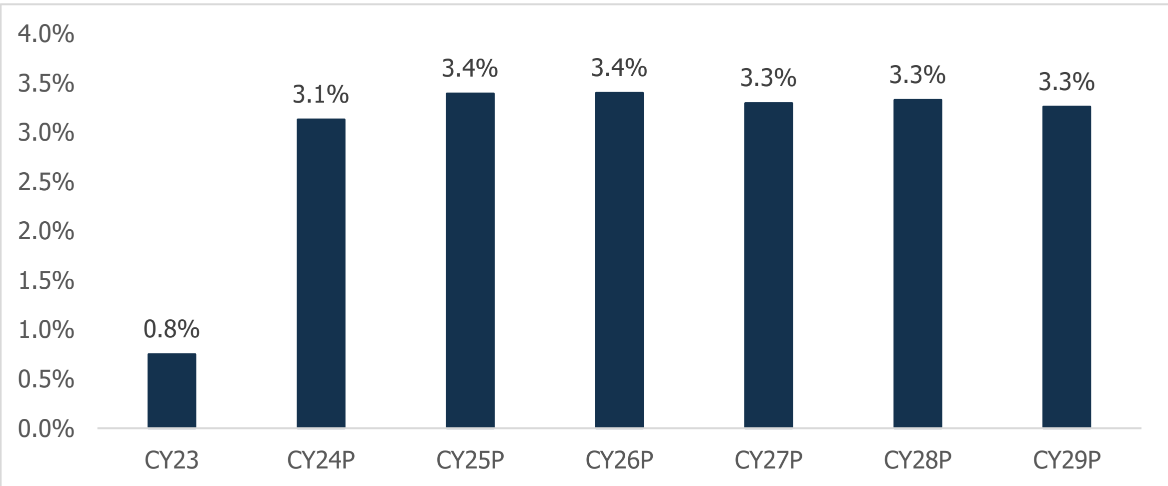
	CY19	CY20	CY21	CY22	CY23	CY24P
US	1.8%	1.2%	4.7%	8.0%	4.1%	2.9%
UK	1.8%	0.9%	2.6%	9.1%	7.3%	2.5%
Germany	1.4%	0.4%	3.2%	8.7%	6.0%	2.4%
Japan	0.5%	0.0%	-0.2%	2.5%	3.3%	2.2%
China	2.9%	2.5%	0.9%	2.0%	0.2%	1.0%
India	4.8%	6.2%	5.5%	6.7%	5.4%	4.6%

Note: P-Projections, Source: IMF- World Economic Outlook Database (April 2024)

1.3. Trend in Global Trade

In CY23, the trade volume growth rate was relatively low 0.8%, due to a mix of economic uncertainty, geopolitical tensions, inflationary pressures, and lingering supply chain disruptions, followed by a period of accelerated expected growth reaching 3.4% in CY25P, before stabilizing at around 3.3% for the subsequent years CY26P to CY29P. This pattern suggests that trade volumes are expected to recover and grow steadily, with a more moderate pace of growth in the long run.

Chart 3: Global Trend in Trade Volume of Goods and Services



Note: P-Projections, Source: IMF- World Economic Outlook Database (October 2024)

1.4. Indian Economic Outlook

Resilience to External Shocks remains Critical for Near-Term Outlook

India's real GDP grew by 7.0% in FY23 and stood at ~Rs. 161 trillion, as per the First Revised Estimate, despite the pandemic in previous years and geopolitical Russia-Ukraine spillovers. In Q1FY24, the economic growth accelerated to 8.2%. The manufacturing sector maintained an encouraging pace of growth, given the favorable demand conditions and lower input prices. The growth was supplemented by a supportive base alongside robust services and construction activities. This momentum remained in the range in the Q2FY24 with GDP growth at 8.1%, mainly supported by acceleration in investments. However, private consumption growth was muted due to weak rural demand and some moderation in urban demand amid elevated inflationary pressures in Q2FY24. The GDP growth number improved for Q3FY24 at 8.6%.

India's GDP at constant prices surged to Rs. 47.24 trillion in Q4FY24 from Rs. 43.84 trillion in Q4FY23, marking a 7.8% growth rate. This upswing was fueled by robust performances in construction, mining & quarrying, utility services, and manufacturing sectors and investment drove the GDP growth, while both private and government consumption remained subdued.

Real GDP in the year FY24 is estimated to grow at 8.2% at Rs. 173.82 trillion as per provisional estimate of the Ministry of Statistics and Programme Implementation. It is expected that domestic demand, especially investment, to be the main driver of growth in India, amid sustained levels of business and consumer confidence.

In Q1FY25, real GDP grew by 6.7% y-o-y, hitting a 15-month low, as compared to 8.2% y-o-y in the previous quarter. Private consumption, a key driver of the GDP, showed resilience increasing by 7.45% while government spending contracted by 0.24%. This growth was largely driven by elections and extreme summer conditions, which impacted economic activities across several sectors.

GDP Growth Outlook

- Driven by fixed investment and improving global environment, domestic economic activity continues to expand. The provisional estimates (PE) placed real GDP growth at 8.2% for FY24.

- Industrial activity led by manufacturing continues its momentum on the back of strengthening domestic demand. Moreover, the services sector-maintained buoyancy as could be observed by growth in high frequency indicators such as E-way bills, GST revenues, toll collections, aggregate, and a healthy growth in domestic air cargo and port cargo. The purchasing managers' index for both manufacturing and services continues to exhibit a sustained and healthy expansion.

- Domestic economic activity remains strong. On the supply side, with advancing monsoon, kharif sowing has picked up, improving agricultural production prospects. Additionally, growth in GVA for major non-agricultural sectors like manufacturing, construction, and utilities has stayed above 5% for Q1FY25, indicating expansion in the mentioned sectors. On the demand side, household consumption is bolstered by a recovery in rural demand and consistent discretionary spending in urban areas. Fixed investment activity is robust, supported by the government's ongoing focus on capital expenditure, healthy balance sheets of banks and corporates, and other policy measures. Private corporate investment is picking up, driven by an increase in bank credit. Merchandise exports grew in June, albeit at a slower rate, while the growth in non-oil-non-gold imports accelerated, indicating resilience of domestic demand. Services exports saw double-digit growth in May 2024 before slowing down in June 2024.

- Improved agricultural activity would improve rural consumption, while urban consumption would be supported by buoyancy in services activity. Additionally, improvement in global trade prospects are expected to support external demand.

Persistent geopolitical tensions and volatility in international financial markets and geo-economic fragmentation do pose risk to this outlook. Based on these considerations, the RBI, in its August 2024 monetary policy, has projected real GDP growth at 7.2% y-o-y for FY25.

Table 1: RBI's GDP Growth Outlook (Y-o-Y %)

FY25P (complete year)	Q2FY25P	Q3FY25P	Q4FY25P	Q1FY26P
7.2%	7.2%	7.3%	7.2%	7.2%

Note: P-Projected; Source: Reserve Bank of India

1.5. Consumer Price Index

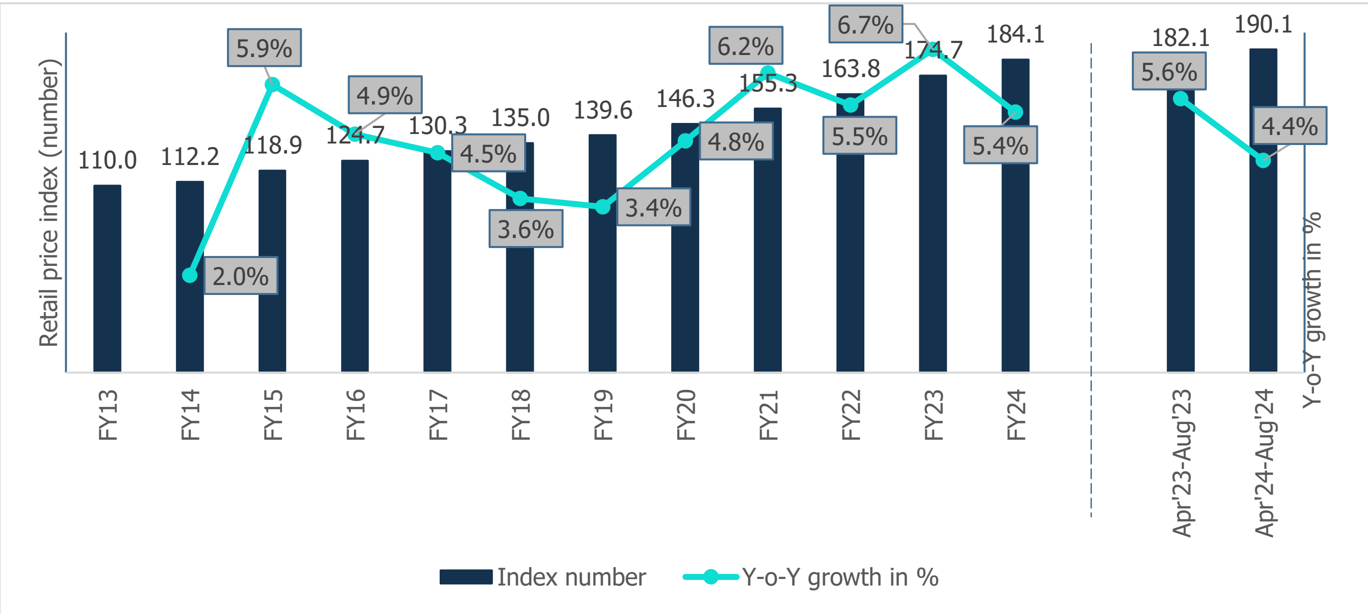
India's consumer price index (CPI), which tracks retail price inflation, stood at an average of 5.5% in FY22 which was within RBI's targeted tolerance band of 6%. However, consumer inflation started to upswing from October 2021 onwards and reached a tolerance level of 6% in January 2022. Following this, CPI reached 6.9% in March 2022.

CPI remained elevated at an average of 6.7% in FY23, above the RBI's tolerance level. However, there was some respite toward the end of the fiscal wherein the retail inflation stood at 5.7% in March 2023, tracing back to the RBI's tolerance band. Apart from a favorable base effect, the relief in retail inflation came from a moderation in food inflation.

In FY24, the CPI moderated for two consecutive months to 4.7% in April 2023 and 4.3% in May 2023. This trend snapped in June 2023 with CPI rising to 4.9%. In July 2023, the CPI had reached its highest point at 7.4%, this was largely due to increase in food prices. The notable surge in vegetable prices and in other food categories such as cereals, pulses, spices, and milk have driven this increase. In August 2023, the food inflation witnessed some moderation owing to government's active intervention. This was further moderated for second consecutive month in September 2023 to 5%, led by a sharp correction in vegetables prices and lower LPG prices. Helped by deflation in the fuel and light category, the retail inflation in October 2023 softened at 4.9%. This trend reversed in November 2023 due to spike in certain vegetable prices as well as sticky inflation in non-perishable food items such as cereals, pulses and spices and the CPI rose to 5.6%. In the month of December 2023, elevated food prices and an unfavourable base drove headline inflation to a four-month peak of 5.7%. However in the month of January and February, food prices softened and the inflation was reported at 5.1% for both the months. March witnessed furthur softning of prices registering 4.9% growth. For FY24 inflation moderated to 5.4% which are within the boundaries set of 2% to 6% by the RBI.

High inflation in specific food items poses inflation risk, even though an improvement in south-west monsoon and progress in sowing are improving the food inflation outlook. This makes it crucial to monitor monsoon distribution. Additionally, global food prices also show some softening in July, post increases in March 2024. While government initiatives are expected to mitigate upward price pressure, external risks from geopolitical tensions may affect supply chains and commodity prices. The numbers for April 2024-August 2024 show a decline in inflation growth y-o-y to 4.4% as compared to inflation growth y-o-y of 5.6% in April 2023-July 2023 period. For August 2024, CPI inflation stood at 3.7% which has been the second lowest retail inflation in the last 5 years. There was a decline in inflation observed among the subgroups spices, meat and fish, and pulses and products. Additionally, food inflation was also at the second lowest in this month since June 2023.

Chart 4: Retail Price Inflation in terms of index and Y-o-Y Growth in % (Base: 2011-12=100)



Source: MOSPI

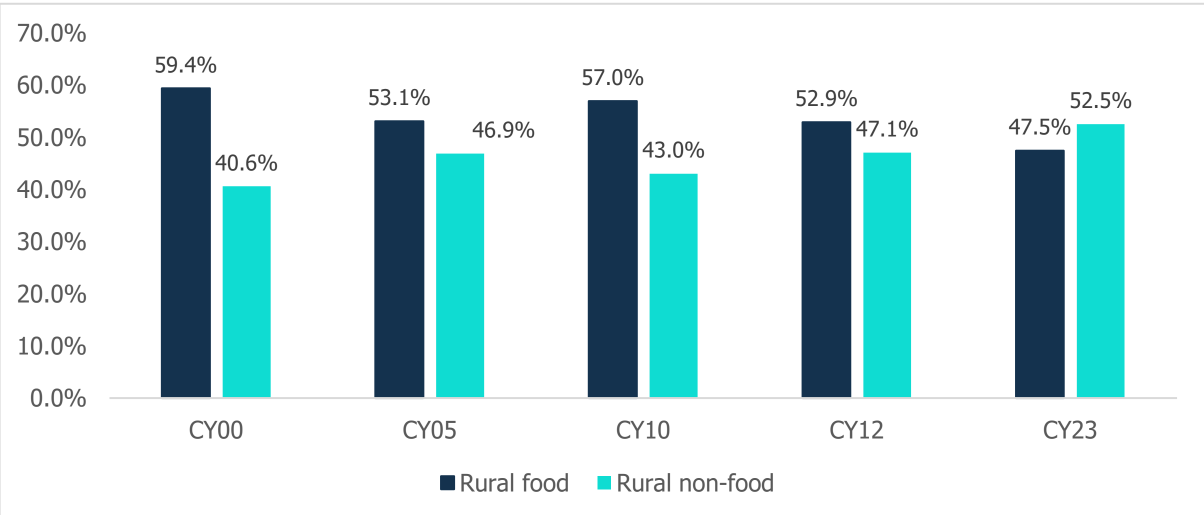
The CPI is primarily factored in by RBI while preparing their bi-monthly monetory policy. At the bi-monthly meeting held in August 2024, RBI projected inflation at 4.5% for FY25 with inflation during Q2FY25 at 4.4%, Q3FY25 at 4.7%, Q4FY25 at 4.3%, and Q1FY26 at 4.4%.

1.6. Rural and Urban Consumption

The rural food consumption has decreased from 59.4% in CY00 to 47.5% in CY23. Urban food consumption also shows a similar trend from 48.1% in CY00 falling to 38.7% in CY23.

From CY00 to CY23, India has seen a clear shift in consumption patterns, with food expenditure decreasing and non-food expenditure increasing. This shift highlights a transition from a primarily agrarian economy to a more diversified rural economy where spending on non-food goods and services (education, healthcare, housing, transportation, etc.) is becoming increasingly important. As urban-rural incomes rise, rural households can spend more on lifestyle, education, and health, signifying greater economic development and evolving consumption habits.

Chart 5: Trend in rural consumption composition (in %)



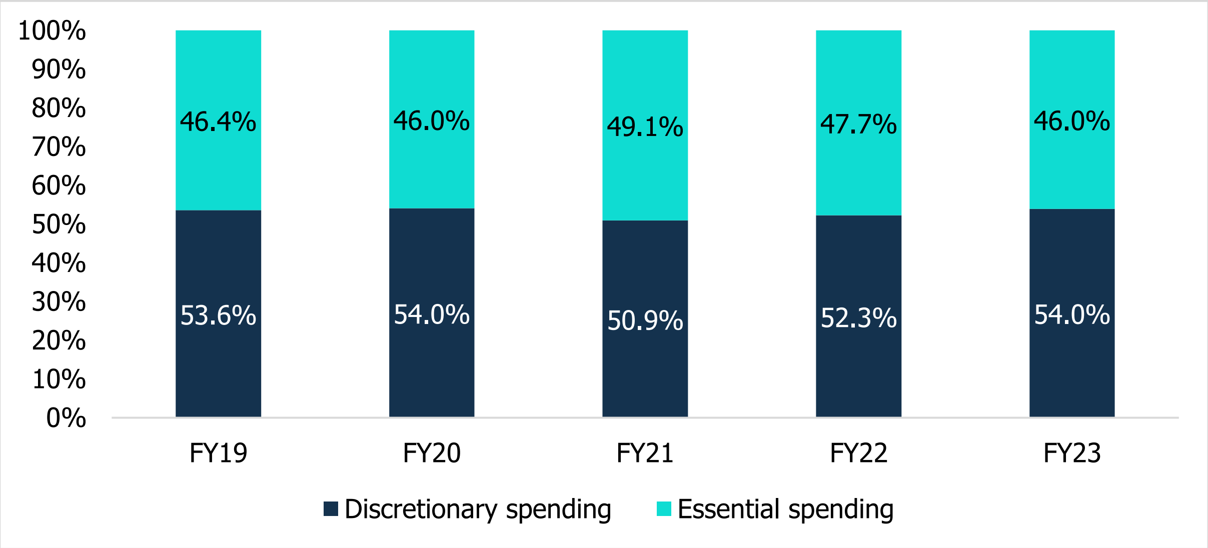
Source: MOSPI

1.7. Household Spending patterns

In the past five years, Indian households have experienced a notable shift in spending patterns, transitioning from essential expenditures to a greater focus on discretionary spending. The share of expenditure on discretionary items has increased from 53.6% in FY19 to 54% in FY23, whereas share of expenditure on essential items has decreased from 46.4% in FY19 to 46% in FY23. The only exception to the trend can be observed in FY21 when essential spending share saw an uptick to 49.1% on account of pandemic.

Households are allocating a high portion of their budgets to non-food, reflecting a growing disposable income. Consequently, spending on non-food items such as clothing, entertainment, transportation, and health has risen sharply. This trend highlights an evolving consumer mindset, where families prioritize experiences and lifestyle enhancements over necessities, showcasing a shift towards a more affluent and diverse consumption culture.

Chart 6: Shifting Patterns in Household Consumption Expenditure



Source: MOSPI

Note: Essential Spending includes Food and non-alcoholic beverages, Clothing and footwear, Housing, water, electricity, gas, and other fuels

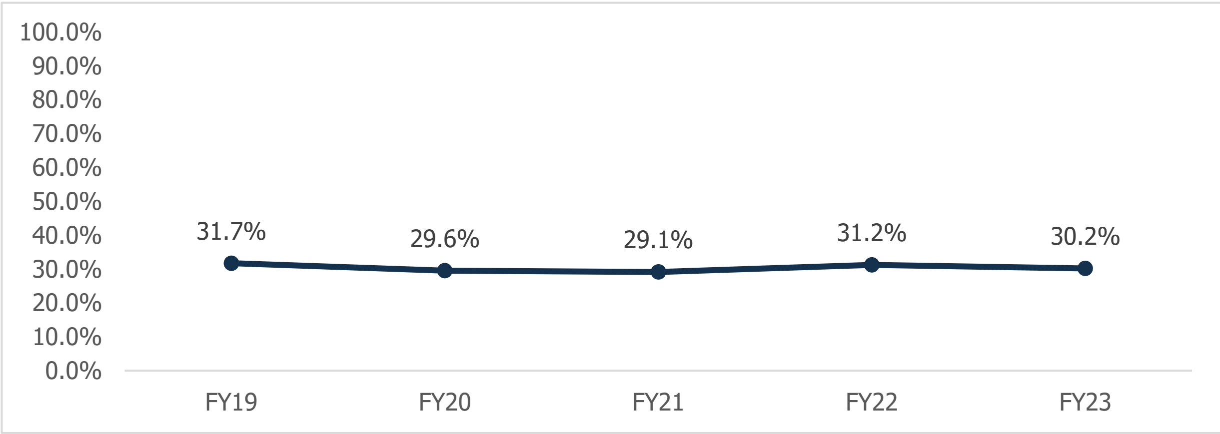
Discretionary Spending includes Alcoholic beverages, tobacco and narcotics, Clothing and footwear, Furnishing, household equipment and routine household maintenance, Health, Transport, Communication, Recreation and culture, Education, Restaurants and hotels, and Miscellaneous goods and services

1.8. Trend in Gross Savings (as % of GDP)

Gross Savings as a percentage of GDP has seen flat growth, moving within a narrow range. Within the last five years, it was highest in FY19 at 31.7%. It declined to less than 30% during FY20 and FY21 on account of the pandemic, increasing again to 31.2% in FY22 before declining to 30.2% in FY23.

As of FY23, Savings were Rs. 81,500 billion indicating a y-o-y growth of 10.7% while GDP was at Rs. 2,69,497 billion showing a growth of 14.2%.

Chart 7: Gross Savings (as % of GDP) (at current prices)



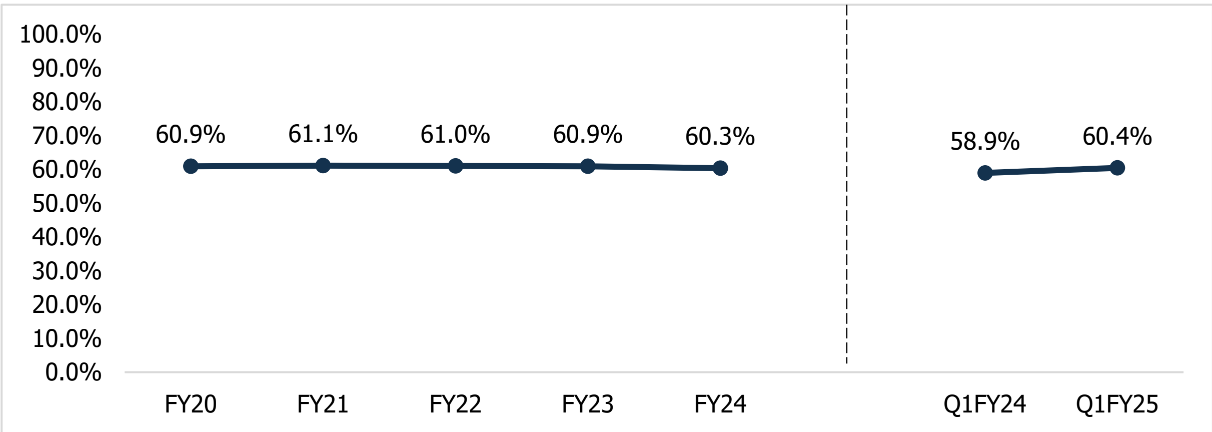
Source: MOSPI

1.9. Trend in Private Consumption

Private Final Consumption Expenditure (PFCE) is the largest component in the Gross Domestic Product of the country. It has held a share of above 60% for the past five years. Within the last five years, it reached the highest share of 61.1% in FY21, post which it has been progressively declining albeit marginally.

This trend is attributed to a combination of factors impacting consumer spending. The pandemic, high global and domestic inflation, and tighter financial conditions have constrained private consumption. Poor agricultural output has particularly hurt rural demand, while the shift in household budgets towards higher health expenditures, at the expense of education, has further strained consumer finances. Increased health spending has added financial burdens, limiting spending on other essential items like food, clothing, and housing, which has been evident in the decreasing PFCE growth in these categories. Additionally, weak urban demand, driven by ongoing employment challenges, has exacerbated the situation. Although the anticipated revival of monsoon conditions may boost rural demand in the current fiscal year, the overall decline in PFCE highlights persistent issues in both rural and urban consumption patterns. As of FY24, the share of PFCE in GDP stands at 60.3%. In Q1FY25, PFCE improved y-o-y by 12.4%, reaching a share of 60.4% as compared to 58.9% in Q1FY24.

Chart 8: Private Consumption (as % of GDP) (at current prices)



Source: MOSPI

1.10. Growth of the middle class in India and the rural economy in India

India's rural economy is becoming a significant driver of the Fast-Moving Consumer Goods (FMCG) sector's resurgence, signalling a promising turnaround in aggregate demand after a slow start to the 2024-25 financial year. The Reserve Bank of India (RBI) highlights that rising incomes and improved infrastructure are fueling increased rural consumption of FMCG products. This boost is supported by a rise in rural savings, marked by growing numbers of savings bank accounts and balances, and a reduction in inflationary pressures, which has allowed rural consumption to catch up with urban areas. Additionally, favourable monsoon conditions and improved sowing data are expected to sustain this growth, complemented by increased government spending on rural development and infrastructure.

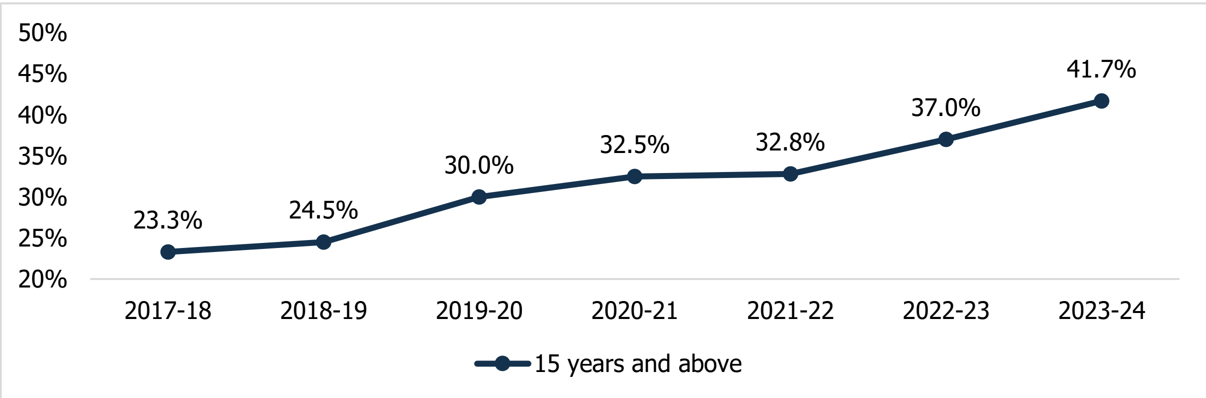
The expansion of middle-income households in rural India is transforming the country's economic landscape. This growth is driven by rising incomes, increased discretionary spending, a shift towards online and omnichannel shopping, and advancements in payment and logistics infrastructure. There is also a notable dietary shift in rural areas from carb-based foods to more protein-rich diets. India’s middle class, characterized by significant income variability, exhibits diverse spending patterns. Lower-middle-class households allocate much of their income to private healthcare, education, and essential consumer goods, such as motorbikes and basic appliances. In contrast, the upper-middle class invests in luxury items, entertainment, property, and personal services, with a higher propensity to own assets like cars, computers, and air conditioners. Both segments of the middle class are substantial and emerging as key drivers of consumption and economic growth in India. Recent policies, including the Mahatma Gandhi National Rural Employment Guarantee Act, have increased rural incomes, enabling more rural households to enter the middle class. The growing, more inclusive, and politically engaged middle class reflects broader economic growth, although there is a risk of social strain if growth falters and quality job creation does not keep pace.

1.11. Increasing Women’s participation in the Workforce

The labour force participation rate (LFPR) is the proportion of individuals who are actively engaged in the labour force relative to the total population. The female LFPR has been on a steady upward trajectory since 2017-18 with significant structural shifts. Older women with lower education levels are leaving the workforce, while younger women with higher educational attainment are entering it, leading to a rise in the number of women in salaried positions and a decline in informal wage work. The proportion of women working in agriculture is decreasing, with more women moving into the services sector. This overall increase in female participation is largely driven by rural women joining the workforce, supported by government initiatives aimed at women's empowerment through education, skill development, entrepreneurship, and workplace safety. These policies have particularly benefited women from upper expenditure classes, who have seen a more significant rise in labour force participation, largely due to an increase in self-employment.

Between 2017-18 and 2019-20, the growth in women's participation was marked by an increase in helpers in household enterprises, but from 2019-20 to 2022-23, the rise was mainly due to more women becoming own-account workers. This shift is partly attributed to the return of male migrants during the pandemic, which led women to take up their own-farm or other non-farm activities to support household income. This trend of increasing self-employment among women spans various sectors, including agriculture, manufacturing, and services, reflecting a broader shift in the labour market dynamics for women. For 2022-23, the female LFPR was 37%, underscoring the increasing participation of women in the workforce. The increase in female LFPR from 37% in 2022-23 to 41.7% in 2023-24 can also be attributed to the increase in self-employment among women.

Chart 9: Women's Labor Force participation rates



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Note: 2023-24 refers to the period July 2023-June 2024 and likewise for previous years; LFPR is for the usual status

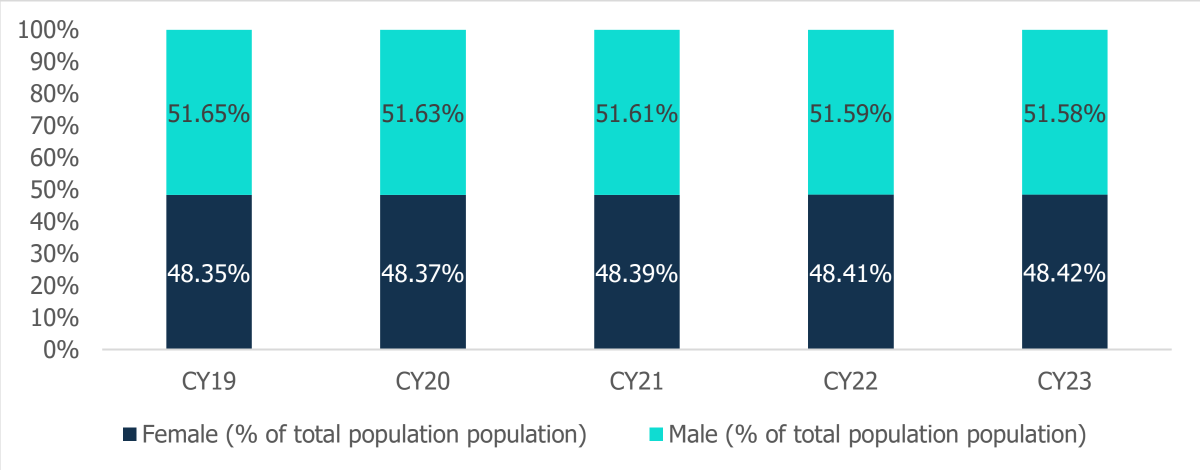
Source: PLFS

1.12. Trends in Population Growth

Gender wise

From the period CY19 to CY23, the female population as a percentage of the total population has risen marginally from 48.35% in CY19 to 48.42% in CY23, while the male population share has declined slightly from 51.65% in CY19 to 51.58% in CY23.

- **Chart 10: Gender-wise breakup of the population**

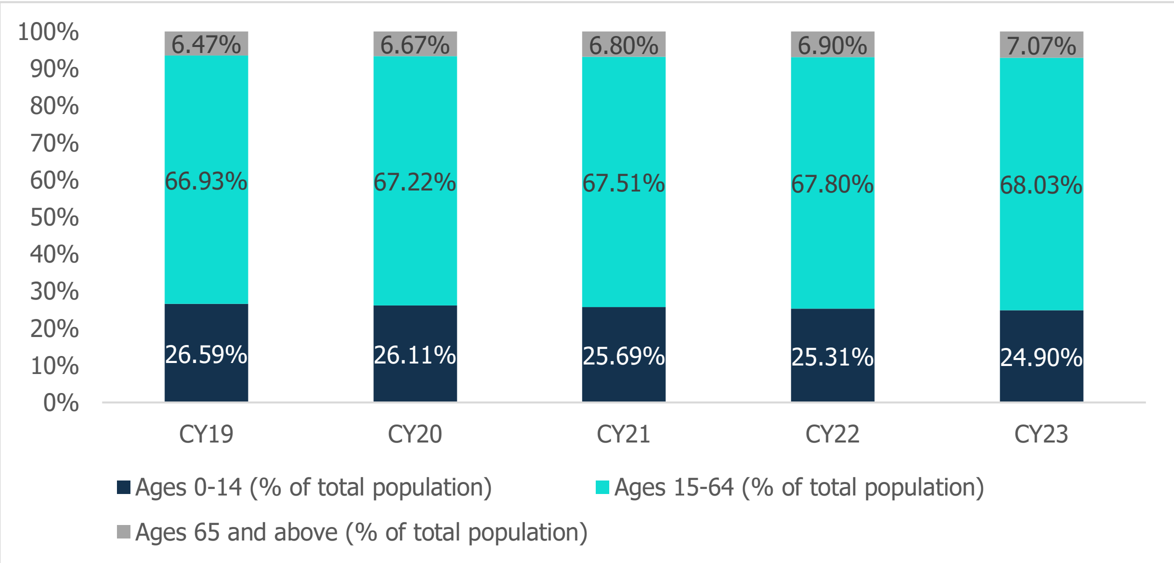


Source: World Bank Database

Age Wise

Population constituting 15-64 aged people constitute the majority share of the total population increasing from 66.39% in CY19 to 68.03% in CY23, reflecting the burgeoning youth populace in the country. The share of people aged 65 and above has only marginally increased from 6.47% in CY19 to 7.07% in CY23 while the share of people less than 14 years of age has declined from 26.59% in CY19 to 24.9% in CY23, reflecting a decline fertility rate in the country.

Chart 11: Age-wise Breakup of the Population

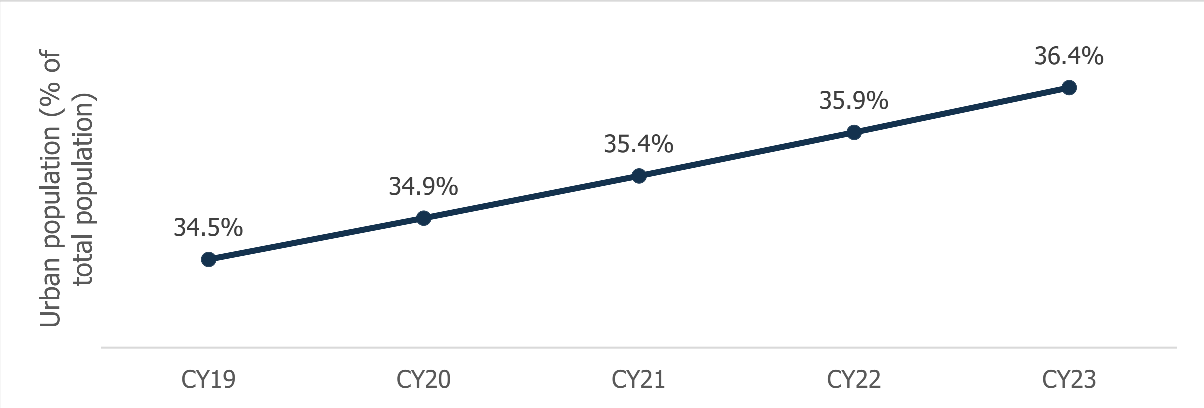


Source: World Bank Database

Urbanization

The urban population is significantly growing in India. The urban population in India is estimated to have increased from 476.8 million (34.5% of total population) in CY19 to 519.5 million (36.4% of total population) in the year CY23. People living in Tier-2 and Tier-3 cities have greater purchasing power.

- **Chart 12: Urbanization Trend in India**

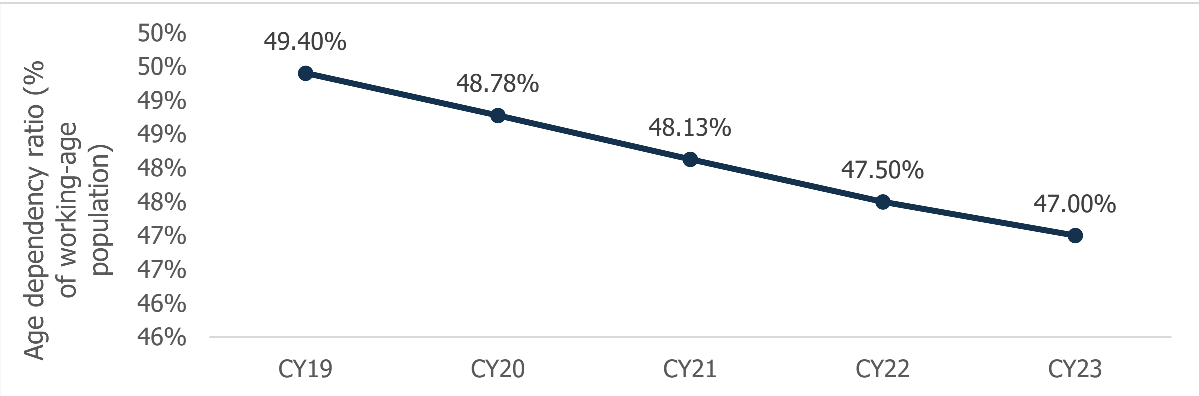


Source: World Bank Database

Dependency Ratio

Age Dependency Ratio is the ratio of dependents to the working age population, i.e., 15 to 64 years, wherein dependents are population younger than 15 and older than 64. This ratio has been on a declining trend. It was as high as 76% in 1983, which has reduced to 47% in 2023. Declining dependency means the country has an improving share of the working-age population generating income, which is a good sign for the economy.

Chart 13: Dependency Ratio trend in India



Source: World Bank Database

1.13. Key growth/demographic drivers for economic growth

- **Innovation, Capital Investment, and Demographic Advantage:** India's progress in innovation and technology along with enhanced worker productivity are crucial drivers of future growth. Additionally, the country's favourable demographics, characterized by a large and youthful population, will further bolster its growth prospects. Increasing savings rates, driven by rising incomes and financial sector development, are likely to boost the availability of capital for investment. The Indian government's recent efforts in facilitating investment have created a conducive environment for private-sector capital expenditure. As the private sector steps up, supported by healthy balance sheets of corporations and banks, capital investment will be a significant growth driver. Additionally, addressing the challenge of labour force participation by creating opportunities and investing in training and upskilling will be vital to harnessing demographic advantages and ensuring sustainable economic progress.

- **Global Offshoring and Manufacturing Hub:** India's position as a key player in global offshoring is gaining renewed momentum. Traditionally known for outsourcing services like software development and customer service, India is now expanding its role as a critical back office to the world. The rise of distributed work models and tighter global labour markets are reinforcing this trend. Beyond services, India is poised to become a major manufacturing hub. Corporate tax cuts, investment incentives, and significant infrastructure investments are driving capital inflows into manufacturing. This dual role of service outsourcing and manufacturing is expected to create a robust foundation for long-term economic growth, providing India with diverse revenue streams and strengthening its global economic position. Some recent such investments include:

Table 2: Investments by Corporates

Event	Month	State	Value (in Rs. Million)	Purpose/Project/Announcement
Vibrant Gujarat Global Summit	January 2024	Gujarat	NA	Lakshmi Mittal, Chairman of ArcelorMittal, announced the completion of the first phase of the Hazira Expansion Project by 2026.
Vibrant Gujarat Global Summit	January 2024	Gujarat	NA	Toshihiro Suzuki, President of Suzuki Motor Corporation, highlighted plans to launch the first electric vehicle produced in India while expanding production capacity and reducing greenhouse emissions through sustainable practices.
Vibrant Gujarat Global Summit	January 2024	Gujarat	NA	Mukesh Ambani of Reliance Group announced a 5000-acre Dhirubhai Energy Giga Complex in Jamnagar, to be commissioned by the second half of 2024.
Regional Industry Conclave	July 2024	Jabalpur	15,300	Madhya Pradesh’s regional industry conclave attracted significant interest, leading to the virtual inauguration of 67 industrial units, projected to create 4,342 jobs.
Chief Minister MK Stalin's visit to the USA	August-September 2024	Tamil Nadu	76,180	The 14-day overseas trip resulted in 19 Memoranda of Understanding involving eight companies from San Francisco and 11 from Chicago. These agreements are expected to create employment for 11,516 people across several cities in the state, including Madurai, Tiruchirappalli, and Chennai.

Source: Industry Sources

- **Surge in Consumer Spending:** India's consumer market is on the cusp of a substantial transformation. With expectations of increased disposable income, the country’s consumption patterns are set to shift dramatically. The anticipated rise in disposable income and consumption will stimulate demand across various sectors, driving economic activity and fuelling the growth of retail and service industries. As income distribution becomes more equitable, consumer spending will play a pivotal role in bolstering economic growth.

- **Advancements in Energy Access and Transition:** Energy development is critical for India's economic advancement. While India will continue to rely on fossil fuels, the shift towards renewable energy sources—such as biogas, ethanol, hydrogen, wind, solar, and hydroelectric power—will be substantial. This transition is expected to reduce dependence on imported energy and improve living conditions, addressing pollution issues in some of the world's most affected cities. The burgeoning demand for electric solutions, including electric vehicles and green hydrogen-powered transportation, aligns with global sustainability trends and will support long-term growth.

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1.14. Concluding Remarks

The major headwinds to global economic growth are escalating geopolitical tensions, volatile global commodity prices, high interest rates, inflation woes, volatility in international financial markets, climate change, rising public debt, and new technologies. Despite the global economic growth uncertainties, the Indian economy is relatively better placed in terms of GDP growth compared to other emerging economies. According to IMF's forecast, it is expected to be 7% in CY24 compared to the world GDP growth projection of 3.2%. The bright spots for the economy are continued healthy domestic demand, support from the government towards capital expenditure, moderating inflation, investments in technology and improving business confidence.

Likewise, several high-frequency growth indicators including the purchasing managers index, E-way bills, bank credit, toll collections and GST collections have shown improvement in FY24. Moreover, normalizing the employment situation after the opening up of the economy is expected to improve and provide support to consumption expenditure.

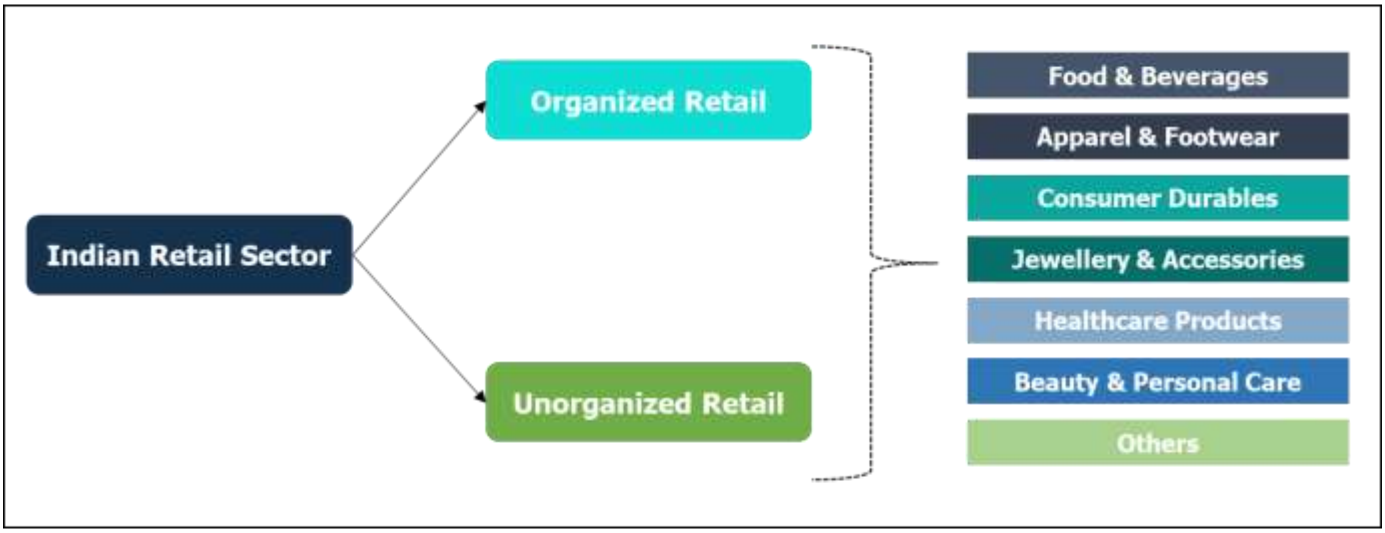
At the same time, public investment is expected to exhibit healthy growth as the government has allocated a strong capital expenditure of about Rs. 11,110 billion for FY25. The private sector's intent to invest is also showing improvement as per the data announced on new project investments and resilience shown by the import of capital goods. Additionally, improvement in rural demand owing to healthy sowing, improving reservoir levels, and progress in the south-west monsoon along with the government's thrust on capex and other policy support will aid the investment cycle in gaining further traction.

2. Indian Retail Consumer Basket

2.1. Overview

The Indian retail sector is one of the fastest-growing sectors. It has the largest consumer base, and as a result, the industry's market size has been increasing significantly. Further, robust demand, increasing investments, innovations, and government initiatives fuelled India's retail growth. As digitization widens the market, better access channels, faster customer acquisition leading to cash conversion, and rapid shifts in both demand & supply factors will accelerate the momentum of retail expansion in India.

Figure 1: Indian Retail Sector Composition



Source: CareEdge Research

2.2. Indian Retail Market

In the 1990s, metro cities saw the growth of pure-play modern retail, which was once controlled by traditional retail. Consumer preferences began to move from need-based to premium purchasing, and the first hints of modernization in operations (backend) and formalization of the value chain emerged.

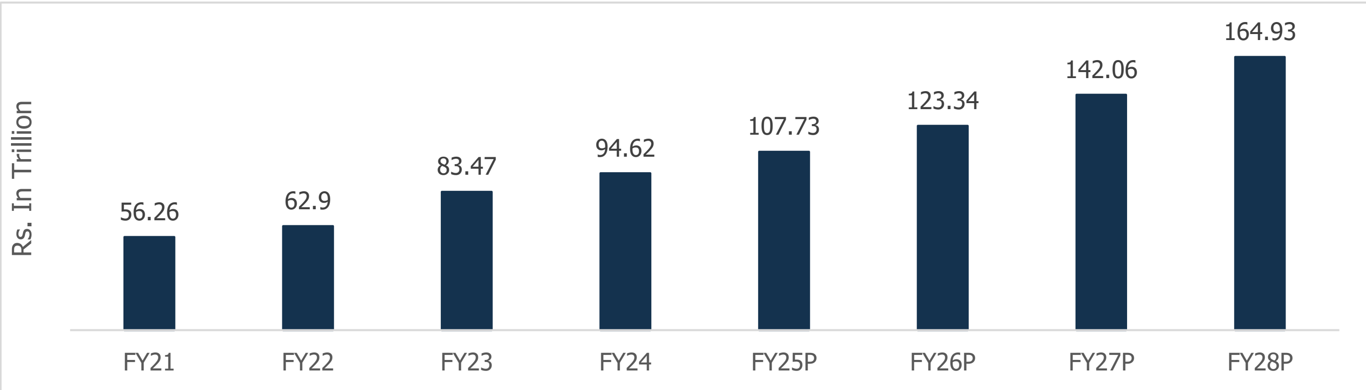
Furthermore, the introduction of hypermarkets, super-marts, large format stores and exclusive jewellery outlets in tier 1 cities further drove the evolution of retail. Consumers' primary concern shifted from quality shopping experiences to convenience. The jewellery sector adapted by providing in-store experiences with personalized services and loyalty programs. Meanwhile, technology began to play a crucial role in operations, as retailers launched websites to offer product details and allowed consumers to browse collections online before visiting stores.

Online retail grew rapidly as retailers realized they needed to adopt digital technology to stay relevant to the increasing number of online shoppers. Online retail in gold and jewellery also expanded rapidly, as consumers became more inclined toward digital shopping. Personalized recommendations and virtual try-on tools became vital for retailers to cater to the discerning jewellery customer.

Modern retail is still in its early stages of growth in emerging markets. Micro-retailers, kiosks, hawkers, open market vendors, wholesalers, and distributors make up traditional retail. Traditional retail is based on interpersonal relationships between customers and merchants. It is dominated by an unorganized segment of the retail channels.

While modern retail in gold and jewellery continues to grow, the unorganized sector—comprising micro-jewelers, local goldsmiths, and market vendors—still holds a substantial share. This traditional segment thrives on long-standing relationships between customers and merchants. However, modern retail players, such as national jewellery chains and high-end stores, provide a more structured shopping experience. Inventory management, logistics, and merchandising in modern jewellery outlets are organized and data-driven, which distinguishes them from the unorganized sector.

Chart 14: Indian Retail Market Size, by Value (FY21-FY28P)



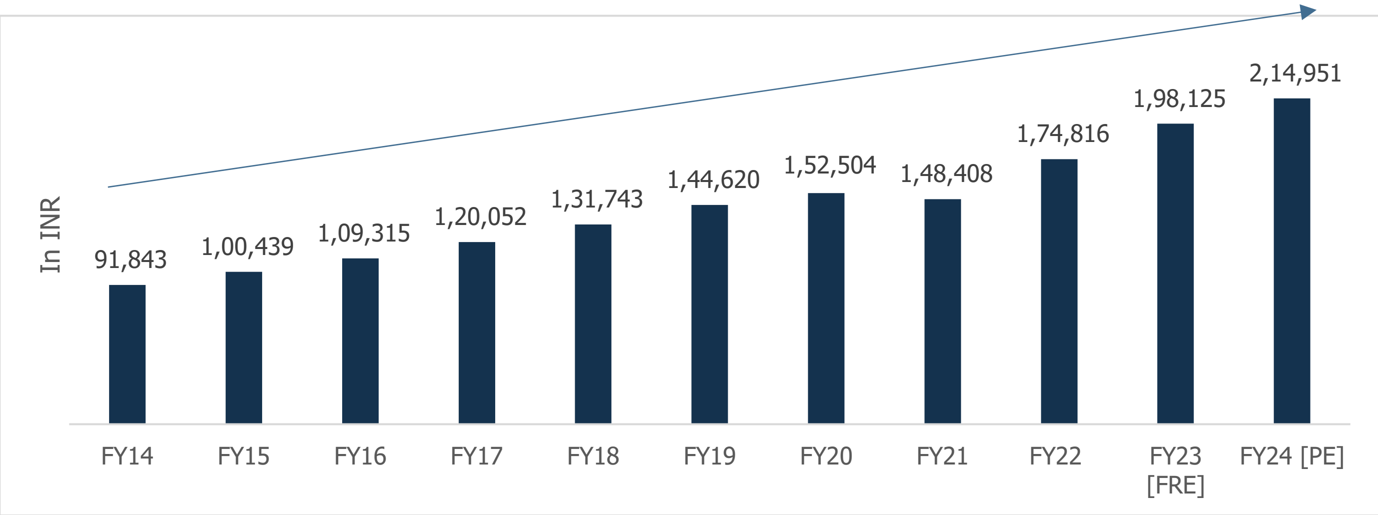
Source: IBEF, CareEdge Research

2.3. Demand Drivers for the Indian Retail Market

- **Increasing Purchasing Power**

The rising disposable income, which has grown at a CAGR of 8.88% between the period FY14 to FY24, is expected to lead to increased demand for residential real estate in India as more and more people are able to afford real estate purchases. This will lead to more consumption of steel in the country and help the steel manufacturers to produce more steel, thus improving the demand in the steel industry.

Chart 15: Net Disposable Income for Past



Source: CMIE, CareEdge Research

- **Innovative Financing Modes**

To keep up with the changing market dynamics, innovative financing modes have been introduced to meet the financial needs of retailers, such as Merchant Cash Advances (MCA). It is a type of financing that allows retailers to receive cash advances based on their future credit and debit card sales. Whereas invoice financing is a type of financing where retailers can get upfront cash by selling their unpaid invoices to a financial institution. The collective efforts of financial institutions and banks with retailers are enabling retailers to fund their inventory and grow their businesses.

- **Continuous Government Support**

The government has implemented several policies and initiatives to create a favourable business environment for retailers and promote the growth of the sector. Some of the ways in which the Indian government is supporting the retail market are given below:

1) FDI policy:

The government has liberalized the **FDI policy** in the retail sector to attract foreign investment. In 2012, the government allowed 100% FDI in single-brand retail and 51% FDI in multi-brand retail. The government has also allowed FDI in e-commerce companies, which has helped the growth of online retail in the country.

2) GST Implementation:

The implementation of the Goods and Services Tax (GST) has simplified the tax structure. It has helped streamline the supply chain and reduce the compliance costs for retailers.

3) Pradhan Mantri Mudra Yojana (PMMY):

The PMMY scheme was launched in 2015 to provide collateral-free loans to small businesses, including retailers, to help them expand their business operations. Approx. 370 million people have benefitted in the last 9 years.

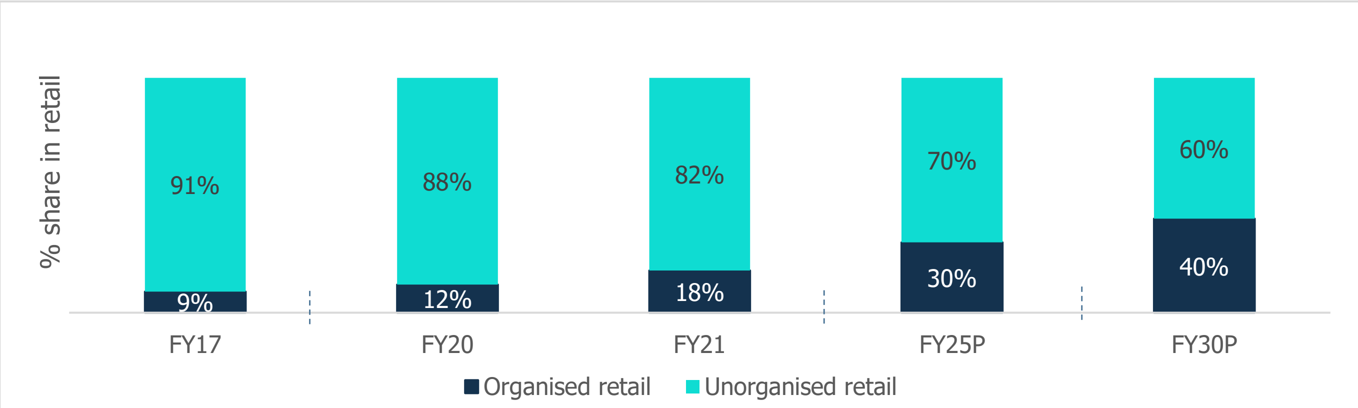
4) National Retail Policy:

In 2013, the government introduced the National Retail Policy to create a conducive environment for the growth of the country's retail sector. The policy is focused on promoting small retailers, improving supply chain infrastructure, and encouraging e-commerce. Other initiatives include infrastructure development, skill development, start-up initiatives, etc.

2.4. Overview of the Organized Indian Retail Market

The retail sector in India is largely unorganized. However, the share of organized retail is witnessing continuous growth with about 18% contribution to the total retail market in FY21, a sizeable increase from 9% in FY17. The market size for organized retail reached Rs. 8.5–10.5 trillion in FY21.

Chart 16: Share of Organised Retail



Source: Industry Sources, CareEdge Research

3. Global Gems and Jewellery Industry

3.1. Overview of the Global Gems and Jewellery Industry

The global jewellery market is shaped by diverse economic trends, cultural practices, and shifting consumer preferences. The interest in gold chains and necklaces extends beyond just weddings and unique events. People are increasingly wearing platinum and gold rings, delicate gold chains, bracelets, and anklets as everyday fashion accessories. These items are also commonly given as gifts for occasions like birthdays and anniversaries. This shifting consumption pattern is likely to drive market growth. Modern designs and emerging fashion trends are drawing in customers, and manufacturers are capitalizing on these frequent changes by creating unique products to attract buyers. Coloured gemstones such as emeralds, sapphires, and opals are gaining prominence, adding vibrant touches and uniqueness to jewellery collections. While classic earring and necklace sets remain popular, artificial jewellery is exploring new avenues, with items like hair clips, headbands, anklets, and waist chains gaining popularity as ways to showcase personal style.

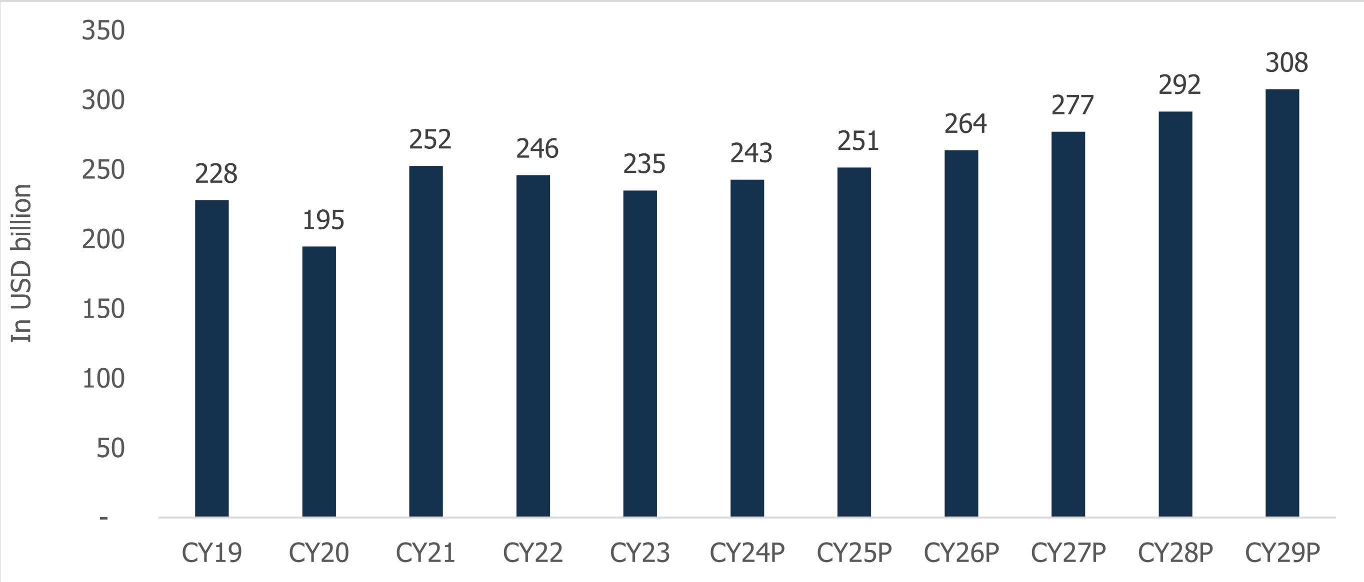
The global appetite for jewellery is anticipated to grow as more individuals seek luxury items. Jewellery offers various benefits, including enhancing certain body features, reflecting fashion trends and styles, and improving one's appearance or that of others. Its appeal as a status symbol among higher-income groups has accelerated its consumption. The rising demand for contemporary designs and the influx of new designers are further driving market expansion.

The global gold jewellery market is likely to grow due to increasing consumer disposable income and the appeal of gold as a long-term investment. Gold is considered a haven, and most investors turn to gold during market turmoil for safe investment. Between CY19 to CY23, the global jewellery market rebounded, achieving a Compound Annual Growth Rate **(CAGR)** of ~9%. The global jewellery market size was valued between USD 235 and USD 245 billion in CY23 and is projected to reach USD 247– USD 257 billion by 2028, exhibiting a CAGR of 5%.

Annually, around 3,600 tons of gold is mined globally, around 1200 tons of gold is recycled, and around 4,400 tons of gold is consumed for various purposes like, jewellery fabrication, technology, investments, etc. Around 52% of the total gold demand comes from China and India. China is the largest country producing gold in the world, accounting for around 10% of total CY23 gold production. Africa which includes various other countries produces around 28%, whereas Asia produces 18% of total newly mined gold. Central and South America produce around 15%, North America produces around 13%, and Australia and Russia produce around 8% of the total newly mined gold.

Market Size and Trend of the Global Gems and Jewellery Industry

- **Chart 17: Global Gems and Jewellery Market Size (CY19-CY29P)**



Source: IMARC Group, CareEdge Research

In CY23, the global gems and jewellery industry was valued at around USD 235 billion and there was a stagnant CAGR of 1% during CY19–CY23. This is due to economic uncertainties, pandemic-related disruptions, and shifting consumer preferences toward essential spending. There has been a slight slowdown in CY23 compared to CY22 due to the ongoing economic slowdown caused by geopolitical tensions and regional conflicts. However, the gems and jewellery market is expected to reach USD 308 billion by CY29, driven by economic recovery, rising disposable incomes in emerging economies, and increased demand for innovative and ethically sourced jewellery options.

The global gems and jewellery market is expected to experience steady growth in the coming years, fueled by emerging economies and rising disposable incomes. Although gold and diamond jewellery will continue to dominate the market, alternative materials are likely to see increased demand due to concerns over ethics and affordability. Additionally, the growth of e-commerce platforms and innovations in jewellery design technology are anticipated to drive significant expansion.

4. Indian Gems and Jewellery Industry

4.1. Overview of Indian Gems & Jewellery Industry

The Indian gems and jewellery industry is a significant pillar of the national economy, contributing approximately 7% to the country's GDP and around 15% of total merchandise exports. The sector is expected to grow steadily, driven by domestic consumption and international demand. India holds a prominent position globally, being the largest diamond-cutting and polishing hub, producing over 90% of the world's polished diamonds.

The industry comprises various segments, including gold jewellery, diamond jewellery, coloured gemstones, and studded jewellery, with gold jewellery dominating the market. Gold plays a vital cultural and religious role in India, symbolizing prosperity and wealth, and is an essential part of weddings, festivals, and other ceremonies. Geographically, the manufacturing base is concentrated in key states like Maharashtra, Gujarat, and Tamil Nadu.

Organized players are gaining traction as the industry undergoes formalization. Increasing consumer preference for branded jewellery, quality assurance, and contemporary designs is driving this transition. Government initiatives, such as mandatory hallmarking for gold jewellery, the Gold Monetization Scheme, and easing gold import restrictions, are bolstering the formal sector.

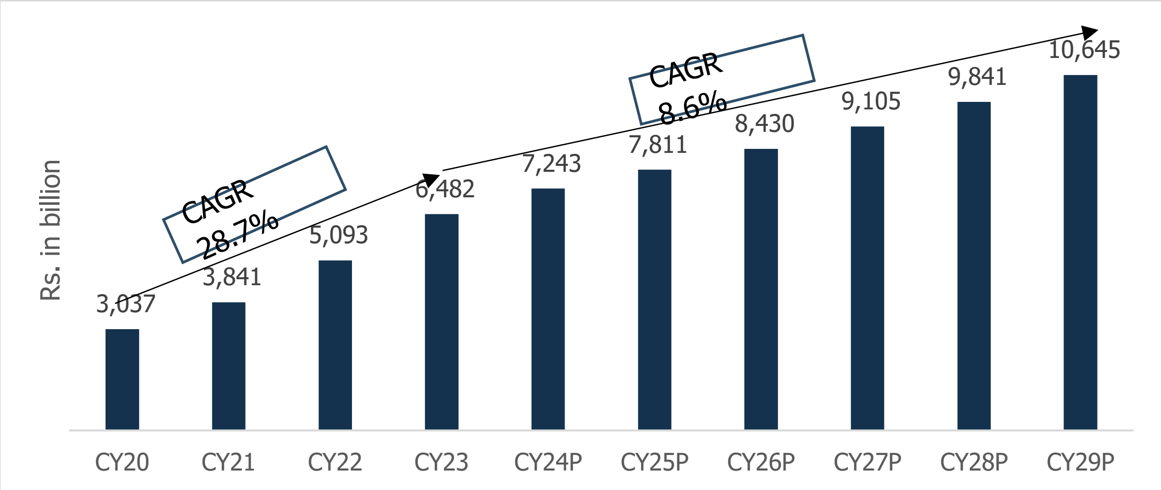
In 2024, seven major trade fairs were organized by prominent councils such as the Gem and Jewellery Export Promotion Council (GJEPC), the All India Gem and Jewellery Domestic Council and others. These events were held across cities, including Jaipur, Mumbai, Bengaluru, Coimbatore, Delhi NCR, Hyderabad, and Kolkata, showcasing the dynamic Gems and Jewellery sector in India. Serving as vital platforms, these fairs promoted innovation, enhanced domestic and international trade, and fostered collaborations among industry stakeholders.

4.2. Indian Gems & Jewellery Industry Market Size

The Indian Gems and Jewellery (G&J) business has traditionally been fragmented with consumers purchasing from family jewellers. The fragmented nature of this sector makes it difficult to quantify the number of jewellers in India.

However, the industry has seen structural transformation in the recent decade with more G&J players moving up the value chain with a greater focus on branded jewellery. Moreover, consumers are more predisposed to branded jewellery particularly in metro & tier I cities, given the rising media and Western influences and willingness to pay a premium price.

Chart 18: Indian Gems & Jewellery Industry Market Size (CY20-CY29)

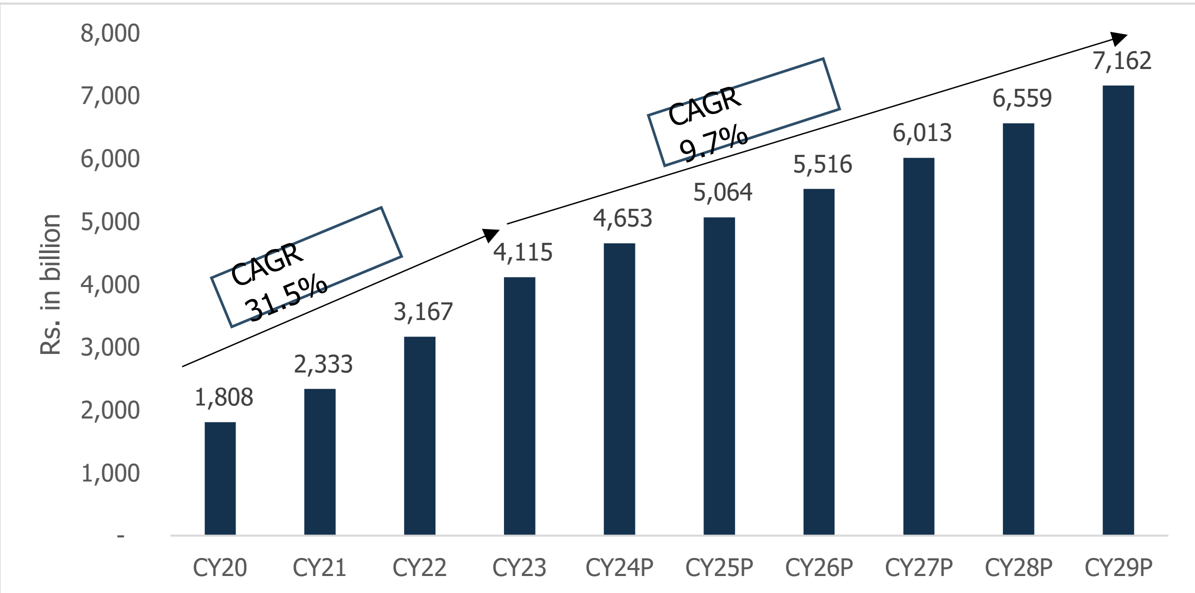


Source: IMARC Group, CareEdge Research

4.3. Indian gold jewellery industry market size (CY20-CY29)

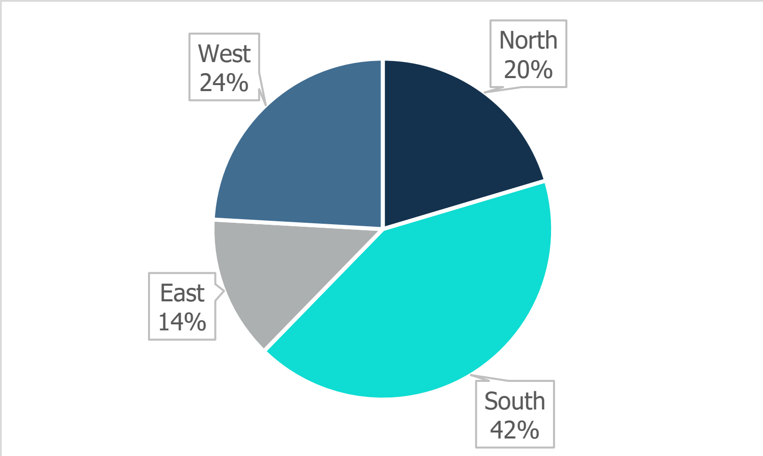
The Indian jewellery market is traditionally dominated by gold jewellery. Gold jewellery purchases in India are not just limited to consumption as is the case with fashion jewellery. They have a strong saving significance. This is more evident in rural communities where access, literacy, and acceptance of other financial savings instruments are low. These factors have resulted in gold being a major saving asset class. Cultural differences, religious & trust concerns, and other elements that influence jewellery purchases have all contributed to gold jewellery 's significance.

Chart 19: Indian Gold Jewellery Industry Market Size (CY20-CY29)



Source: IMARC Group, CareEdge Research

Chart 20: Indian Gold Jewellery Industry Breakup by Region (% Share) in CY23



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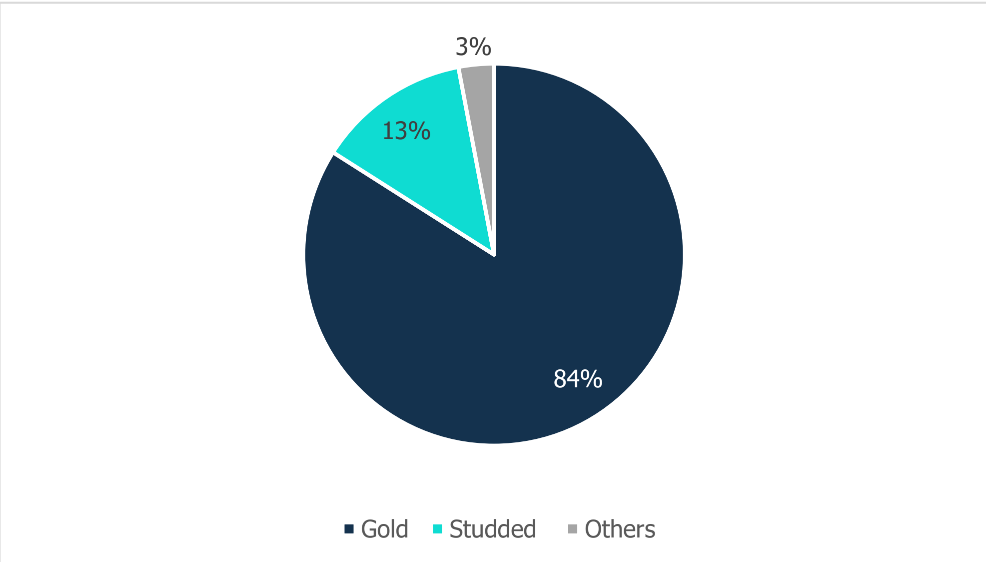
Source: IMARC Group, CareEdge Research

4.4 Share of Various Segments in the Indian Gems & Jewellery Industry

Key Segments of Indian Gems and Jewellery Industry:

The Indian G&J industry broadly consists of gold jewellery, studded jewellery and other jewellery types like platinum jewellery, fashion jewellery, and silver jewellery.

Chart 21: Indian Domestic Jewellery Market Share in CY23

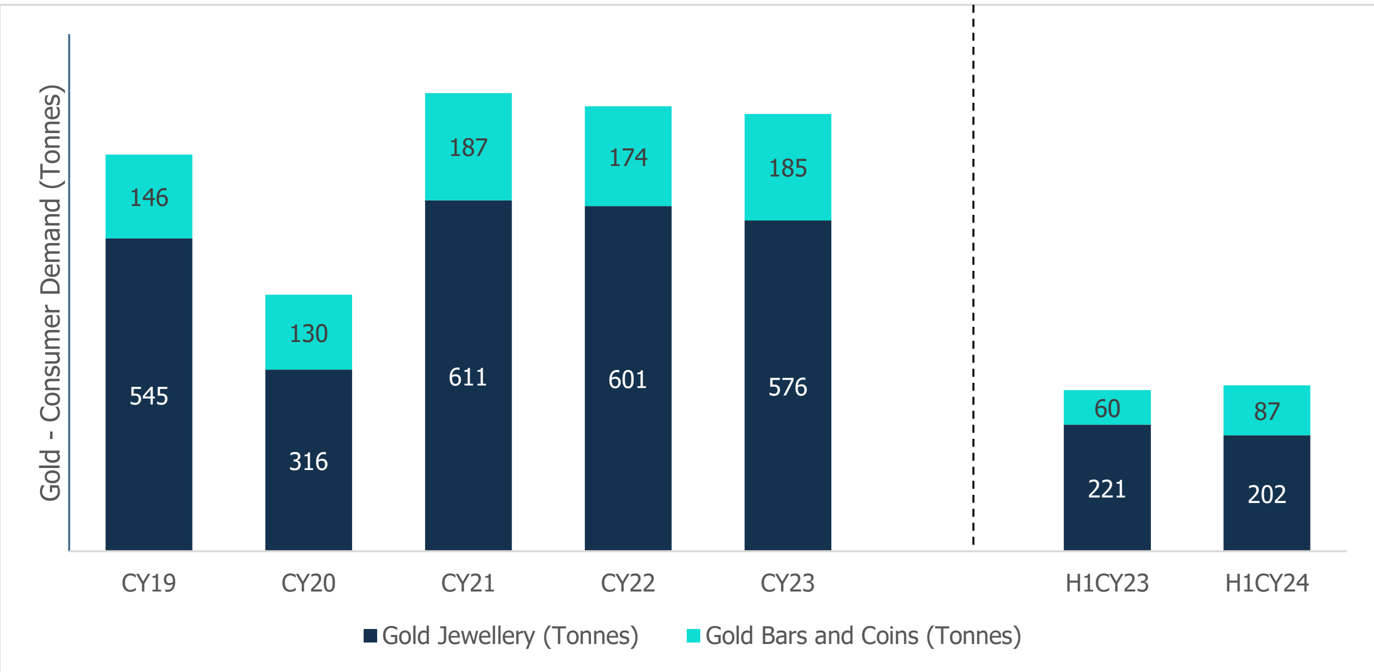


Source: Industry Sources, CareEdge Research. Note: Studded include: diamonds, coloured gems, gemstones, & others including platinum jewellery, fashion jewellery, silver jewellery, etc.

Gold Jewellery

The Indian jewellery market is traditionally dominated by gold jewellery. Gold jewellery purchases in India are not just limited to consumption as is the case with fashion jewellery. They have a strong saving significance. This is more evident in rural communities where access, literacy, and acceptance of other financial savings instruments are low. These factors have resulted in gold being a major saving asset class. Cultural differences, religious & trust concerns, and other elements that influence jewellery purchases have all contributed to gold jewellery 's significance.

Chart 22: Gold Demand Trend in India



Source: Industry Sources, CareEdge Research

In H1CY24, total domestic demand for gold (including jewellery, bars and coins) was estimated at 289 tonnes as compared to 281 tonnes in H1CY23. In CY23, the gold demand was 761 tonnes, a decline of 1.7% y-o-y over CY22, this was primarily due to a ~15% y-o-y increase in gold prices.

The jewellery segment continued to be the largest contributor and accounted for ~76% of the gold demand in India, while bars and coins accounted for the balance. The gold jewellery demand declined by 4.1% y-o-y in CY23. The demand was impacted due to increasing gold prices.

Studded Jewellery

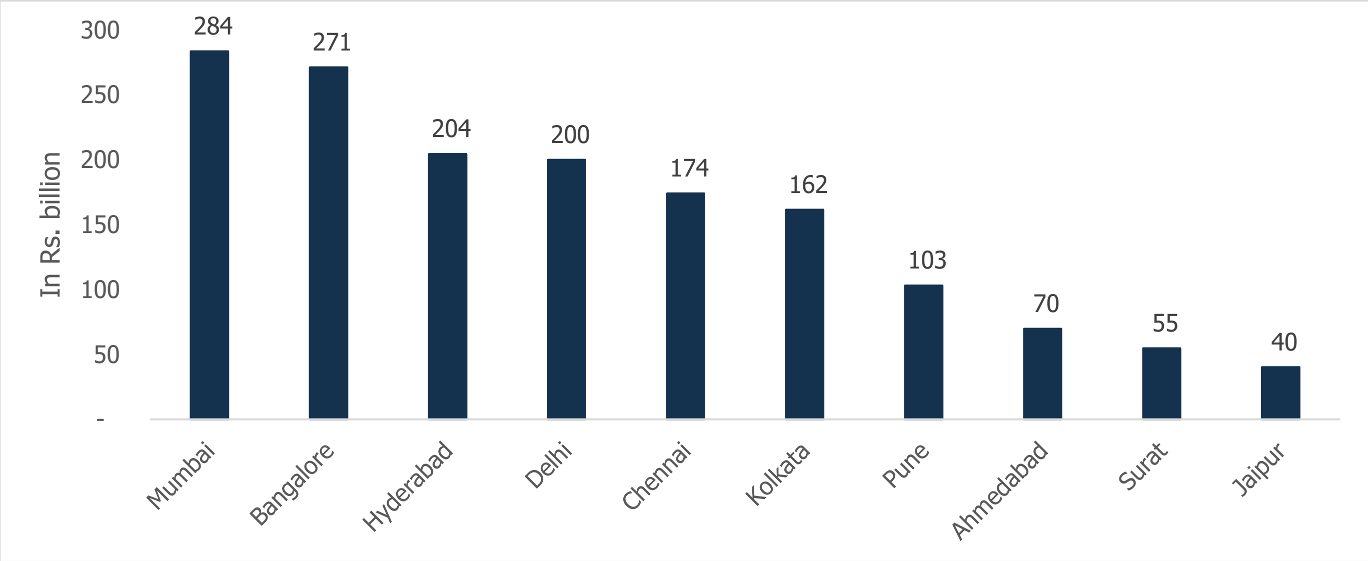
Apart from gold jewellery, the other type of jewellery gaining traction is the studded ornaments segment. The key factor contributing to this segment's growth is the younger population's preference for diamond-studded gold jewellery, typically made of 14- or 18-carat gold rather than heavy 22-carat gold. There has also been a noticeable shift towards more informal and everyday use of diamond studded jewellery.

Furthermore, many urban millennials, unlike the previous generations, are drawn to studded jewellery. Also, most young population believe that heavy gold jewellery is for the elderly. Similarly, they regard that modern designs cannot be found in pure gold. Studded jewellery comes in a wide range of styles and prices. When paired with white gold, a studded diamond appears to be more expensive, thereby evoking the quality feel of platinum.

Although diamond studded jewellery may not have the same advantages as gold as a store of financial value, increasing price transparency and repurchase guarantees offered by most jewellers have helped persuade customers that their investment would not depreciate.

4.5 City-Wise Demand of the Indian Jewellery Market

Chart 23: City-Wise Demand of the Jewellery Market (Top 10) in CY23

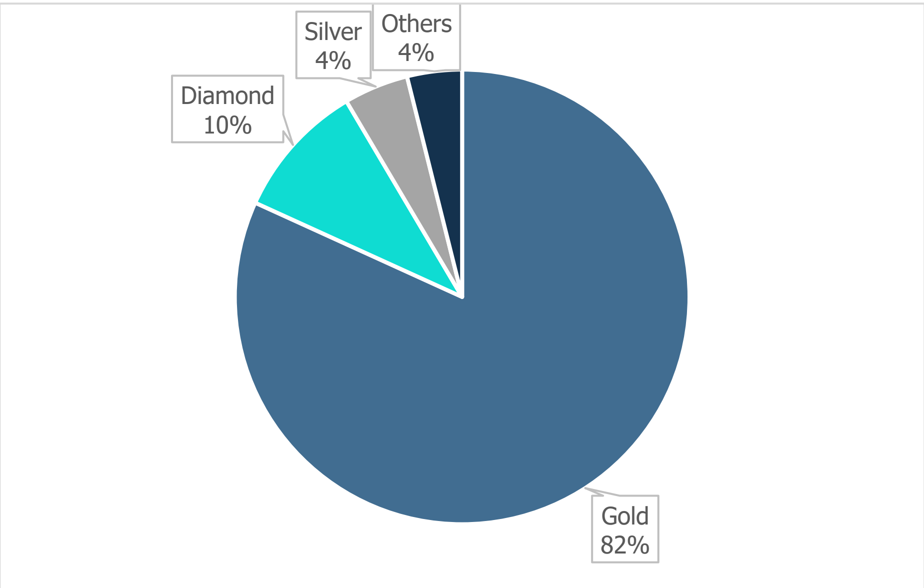


Source: IMARC Group, CareEdge Research

4.6 Indicative Share of Indian Gems and Jewellery Industry

India's gems and jewellery market is one of the largest and most vibrant in the world, deeply embedded in the country's cultural and economic life. The market can be divided by material type, with gold, diamonds, gemstones, and other materials each playing a significant role in its diversity and value.

Chart 24: Gems and Jewellery Market Breakup- By Material Type (CY23)

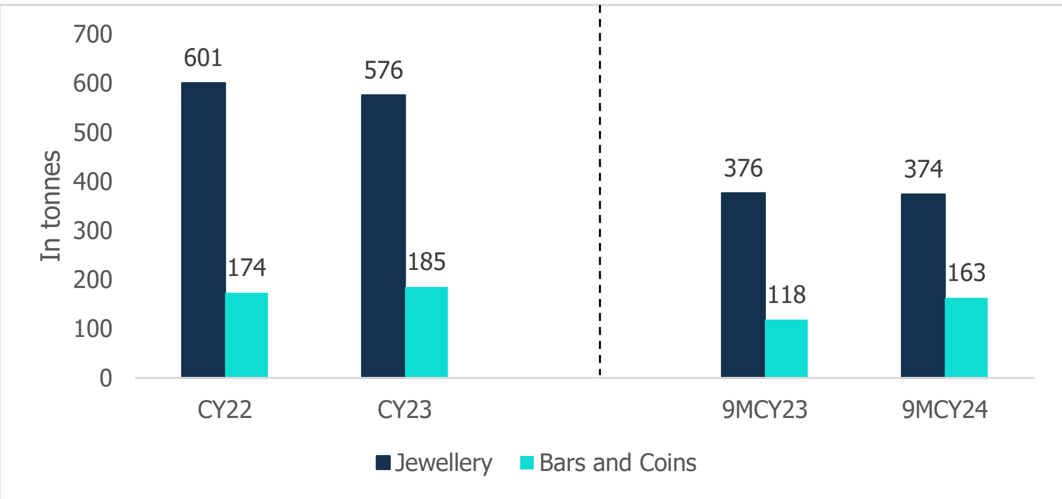


Source: IMARC Group, CareEdge Research

In 2023, gold was the dominant material in India's gems and jewellery market, making up 81.8% of the total market share. It was followed by diamonds (9.7%), silver (4.6%), and other materials (3.9%).

4.7 Domestic Gold Demand from Various Segments

Chart 25: Trend in Domestic Gold Demand- in Volume Terms



Source: WGC, CareEdge Research

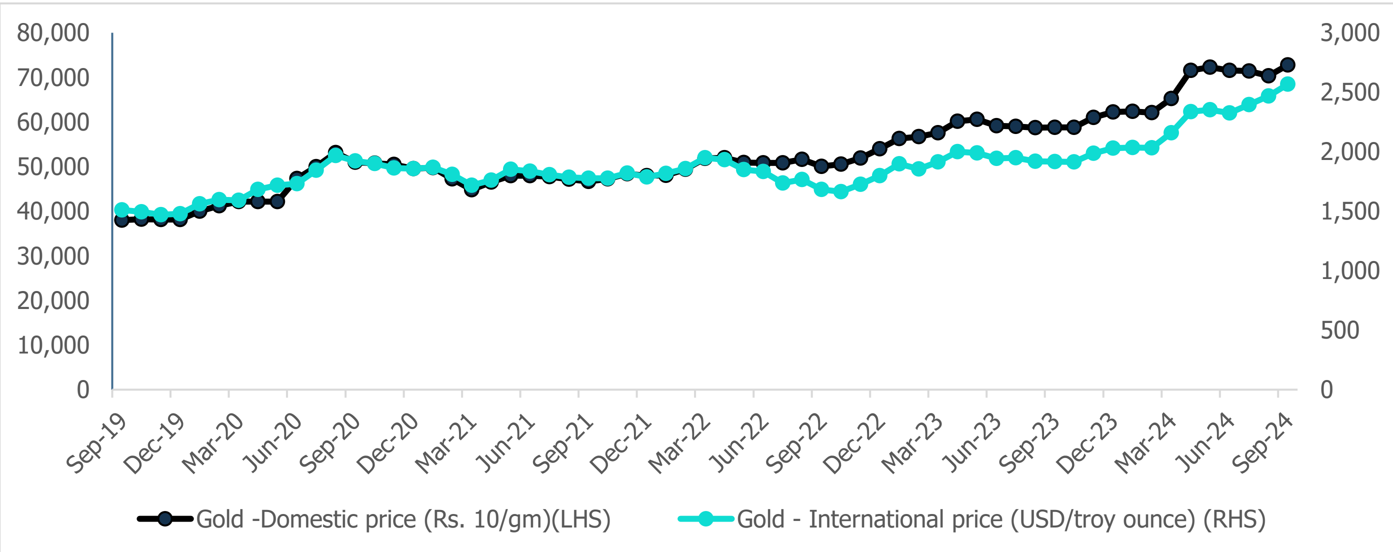
In 9MCY24, the total domestic demand for gold (including jewellery, bars, and coins) was estimated at 537 tonnes as compared to 494 tonnes in 9MCY23. In CY23, the gold demand was 761 tonnes, a decline of 1.7% y-o-y over CY22, this was primarily due to a ~15% y-o-y increase in gold prices.

The jewellery segment continued to be the largest contributor and accounted for ~76% of the gold demand in India, while bars and coins accounted for the balance. The gold jewellery demand declined by 4.1% y-o-y in CY23. The demand was impacted due to increasing gold prices.

4.8 Impact of Interest Rates, Geopolitical Tensions on Gold Prices

Gold jewellery accounts for a major share of overall jewellery consumption in India. However, the demand for gold, particularly physical gold in the form of coins and bars, which is primarily for investment, is dependent on movements in gold prices.

Chart 26: Trend in International Gold Prices



Source: CMIE; CareEdge Research

In February 2023, the gold prices cooled off to USD 1,854 per troy ounce. The international gold prices increased to USD 1,954 per troy ounce in March 2023 and further to USD 2,019.4 USD per troy ounce in mid-April 2023 as the collapse of Silicon Valley Bank and the takeover of distressed Credit Suisse by UBS Group created uncertainty and drove investments in gold. The gold price rise was also on account of the expectation of the pause in rate hikes by the US Federal Bank.

Further, gold prices marginally corrected from May 2023 to September 2023 due to increasing interest rates globally. However, following the escalation of the conflict between Israel and Hamas in the first week of October 2023, gold prices were again on an upward trajectory. The domestic gold prices have increased at a CAGR of 14.32% between September 2018 to September 2023.

From October 2023 to September 2024, the prices fluctuated, spanning from USD 1913 per troy ounce to USD 2,567 per troy ounce. In September 2024, gold price reached an all-time high of USD 2,567 per troy ounce. This variation was driven by a weaker US dollar which in turn aided to an increase in demand for gold putting pressure on prices. Further, the Fed already made cuts in the rates by 50 basis points and there are further expectations of Fed interest rate cuts.

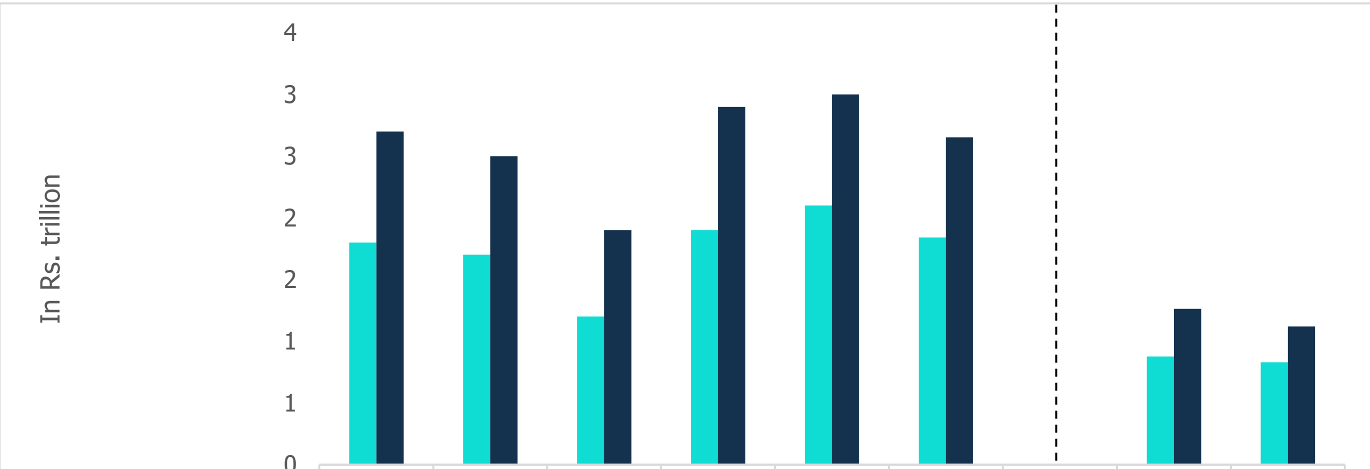
Additionally, factors such as geopolitical instability, political developments related to elections in different countries, and volatility in the equity markets have consistently maintained investors' interest in gold, preventing a significant decline in its value. Following a better-than-expected US jobs report and a halt to reported gold purchases by the People's Bank of China (PBoC), the global price declined even more in the first half of June 2024.

4.9 Trends in Imports and Exports of Gems and Jewellery in India

Overview

The gems and jewellery sector is a key contributor to India's total exports. G&J accounted for about 7% (Rs. 2.65 trillion) of India's total exports in FY24. G&J imports accounted for a comparatively smaller share, about 3% (Rs. 1.84 trillion) of the country's total imports in the same fiscal year.

Chart 27: Yearly Import Export Trends - Overall Gems and Jewellery



	FY19	FY20	FY21	FY22	FY23	FY24		H1FY24	H1FY25
Imports (Rs. in trillion)	1.80	1.70	1.20	1.90	2.10	1.84		0.88	0.83
Exports (Rs. in trillion)	2.70	2.50	1.90	2.90	3.00	2.65		1.26	1.12

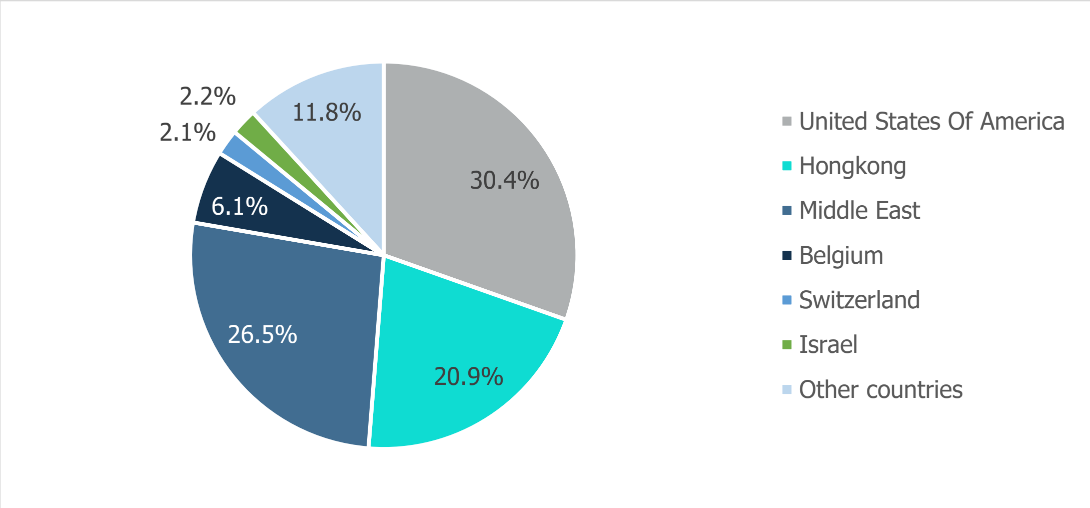
Source: Gems & Jewellery Export Promotion Council (GJEPC)

Growing Government Focus toward Export Promotion

The Government of India, along with all the stakeholders of the G&J sector, are well committed to aggressively promoting exports, identifying challenges, and addressing them with necessary interventions, assisting exporters, especially SME units and exploring new markets while consolidating existing ones. With rapid growth prospects, the government of India has also declared the G&J sector as one of the focus areas for export promotion.

With such continuous government support, the superior quality of Indian manufacturers has enabled the Indian gems & jewellery trade market to penetrate markets like the USA, UAE, Hong Kong, Israel, Switzerland, and Belgium. The USA market is the largest destination for Indian gems and jewellery exports, accounting for a 30% share of India's exports in FY24.

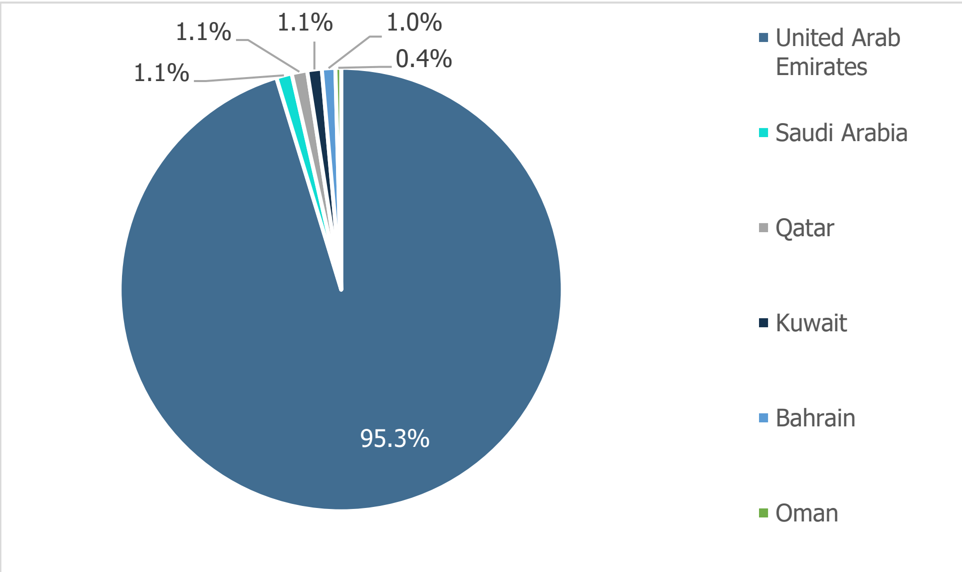
Chart 28: Country-wise Export Share in FY24 - Overall Indian Gems and Jewellery



Source: Gems & Jewellery Export Promotion Council (GJEPC)

Focus on Middle East Countries

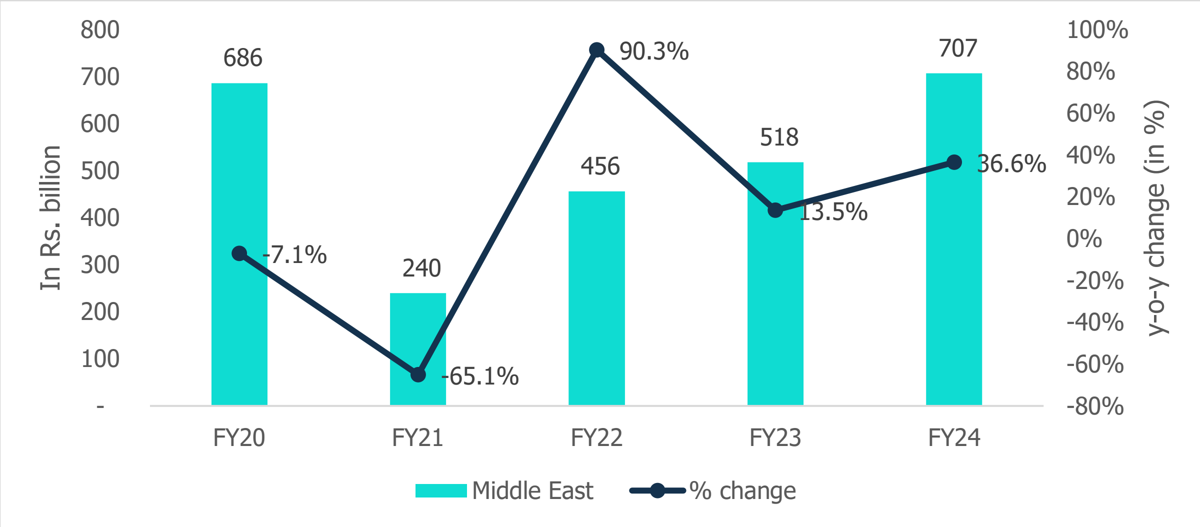
Chart 29: Share of Exports of Middle Eastern Countries-Overall Indian Gems and Jewellery in FY24



Source: Gems & Jewellery Export Promotion Council (GJEPC)

The Share of Middle Eastern countries is around 27% in the total export of the Indian gems and jewellery industry. It comes 2nd after the USA. Middle Eastern countries which India exports to consist of Unites Arab Emirates (UAE), Saudi Arabia, Qatar, Kuwait, Bahrain, and Oman. But the maximum share is of UAE with 95% share.

Chart 30: Export Trend for Gems and Jewellery to the Middle East



Source: Gems & Jewellery Export Promotion Council (GJEPC)

Note: The Middle East countries include United Arab Emirates (UAE), Saudi Arabia, Qatar, Kuwait, Bahrain, Oman, and Jordon

The compound annual Growth Rate (CAGR) for FY20-FY24 is 0.8% for overall exports of gems and jewellery to the Middle East. As the India-UAE came into force in 2022 and hence we can see a significant increase of 90.3% y-o-y in FY22 for the gems and jewellery exports. India-UAE CEPA has contributed to an increase in the share of G&J exports to UAE, especially in Dubai.

Product-Segment Wise Import and Export Trend

The international trade of G&J includes several product segments, such as cut and polished diamonds, gold jewellery and medallions, rough diamonds, gemstones, pearls, synthetic stones, and fashion jewellery. Of these, exports of cut and polished diamonds accounted for 50% of the total G&J exports, while gold jewellery (plain and studded) accounted for 35% in FY24. The rest 15% consists of coloured gemstones, gold medallions & coins. In H1FY25, the exports of cut and polished diamonds accounted for 52% while gold jewellery (plain and studded) accounted for 34% of the total G&J exports. Rough diamonds held much of the share of about 64% and 58% in G&J imports during FY24 and H1FY25, respectively, as it is a highly import-oriented segment.

Cut and Polished Diamonds:

India is the world's largest diamond-cutting and polishing centre. The country is regarded as the world jewellery market's hub due to its low costs and steady availability of high-skilled labour.

The cut & polished diamond segment is an export-oriented segment in India. During FY24, the cut & polished segment contributed 50% of the overall exports in the gems & jewellery segment and the overall exports of cut & polished diamonds stood at Rs. 1,321.3 billion in FY24, showing a 25.2% decline as compared to Rs. 1,767.2 billion in FY23. Also, imports during FY24 witnessed an increase of 51.1% to Rs. 158.4 billion as compared to Rs. 104.8 billion in the previous year.

Rough Diamonds:

India is a large importer of rough diamonds due to a huge diamond processing industry. The rough diamonds, once processed into cut and polished diamonds, are either exported or consumed domestically in jewellery. In FY24, rough diamond imports stood at Rs. 1,180.4 billion and contributed with 64% share in total G&J imports. In H1FY25, the import of rough diamonds declined by 21.7% y-o-y to Rs 481.4 billion.

Gold Jewellery:

The gold jewellery market holds the second-largest share in G&J exports after the cut and polished diamonds segment. Gold jewellery accounted for 35% and 32% of total exports of G&J in FY24 and Q1FY25, respectively.

Table 3: Exports of Gold Jewellery

Gold Jewellery (Rs. in billion)	Exports	Y-o-Y growth
FY20	852.3	2.4%
FY21	371.1	-56.5%
FY22	687.8	-19.3%
FY23	765.9	11.4%
FY24	923.5	20.6%
H1FY24	359.2	
H1FY25	382.8	6.5%

Note: *compared with pre-pandemic year FY20
Source: Gems & Jewellery Export Promotion Council (GJEPC), CareEdge Research

In FY24 gold jewellery exports increased by 20.6% y-o-y. The commissioning of the India-United Arab Emirates Comprehensive Economic Partnership Agreement (CEPA) resulted in significant growth in exports of plain gold jewellery balancing the gap in exports to key markets such as the United States of America and Hong Kong. The gold jewellery exports grew by 6.5% y-o-y in H1FY25 as compared to H1FY24.

Further, Dubai is a key market for Indian gold jewellery exports. The 'Dubai Gold Souk,' (Traditional gold market of Dubai) where Indian jewellery from Kolkata and Mumbai is popular, makes for a substantial portion of gold sales in Dubai. Mumbai, Chennai, and Kolkata account for many gold jewellery exports. However, several exporters outsource manufacturing to Gujarat-based companies.

The India-UAE Free Trade Agreement (FTA) signed on 18th February 2022 and effective from 1st May 2022, is expected to raise India's gold jewellery exports, create jobs, and provide chances for skill development in the jewellery manufacturing and supply chain. The FTA between the two nations will encourage the establishment of a more organized wholesale of Indian-made gold jewellery. This breakthrough will make Indian-made jewellery even more appealing to UAE customers (residents and tourists).

Imports of Raw Gold:

After China, India is the world's second-largest gold consumer. India imports unwrought gold in the form of bars, gold plated with platinum or in semi-manufactured forms, and gold powder. Imports are mostly used to meet the demand of the domestic jewellery business. The demand for gold is expected to register a further increase on account of the festive and marriage seasons.

Table 4: Imports of Raw Gold

Year	Gold Imports (Rs. In Billion)	Y-o-Y Growth (%)	Gold Imports (In Kgs)	Y-o-Y Growth (%)
FY20	1,992.4	-13.2%	7,19,930	-26.7%
FY21	2,542.8	27.6%	6,51,240	-9.5%
FY22	3,440.9	35.3%	8,79,010	35.0%
FY23	2,804.8	-18.5%	6,78,300	-22.8%
FY24	3,772.5	34.5%	7,95,240	17.2%

Source: CMIE, CareEdge Research

The import duty on gold and silver findings and coins of precious metals had increased to 15% from 10% from January 2024. This includes Basic Custom Duty (BCD) of 10% and 5% of AIDC (Agriculture Infrastructure Development Cess). Findings are items like hooks, clips, pins, screws, etc., which are components of jewellery making.

From June 2024, the Directorate General of Foreign Trade (DGFT) has brought gold jewellery studded with pearls, diamonds, and precious & semi-precious stones in the ‘restricted’ category from ‘free’ with immediate effect which means their import will require a government permit. These restrictions have been imposed as the imports from Indonesia under the India-ASEAN free trade agreement had surged and some articles of gold were coming duty-free and being melted in India to make jewellery. UAE is however exempted from these restrictions as per the India-UAE CEPA. However, in July 2024, the Finance Minister of India announced that the Customs Duty on precious metals like gold and silver will be reduced from 15% to 6% and for platinum, it will be reduced from 15.4% to 6.4%.

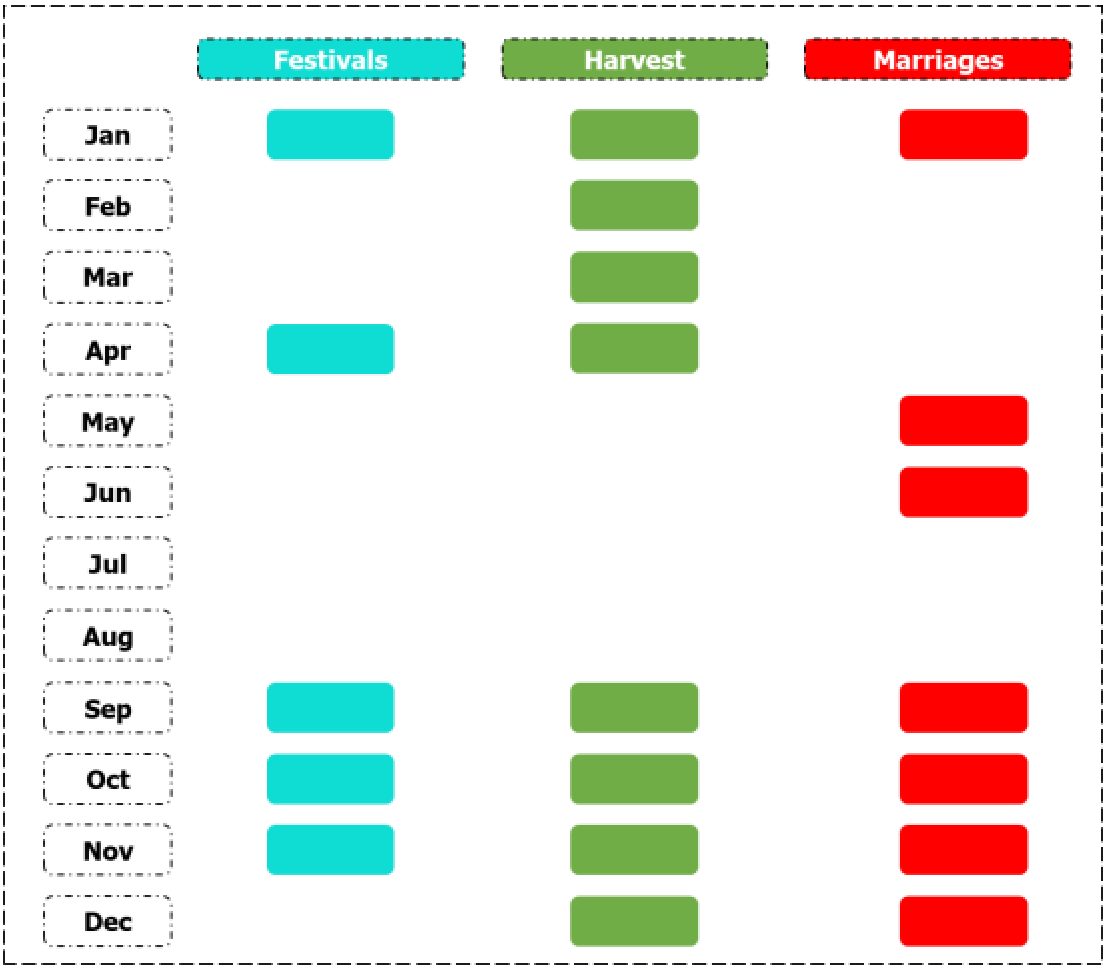
Domestic gold imports reached Rs. 3,772.5 billion in FY24 as compared to Rs. 2,804.8 billion in FY23. During FY24 the imports of gold imports in India saw a rise of 34.5% y-o-y in value terms, whereas a rise of 17.2% y-o-y was seen in volume terms.

4.10 Key Demand Drivers and Opportunities for Jewellery in India

Weddings and Festivals Drive Domestic Demand:

Seasonality in jewellery buying is a key factor that influences demand heterogeneity in India. Weddings, festivals, and harvests in rural regions are the main drivers of the category, and the seasonal nature of each of these drivers assures that demand for jewellery is tied to the different months and seasons.

- **Chart 31: Seasonality in Jewellery Buying**



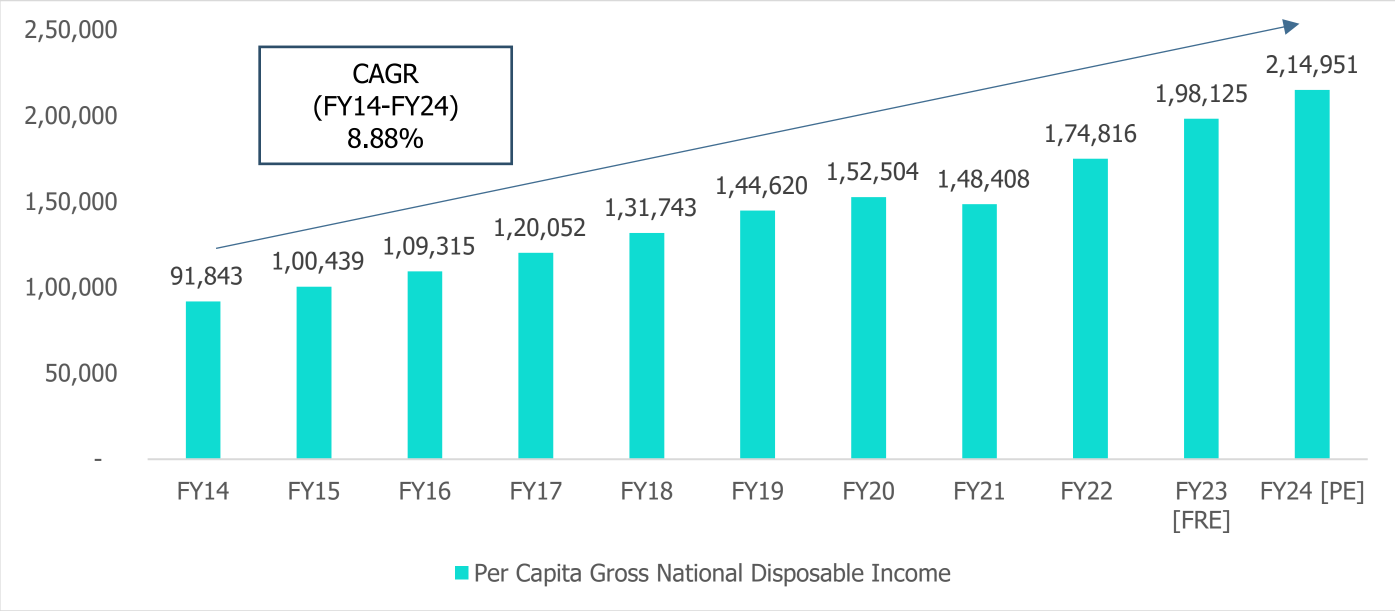
Source: CareEdge Research based on Industry sources.

Increase in Per Capita Disposable Income:

Gross National Disposable Income (GNDI) is a measure of the income available to the nation for final consumption and gross savings. Between the period FY14 to FY24, per capita GNDI at current prices registered a CAGR of 8.88%. More disposable income drives more consumption, thereby driving economic growth.

Rising income is the most powerful long-term driver of Indian gold demand because the economy is complimented by a high demographic dividend. The middle-income group in India has the highest level of gold consumption. The wealthy consume the most per capita, but the middle class consumes the most total volume.

Chart 32: Trend of Per Capita Gross National Disposable Income (Current Price)



Note: FRE – First Revised Estimates, PE – Provisional Estimate.
Source: MOSPI

Although there is a growing propensity to consume gold as income rises, the proportion of gold in one's portfolio does not rise at the same rate. A fall in household savings rates, availability of different investment avenues, and agricultural earnings can be hurdles to Indian demand.

Exposure to Global Trends:

Global trends frequently blend various cultural elements and styles. Jewellery brands that integrate these diverse influences can attract a wider international audience, creating new demand and broadening their market reach. Social media and influencers are crucial in shaping and amplifying these global trends. Jewellery brands that utilize these platforms to highlight trend-focused collections can generate excitement, boost online engagement, and drive consumer interest.

Preference for Branded Jewellery:

In the competitive Indian market, branded jewellery has found a significant place. Since branded jewellery has become the new trend in the industry, it has created its place in the hearts of customers over the last few years. With attentive and helpful attendants and well-displayed merchandise, shopping for jewellery has transformed. In the new market, everyone is a prospective customer. The most significant aspect of branded jewellery, however, is the perception of its excellence because a brand is synonymous with quality.

Easy availability of Gold Loan:

The emerging gold investment avenue in India at present is a monthly investment scheme run by organised jewellers. This works as a monthly gold-saving scheme where consumers deposit a specific amount of money with the jeweller for 11 months, with the jeweller then paying the consumer one-month equivalent of their deposit as interest. At the end of the year, the consumer chooses to buy gold jewellery or minted products with accumulated savings and interest. Some schemes provide the benefit of lower making charges also. One of the major benefits of this scheme is that the consumer gets to make the payment in instalments over time instead of lumpsum payment during the purchase.

A trusted source of gold and innovative designs:

Indian jewellery buyers are increasingly brand conscious and their tastes are becoming more refined. With access to a broad array of international and national premium brands, they now expect greater transparency and high-quality standards from their jewellers. They want clarity on pricing, including the costs of materials like gold and silver, as well as production fees, and seek assurance about the quality of the final product, which is best managed by organized retailers. These established players maintain transparency by adhering to rigorous quality standards and providing clear pricing. The rise in demand for affordable jewellery has led to innovative designs and the use of unconventional materials such as plated metals, stainless steel, and cubic zirconia.

4.11 Outlook for the Gems & Jewellery Industry in India

The gems & jewellery industry's performance has been weak in the first half of CY24. However, the demand is expected to improve in the second half, led by purchasing during the festivals. The demand is expected to further revive in subsequent years driven by the moderation of inflation and alleviation of global geopolitical issues. Also, the domestic growth is likely to be driven by resilience in demand, particularly during the festive and wedding seasons and expansion by organized jewellery retailers across pan-India.

Diamonds Segment:

India is the world's largest centre for cutting and polishing diamonds with most players concentrated in the two cities of Gujarat, Surat and Navsari. With a global share of more than 90% in the processing of rough diamonds, Cut & Polished Diamonds (CPD) accounted for 58% of the overall gems and jewellery exports from India. The CPD industry caters to demand from the US, Hong Kong, and the Middle East.

Majorly, India imports rough diamonds and exports cut and polished diamonds. The import prices per carat have been increasing, putting pressure on imports since FY21 but in FY24 the prices have declined as compared to FY23 and remained stable in H1FY25. On the other hand, in value terms, the exports of CPD also declined by 27.6% y-o-y in FY24. The exports declined due to weak demand from countries like China and the US. Further, there are also challenges faced by the Indian CPD players due to G7 sanctions on Russian-origin diamonds.

Gold Jewellery Segment:

Most of the demand for gold jewellery comes from the domestic market. The demand for gold jewellery in India is still primarily driven by weddings and festivals, with bridal jewellery alone accounting for at least half of the market. Long-term trends in economic growth, wage growth, wealth division, and urbanization rate will all influence the demand for gold jewellery in India.

Gold demand in rural communities usually picks up after the harvest season. Harvesting of Kharif crops runs from September until November and about 70% of Indian agricultural production takes place during the Kharif season. During the festivals of Diwali and Akshaya Tritiya, it is considered extremely auspicious to buy gold. Dhanteras (the first day of Diwali) usually falls during October or November, and Akshaya Tritiya between late April and early May. On average around 40-60 tonnes of gold in sold in India during these two auspicious festivals alone. The continued momentum in demand for gold jewellery, coupled with an increased footprint of organized jewellery retailers, is expected to result in healthy growth of the industry in the medium term.

Moreover, India remains one of the leading exporters of gold jewellery. In May 2022, it was announced that 90% of Indian products will be eligible for duty-free entry into the UAE under the Comprehensive Economic Partnership Agreement (CEPA). As products sold there are shipped to other nations, this will have a significant impact on international trade in the medium term. The impact can already be seen in the import-export of gold jewellery.

However, higher food and fuel inflation, rising gold prices are likely to have an impact on discretionary spending by consumers. Recently gold prices reached an all-time high of around USD 2,352 troy per ounce. Further, with the weakening of the rupee, gold would become costlier in India affecting the demand. The rural demand may also be impacted in case the rainfall impacts crop sowing during the season.

5. Gems and Jewellery Retailing Market in India

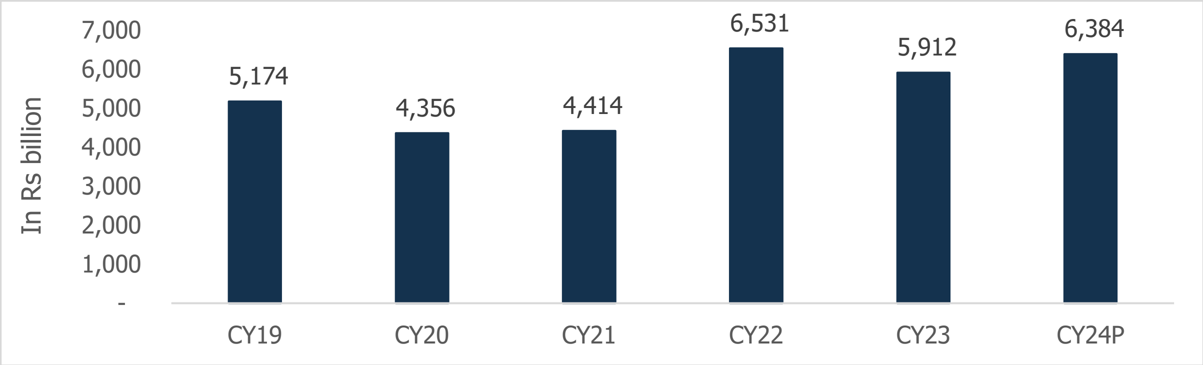
5.1. Overview

India's retail gems and jewellery market is experiencing significant growth, driven by changing consumer behaviours that combine traditional preferences with modern trends. This market holds deep cultural and economic importance, particularly as gold jewellery is viewed both as an investment and a symbol of status. While local, unorganized jewellers still dominate much of the industry, there is a strong trend towards organized and branded retailers. Consumers are increasingly prioritizing trust, authenticity, and certified products.

A major trend is a growing demand for branded and certified jewellery, particularly among younger buyers who value authenticity and reliability. As a result, organized players are expanding, especially in tier-II and tier-III cities, where rising disposable incomes and urbanization are enhancing consumer interest in luxury and semi-luxury items. Additionally, younger demographics are driving the demand for lightweight, daily-wear jewellery that is versatile enough for both casual and formal occasions, marking a shift away from the heavy, traditional pieces that used to dominate the market.

The jewellery retail market is undergoing significant digital transformation, with retailers increasingly adopting online platforms and digital payment options. E-commerce has expanded the reach of jewellery retail, providing a secure and convenient shopping experience to a broader audience across the country, including previously underserved regions. The rise of digital adoption enables virtual consultations, online personalization options, and improved customer service, which are becoming key differentiators in the market. Furthermore, customization and personalized designs are gaining popularity, allowing consumers to express their unique tastes through jewellery. This trend enhances the appeal of branded jewellery retailers that offer these services.

Chart 33: Retail Gems and Jewellery Market Size in India (CY19-CY24P)



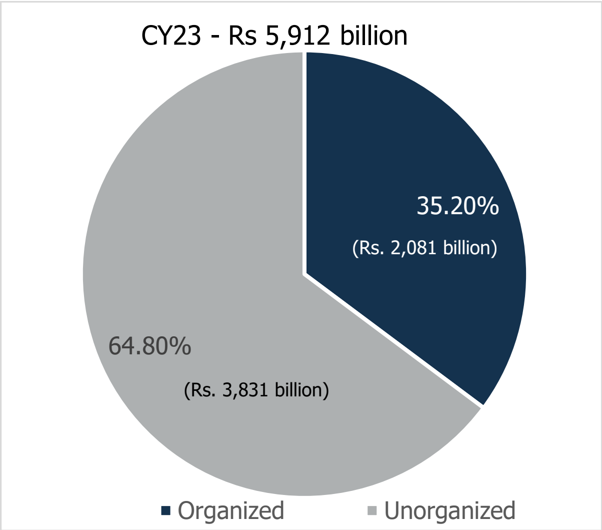
Source: IMARC Group, CareEdge Research

5.2. Share of Organized Players in the Indian Gems and Jewellery Industry

In contrast to other countries, India's jewellery sector has an unorganized artisan (karigar) driven, traditional skill-based (handcrafted) manufacturing value chain, employing lakhs of workers. The gems and jewellery industry accounts for around 6-7% of India's GDP. The interest in jewellery in India extends back 5,000 years. With over 90% of jewellers being family-owned firms, this industry is severely fragmented and unorganized.

While the unorganized segment continues to dominate the jewellery retail industry, with the advent of large retailing chains, the industry is gradually witnessing the transformation from being unorganized to an organized one.

Chart 34: Organized Retail Jewellery Market Landscape in India by Market Share (CY23 Vs CY29P)



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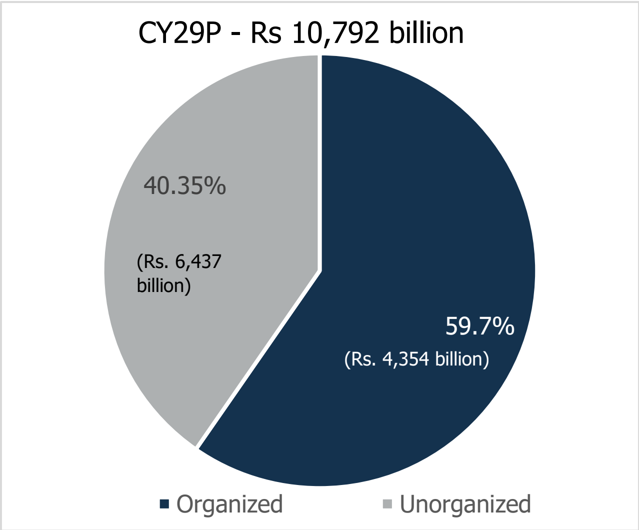
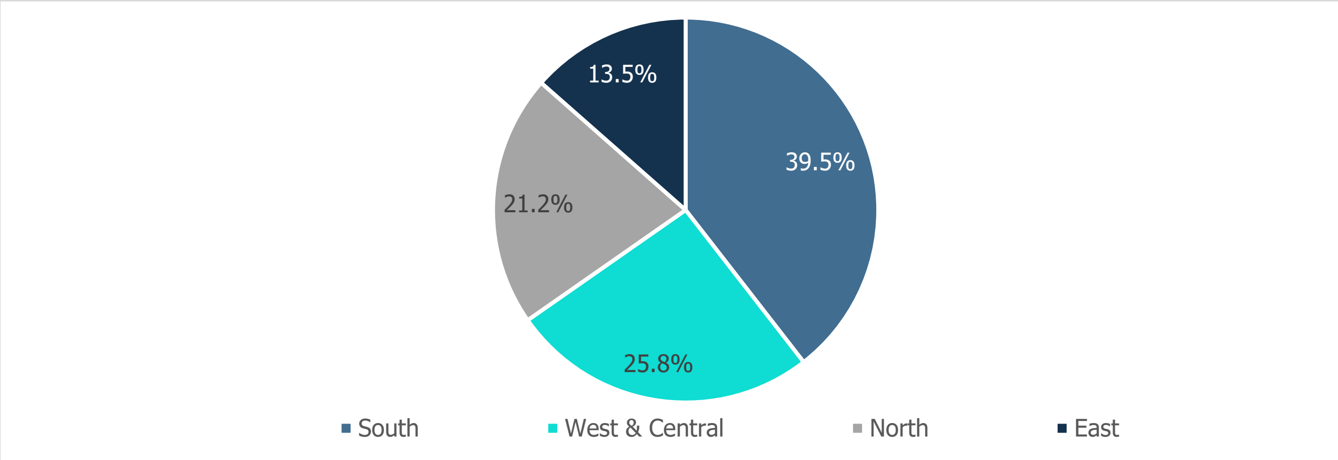


Source: IMARC Group, CareEdge Research

5.3. Retail Jewellery Market in India by Region, Type and Trends

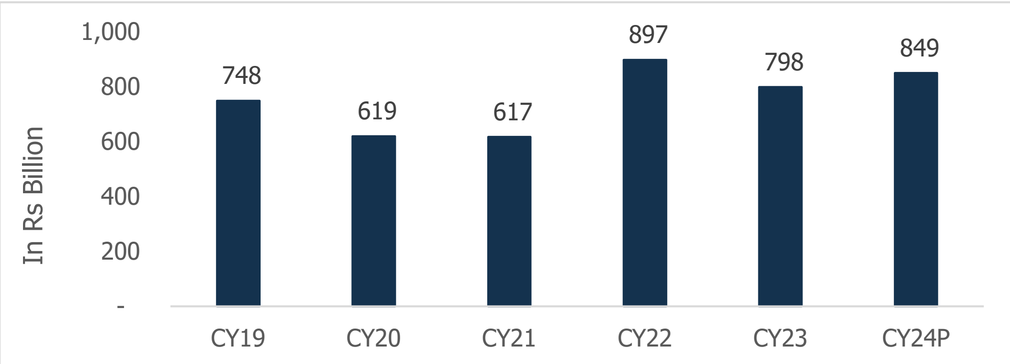
Chart 35: Retail Jewellery Market Break-Up by Region (In %) (CY23)



Source: IMARC Group, CareEdge Research

5.3.1 East India Retail Jewellery Market

Chart 36: East India Retail Jewellery Market (CY19-CY24P)



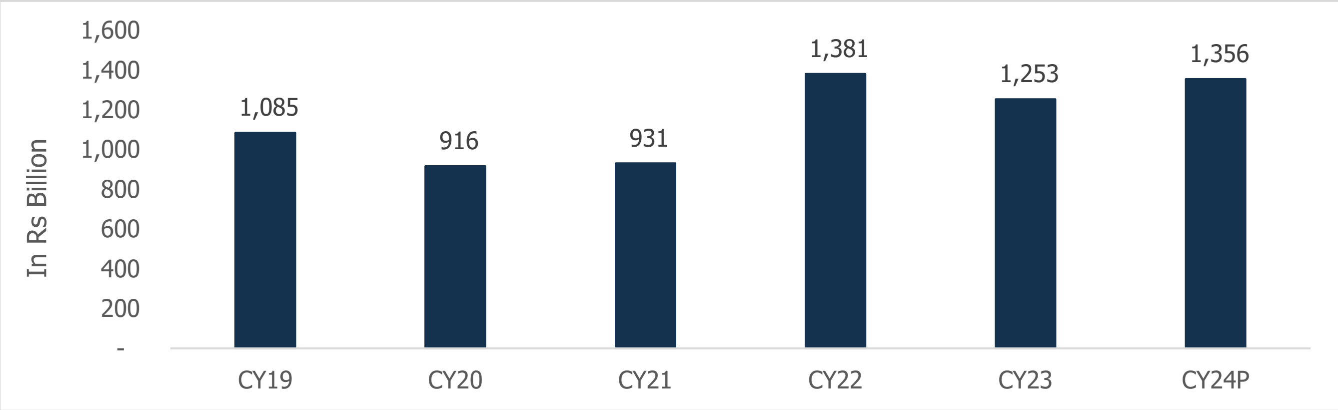
Source: IMARC Group, CareEdge Research

Note: The above data includes East India and North-East India

In CY24P, the East India market reached a value of Rs. 849 billion, growing at a CAGR of 2.6%% during CY19–CY24P. The retail jewellery market in East India is driven by its rich tradition of artisanry and cultural affinity for intricate designs. The region's distinctive styles, such as filigree work from Odisha and temple jewellery from West Bengal, continue to attract consumers who value heritage pieces.

5.3.2 North India Retail Jewellery Market

Chart 37: North India Retail Jewellery Market (CY19-CY24P)

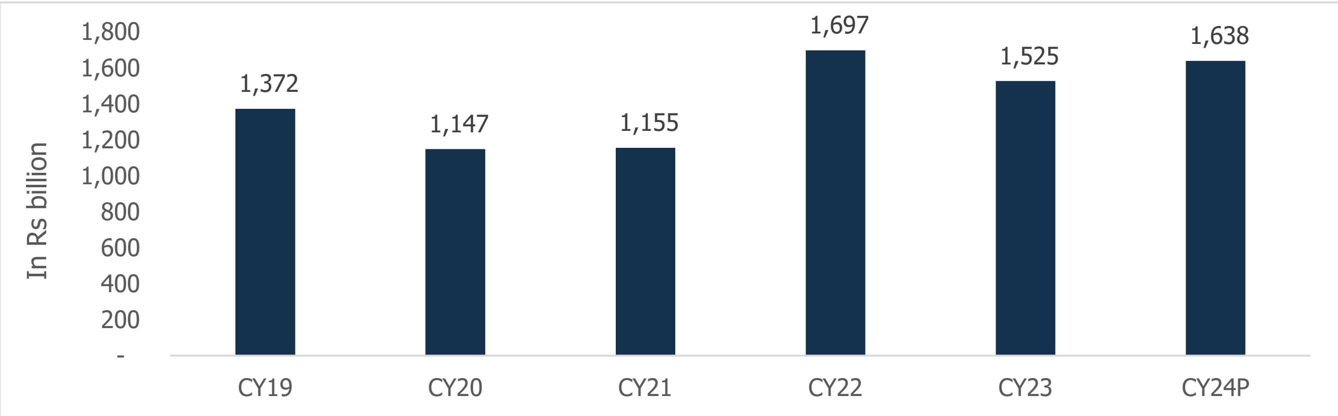


Source: IMARC Group, CareEdge Research

In CY24P, the North India market is projected to reach a value of Rs. 1,356 billion, growing at a CAGR of 4.6% during CY19–CY24P. The retail jewellery market in North India is shaped by a deep-rooted tradition of ornate and luxurious designs, often influenced by historical Mughal and Rajputana aesthetics. The demand for bridal jewellery remains particularly strong, driven by the region's elaborate wedding culture.

5.3.3 West and Central India Retail Jewellery Market

Chart 38: West and Central India Retail Jewellery Market (CY19-CY24P)

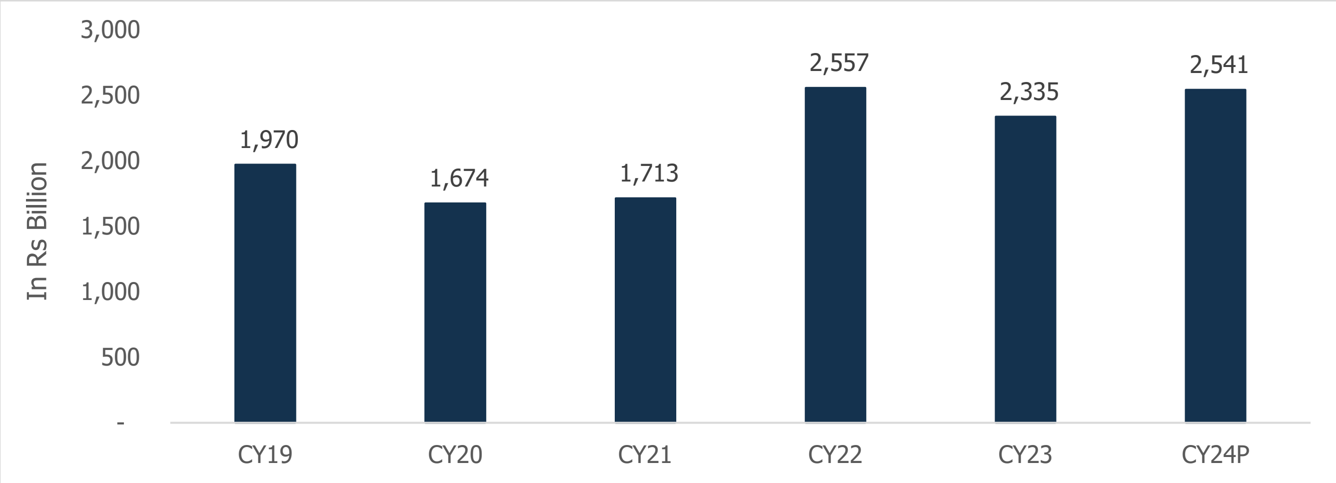


Source: IMARC Group, CareEdge Research

In CY24P, the West and Central India market is projected to reach a value of Rs. 1,638 billion, growing at a CAGR of 3.6% during CY19–CY24P. The retail jewellery market in West and Central India is witnessing notable trends driven by a blend of traditional and contemporary preferences. The region is known for its rich heritage in intricate jewellery designs, such as Kundan, Jadau, and Meenakari, which continue to attract consumers looking for unique artisanry. The market is also influenced by a surge in demand for statement pieces that are versatile for both modern and traditional attire.

5.3.4 South India Retail Jewellery Market

Chart 39: South India Retail Jewellery Market (CY19-CY24P)



Source: IMARC Group, CareEdge Research

In CY24P, South India the market is projected to reach a value of Rs. 2,541 billion, growing at a CAGR of 5.2% during CY19–CY24P. The retail jewellery market in South India is driven by a deep-rooted cultural significance attached to gold and other precious jewellery. Festivals, weddings, and traditional ceremonies continue to fuel consistent demand, with consumers often viewing jewellery not just as an accessory but as an essential part of cultural heritage and a form of investment. The trend of lightweight, daily-wear jewellery is gaining momentum, especially among younger buyers who seek modern designs that are practical for everyday use.

5.4. Factors Adding Growth of the Organized Retail Jewellery Market

Strategic Presence and Consumer Reach: The organized retail jewellery market in India benefits from widespread demand across both urban and rural areas, where jewellery holds deep cultural and traditional significance. Urbanization and rising disposable incomes have fueled growth in Tier-II and Tier-III cities, presenting significant opportunities for market expansion. Moreover, the adoption of digital transformation strategies, including e-commerce platforms and omnichannel models, has enabled retailers to reach remote and underserved areas. This seamless connectivity and access to a broader consumer base have amplified the growth of organized players

Efficient Inventory Management: The use of advanced technologies such as RFID tagging and AI-powered tools has revolutionized inventory management in the organized jewellery sector. These systems optimize stock levels, minimize wastage, and enhance demand forecasting accuracy. Retailers also benefit from customizable inventory strategies that cater to regional preferences and seasonal fluctuations in demand. Furthermore, efficient inventory rotation not only ensures cost savings but also improves liquidity, providing a competitive edge to organized retailers.

Cost-Effective Raw Material Sourcing: India's position as a major consumer and importer of gold offers organized jewellers' access to competitive global supply chain networks. Additionally, domestic resources, including gold refineries and diamond processing hubs like Surat, ensure a steady supply of high-quality raw materials. The government's supportive policies, such as duty benefits for exports and other trade incentives, further reduce raw material costs for organized players, enhancing their profitability and market appeal.

Expansion of Branded Retail Chains and Showrooms: The organized market has grown rapidly with the expansion of branded jewellery chains like Tanishq, Kalyan Jewellers, Malabar Gold & Diamonds, and others. These brands have strategically opened showrooms in metropolitan as well as tier-II and tier-III cities, making high-quality, certified jewellery accessible to a larger segment of the population. The appeal of a consistent and sophisticated shopping experience, complete with customer service, loyalty programs, and flexible payment options, has driven more consumers to opt for organized retail stores over traditional, smaller jewellers.

Adoption of Technology and Online Sales Channels: The integration of technology has been a significant factor in propelling the organized jewellery market. Brands have embraced digital transformation, employing advanced tools such as augmented reality (AR) for virtual try-ons, AI for personalized shopping experiences, and secure e-commerce platforms that allow customers to browse and buy jewellery online. The convenience of online shopping, coupled with features like doorstep delivery and easy returns, has expanded the reach of organized jewellery retailers and attracted tech-savvy consumers.

Government Policies and Regulations: Supportive government policies, such as mandatory gold hallmarking and the implementation of the Goods and Services Tax (GST), have further strengthened the organized sector. These regulations have promoted transparency, uniformity in pricing, and quality assurance, encouraging consumers to shift from unorganized local shops to organized, certified jewellery retailers. This regulatory framework enhances consumer trust and contributes to the sustained growth of the market.

Impact of Migratory Population on Organized Jewellers- The rise in the migratory population is likely to benefit organized jewellers, as these consumers typically do not have strong relationships with local jewellers. They are likely to be more inclined towards organized stores that offer contemporary designs and a wider range of options, making them an attractive customer segment for established brands.

5.5. SWOT Analysis of Organized Jewellers in India

Strengths	Weaknesses
Rich heritage and cultural importance: Jewellery is deeply intertwined with Indian traditions, festivals, and weddings, driving consistent domestic demand. Skilled artisans and craftsmanship: India is renowned for its intricate jewellery designs and skilled artisans, providing a competitive edge in global markets. Major global exporter of polished diamonds: India contributes over 75% of the world's polished diamonds by volume, solidifying its role as a global leader. Diverse product range catering to all segments: Offers products from traditional gold ornaments to modern diamond and platinum jewellery, catering to diverse tastes	High dependency on imports for raw materials: India relies heavily on imported gold and rough diamonds, exposing the market to international price fluctuations. A fragmented market dominated by unorganized players: A significant portion of the market is unorganized, leading to challenges in quality control and scalability. Frequent price volatility of gold and diamonds: Fluctuations in global commodity prices directly affect the cost structure and consumer pricing. Limited innovation in designs and technology adoption: Slow adaptation to modern trends and digital tools affects the appeal to younger consumers.
Opportunities	**Threats**
Expansion in e-commerce platforms: Online sales channels are growing, providing consumers with greater convenience and access to a wide range of jewellery. Growing international demand for Indian jewellery: Unique designs and craftsmanship are attracting more global buyers, presenting export growth opportunities. Potential in eco-friendly and lab-grown jewellery: Increasing consumer preference for sustainable products offers new market opportunities. Untapped market in tier-2 and tier-3 cities: Rising aspirations and incomes in smaller cities create the potential for jewellery businesses to expand regionally	Economic slowdowns reducing consumer spending: Economic downturns can significantly impact discretionary spending, affecting jewellery sales. Increasing cost of raw materials: Price hikes in gold, diamonds, and other materials can shrink margins and impact affordability for consumers. Regulatory changes impacting market stability: Shifts in government policies, such as restrictions on gold imports, can disrupt market operations. Substitution by artificial or imitation jewellery: Growing affordability and availability of imitation jewellery may divert consumers from precious jewellery

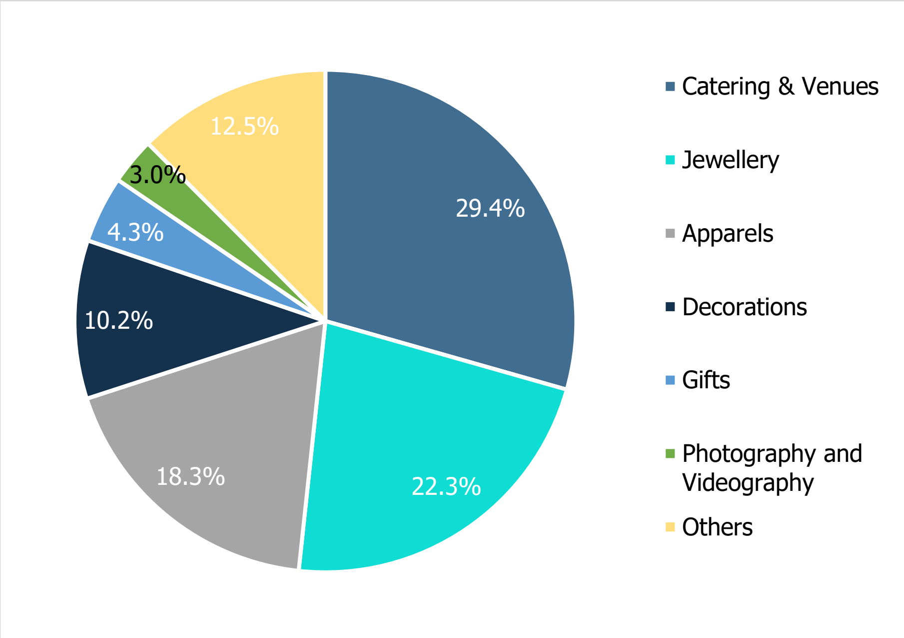
6. Bridal Jewellery Segment

6.1. Overview

The bridal jewellery segment in India is a significant part of the overall jewellery market, showcasing the country's rich cultural heritage and the importance of weddings in Indian society. Weddings are major life events in India, with families typically allocating around 23-24% of their total wedding budget to jewellery purchases. Bridal Jewellery typically includes a variety of elegant pieces that enhance the bride's overall look, such as Necklaces & Chains, Earrings, Haram, Chokers, and Maangtikka. This jewellery is not only regarded as adornment but also serves as a form of financial security. In North India, brides tend to prefer heavy gold jewellery and kundan-polki sets, while those in South India favour traditional gold temple jewellery. These preferences reflect the varied cultural heritage of each region.

India's bridal jewellery market is primarily centred around gold, making it one of the largest consumers of gold jewellery in the world. In 2023, the country's demand for gold jewellery reached approximately 562 tonnes, with a substantial portion attributed to bridal collections. The market also includes a variety of traditional styles such as kundan, polki, jadau, and temple jewellery, reflecting the diverse regional traditions across different states. For instance, South Indian brides typically prefer temple jewellery, while North Indian brides often choose kundan and polki pieces. Additionally, diamond jewellery is gaining popularity among urban and affluent families, leading to increased demand for diamond-studded wedding pieces, especially in metropolitan areas.

- **Chart 40: India Wedding Market: Breakup by Wedding Expenditure (in %), CY23**



Source: IMARC Group, Industry Sources, CareEdge Estimates

In CY23, the distribution of wedding expenditures in India highlights the significant allocation of funds across various categories. Catering and venues dominate the market, accounting for 29.4% of total spending, reflecting the high priority placed on food and location for wedding celebrations.

Jewellery follows as the second-largest expenditure, comprising 22.3%, underscoring the importance of bridal adornments in Indian weddings. Jewellery holds a vital place in Indian weddings, with 22.3% of expenditures dedicated to it, reflecting its deep cultural and symbolic significance. The mangalsutra, a sacred necklace symbolizing marital bonds, is central in Hindu weddings, especially in South India, where elaborate designs featuring diamonds and intricate gold work are increasingly popular.

Besides the mangalsutra, essential pieces like bangles, necklaces, earrings, and rings are part of the bridal ensemble, varying by region. North Indian brides favour heavy gold jewellery, while South Indian brides often wear temple jewellery with uncut gemstones. In Western India, the nath (nose ring) and kamarband (waistband) are prominent, and Eastern Indian brides often choose gold pieces with nature-inspired motifs. This investment in jewellery, blending aesthetics with emotional and cultural value, underscores its importance as a symbol of tradition, wealth, and heritage across India.

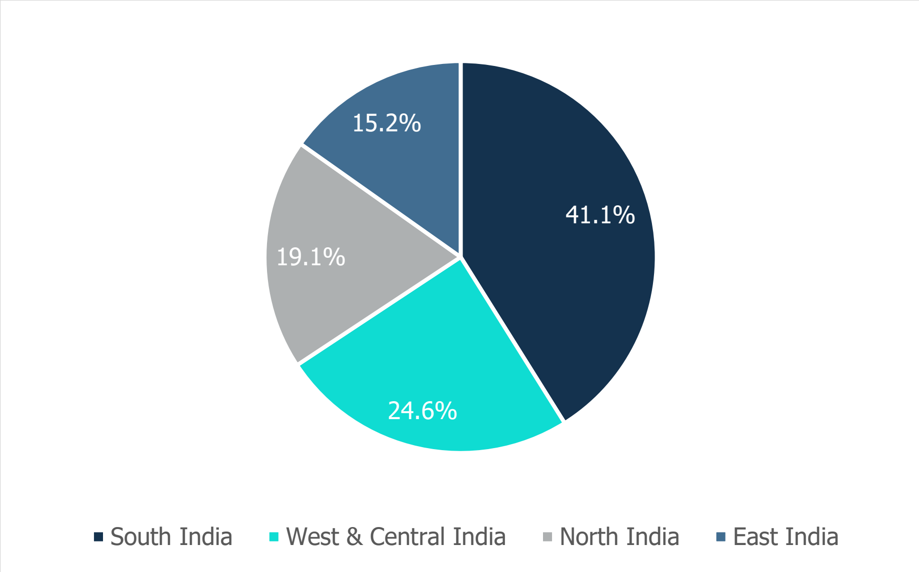
6.2. Segments of the Indian Jewellery Industry

Weddings and festivals are the two main occasions for buying jewellery in India. The Indian jewellery market can be segmented by region into North, South, East, and West. The South region leads the market, followed by the West.

Southern India is notable for its significant consumption of gold and diamond jewellery, whereas Western India is renowned for its export of cut and polished diamonds. The South's dominant position in the Indian Gems and Jewellery Market stems from its rich historical heritage, skilled artisanry, cultural importance, and vibrant jewellery industry. In contrast, Western India favours a mix of traditional and modern styles and has a strong market for high-end and designer pieces.

North India tends to prefer traditional designs, especially gold jewellery and heavy pieces for weddings and festivals. Meanwhile, East India is characterized by a preference for traditional and distinctive designs, focusing on both gold and silver jewellery. South India accounts for 41% of the total jewellery demand followed by West & Central India with 24.6%, North India with 19.1% and East India with 15.2%.

Chart 41: Indian Jewellery Market Break-up by Region (% Share) in CY23



Source: IMARC Group, Industry Sources, CareEdge Estimates

Rural and semi-urban regions contribute about 60% of the gold jewellery consumption while urban areas account for 40%. The share of rural and semi-urban regions is higher on account of the larger share of the population residing in these regions. Further, jewellery is a primary form of investment in these areas and is preferred over conventional investments through banks due to limited literacy and banking networks.

Based on the type, the gold jewellery industry can be segmented into:

- Bridal gold wear
- Daily & fashion gold wear

Table 5: Jewellery Demand Segmentation Based on Wearing Type

	Market share (%)	Weight Range	Purity
Bridal Wear	50%-60%	30-250 gm	18 & 22 carats
Daily & Fashion Wear	40%-50%	5-30 gm	14 & 18 carats

Source: Industry sources; CareEdge Research

6.2.1 Bridal Gold Wear

In Indian marriages, gold holds a lot of significance. Individuals of all ages wear exquisite gold jewellery on such occasions. The bride is the focal point of the wedding and is adorned with a significant amount of gold jewellery. Gold has a religious significance in India as many people believe that gold is an auspicious precious metal and provides wealth and success.

The significance of this style of jewellery in India originates mostly from the premise that gold given to a lady for her wedding is completely her property and thus an essential source of financial security. Jewellery gifts to the bride and groom's close relatives as well as jewellery purchases made by wedding guests for their use make up an additional, although much smaller, portion of the demand associated with weddings.

Given its significance in Indian weddings, bridal jewellery accounts for 50-60% of domestic jewellery consumption. Bridal jewellery is typically heavier in weight compared to daily or fashion wear ranging from 30-250 gms depending upon the type of jewellery. Further, they are available in 22-carat and 18-carat variants.

Bridal jewellery varies in weight and design across regions of the Indian subcontinent as different community brides wear distinctive designs for their weddings. The gross weight of gold jewellery worn by brides in southern states such as Kerala is significantly higher than the weight of gold jewellery worn by brides from northern and western states.

This typically stems from cultural preferences and functions as the per capita income of the state. South Indian bridal jewellery is dominated by plain gold jewellery while there is a higher preference for studded jewellery in northern states. On an overall basis, plain gold jewellery accounts for 85% of the total bridal jewellery.

Table 6: State-wise Bridal Jewellery Products

State	Large Sets	Small Necklaces	Chains	Bangles	Earrings	Others	Gross weight in gms
Punjab	Diamond Haar		Mangal Sutra	Kundan Kangan	Vala	Maang Teeka, Nathni, Bajo does Kado	190
Rajasthan/ Marwar	Rani Haar	Thewa		Bangdi, Kada, Rajputi Bandgi	Kundan Butti	Rakhdi, Hath Phool, Baju Band, Anguthi	190
Bengal	Sita Haar	Gola Chik		Plai Bala, Mugh Bala, chitra Bala	Jhumkaa	Kamar Chavi, Tikloy, Kamar Band	210
Gujarat		Chandan Haar	Mangal Sutra	Bangdi, Kundan Bangdi	Kundan Butti	Nath, Baju Band, Damani, Pocha	180
Maharashtra	Chapla Haar, Laxmi Haar	Tushi	Mangal Sutra	Tode, Patli	Jhumke	Aangathi, Haath Pan, Nath, Baju Band	250
Karnataka	Akki Sara, Malliga Sara		Mangal Sutra, Mohan Sara	Lakshmi Bale, Coorgi Bale, Kembina bale	Jhimki	Bandhi, Odiyanam, Kemp Ungila	280
Kerala	Kazuthulia, Kasu Mala, Lakshmi Mala, Mulla Motu	Kingini Mala, Manga Mala	Kurumul aka Mala, Patthakam	Kolkata Bangle, Machine Cut Bangle, Thoda Bangles	Jhimki	Toe Ring, Minnu	320
Tamil Nadu	Lakshmi Haram, Muthu Haram	Vella Kal Mookhuthi	Mangal Sutra	Muthu Valayal, Lakhsmi Valayal, Kemu Valayal	Kempu Kal Jhimkki	Ottiyanam, Nethichutty, Jadai Billai	300
Andhra Pradesh	Nakshi Haram	Kandabaranam	Sutaru Golusu	Kanjan, Gajalu	Buttalu	Aravanki, Nakshi Vaddanam, Jada	300

Source: CareEdge Research, Industry Sources

6.2.2 Daily and Fashion Wear

Daily and Fashion wear jewellery accounts for 40-50% of the domestic gold jewellery consumption. These are typically lighter jewellery ranging from 5-30 gms in weight. Daily and fashion wear jewellery has grown in popularity in recent years as customer preference for more affordable and useful options for their everyday jewellery needs has increased. To meet the demand from younger customers, especially those who desire to wear gold jewellery that suits their Western-style clothing, manufacturers are increasingly concentrating on manufacturing lightweight ornaments. This trend has resulted in the rise of minimalist designs, which have basic shapes and clean lines and are frequently made with less gold.

Millennial demand, rising internet usage, and increasing smartphone penetration have contributed to the recent rapid rise of the Indian online jewellery business focused primarily on daily and fashion wear jewellery. Consumers between the ages of 18 and 45 account for many sales. Despite an increase in online jewellery sales, the typical ticket weights are between 5 and 10 grams. Online buyers typically buy 18-carat gold jewellery that is lightweight and suitable for everyday wear.

Young shoppers are interested in contemporary styles that go well with Western attire. Also, big chain stores are focusing increasingly on daily wear and fast-moving jewellery (such as chains and rings). Manufacturers and designers are developing product lines expressly for this market as they become more aware of changing consumer preferences.

7 Gold Jewellery Wholesale Market in India

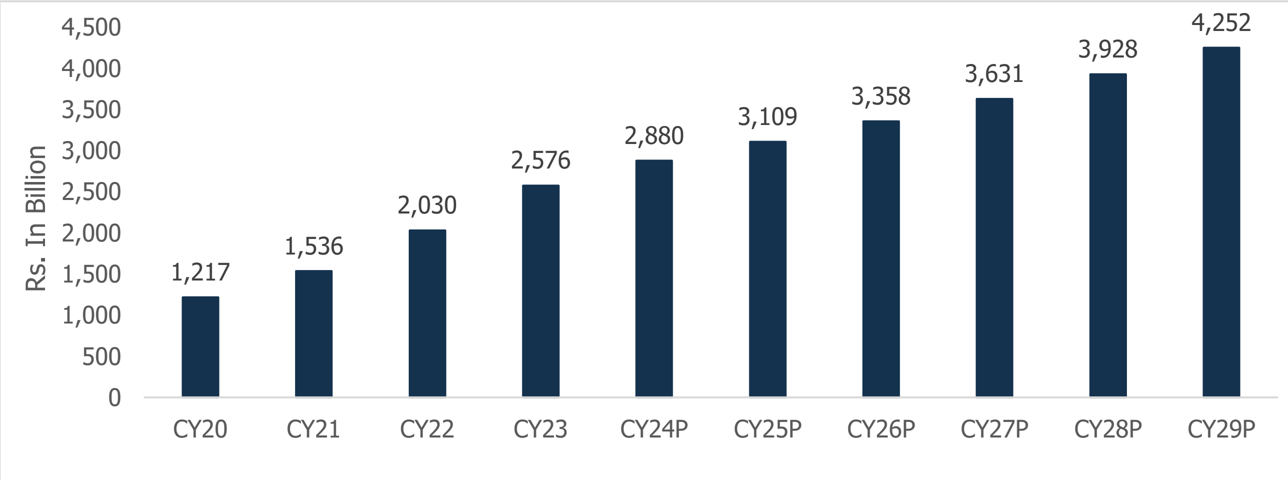
7.1. Indian Gold Jewellery Wholesale Market Size

India has one of the world's largest wholesale markets for gold jewellery. This market growth is driven by deep cultural significance and high consumer demand. It is made up of many small- and medium-sized enterprises (SMEs) as well as large players and key hubs include Mumbai, Surat, and Chennai. These hubs are where goldsmiths and wholesalers operate extensive networks of artisans and retailers.

The growth of the wholesale gold jewellery market is closely tied to the expansion of retail jewellers across India. As organized retail continues to spread into tier 2 and 3 cities, particularly with the rise of branded jewellery stores, there is a growing demand for wholesalers to supply these outlets. Rapid urbanization and increasing disposable incomes further contribute to the wholesale market's growth, as the demand for gold jewellery increases in both traditional and contemporary designs. Additionally, wholesalers benefit from supplying customized and bulk orders to retailers, leveraging economies of scale to offer competitive pricing. However, there are challenges, such as fluctuating gold prices, regulatory changes, and a shift in consumer preference towards lighter and more contemporary designs.

Digitalization and e-commerce are changing the wholesale market, making prices more transparent and increasing its reach. Moreover, demand for traditional, handcrafted gold jewellery increases during festivals and weddings, further driving the market.

- **Chart 42: Indian Gold Jewellery Wholesale Market Size, CY2020–29P**



Source: IMARC Group, CareEdge Research Analysis

In CY23, the wholesale gold jewellery market reached a value of Rs. 2,576 billion in CY23, representing a CAGR of 28.4% from CY20 to CY23. The strong domestic demand is one of the main factors propelling the wholesale gold jewellery market's growth in India. Gold jewellery holds great cultural and traditional value in Indian society, which guarantees a consistent demand for it throughout the country. Wholesalers supply the large demand for gold jewellery during festivals, weddings, and other important occasions, which is met by retailers and local jewellers. The wholesale industry growth is driven by the constant need to restock inventory to meet consumer demand.

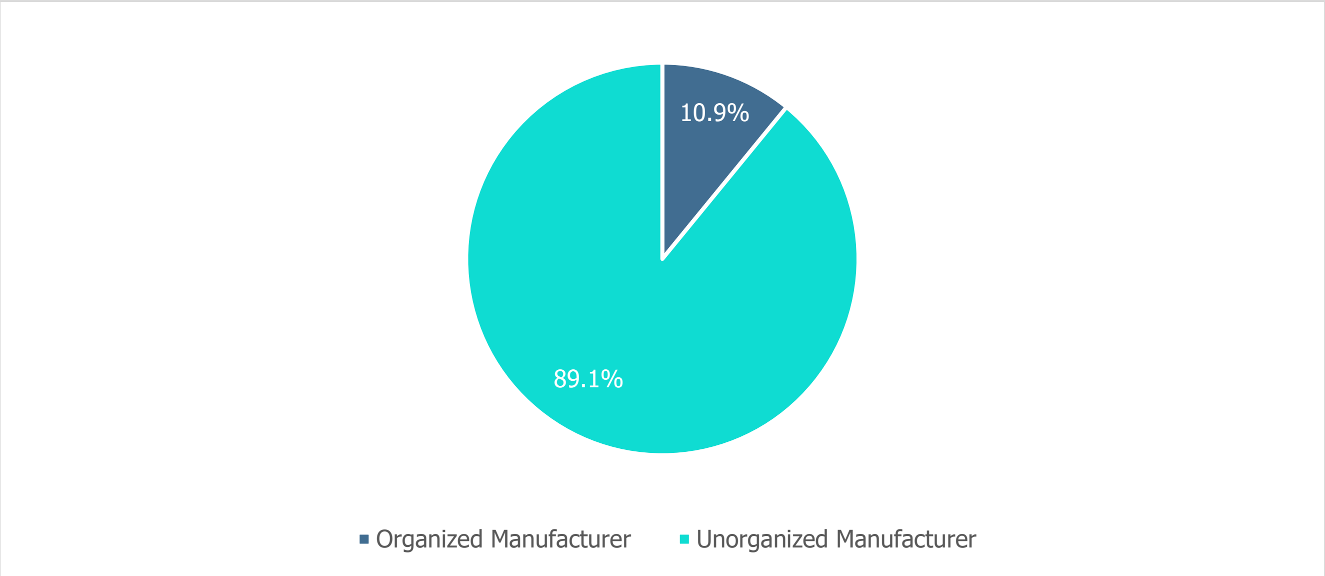
India is a prominent global exporter of gold jewellery. The wholesale sector is greatly boosted by the demand for Indian gold jewellery in foreign markets. The demand for both traditional and modern Indian gold jewellery is significant in nations like the United States, the United Arab Emirates, and the United Kingdom, where there is a sizable Indian diaspora. The strong export demand continues to provide growth opportunities for the wholesale sector, especially as Indian jewellery gains more prominence globally.

7.2. India Wholesale Gold Jewellery Market by Manufacturers

India's wholesale gold jewellery market is split between organized and unorganized sectors. The unorganized sector dominates, comprising numerous small manufacturers and artisans across regions like Mumbai, Jaipur, and Kolkata. These players often rely on traditional methods, producing intricate, handcrafted jewellery that caters to regional preferences. They have deep-rooted networks with local retailers, but face challenges such as limited access to capital and exposure to price volatility. In contrast, the organized sector, though smaller, is growing rapidly, led by established brands like Kalyan Jewellers, Malabar Gold & Diamonds and Joyalukkas, and Titan's Tanishq.

Market formalisation, driven by factors such as compulsory hallmarking, GST compliance, and consumer demand for transparency, has adversely impacted unorganized retailers, leading to market consolidation. Key players in the organized sector have seized this opportunity by expanding their retail footprints both domestically and internationally. For instance, from FY22 to FY24, Titan opened approximately 350 new retail stores, Senco Gold added 32 stores, and Kalyan Jewellers established 93 new outlets. As a result, the penetration of organized jewellery retailers has significantly improved between CY20 and CY23. Looking ahead, leading brands are poised to solidify their dominance further. They plan to add an estimated 400-440 new retail outlets across domestic and global markets in the near to mid-term. Initiatives like hallmarking, GST compliance, and traceability have adversely impacted unorganized retailers, driving market consolidation.

Chart 43: India: Wholesale Gold Jewellery Market: Breakup by Manufacturing Type (in %), CY23

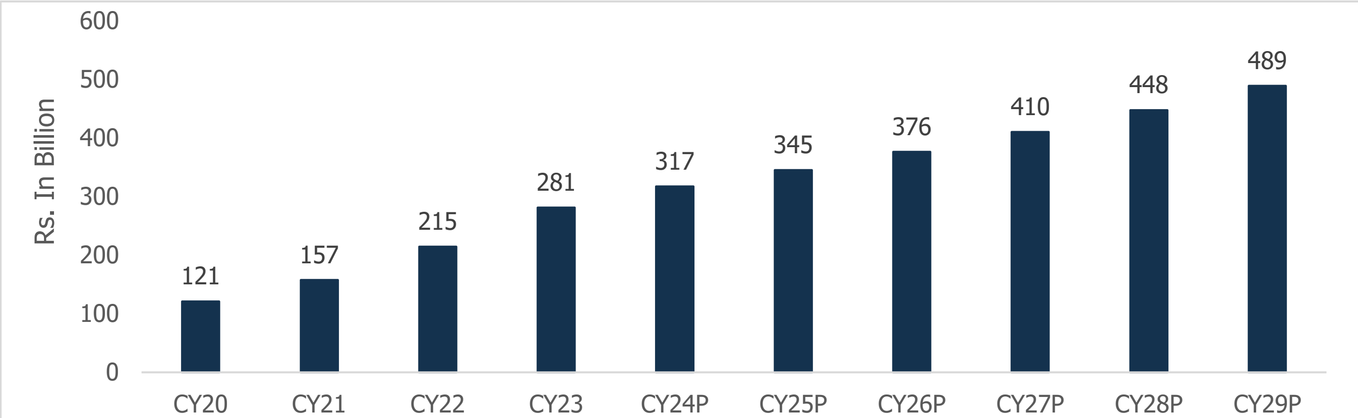


Source: IMARC Group, CareEdge Research

Organized Manufacturers

The organized wholesale gold jewellery market in India is dominated by large players, such as organized jewellery chains, branded jewellery manufacturers, and distributors. These entities often have multiple outlets across major cities and leverage economies of scale in procurement, manufacturing, and distribution.

Chart 44: India: Wholesale Gold Jewellery Market (Organized Manufacturers): Sales Value (in Rs. Billion), CY2020–29P



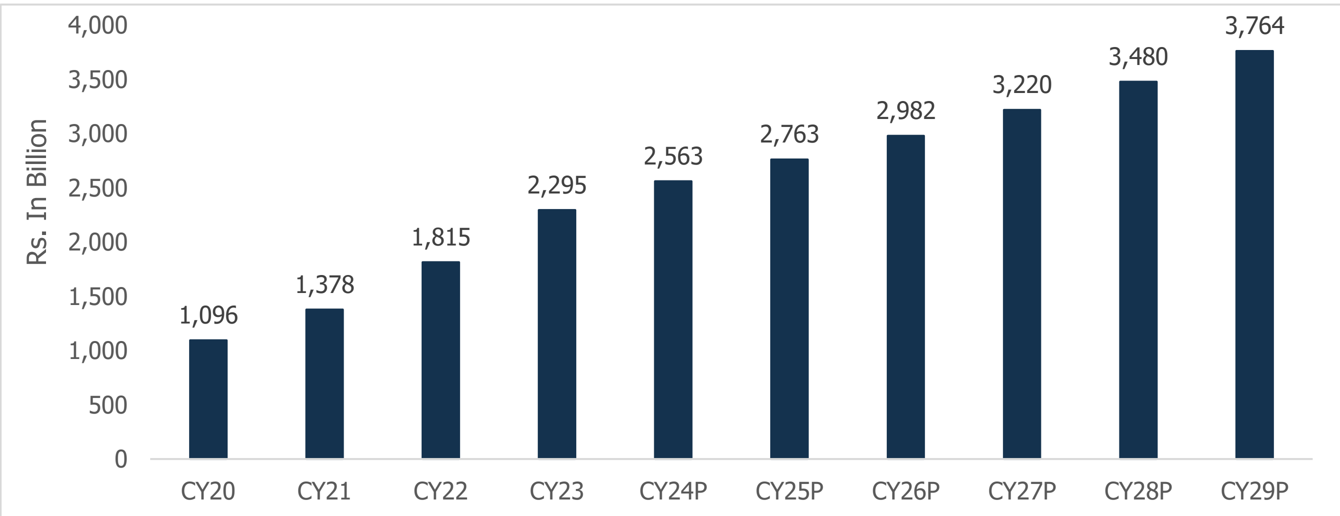
Source: IMARC Group, CareEdge Research Analysis

In CY23, organized manufacturers accounted for a share of 10.9% in the wholesale gold jewellery market, in India. The market reached a value of Rs. 281 billion in CY23, growing at a CAGR of 32.5% from CY20 to CY23. This is primarily driven by the shift from the unorganized to the organized sector. This shift can be attributed to several structural factors rather than just organic demand growth. One of the key reasons for this transformation is the implementation of the Goods and Services Tax (GST), which has brought greater transparency and accountability to the industry. Additionally, organized players benefit from economies of scale and better financial backing, allowing them to offer competitive pricing and a wider range of designs. There is a clear trend among Indian consumers toward favouring branded and certified jewellery. Organized wholesale markets are responding to this demand by providing a diverse array of branded products that prioritize quality, craftsmanship, and innovative design.

Unorganized Manufacturers

The unorganized wholesale gold jewellery market in India plays a significant role, especially in rural areas and smaller towns. This market is characterized by local artisans, small-scale jewellers, and traditional business practices, often lacking formal documentation and standardization. It offers a wide variety of designs and customization at competitive prices, catering to diverse consumer preferences. However, challenges include inconsistent quality, lack of transparency, and limited access to modern technology. Despite government efforts to formalize the sector, the unorganized market remains a vital part of India's gold jewellery industry.

Chart 45: India: Wholesale Gold Jewellery Market (Unorganized Manufacturers): Sales Value (in Rs. Billion), CY2020–29P



Source: IMARC Group, CareEdge Research Analysis

In CY23, unorganized manufacturers accounted for a share of 89.1% of the Wholesale Gold Jewellery Market, in India. The market reached a value of Rs. 2,295.1 billion in CY23, growing at a CAGR of 27.9% during CY20–CY23.

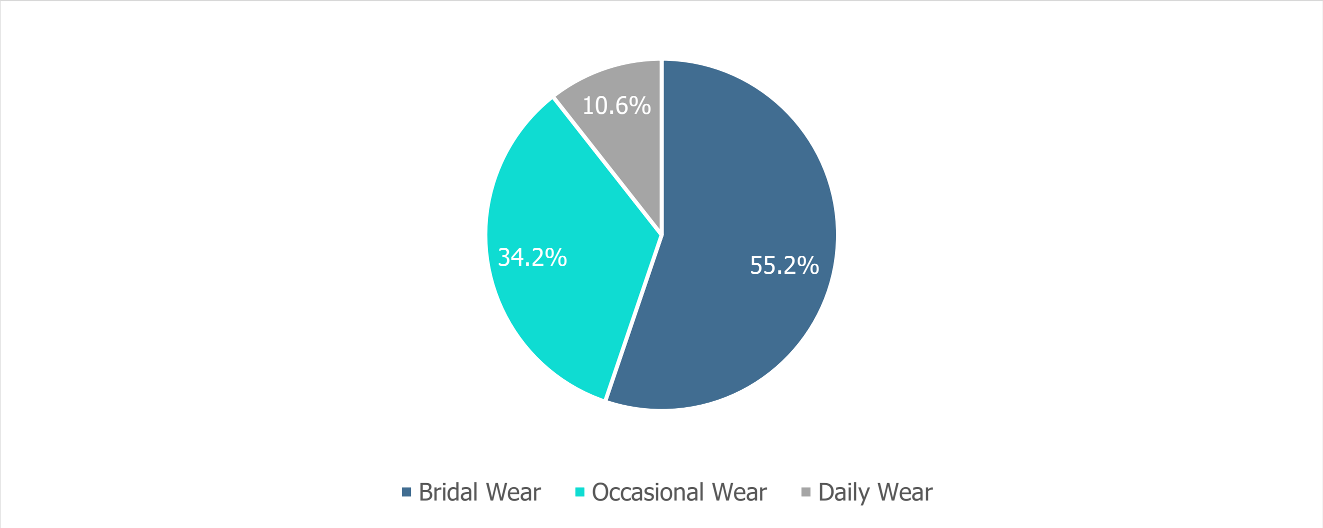
A significant driver of this growth is consumer price sensitivity. The unorganized sector often offers jewellery at lower prices than organized retailers, which is partly due to their ability to sell without issuing tax bills. This pricing advantage broadens access, particularly in rural and semi-urban areas. Additionally, the unorganized sector excels in customization, providing flexibility in jewellery designs. Customers frequently seek personalized pieces tailored to their preferences, including design, metal choice, gemstones, and budget considerations.

Small-scale jewelers in the unorganized sector excel in catering to local market preferences and personalized customer needs, addressing niche demands often overlooked by larger retailers. Many consumers prefer these local jewelers for their trusted relationships and personalized service, which often surpass the advantages offered by larger, more impersonal stores.

7.3. Indian Wholesale Gold Jewellery Market Breakup by Wearing

The Indian wholesale jewellery market is segmented based on the type of wear, which includes bridal wear, occasional wear, and daily wear.

Chart 46: Indian Wholesale Gold Jewellery Market Breakup by Wearing (in %), CY23



Source: IMARC Group, CareEdge Research Analysis

- **Bridal Wear**

The Indian bridal jewellery market is a dominant segment, driven by cultural traditions and the significance of weddings. Bridal jewellery typically features heavy, ornate designs using gold, diamonds, Kundan, and Polki. This segment sees the highest demand in regions like North and South India, particularly during the wedding season. In CY23, the distribution of wedding expenditures in India highlights the significant allocation of funds across various categories. Jewellery holds a vital place in Indian weddings, with 23–25% of expenditures dedicated to it, reflecting its deep cultural and symbolic significance. Key trends include an increase in destination weddings and a preference for heritage designs, which continues to make bridal jewellery a crucial part of the wholesale jewellery market in India.

- **Occasional Wear**

The occasional wear segment in the Indian jewellery market caters to festivals, family functions, and special events. This segment is characterized by demand for semi-precious stones, contemporary designs, and versatile pieces that balance tradition with modern aesthetics. Cities like Mumbai, Delhi, and Bangalore drive significant sales during festive seasons, particularly Diwali. The market is evolving with younger consumers preferring lightweight and affordable options, making occasional wear a growing area in the wholesale jewellery sector.

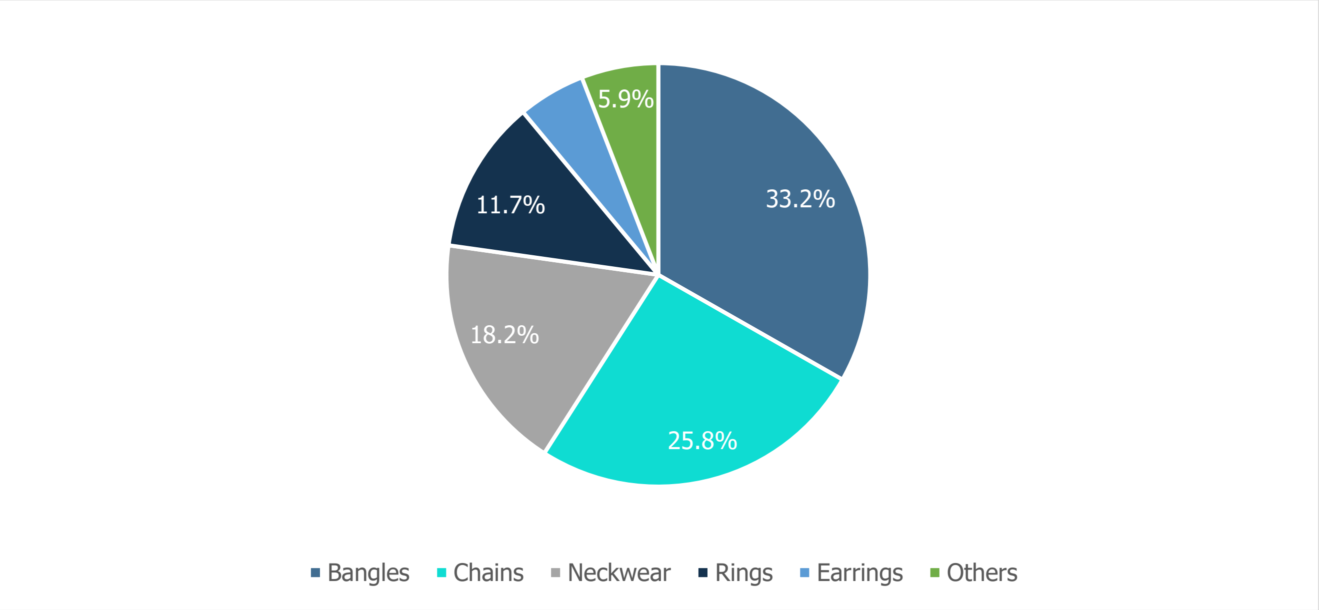
- **Daily Wear**

Daily wear jewellery in India is gaining traction, particularly in urban and semi-urban areas. This segment focuses on minimalistic, lightweight, and durable designs suitable for everyday use, such as simple gold chains, rings, and earrings. With the rise of working professionals, there is a steady demand for affordable yet stylish pieces. Regions like Maharashtra, Gujarat, and West Bengal show consistent demand due to their large urban populations and high concentration of working professionals. Maharashtra, particularly Mumbai, is a major economic hub with a diverse workforce. Gujarat, with its thriving business community and growing urbanization, has a significant market for daily wear jewellery. West Bengal, especially Kolkata, has a rich cultural heritage and a substantial population that contributes to the steady demand for daily wear pieces. Though smaller than bridal or occasional wear, the daily wear segment is a growing component of the wholesale jewellery market.

7.4. Indian Wholesale Gold Jewellery Market Breakup by Product Type

The Indian wholesale jewellery market is segmented based on product type, which includes neckwear, rings, earrings, chains, and bangles/bracelets.

Chart 47: Indian Wholesale Gold Jewellery Market Breakup by Wearing (in %), CY23



Source: IMARC Group, CareEdge Research Analysis

- **Neck Wear**

The neck wear segment, including necklaces, chokers, and pendants, is a cornerstone of the Indian wholesale jewellery market. It is highly diverse, with demand ranging from heavy, ornate designs in gold and diamonds for weddings to lightweight, everyday wear pieces. Traditional styles like Kundan and Temple jewellery remain popular, especially in South India. The segment sees peak demand during the wedding and festive seasons, with a growing trend towards customizable designs that blend traditional motifs with modern aesthetics.

- **Rings**

Rings are a versatile and highly popular product in the Indian wholesale jewellery market. This segment includes everything from elaborate bridal rings, often adorned with diamonds and precious stones, to simple, everyday gold bands. Engagement rings are a significant driver, with a strong preference for solitaire diamonds. Rings also serve as popular gifting options during festivals and special occasions. The demand for innovative designs, including stackable and multi-finger rings, is on the rise, particularly among younger consumers.

- **Earrings**

Earrings are a key segment in the Indian jewellery market, catering to various occasions, from daily wear to weddings. The range includes studs, hoops, jhumkas, and chandbalis, with gold and diamonds being the most sought-after materials. Demand for lightweight and versatile designs is growing, especially among urban consumers. Earrings are also a popular gifting choice, driving consistent sales throughout the year. Regions like Maharashtra and Gujarat show strong demand for both traditional and contemporary styles, making this segment a staple in the wholesale market.

- **Chains**

Chains are a fundamental part of the Indian wholesale jewellery market, favored for their simplicity and versatility. Gold chains dominate this segment, available in a variety of styles such as plain, beaded, and rope designs. Chains are popular as everyday wear, particularly among men and working professionals. They also serve as a common gifting item, especially during festivals and family occasions. The market for lightweight and durable chains is expanding, with increasing demand from urban and semi-urban areas.

- **Bangles/Bracelets**

The bangles and bracelets is the largest market segment. Bangles and bracelets hold a special place in Indian jewellery, symbolizing tradition and elegance. This segment includes a wide range of products, from heavy, ornate bridal bangles to sleek, contemporary bracelets. Gold bangles are particularly popular in South India, while diamond-studded bracelets are gaining traction among younger consumers. The demand peaks during wedding seasons and festivals like Diwali and Raksha Bandhan. The trend towards mixing traditional designs with modern styles is driving innovation in this segment within the wholesale market.

7.5. Outlook of the Gold Jewellery Wholesale Market in India

The Indian gold jewellery wholesale market is poised for steady growth, driven by robust demand across various segments. Bridal jewellery remains a significant contributor, bolstered by cultural traditions and the rising trend of lavish weddings. Additionally, increasing urbanization and rising disposable incomes are fueling demand for occasional and daily wear gold jewellery. The market is also witnessing a shift towards lightweight and contemporary designs, catering to younger consumers seeking both style and affordability.

However, challenges, such as fluctuating gold prices and stringent government regulations on gold imports, may impact market dynamics. Despite these challenges, the long-term outlook remains positive, with innovations in design and growing consumer preference for certified and branded gold jewellery expected to drive growth. The adoption of digital platforms for wholesale transactions is further enhancing market accessibility, positioning the Indian gold jewellery wholesale market for continued expansion.

Outlook on the Organized and Unorganized Segments

- **Organized Segment**

The organized jewellery segment in India is on a strong growth trajectory. Driven by increased consumer awareness about quality and certification, this segment is rapidly gaining market share. The implementation of government regulations, such as mandatory hallmarking of gold jewellery and the Goods and Services Tax (GST), has provided an additional boost to organized players, who are better equipped to meet these requirements. Major brands like Tanishq, Kalyan Jewellers, and Malabar Gold & Diamonds are expanding aggressively, particularly in tier II and III cities, to tap into the growing demand for branded, certified jewellery.

Furthermore, the adoption of digital platforms, omni-channel retail strategies, and personalized customer experiences are enhancing the appeal of organized players.

- **Unorganized Segment**

The unorganized segment will continue to dominate the market due to deep-rooted cultural ties, strong customer relationships, and the trust placed in local jewellers. However, increasing competition from organized players, rising consumer preference for branded products, and government regulations aimed at formalizing the sector are driving gradual shifts. The implementation of hallmarking standards and GST has begun to erode the cost advantage traditionally enjoyed by unorganized jewellers. Yet, their flexibility in pricing, extensive product variety, and strong presence in rural areas will allow them to retain a significant share. Local jewellers often offer flexible payment options, such as allowing delivery first with payment in installments, which enhances their appeal.

The segment's future will hinge on its ability to adapt to evolving consumer expectations and regulatory changes while maintaining its traditional strengths.

8. Regulatory Process and Framework for the Gems & Jewellery Industry in India

8.1 FDI Norms

The gems & jewellery industry is the second-largest Foreign Exchange Earner (FEE) in the Indian economy. India is known as the hub of global jewellery due to its low costs, availability of skilled labour, and other benefits like policy support etc. Various government policies support the industry. Currently, 100% Foreign Direct Investment (FDI) is permitted in the sector under the automatic route.

This sector has become a focus area for promoting exports. The government has taken various initiatives for investment promotion and technology upgradation. The country is looking forward to building a 'Brand India' in the global market because of its growth prospects.

The Government of India's decision to bring FDI into the retail market expedited the growth in the organized jewellery sector. This facilitated substantial job opportunities in various departments like logistics, repackaging centres, distribution channels, housekeeping, security, etc. FDI has been one of the key drivers in uplifting the jewellery sector and contributing towards the overall development of the economy.

8.2 Goods & Services Tax (GST)

Before the introduction of the GST regime, gold attracted a 2% tax, consisting of service tax and a value-added tax (VAT) of 1% each. The tax rate levied on gold sales increased from 2% to 3% due to the introduction of GST and had a critical impact on the jewellery industry. An additional 5% GST is applicable on the making charges of gold jewellery in India. GST of 1.5% is levied on cut and polished diamonds. Implementation of GST benefited interstate business transactions as different states operated varying tax structures before the GST, which subsumed into a single tax rate post-GST rollout. It has also simplified the purchase of bullion. Further, the implementation of GST has improved transparency and accountability, especially in the organized sector.

8.3 Gold Imports by the RBI

Given that gold is thought to be a reliable inflation safeguard, and that global inflation is on the rise, central banks have become a major source of gold demand. The RBI purchases gold frequently for its reserves intending to diversify the assets under which the country's foreign exchange reserves are held. This is used as a safe investment tool against inflation and brings stability to the overall reserves of the central bank during that inflationary period. Gold is usually bought in the form of gold bars. RBI's gold reserves stood at 854.7 metric tonnes as of September 2024.

8.4 Authorized Banks for Purchase of Gold

Individuals can buy gold from banks either in physical or digital form. Banks provide multiple schemes with options, such as physical gold in the form of bars and coins, digital gold, sovereign gold bonds (SGBs), etc.

Table 7: Authorized Banks Permitted to Purchase Gold from Other Countries

Axis Bank	Federal Bank
Industrial and Commerce Bank of China	HDFC Bank
IndusInd Bank	ICICI Bank
Punjab National Bank	Indian Overseas Bank
Kotak Mahindra Bank	Karur Vysya Bank
State Bank of India	RBL Bank
Yes Bank	Union Bank of India

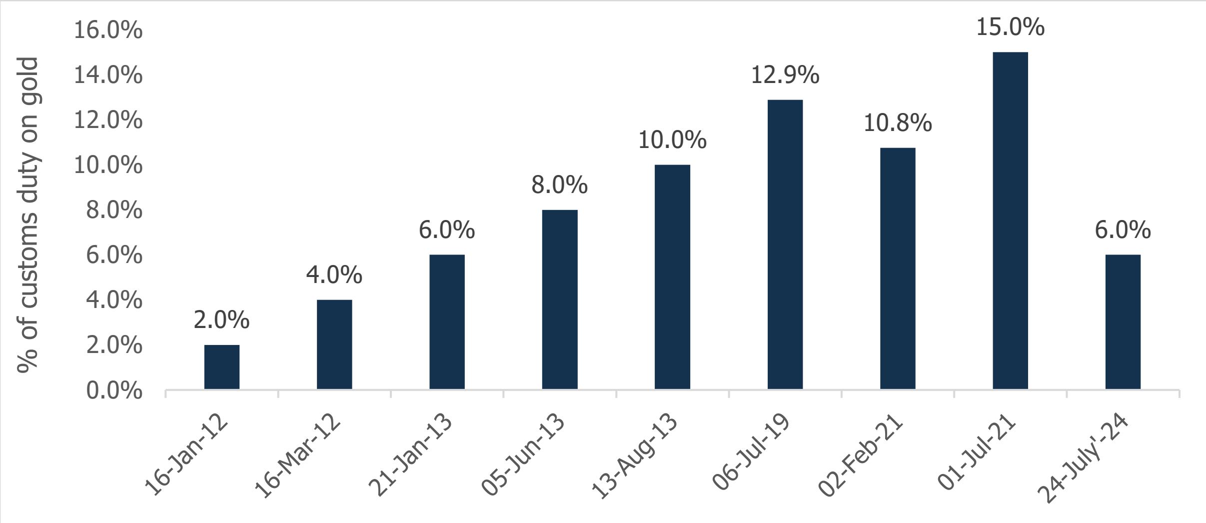
Latest Budget Provisions for the Gems and Jewellery Industry in India

The 2024–25 Union Budget introduced several reforms to streamline the gold market, promoting transparency and growth in the industry. Key measures include:

- **Reduction in import duty on gold and gold doré:**

A notable cut of 9% in the import duty on gold and gold doré has been introduced. Total customs duty on gold was reduced from 15% to 6%, while the duty on gold doré was slashed from 14.35% to 5.35%. This marks the sharpest duty reduction since 2013, and duties had remained above 10% for over a decade. These changes are effective from 24 July 2024.

Chart 48: Significant Cuts in Customs Duty on Gold



Source: Ministry of Finance, World Gold Council, CareEdge Research Analysis

- **Changes in taxation on long-term capital gains for gold:**

The holding period for long-term capital gains taxation on gold has been shortened from 36 months to 24 months. Additionally, the rate for long-term capital gains tax has been reduced from 20% with indexation to 12.5% without indexation. This change is applicable from 23 July 2024, providing significant tax relief for gold investors.

- **Increasing Import Duty on Gold and Silver Findings**

The import duty on gold and silver findings and coins of precious metals has increased to 15% from 10%. This includes Basic Custom Duty (BCD) of 10% and 5% of AIDC (Agriculture Infrastructure Development Cess). Findings are items like hooks, clips, pins, screws, etc., which are components of jewellery making. Further, the Finance Ministry has also increased the import duty on precious metals to 14.35%.

8.5 Central Government's Gold Monetization Scheme

Gold Monetization Scheme (GMS) is a scheme, which was launched by the Central Government of India in November 2015 to make productive use of the gold kept idle at home or stored by households and institutions of the country in their bank lockers. Another motive behind this scheme was to reduce the country’s dependency on gold imports. Individuals, institutions, corporations, and temple trusts can deposit their gold for a short-, medium-, and long-term period with RBI-designated banks under this scheme. This will help them earn interest at a rate of interest chosen by the Central Government.

Revamped Gold Metal Loan (R-GML):

- Repayment of Gold Metal Loan (GML) in lots of 1kg
- Repayment of the gold loan under GML using locally sourced IGDS standard bullion
- Availability of GML to all jewellers with a valid working capital credit limit

All these amendments have been implemented to strengthen the Gold Monetization Scheme. To alleviate the financial distress caused by COVID-19 among households, small businesses, and entrepreneurs, the RBI has provided a relaxation by increasing the permissible loan-to-value ratio (LTV ratio indicates the percentage value of the property which can be granted to a borrower by banks) to 90% from 75% for those availing loans against gold and jewellery for non-agricultural purposes. At present, the government is reconsidering the scheme as not being effective and not attaining its goals. Moreover, the cost of the scheme is said to outweigh its benefits.

8.6 Training Initiatives by Government Agencies such as the Gems and Jewellery Skill Council of India

The Gems and Jewellery Skill Council of India (GJSCI) is a council body established in 2012 under the supervision of the National Skill Development Corporation (NSDC) and is presently operating under the Ministry of Skill Development & Entrepreneurship (MSDE). GJSCI is an institution that encourages skill development among the workforce in the Indian gems & jewellery industry. They provide training for the processing of diamonds, coloured gemstones, manufacturing of jewellery, and other areas such as wholesale, retail, and exports. They also undertake initiatives to provide manufacturing setups with the latest technology and other resources for upgrading.

Its founding organizations are as follows:

1. **The Gem & Jewellery Export Promotion Council (GJEPC):** GJEPC, set up by the Ministry of Commerce, Government of India in 1966, is the apex body that drives the growth of Indian exports in the gems & jewellery industry. It eases interaction between the industry and the Ministry of Commerce & Industry, Ministry of Finance, DGFT, Department of Commerce, and Department of Finance on issues related to trade. It holds integrity and conducts the Kimberly Process Certification Scheme for diamonds. It also runs various training institutes, which focus on manufacturing skills, design, and other technical skills required in the industry. GJEPC helped Micro, Small & Medium Enterprises (MSMEs) by providing modern machines that are affordable. GJEPC addresses the concerns and issues that are faced in the gems & jewellery industry. They identified the need for a new revamped Gold Monetization Scheme, import duty reduction of gold, hallmarking etc. Recently, the organization arranged numerous trade events and webinars for buyers and sellers across the globe which helped the industry in the recovery process. A few of them include virtual IIJS, India Global Connect, virtual International Gems & Jewellery Show (e-IGJS), etc.

2. **All India Gem and Jewellery Domestic Council (GJC):** It is a national trade federation established to promote and advance the growth in the gems & jewellery industry. It ensures fair-trade practices conducted in the industry and manages the efficiency of businesses. GJC constitutes various divisions such as wholesalers, retailers, allied, gold, silver, platinum, diamonds, gemstones, machinery, etc. It is responsible for developing uniformity and promoting transparency and compliance standards which contribute towards industrial growth and development.

3. **The SEEPZ Gems & Jewellery Manufacturers' Association (SGJMA):** SEEPZ was founded in 1989 and represents the gems and jewellery units in the SEEPZ SEZ region. It is established by jewellery units in SEEPZ and resolves problems arising in export production and growth.

4. **The Jewellers Association, Jaipur**: It was formed for the progress and growth of the gem & jewellery trade of Jaipur. The Association conducts shows/exhibitions as well to enable exhibitors and buyers to interact directly.

8.7 Hallmarking of Jewellery in India

Bureau of Indian Standards (BIS) introduced the hallmarking scheme under the BIS Act, Rules, and Regulations for jewellery in India in 2000 and the same was made mandatory with effect from June 2021. From July 1, 2021, all gold jewellery products must be hallmarked with Hallmark Unique Identification (HUID) only. The hallmark consisted of 3 marks viz, BIS logo, purity of the article, and six-digit alphanumeric HUID. Each hallmarked article has a unique HUID number which is traceable.

However, the old, hallmarked jewellery with four marks without HUID was also permitted to be sold by the jewellers simultaneously with the 6-digit HUID mark. The hallmark on the jewellery indicates the quality of jewellery and it protects the interest of consumers by having quality checks on jewellery.

BIS conducts random market surveillance on accredited jewellers at set intervals. This involves collecting hallmarked gold jewellery from a licensee's retail store or manufacturing facility and having it examined for compliance at a BIS-accredited hallmarking centre. BIS also has an advanced online digital solution in which the assaying and hallmarking centre is automated.

8.8 KYC Compliance

KYC (Know Your Customer) compliance in the Indian jewellery industry, particularly regarding the purchase of precious metals and stones, is governed by both local regulations and international standards, such as those set by the Financial Action Task Force (FATF).

Regulatory Framework:

- The Reserve Bank of India (RBI), the Ministry of Finance, and the Financial Intelligence Unit (FIU) oversee KYC regulations in the jewellery sector.

- Under the Prevention of Money Laundering Act (PMLA), 2002, dealers in precious metals and stones (DPMS) are required to perform KYC and Customer Due Diligence (CDD) primarily for cash transactions above INR 1 million.

Recent Clarification (Dec 28, 2020):

- The Department of Revenue (DoR) clarified that purchases below INR 0.2 million of gold, silver, jewellery, or precious gems and stones do not require mandatory KYC documents such as PAN or Aadhaar.

- This clarification is aligned with FATF's international standards, which require KYC for transactions exceeding USD/EUR 15,000 (approximately INR 1 million).

- Misinformation suggesting that KYC is mandatory for all transactions, even below INR 0.2 million, is incorrect.

Transaction Limits:

- For cash transactions above INR 0.2 million, KYC requirements under the Income Tax Act, 1961 (Section 269ST) will apply, as cash transactions above this limit are not allowed. However, transactions below this threshold do not require KYC.

- Only cash transactions above INR 1 million necessitate KYC compliance, per FATF recommendations.

Customer Identification:

- For eligible high-value transactions, jewellers must verify the customer's identity using government-issued ID cards, such as PAN, Aadhar, passport, voter ID, or driver's license.

Record-Keeping and Monitoring:

- Jewelers must maintain records of all transactions, particularly those above INR 0.2 million, and ensure compliance with anti-money laundering (AML) guidelines by monitoring suspicious activities.

Training and Risk Management:

- Jewellery businesses must train staff to recognize red flags, ensure transaction transparency, and follow KYC and AML procedure.

9. Threats and Challenges for the Gems and Jewellery Industry

- **Shortage of Skilled Labour:**

One of the key challenges to scaling up operations in the jewellery industry is the scarcity of skilled labour. To have access to a large talent pool, the supply of craftsmen/artisans that come through generations must be supplemented by new talents who have been professionally taught. Moreover, the industry's on-the-job training strategy results in lengthier training times and gaps in the availability of skilled labour and standardization, particularly in the fragmented sector. This is compounded by infrastructural deficiencies, a lower need for institution-trained personnel in the fragmented sector, and the industry's limited appeal to the younger generation of workers.

- **Short-Lived Fashion and Design Preferences:**

Exporters do not have enough design development centres or the resources to constantly innovate contemporary designs to keep up with the changing trends among international purchasers. In an era of high diamond, gold, and silver prices, global marketing necessitates changing fashion in the gems and jewellery segment. According to the market demand, manufacturers can produce specific types of gems and jewellery products. However, because of the changing trend, demand for certain types of products begins to decline and eventually ceases. The manufacturer's money is blocked in the older designs, and this results in an inventory pile-up.

- **Dependency on Imports for Raw Materials:**

The availability of raw materials is crucial to the gems and jewellery business. In India, a significant percentage of raw materials are imported, as the domestic supply is limited. The raw material is converted into finished goods that are sold in the domestic and international markets. India is a net importer of raw gold and meets over 90% of its gold requirement through imports. The total gold imported (in value terms) by India was Rs. 3,773 billion in FY24 showing and 35% increase y-o-y. Gold in India is majorly imported from Switzerland, the United Arab Emirates, South Africa, Peru, and Australia, among other countries. Raw pearls, precious and semi-precious stones, and other items are imported from UAE, Hong Kong, USA, Belgium, and Russia.

Rough diamonds account for more than half of all G&J imports (57%). The total rough diamond imports in FY24 stood at Rs 1180.42 billion in value terms and 124.617 million carats in volume terms. India imports rough diamonds primarily from the United Arab Emirates which accounts for 60% for FY24.

- **Impact of Global Slowdown**

The United States, the UAE, Hong Kong, Belgium, and Israel are key export destinations for the Indian G&J industry. The United States accounted for about 30% of total exports of gems and jewellery in FY24. Persistent high inflation rates and a slowdown in these economies will hurt the gems and jewellery exports from India.

- **Working Capital Strain Due to High Gold Prices**

High and volatile gold prices significantly impact the working capital requirements of India's gems and jewellery industry. Jewellers, particularly smaller players, need to maintain large gold inventories to meet customer demand. As gold prices rise, the cost of these inventories increases substantially.

Following the recent 9% reduction in import duty announced in the Union Budget, domestic gold prices experienced a 6% month-on-month decrease. However, year-to-date, domestic gold prices have still risen by 10% due to strong global gold prices, central bank buying, and various market factors, including inflation and geopolitical risks.

These elevated prices put intense pressure on jewellers' working capital, as borrowing becomes more expensive, and liquidity is constrained. Small and medium-sized jewellers are particularly affected by high borrowing costs. Increased interest expenses add further financial strain, reducing operational flexibility and complicating cash flow management. The Reserve Bank of India's gradual approach to gold purchasing has sustained demand for the metal, intensifying these working capital pressures.

Although government policies aimed at boosting consumer demand, such as reducing import duties, have encouraged sales and may alleviate some working capital needs by lowering inventory costs, jewellers still face challenges due to the requirement to maintain high-value gold inventories. This situation ties up substantial capital and creates financial and operational risks for jewellers.

- **Hedging Practices and Price Volatility**

In an environment of fluctuating gold prices, effective hedging is crucial for jewellers to manage financial risks. Many jewellers utilize hedging strategies on platforms like the Multi Commodity Exchange (MCX) to protect themselves against price volatility. However, the unpredictability of price swings complicates the matching of hedging positions with actual market conditions. The year-to-date increase of 10% in domestic prices, compared to an 18% rise in global prices, highlights the challenges jewellers encounter in accurately predicting price trends.

Hedging requires jewellers to effectively forecast costs, but if market prices deviate from these forecasts, it can lead to mismatched hedging positions and potential financial losses. Smaller jewellers, in particular, face difficulties due to the cost and technical demands of advanced hedging strategies. Adjustments in the treatment of long-term capital gains for gold ETFs have attracted interest, as evidenced in July, providing jewellers with an alternative avenue for investment and hedging. However, while these ETFs offer benefits, they often require significant resources and expertise, which may not be accessible to all industry players.

With pro-gold policies in the Union Budget, jewellers anticipate a rise in domestic demand that could increase gold consumption by up to 50 tonnes in the second half of 2024. This expected growth may lead to further volatility, making effective hedging even more important. Despite government measures and available hedging platforms, many jewellers remain exposed to the risks of price fluctuations, emphasizing the need for improved risk management practices and potentially greater access to financial tools designed specifically for the jewellery sector.

- **Key Hurdles in the Indian Gems and Jewellery Industry's Evolution**

The Indian gems and jewellery industry face significant challenges in maintaining product relevance and competitiveness across various categories. Key restraints include the shift towards mass-produced, cost-effective alternatives that threaten traditional craftsmanship, seasonal fluctuations in demand, and changing consumer preferences for minimalistic or contemporary designs. Additionally, the industry struggles with a lack of innovation, competition from global brands, and a fragmented supply chain. Furthermore, the rising preference for customizable, lab-grown, or non-traditional pieces poses a threat to more traditional jewellery types. These factors combined limit the industry's ability to sustain consistent demand and growth across various product lines.

OUR BUSINESS

We have included various operational and financial performance indicators in this Draft Red Herring Prospectus, some of which may not be derived from our Restated Financial Information or otherwise subjected to an examination, audit or review by any other expert. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculations, 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 Draft Red Herring Prospectus. Our fiscal ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The following discussion contains certain 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 set forth in the section titled "Forward-looking Statements", "Risk Factors", "Restated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 19, 28, 226 and 279, respectively.

Further, names of certain customers and suppliers have not been included in this Draft Red Herring Prospectus either because relevant consents for disclosure of their names were not available or in order to preserve confidentiality.

Unless the context otherwise requires, in this section, references to "our Company", "the Company", "we", "us", or "our" refers to Shanti Gold International Limited.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Industry Report on Indian Gems and Jewellery" dated January 4, 2025 ("**CARE Report**") prepared and issued by CARE, pursuant to an engagement letter dated November 5, 2024. The CARE Report is commissioned and paid for by our Company in connection with the Issue. The data included herein includes excerpts from the CARE Report and may have been re-ordered by us for the purposes of presentation. A copy of the CARE Report is available on the website of our Company at www.shantigold.in. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular Fiscal/ Calendar Year refers to such information for the relevant Fiscal/ Calendar Year. For further details and risks in relation to the commissioned report, see "Risk Factors – Internal Risk Factors – 38. Industry information included in this Draft Red Herring Prospectus has been derived from an industry report prepared by CARE exclusively commissioned and paid for by us for such purpose." on page 52.*

OVERVIEW

We are one of the leading manufacturers of high-quality 22kt CZ casting gold jewellery, in terms of installed production capacity, specializing in the design and production of all types of gold jewellery (*Source: CARE Report*). Our Company offers a wide range of high-quality, intricately designed pieces, including bangles, rings, necklaces, and complete jewellery sets across various price points ranging from jewellery for special occasions, such as weddings to festive and daily-wear jewellery.

Founded as a partnership firm in 2003, our business was established by our Promoters, Pankajkumar H. Jagawat and Manojkumar N. Jain, who have over 20 years of experience in the jewellery industry. We currently offer wide range of designs and products of 22kt CZ gold jewellery. For more details in relation to our products, see "- *Product portfolio*" on page 184.

Manufacturing setup

We have a fully integrated in-house manufacturing setup, which enables us to exercise control over the quality of products and meet the standards expected by our customers. All aspects of design, manufacturing, and packaging have been carried out in-house, enabling us to create jewellery tailored to our clients' preferences. Our manufacturing and processing operations are carried out using machines such as casting machines, steamers, induction melter, air compressors, *etc.* Additionally, a significant portion of our production process relies on outsourced labour, particularly for the manual setting of stones, which requires precision and craftsmanship.

Our manufacturing facility spans over 13,448.86 square feet area in Andheri East, Mumbai ("**Andheri Manufacturing Facility**"), equipped to produce variety of jewellery with precision and efficiency. As on date, we have an installed manufacturing capacity of 2,700 kg per annum. For further details in relation to our installed manufacturing capacity and capacity utilisation, see "— *Manufacturing Capabilities*" on page 186.

We are known for our craftsmanship, innovative designs, and robust manufacturing capabilities (*Source: CARE Report*).

Customer network and operational overview

Many of our pieces feature intricately studded gemstones in CZ casting gold, crafted by our team of designers, by employing computer-aided design technology ("**CAD**"). As of November 15, 2024, we had a team of 80 CAD designers on our payroll, who develop over 400 designs per month on a regular basis.

In the six months period ended September 30, 2024, Fiscal Years 2024, 2023 and 2022, we catered to 332, 372, 379, and 271 customers and our revenue from operations from the sale of jewellery and labour services was ₹ 5,059.00 million, ₹ 7,114.34 million, ₹ 6,794.04 million and ₹ 4,283.41 million, respectively, translating to average compounded annual growth rate of 28.88%.

We have fostered long standing relationships with several jewellery businesses, including corporate jewellery brands ("**Corporate Clients**"), such as Joyalukkas India Limited, Lalithaa Jewellery Mart Limited, Alukkas Enterprises Private Limited, Vysyaraju Jewellers Private Limited and Shree Kalptaru Jewellers (I) Private Limited and numerous other esteemed clients. These relationships have been built on our ability to provide a wide range of designs for our product offering tailored to the needs of our clients by understanding market preferences. Our customer network spans 13 states and one union territory in India and four countries abroad. For further details, see "- *Our Presence*" on page 176. Over the years, our Company has endeavoured to deliver quality services and products, earning the trust and loyalty of our customers.

During the six months period ended September 30, 2024 and Fiscal Years 2024, 2023 and 2022, the share of our top customers to our revenue from operations was as follows:

Customer concentration	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operations (₹ in million)	% of revenue from operations	Revenue from operations (₹ in million)	% of revenue from operations	Revenue from operations (₹ in million)	% of revenue from operations from operations	Revenue from operations (₹ in million)	% of revenue from operations
Top 1	436.06	8.62	634.85	8.92	345.28	5.08	288.96	6.75
Top 5	1,466.13	28.99	1,717.40	24.15	1,432.90	21.09	1,159.15	27.08
Top 10	2,053.90	40.6	2,591.41	36.43	2,253.33	33.17	1,753.30	40.95

Our presence

We have presence in various domestic and international markets. Set forth below is a graphical representation of our presence across various states in India as well as internationally.

We started our operations in 2003 from one city in Maharashtra and have evolved into a brand with presence, as of September 30, 2024, in 13 states across India and one union territory. Our operations span key cities including Mumbai, Bangalore, Chennai and Hyderabad, and we have branch offices in Tamil Nadu, Andhra Pradesh, Karnataka, Telangana, Gujarat and Madhya Pradesh. For further details, see "- *Properties*" on page 190. Further, we are planning to expand our reach in Jaipur by setting up a new manufacturing facility. For further details about our expansion plans, see "*Our Strategies - Capturing market opportunities in the growing jewellery industry*" on page 181.

A significant portion of our current presence is in South India, where the tradition of investing heavily in gold jewellery, is deeply ingrained, with families often prioritizing substantial, intricate designs that reflect both wealth and cultural heritage. The emphasis on gold as an investment also drives higher expenditure in this region (*Source: CARE Report*).

In the six months period ended September 30, 2024, Fiscal Years 2024, 2023 and 2022, we catered to 332, 372, 379, and 271 customers, respectively and our revenue from operations from the sale of jewellery and labour charges received was ₹ 5,059.00 million, ₹ 7,114.34 million, ₹ 6,794.04 million and ₹ 4,283.41 million, respectively, translating to average compounded annual growth rate of 28.88%.

Below is the revenue split of our operations from South India, rest of India and exports:

Particulars	**Six months period ended September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Revenue from operations (₹ in million)	**% of total revenue from operations**	**Revenue from operations (₹ in million)**	**% of total revenue from operations**	**Revenue from operations (₹ in million)**	**% of total revenue from operations**	**Revenue from operations (₹ in million)**	**% of total revenue from operations**
South India	4,077.08	80.59	5,683.44	79.89	4,832.35	71.13	2,843.95	66.39
(i) Tamil Nadu	1,983.91	39.22	2,786.39	39.17	2,232.18	32.85	1,124.32	26.25
(ii) Andhra Pradesh	799.99	15.81	966.45	13.58	1,065.18	15.68	918.81	21.45

Particulars	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operations (₹ in million)	% of total revenue from operations	Revenue from operations (₹ in million)	% of total revenue from operations	Revenue from operations (₹ in million)	% of total revenue from operations	Revenue from operations (₹ in million)	% of total revenue from operations
(iii) Karnataka	700.95	13.86	1,046.61	14.71	836.51	12.31	350.35	8.18
(iv) Telangana	570.43	11.28	778.77	10.95	647.42	9.53	404.97	9.45
(v) Kerala	21.81	0.43	105.22	1.48	51.06	.75	45.50	1.06
Rest of India	588.65	11.64	1,128.86	15.87	1403.21	20.65	1,223.85	28.58
Exports	393.26	7.77	302.04	4.25	558.48	8.22	215.61	5.03
(i) UAE	158.25	3.13	208.79	2.93	442.08	6.51	142.88	3.34
(ii) Singapore	148.26	2.93	81.98	1.15	68.85	1.01	15.71	0.37
(iii) Qatar	15.09	0.30	11.27	0.16	47.55	0.70	29.33	0.68
(iv) USA	71.66	1.42	Nil	0.00	Nil	0.00	27.68	0.65

**Rest of India includes Delhi, Punjab, Haryana, Rajasthan, Gujarat, Maharashtra, Madhya Pradesh, Uttar Pradesh and Odisha*

Our Promoters

Our Promoters and Directors, Pankajkumar H. Jagawat and Manojkumar N. Jain, each have over 20 years of experience in jewellery industry, and our Promoter and Director, Shashank Bhawarlal Jagawat, has over 16 years of experience in jewellery industry. We have benefitted from the expertise of our Promoters and their background in the jewellery industry has strengthened our relationships with various stakeholders, facilitating the expansion of our Company's operations. Our Promoter's relationships with our suppliers, customers and other industry participants have been instrumental in implementing our growth strategies. Over the years, our management team has helped scale our operations and includes professionals with extensive experience in the jewellery industry as well as finance and marketing. For further details, please see "- *Competitive Strengths – Experienced Promoters with execution capabilities*" on page 180.

Market opportunity

In CY24 the Indian jewellery market is expected to grow by 13.1% y-o-y to Rs.4,653 billion. Furthermore, the market is expected to grow at a compounded annual growth rate (CAGR) of 9.7% between CY23 and CY29 to Rs 7,162 billion. In India, the surge in demand for gold jewellery can be attributed to the growing middle-class population and their increasing disposable income levels. As more individuals experience higher income levels, they are more capable of affording luxury items like gold jewellery. These growing middle-class views gold jewellery as a status symbol, a reflection of their improved lifestyle, and a worthwhile investment. The trend is especially prominent in urban areas where economic growth has enhanced financial independence and purchasing power (*Source: CARE Report*).

Awards and recognitions

We have received various accolades for our brand that include being recognized by the Gem and Jewellery Export Promotion Council for the year 2023-24 and the Preferred Manufacturer of India – PMI 5 award by the Gem and Jewellery Domestic Council in 2019-20. All our gold jewellery products are hallmarked by Bureau of Indian Standards ("**BIS**"). Further, our Company is a member of the Gem & Jewellery Export Promotion Council and holds a lifetime membership of All India Gems and Jewellery Trade Federation. For more details of our awards and recognitions, see "*History and Certain Corporate Matters - Awards, accreditations, certifications and recognitions received by our Company*" on page 200.

Key Performance Indicators

(₹ in million, unless stated otherwise)

Particulars	Six months period ended September 30,2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations(1)	5,059.00	7,114.34	6,794.04	4,283.41
EBITDA(2)	361.94	534.54	455.70	206.94
EBITDA Margin(3) (in %)	7.15%	7.51%	6.71%	4.83%
Net Profit after tax (4)	182.48	268.68	198.19	33.01
Net Profit after tax Margin(5) (in %)	3.61%	3.78%	2.92%	0.77%
Return on Net Worth(6) (in %)	17.26%	32.28%	33.08%	6.83%
Return on Capital Employed(7) (in %)	9.44%	17.97%	19.36%	9.82%
Debt-Equity Ratio(8)	2.38	2.18	2.37	2.88
Days Working Capital (in number of days) (9)	115	124	102	130

Notes:

(1) *Revenue from operations means the Revenue from Operations as appearing in the Restated Financial Information.*

(2) *EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit/ (loss) before exceptional items and tax for the year/period and adding back finance costs, depreciation, and amortization expense.*

(3) *EBITDA margin is calculated as EBITDA as a percentage of revenue from operations.*

(4) *Net Profit after tax represents the restated profits of our Company after deducting all expenses.*

(5) *Net Profit after tax margin is calculated as restated net profit after tax for the year/period divided by revenue from operations.*

(6) *Return on Net Worth (%) is calculated as Net Profit after tax attributable to owner of the company, as restated for the end of the year/period divided by Average Net worth as at the end of the year/period. Average net worth means the average of the net worth of current and previous financial year/period. Net worth means the aggregate value of the paid-up share capital and other equity.*

(7) *Return on capital employed is calculated as Earnings before interest and taxes divided by average capital employed (average capital employed is calculated as average of the total equity, including total debt (including borrowings and lease liabilities) and deferred tax liabilities (net of deferred tax assets) of the current and previous financial year/period.*

(8) *Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short term borrowings, including lease liabilities. Total equity includes the aggregate value of the paid-up share capital and other equity.*

(9) *Days Working Capital is arrived at by dividing working capital (current assets excluding cash and cash equivalents less current liabilities excluding short term borrowings and current lease liabilities) by revenue from operations multiplied by the number of days in the year/period (365/182).*

COMPETITIVE STRENGTHS

Wide range of jewellery designs driven by team of experts

Our jewellery business includes the designing and production of 22 Kt CZ gold jewellery. We offer a wide range of high-quality, intricately designed pieces, including bangles, rings, necklaces, and complete jewellery sets across various price points ranging from jewellery for special occasions, such as weddings to festive and daily-wear jewellery. We have primarily focused on our ability to develop and manufacture a wide variety of jewellery designs that cater to the diverse tastes of our clients. The breadth of our product offerings ensures that we meet the needs of our clients, helping us foster long-standing relationships with jewellery businesses such as Joyalukkas India Limited, Lalithaa Jewellery Mart Limited, Alukkas Enterprises Private Limited, Vysyaraju Jewellers Private Limited, Shree Kalptaru Jewellers (I) Private Limited. Our clients are spread across 13 states and one union territory in India and four countries abroad. Over the years, our Company has endeavoured to deliver quality services and products, earning the trust and loyalty of our customers. For further details, see "*Overview – Customer network and operational overview*" on page 176.

Many of our pieces feature intricately studded gemstones in CZ casting gold, crafted by our team of designers, by employing computer-aided design (CAD) technology. As of November 15, 2024, we had a team of 80 CAD designers on our payroll, who develop over 400 designs per month on a regular basis. Our design team is integral to our ability to innovate, consistently creating fresh jewellery collections that cater to diverse tastes and regional preferences across India and international markets. For further details, see "-*Design team*" on page 187.

Further, as of November 15, 2024, our Company had a total of 21 sales and marketing professionals. The sales and marketing team plays a crucial role in understanding customer needs and delivering these bespoke designs to various markets, creating a convenient experience for both jewellery businesses and their end consumers. For further details, see "- *Marketing*" on page 189.

Complete in-house manufacturing: Ensuring quality at every step

We have fully integrated in-house manufacturing setup, which enables us to exercise greater control over the quality of products and meet the standards expected by our customers. All aspects of design, manufacturing, and packaging have been carried out in-house, enabling us to create jewellery tailored to our clients' preferences. Our manufacturing and processing operations are carried out using machines such as casting machines, steamers, induction melter, air compressors, *etc*. Additionally, a significant portion of our production process relies on outsourced labour, particularly for the manual setting of stones, which requires precision and craftsmanship. Our Andheri Manufacturing Facility spans over 13,448.86 square feet area, equipped to produce variety of jewellery with precision and efficiency. As on date, we have an installed manufacturing capacity of 2,700 kg per annum, allowing us to efficiently produce a wide range of jewellery. For further details in relation to our installed manufacturing capacity and capacity utilisation, see "—*Manufacturing Capabilities*" on page 186.

This integration not only streamlines production but also allows flexibility in customizations, and the ability to maintain quality control throughout the entire process. By keeping the entire manufacturing process under one roof, our Company eliminates reliance on external vendors, reducing risks and ensuring that each piece meets the standards of our customers. This comprehensive control empowers our Company to adapt to market demands, introduce innovative designs, and deliver products that meet customer needs in terms of both design and finish.

Experienced Promoters with execution capabilities

We attribute our growth to the experience of our Promoters. Our Promoters and Directors, Pankajkumar H. Jagawat and Manojkumar N. Jain, each have over 20 years of experience in jewellery industry, and our Promoter and Director, Shashank Bhawarlal Jagawat, has over 16 years of experience in jewellery industry. Our Promoters have been responsible in augmenting relationships with various stakeholders which has helped our Company expand its operations. Our Promoter and Managing Director, Pankajkumar H. Jagawat is also currently associated as a director with Utssav CZ Gold Jewels Limited, Uzuri Jewels Private Limited and Shanti Gold & Diamond Jewellery Private Limited which are involved in manufacturing and processing of gold and ancillary jewellery. Further, our Promoter and Whole-Time Director, Manojkumar N. Jain is also currently associated as a director with Uzuri Jewels Private Limited and Shanti Gold & Diamond Jewellery Private Limited, and our Promoter and Non-Executive Director, Shashank Bhawarlal Jagawat is associated as a director with Utssav CZ Gold Jewels Limited.

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 99.96% of the pre-Issue issued, subscribed and paid-up equity share capital of our Company. For further details in relation to our Promoters, see "*Our Promoters and Promoter Group*" and "*Our Management*" on pages 218 and 203, respectively. Leveraging the experience and industry connections of our Promoters, we believe we are well-positioned to drive sustained growth and navigate the evolving challenges of the jewellery market.

Financially stable business model

Our Company has organically grown its operations and has demonstrated an increase in revenues and profitability. We believe that our focus on operational and functional excellence has contributed to our track record of healthy financial performance.

Set forth below are certain key financial metrics demonstrating our financial performance over the last three Fiscals and six months period ended September 30, 2024:

(₹ in million, unless stated otherwise)

Particulars	**Six months period ended September 30,2024**	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
Revenue from Operations(1)	5,059.00	7,114.34	6,794.04	4,283.41
EBITDA(2)	361.94	534.54	455.70	206.94
EBITDA Margin(3) (in %)	7.15%	7.51%	6.71%	4.83%
Net Profit after tax (4)	182.48	268.68	198.19	33.01
Net Profit after tax Margin(5) (in %)	3.61%	3.78%	2.92%	0.77%
Return on Net Worth(6) (in %)	17.26%	32.28%	33.08%	6.83%
Return on Capital Employed(7) (in %)	9.44%	17.97%	19.36%	9.82%
Debt-Equity Ratio(8)	2.38	2.18	2.37	2.88

Particulars	Six months period ended September 30,2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Days Working Capital (in number of days)[9]	115	124	102	130

Notes:

[1] *Revenue from operations means the Revenue from Operations as appearing in the Restated Financial Information.*

[2] *EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit/ (loss) before exceptional items and tax for the year/period and adding back finance costs, depreciation, and amortization expense.*

[3] *EBITDA margin is calculated as EBITDA as a percentage of revenue from operations.*

[4] *Net Profit after tax represents the restated profits of our Company after deducting all expenses.*

[5] *Net Profit after tax margin is calculated as restated net profit after tax for the year/period divided by revenue from operations.*

[6] *Return on Net Worth (%) is calculated as Net Profit after tax attributable to owner of the company, as restated for the end of the year/period divided by Average Net worth as at the end of the year/period. Average net worth means the average of the net worth of current and previous financial year/period. Net worth means the aggregate value of the paid-up share capital and other equity.*

[7] *Return on capital employed is calculated as Earnings before interest and taxes divided by average capital employed (average capital employed is calculated as average of the total equity, including total debt (including borrowings and lease liabilities) and deferred tax liabilities (net of deferred tax assets) of the current and previous financial year/period.*

[8] *Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short term borrowings, including lease liabilities. Total equity includes the aggregate value of the paid-up share capital and other equity.*

[9] *Days Working Capital is arrived at by dividing working capital (current assets excluding cash and cash equivalents less current liabilities excluding short term borrowings and current lease liabilities) by revenue from operations multiplied by the number of days in the year/period (365/182).*

Established relations with corporate and jewellery businesses

The Indian retail sector is one of the fastest-growing sectors. It has the largest consumer base, and as a result, the industry's market size has been increasing significantly. Further, robust demand, increasing investments, innovations, and government initiatives fuelled India's retail growth. (*Source: CARE Report*)

Over the years, we have developed and established sustained relationships with our clients, including Corporate Clients, enabling us to effectively address the distinct needs of our clients' segments. We have fostered long standing relationships with several jewellery businesses, including corporate jewellery brands ("**Corporate Clients**"), such as Joyalukkas India Limited, Lalithaa Jewellery Mart Limited, Alukkas Enterprises Private Limited, Vysyaraju Jewellers Private Limited and Shree Kalptaru Jewellers (I) Private Limited and numerous other esteemed clients. These relationships have been built on our ability to provide a wide range of designs for our product offering tailored to the needs of our clients by understanding market preferences. We endeavour to offer customised jewellery and collections that align with our Corporate Clients' and market preferences.

For our clients, consistent quality is of utmost importance. We ensure strict quality control measures to ensure our products meet the standards expected by our clients. Our focus on quality enables us to support these clients in delivering jewellery that aligns with their brand and customer expectations. For wholesale jewellers, we endeavour to provide jewellery that balances quality and affordability.

OUR STRATEGIES

Capturing market opportunities in the growing jewellery industry

In CY23, the domestic gold jewellery industry was valued at around Rs. 4,115 billion and there was a CAGR of 31.5% during CY20 and CY23. However, in CY23, the demand for gold jewellery remained subdued in terms of volume and declined by about 2%, while the gold price registered a ~7% increase compared to its previous year. (*Source: CARE Report*)

In CY24 the Indian jewellery market is expected to grow by 13.1% y-o-y to Rs.4,653 billion. Furthermore, the market is expected to grow at a compounded annual growth rate (CAGR) of 9.7% between CY23 and CY29 to Rs 7,162 billion. In India, the surge in demand for gold jewellery can be attributed to the growing middle-class population and their increasing disposable income levels. As more individuals experience higher income levels, they are more capable of affording luxury items like gold jewellery. These growing middle-class views gold jewellery as a status symbol, a reflection of their improved lifestyle, and a worthwhile investment. The trend is especially prominent in urban areas where economic growth has enhanced financial independence and purchasing power. (*Source: CARE Report*)

As on date, we have an installed manufacturing capacity of 2,700 kg per annum, and as of September 30, 2024, our actual production stood at 775.54 kgs. For further details in relation to our installed manufacturing capacity and capacity utilisation, see "— *Manufacturing Capabilities*" on page 186. As part of our strategy, we are planning a capacity expansion by construction and setting up of a new manufacturing facility in Jaipur ("**Proposed Jaipur Facility**"), which will be equipped with a wide range of advanced and diverse machineries and equipment such as laser soldering machines, continuous casting machine, double station polishing machines, *etc*. The proposed facility will have an installed production capacity of 1,200 kgs, which will augment our currently existing installed production capacity to a total of 3,900 kgs. The construction of this unit will be carried out on a land admeasuring 50,000 square feet held on a leasehold basis. For further details, see "*Objects of the Issue – Funding of capital expenditure requirements towards setting up of the Proposed Jaipur Facility*" on page 94.

In relation to the setting up of the Proposed Jaipur Facility, we are required to obtain certain pre-construction and post-construction approvals such as a factory licence, consent to establish, environmental clearances, consent to operate, and hazardous waste authorizations from the relevant pollution control board, no-objection certificates from fire safety authorities, etc. which are routine in nature. Except for the consent to establish in relation to the Proposed Jaipur Facility, which has already been received by us, necessary approvals for the Proposed Jaipur Facility shall be procured as and when they are required in accordance with applicable law. For further details, see "*Objects of the Issue - Government and other approvals*" and "*Government and Other Statutory Approvals*" on page 101 and 315.

Further, we are also planning to introduce a new line of machine-made plain gold jewellery at the Proposed Jaipur Facility. On an overall basis, plain gold jewellery accounts for 85% of the total bridal jewellery (*Source: CARE Report*). This new product line at the Proposed Jaipur Facility will cater to the demand for plain gold jewellery. Our marketing efforts for this new line are already underway, and we are in active discussions with potential buyers. We have successfully secured three Letters of Intent (LOIs) from prospective buyers in this new product category .

We aim to capitalize on the growth opportunities within the jewellery industry by leveraging our current scale of operations, network of suppliers, and customer base. Our experienced Promoters play a pivotal role in guiding our strategic initiatives and assisting us in capitalising on the evolving market landscape.

Further, our Company plans to leverage its relationships with its existing client base as a foundation for growth, while also focusing on expanding its presence with new clients, including Corporate Clients, in the near future. Tailoring the product offering in line with the market trends and customer preferences to meet the needs of large-scale clients will help us position our Company as a trusted partner in the corporate sector. Through active participation in exhibitions, we intend to establish partnerships and collaborations with jewellery businesses, and expand our network and customer base.

Geographical expansion in North India

In North India, the preference for heavy gold jewellery remains strong, but there is a growing trend towards more versatile, lightweight designs that cater to modern lifestyles. (*Source: CARE Report*) This trend presents a strategic opportunity for us to expand our presence in the region and capture a wider customer base.

As of the six-month period ending September 30, 2024, and for the fiscal years 2024, 2023, and 2022, our Company has maintained a significant presence in the state of Punjab, which contributed ₹198.36 million, ₹324.94 million, ₹481.54 million, and ₹557.24 million, respectively, to our revenue from operations. These contributions represented 3.92%, 4.57%, 7.09% and 13.01% of our total revenue from operations for each respective period.

Further, set out below is our revenue contribution for North India for the periods indicated below:

Particulars	**Six months period ended September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Revenue from operations (₹ in million)	**% of total revenue from operations**	**Revenue from operations (₹ in million)**	**% of total revenue from operations**	**Revenue from operations (₹ in million)**	**% of total revenue from operations**	**Revenue from operations (₹ in million)**	**% of total revenue from operations**
North India	311.41	6.16	573.29	8.06	761.25	11.20	839.33	19.59
(i) Punjab	198.36	3.92	324.94	4.57	481.54	7.09	557.24	13.01
(ii) Haryana	70.43	1.39	140.57	1.98	141.20	2.08	128.26	2.99

Particulars	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operations (₹ in million)	% of total revenue from operations	Revenue from operations (₹ in million)	% of total revenue from operations	Revenue from operations (₹ in million)	% of total revenue from operations	Revenue from operations (₹ in million)	% of total revenue from operations
(iii) Rajasthan	31.15	0.62	72.82	1.02	26.76	0.39	43.66	1.02
(iv) Delhi	9.45	0.19	34.32	0.48	111.75	1.64	110.17	2.57
(v) Uttar Pradesh	2.02	0.04	0.64	0.01	Nil	Nil	Nil`	Nil

While we currently have presence in the aforesaid regions, which is significantly smaller in comparison to our presence in Southern India, we believe our foothold in Punjab, has provided us with a foundation to drive further growth and scale up our presence in neighbouring states, such as Haryana and Rajasthan thereby enhancing our market position in the industry.

Penetrate new clients within the existing export countries

The global gold jewellery market is likely to grow due to increasing consumer disposable income and the appeal of gold as a long-term investment. Gold is considered a haven, and most investors turn to gold during market turmoil for safe investment. Between CY19 to CY23, the global jewellery market rebounded, achieving a Compound Annual Growth Rate (CAGR) of ~9%. The global jewellery market size was valued between USD 235 and USD 245 billion in CY23 and is projected to reach USD 247– USD 257 billion by 2028, exhibiting a CAGR of 5%. (*Source: CARE Report*)

As part of our strategy for international growth, we intend to expand our presence in global markets, including, the USA and the UAE. By participating in trade exhibitions in the USA and the UAE, we aim to increase our brand visibility and recognition among international jewellery businesses, distributors, and consumers. These exhibitions will provide us with an opportunity to engage with potential buyers from across these regions, including wholesalers and jewellery distributors. Through active networking at these exhibitions, we intend to establish partnerships and collaborations with international distributors and brands, thereby expanding our distribution network in these regions.

Participating in global exhibitions will also allow us to gain valuable insights into the preferences and trends of international markets, helping us refine our offerings and adapt to the demands of such regions.

Augmenting working capital for scalable business operations

In H1CY24, total domestic demand for gold (including jewellery, bars and coins) was estimated at 289 tonnes as compared to 281 tonnes in H1CY23 (*Source: CARE Report*).

In order to scale operations and support the growing demand for products, our Company recognizes the need to augment the working capital. The working capital is primarily required to finance the purchase of raw materials to keep optimum level of finished products and to support trade receivables. Please see, "*Risk Factors – 18. Our Company requires significant amounts of working capital for continued growth. Our inability to meet our working capital requirements, on commercially acceptable terms, may have an adverse impact on our business, financial condition and results of operations*." on page 41. As of November 14, 2024, our fund based working capital facilities and non-fund based working capital facilities was ₹ 1,810.00 million and ₹ 400.00 million, respectively.

As demand for gold jewellery continues to increase and we scale our business, additional working capital is required to support our growth and expand our market presence. As part of our strategy, we are planning to raise [●] through the proceeds of the Issue out of which ₹ 1,900.00 million will be utilised towards our working capital requirements. Further, we are planning to expand our operations by setting up the Proposed Jaipur Facility, which will require significant working capital. For further details, see "*Objects of the Issue*" on page 92.

By securing additional working capital, we intend to improve our financial flexibility, making it better positioned to withstand market fluctuations and navigate potential risks, while ensuring sustainable growth over the long term.

Product portfolio

Our Company offers a wide range of intricately designed pieces, including bangles, rings, necklaces, and complete jewellery sets across various price points ranging from jewellery for special occasions, such as weddings to festive and daily-wear jewellery.

Set-out below are certain images of products manufactured by us:

Bangles

Rings

Necklace

Jewellery set

Inventory management and logistics

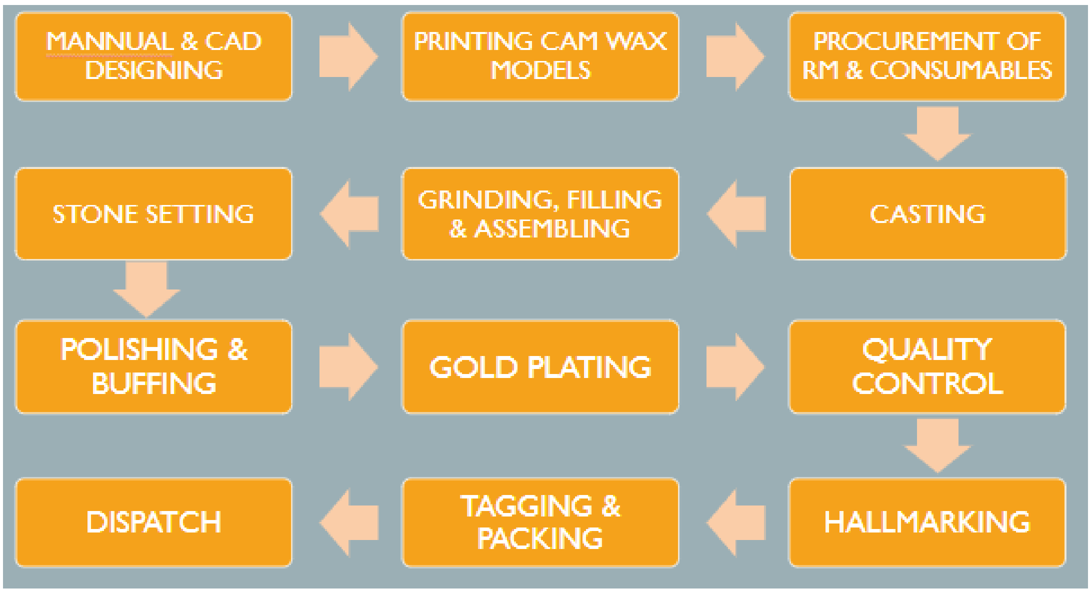
We store our finished products and raw materials separately on-site, at our Andheri Manufacturing Facility. We typically keep up to 40-60 days of inventory at our facility to mitigate the risk of raw material price movements. These inventory levels are planned based on historical trends and expected orders. We utilize the services of a logistics service providers to transport our products across India and for exports via air shipments.

Please also see, "*Risk Factors – 9. The nature of our business requires us to maintain sufficient inventories resulting into high inventory costs. If we are unable to maintain an optimal level of inventory, including due to changes in consumer demands, our business, results of operations and financial condition may be adversely affected.*" on page 34.

Manufacturing

The manufacture and distribution of gold jewellery is experiencing a full revolution because of modern technology and changing lifestyles (*Source: CARE Report*).

Manufacturing Process



For the purposes of the above step-chart, CAD shall mean computer-aided designing, CAM shall mean computer-aided manufacturing and RM shall mean raw materials.

The production of the 22kt CZ casting gold jewellery at our Andheri Manufacturing Facility is carried out by following key processes / steps as set out below:

(i) **Designing:** The process begins with the in-house CAD team, which creates detailed and intricate designs that are aligned with market trends and customer preferences.

(ii) **Casting:** After the design is finalized, the casting process begins. Gold is cast into molds to form the required shapes and structures for the jewellery pieces.

(iii) **Finishing:** Once the casting is complete, the jewellery undergoes the finishing process. This includes polishing, stone setting, and adding intricate details to enhance the beauty and quality of each piece.

(iv) **Quality control:** Throughout the entire manufacturing process, quality control measures are in place. Each piece is subjected to inspection to ensure it meets the standards of quality and durability.

(v) **Tagging/Packaging:** After passing the quality control checks, the jewellery is tagged and securely packaged, making it ready for delivery to our customers.

Manufacturing Capabilities

Over the years, our Company has scaled its production in its Andheri Manufacturing Facility.

The installed production capacity *vis-a-vis* actual production (in kgs) at the Andheri Manufacturing Facility as of the last three fiscal years and six months period ended September 30, 2024 is set out below:

Financial Year / Period	Period of utilisation (in months)	Installed capacity for 12 months (in kgs)	Actual production (in kgs)	Utilization (in %)
Six months period ended September 30, 2024*	6	2,700	775.54	57.45*
2023-24	12	2,700	1,364.24	50.53
2022-23	12	2,700	1,440.82	53.36
2021-22	12	2,700	1,076.47	39.85

**On annualised basis*

Further, the Proposed Jaipur Facility will have an installed production capacity of 1,200 kgs, which will augment our currently existing installed production capacity to a total of 3,900 kgs. For further details about our expansion plans, see "*Our Strategies - Capturing market opportunities in the growing jewellery industry*" on page 181.

Set-out below are images of a few machines installed at our Andheri Manufacturing Facility (which also serves as our Registered and Corporate Office):

Utilities

We have adequate infrastructure to source and store raw materials and have existing connections for power at Andheri Manufacturing Facility. The below table sets forth details of our expenses in the corresponding periods on power and fuel:

(₹ in million, except %)

Particulars	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Expense	% of total expenses	Expense	% of total expenses	Expense	% of total expenses	Expense	% of total expenses
Power	6.49	0.13	8.89	0.12	6.47	0.10	5.21	0.12

Further, our Company proposes to meet the water requirements for the operations of the Proposed Jaipur Facility from the water services provided by Mahindra World City Jaipur Limited, the lessor of the property where the Proposed Jaipur Facility will be situated. Further, our Company plans to source power from Jaipur Vidyut Vitran Nigam Limited.

Design team

Our design team plays a pivotal role in creating jewellery that aligns with market trends and customer preferences. As of November 15, 2024, we had a dedicated team of 80 designers, who develop designs employing CAD technology. The design team's responsibilities extend from conceptualizing new collections to ensuring the transition of designs into production.

Our designers employ advanced CAD software to create jewellery designs. CAD technology allows for the creation of detailed, 3D representations of the jewellery before production, ensuring both design accuracy and efficiency in production processes.

Quality control

To ensure that each piece meets quality standards, we implement strict quality control measures at every stage of production. Each item undergoes inspection by our quality control team. As of November 15, 2024, we had a team of 23 employees in our tagging and quality control team.

Further, all our gold jewellery products are hallmarked by Bureau of Indian Standards ("**BIS**").

Security

Our Company places high emphasis on securing its assets, especially due to the nature of the products we manufacture. In order to ensure the safety of our raw materials, finished goods, and our personnel, we have installed CCTV cameras across our Andheri Manufacturing Facility and our branches. Further, we also utilise the services of a third-party professional security agency for engaging security personnels.

Raw material and suppliers

Our jewellery production primarily relies on raw materials, including gold bar, stones (which include pearls, beads, gemstones, CZ stones), alloy metals of copper, diamond and wax. To maintain the standards of quality, we source raw materials from established suppliers, such as Choksi Vimal Bullion LLP, Nakoda Bullion & Traders LLP and Patil & Sons Jewellers. Our suppliers are pre-dominantly based in Mumbai, Maharashtra.

Set forth below is a break-up of raw materials obtained from our suppliers in the corresponding periods:

(₹ in million, except %)

Raw material	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Purchase cost	% of total purchase	Purchase cost	% of total purchase	Purchase cost	Purchase cost	% of total purchase	Purchase cost
Gold bar	4,528.65	98.96	6,646.73	98.16	6,031.47	98.24	4,188.70	97.40
Stones*	13.80	0.30	17.75	0.26	38.83	0.63	23.05	0.54
Alloy	0.35	0.01	0.45	0.01	0.35	0.01	0.42	0.01
Diamond	Nil	Nil	Nil	Nil	Nil	Nil	2.14	0.05
Wax	Nil	Nil	0.35	0.01	0.32	0.01	0.29	0.01

* *Stones include pearls, beads, gemstones, CZ stones*

Competition

In the competitive Indian market, branded jewellery has found a significant place. Since branded jewellery has become the new trend in the industry, it has created its place in the hearts of customers over the last few years. With attentive and helpful attendants and well-displayed merchandise, shopping for jewellery has transformed. In the new market, everyone is a prospective customer. The most significant aspect of branded jewellery, however, is the perception of its excellence because a brand is synonymous with quality. (*Source: CARE Report*)

The unorganized segment will continue to dominate the market due to deep-rooted cultural ties, strong customer relationships, and the trust placed in local jewellers. However, increasing competition from organized players, rising consumer preference for branded products, and government regulations aimed at formalizing the sector are driving gradual shifts. The implementation of hallmarking standards and GST has begun to erode the cost advantage traditionally enjoyed by unorganized jewellers. Yet, their flexibility in pricing, extensive product variety, and strong presence in rural areas will allow them to retain a significant share. Local jewellers often offer flexible payment options, such as allowing delivery first with payment in installments, which enhances their appeal. (*Source: CARE Report*)

Apart from the above, listed players competing with us in the industry include RBZ Jewellers Limited and Sky Gold Limited. (*Source: CARE Report*)

Employees

We believe our employees and personnel are one of our most important assets and critical to maintaining our competitive position in our industry.

As of November 15, 2024, we had a total of 225 employees on our payroll and 80 contract labourers.

The following table provides information about our permanent employees, as of November 15, 2024:

Function	No. of Employees
Executive Directors (Managing Director and Whole-time Director)	2
Key Managerial Personnel (excluding Managing Director and Whole-time Director)	2
Senior Management	2
Accounts and finance	7
Administration	14

Function	No. of Employees
Human resources	2
Operations	1
Production	
(i) Tagging and quality control	23
(ii) Inventory and operations	11
(iii) Wax setting and bagging	48
(iv) Computer aided design, Computer aided manufacturing, designing and modelling	80
(v) Casting	12
Sales and marketing	21
Total	225

Please also see, "*Risk Factors* – 20. *Our Promoters, Directors, Key Managerial Personnel, Senior Management and our employees, especially the members of the design and marketing teams are critical to our continued success and we may be unable to attract and retain such personnel in the future*" on page 42.

Insurance

Our operations are subject to risks inherent to manufacturing operations, which include defects, product damage, failures of manufacturing equipment, fire, riots, strikes, explosions, accidents, personal injury or death, environmental pollution and natural disasters. Please see, "*Risk Factors – 11. We operate in a high-value commodity sector and there are certain security risks associated with the transit and delivery of gold jewellery, including potential loss or theft*" on page 35. To mitigate these risks, we maintain insurance policies that include burglary risk insurance, insurance for motor car, jeweller's block policy inter alia covering in- transit risks, and insurance policy for and buildings, furniture, fittings and fixtures covering risks against fire, earthquake and terrorism. We believe that our insurance coverage is consistent with industry standards. Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. For further details, see '*Risk Factors – 44. An inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability*.' on page 54.

Marketing

As of November 15, 2024, our Company had a total of 21 sales and marketing professionals. The sales and marketing team plays a crucial role in understanding customer needs and delivering our designs to various markets, creating a convenient experience for both jewellery businesses and their end consumers.

Our marketing efforts includes a mix of participation in jewellery trade shows, and direct engagement with jewellery businesses to increase our market presence. Additionally, we focus on product customization, which is a significant aspect of our marketing efforts, ensuring our designs meet the specific preferences of our customers.

We also incur substantial costs in our marketing efforts to enhance brand awareness, promote our products, and drive sales. This includes costs for advertising, promotions and the development of marketing materials. Below is a break-up of the marketing expenses incurred during the corresponding periods:

(₹ in million, except %)

Particulars	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Expense	% of total expenses	Expense	% of total expenses	Expense	% of total expenses	Expense	% of total expenses
Marketing and brand building expenses	4.24	0.08	8.47	0.12	6.50	0.10	4.23	0.10

Information technology

Our information technology infrastructure comprises of third-party solutions and applications maintained internally that support our business requirements. Some key technologies used in our operations include (i) CAD, which utilizes advanced CAD software for creating intricate jewellery designs, and (ii) antivirus and security solutions, to protect sensitive company and customer data.

Intellectual properties

Our Company has obtained the following trademark / wordmark registrations:

S. No.	Registration No.	Trademark / wordmark	Class	Status
1.	4158772	SHANTI GOLD International Ltd.	14	Registered
2.	4158771	SHANTI GOLD INTERNATIONAL LTD	14	Registered

Please also see, "*Risk Factors – 13. Failure to protect our jewellery designs and susceptibility to intellectual property infringement litigation could adversely affect our reputation, results of operations, and financial condition*" and "*Risk Factors – 41. Inability to obtain or protect our intellectual property rights may adversely affect our business*" on pages 36 and 53, respectively.

Properties

Our Andheri Manufacturing Facility, which also serves as our Registered and Corporate Office, is located at Plot No A-51, 2nd Floor to 7th Floor, MIDC, Marol Industrial Area, Road No.-1, Near Tunga International Hotel, Andheri (E), Chakala Midc, Mumbai, Maharashtra, India- 400093, is held by us on a leasehold basis.

Further, our Proposed Jaipur Facility situated at Plot No. DTA-02-14 and DTA-02-15, Khasra No. 1181, 1189 and 1192, Village Newata, DTA Phase II, Tehsil Sanganer, Off Jaipur- Ajmer Road, NH 08, Jaipur, Rajasthan, India is held by us on a leasehold basis.

Further, our Company has the following properties held on leasehold basis:

Sr. No.	Purpose	Address
1.	Andhra Pradesh Branch 1*	47-11-3/2, Revenue Ward 15, Dwarka Nagar 1st, Dwarkanagar, Vishakapatnam, Andhra Pradesh- 530016.
2.	Andhra Pradesh Branch 2	Door No. 27-14-34, 3rd Floor, Balaji Jewel Word, Shop No. 319, Rajagopala Chari Street, Governorpet, Vijayawada
3.	Gujarat Branch	Unit No. 202, 2nd Floor, Shriji Chambers, Near Cargo Motors Opp Ratnam Complex, Chandra Colony Corner, CG Road, Ellisbride, Ahmedabad - 380006
4.	Karnataka Branch	4th Floor, Shop No. 9, Property No. 934, Sri Purandara Bhavana, Dharmarya Swamy Temple, Bangalore, Karnataka- 560002.
5.	Karnataka Guest House	Flat No. 401, 4th Floor Ashish Pride, Subbarama Chetty Road, Basavangudi, Bangalore.
6.	Madhya Pradesh Branch	Office no 101 G-13, Rajratan Complex, Shakkar Bazar, Indore, Madhya Pradesh – 452002.
7.	Tamil Nadu Branch 1	Shop no 7 Third floor, No 124, Aadinath Complex, Netaji Shubash Chandra Bose Road, Sowcarpet, Chennai, Tamil Nadu – 600079.
8.	Tamil Nadu Branch 2	Shop No B 8, 323, 2nd Floor, Kumaran Complex, Raja Street, Coimbatore, Tamil Nadu- 641001
9.	Telangana Branch	Municipal No. 3-3-57/3, 3rd Floor, Kurma Basthi, Kings Way (R. P. Road), Secunderabad, Hyderabad.

10.	Telangana Guest House	2nd Floor, Syed Jalal Gardens, West Marredpalli, Secunderabad, Hyderabad, Telangana 500003.

** As of the date of this DRHP, the lease agreement has expired and we are currently in the process of renewing the same.*

Please see, "*Risk Factor – 23. Our Andheri Manufacturing Facility, which also serves as our Registered and Corporate Office from where we operate, the proposed manufacturing unit, Proposed Jaipur Facility as well as the branch offices of our Company, are located on land not owned by us and have been leased to us by third parties. In the event we lose or are unable to renew such leasehold rights, our business, financial condition, cash flows and results of operations may be adversely affected.*" on page 44.

In addition to the above, the following properties are owned by our Company:

1. Industrial Gala/ Unit No. 12, Ground Floor, Ravi Industrial Premises Cooperative Society Ltd, Off Mahakali Caves Road, Andheri East, Mumbai – 400093. #

2. Industrial Gala/ Unit No. 14, Ravi Industrial Premises Cooperative Society Ltd, Off Mahakali Caves Road, Andheri East, Mumbai – 400093. #

3. Industrial Gala/ Unit No. 15, Ravi Industrial Premises Cooperative Society Ltd, Off Mahakali Caves Road, Andheri East, Mumbai – 400093. #

4. Unit No. 211, Ketuo Industrial Estate co-op Soc Ltd., Kondivitia, Andheri East, Mumbai- 400059. #

5. Unit No. 212, Ketuo Industrial Estate co-op Soc Ltd., Kondivitia, Andheri East, Mumbai- 400059. #

6. Office No. 4 E, 4th floor, Victoria Plaza, S V Road, Santacruz West, Mumbai – 400054.#

7. Office No. 5A, 5B & Terrace, 5th Floor, Victoria Plaza, S V Road, Santacruz West, Mumbai – 400054.#

8. Bunglow No. M-36 (Mandara), Tungarli Village, Taluka Maval, Pune, Maharashtra.*

   # *These properties have been leased by our Company to third parties for commercial use.*

   **Property utilised for guest house purposes.*

Corporate social responsibility

We have constituted a Corporate Social Responsibility Committee and have adopted and implemented a CSR policy pursuant to which we carry out CSR activities. In terms of our CSR policy, our CSR expenditure may be towards, amongst others, eradicating hunger, poverty and malnutrition, promoting health care and sanitisation, promoting education, promoting gender equality, empowering women, ensuring environmental sustainability, ecological balance, *etc*. In six months period ended September 30, 2024, Fiscals 2024, 2023 and 2022, we spent ₹ 2.50 million, ₹ 3.53 million, ₹ 1.95 million and ₹ 4.89 million, respectively, towards CSR activities in compliance with applicable laws.

KEY REGULATIONS AND POLICIES IN INDIA

The following description is a summary of certain key statutes, rules, regulations, notifications, memorandums, circulars and policies in India which are applicable to our Company and the business undertaken by our Company.

The information detailed in this section has been obtained from various statutes, regulations and/or local legislations and the bye laws of relevant authorities that are available in the public domain. This description may not be exhaustive and is only intended to provide general information to investors, and is neither designed, nor intended as 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. For details regarding the registrations and approvals obtained by our Company under applicable laws and regulations see, "*Government and other Statutory Approvals*" on page 315.

1. Business Related Laws

*Gem and Jewellery Export Promotion Council (**"GJEPC"**)*

The Government of India has designated the Gem and Jewellery Export Promotion Council 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 Government of India through communication No.12/13/2000-EP (G & J) 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 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*.

All India Gem and Jewellery Domestic Council

All India Gem and Jewellery Domestic Council is a national trade federation for the promotion and growth of trade in gems and jewellery across India. It indulges itself in managing various aspects of fair-trade practices and efficient organisation of business.

*The Legal Metrology Act, 2009 (**"L.M. Act"**)*

The Legal Metrology Act, 2009 seeks 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. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight/measurement/numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the L.M. Act. The L.M. Act also provides for Legal Metrology (Packaged Commodities) Rules, 2011, which may be followed for due compliance. These Rules regulate pre-packaged commodities in India and, *inter alia*, mandate certain labelling requirements prior to sale of such commodities. Further, the L.M. Act lays down penalties for various offences, including but not limited to, use or sale of non-standard weight or measure, contravention of prescribed standards, counterfeiting of seals and tampering with license.

*The Bureau of Indian Standards Act, 2016 (**"BIS Act"**)*

The Bureau of Indian Standards Act, 2016 provides for the establishment of a national standards authority for the harmonious development of the activities of standardization, conformity assessment and quality assurance of goods, articles, processes, systems and services. Under the BIS Act, the Central Government, after consulting the Bureau of Indian Standards ("BIS"), can notify which precious metal articles or other goods or articles are required to be marked with a ‘Hallmark’ or ‘Standard Mark’, subject to certain conditions for sale and testing of such articles. Under the BIS Scheme, the Government of India has identified the ‘Bureau of Indian Standards’ as the sole agency in India to operate the BIS Scheme which aims to ensure that quality control is built in the system in alignment with the international criteria on hallmarking. Functions of the BIS include, *inter alia*, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) conducting such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used confirm to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license. The BIS is also the licensing authority for quality standards.

The BIS Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security. The BIS Act also allows multiple type of simplified conformity assessment schemes including self-declaration of conformity against a standard which will give simplified options to manufacturers to adhere to the standards and get certificate of conformity.

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

The Bureau of Indian Standards (Hallmarking) Regulations, 2018 prescribe that all jewellers 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 (“Certificate”) shall be granted to specific premises and will be valid for a period of five years subject to the terms and conditions mentioned in the BIS Hallmarking Regulations. As per the notification dated June 14, 2018, issued by the Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution, precious metal articles to be marked with hallmark are namely: gold jewellery and gold artefacts and silver jewellery and silver artefacts. The details of Certificate are to be hosted on the website of BIS and it is only valid for the premises mentioned in the certificate of registration. The registered jewellers are responsible for purity and fineness of the hallmarked precious metal articles sold by them and are liable to pay compensation for any shortage in purity or fineness as per rules.

The BIS vide notification dated March 4, 2022 has issued the Bureau of Indian Standards (Hallmarking) Amendment Regulations, 2022 which provide for the revised Hallmarking fee for the following articles: (a) Gold articles payable to recognised Assaying and Hallmarking Centres by jewellers, (b) Hallmarking fee to be levied by the Bureau from Assaying and Hallmarking Centre for gold articles, (c) Silver articles payable to recognised Assaying and Hallmarking Centres by jewellers, and (d) Hallmarking fee to be levied by the BIS from Assaying and Hallmarking Centre for silver articles. Further, all gold jewellery and artefacts must have a 6-digit alphanumeric HUID (Hallmark Unique Identification). This number helps consumers trace the gold jewellery back to its jeweller. helps check its purity and also details of the hallmarking centre which tested and hallmarked the article.

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 (who are not exporters of jewellery), 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 gold (metal) loans scheme to any other party for manufacture of jewellery.

The Hallmarking of Gold Jewellery and Gold Artefacts Order, 2020

The Hallmarking of Gold Jewellery and Gold Artefacts Order, 2020, which came into effect on June 16, 2021, prescribes that gold jewellery and gold artefacts 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, an article with weight less than two grams, and an article which is in course of consignment from outside India to an assaying and hallmarking centre in India recognised as per the BIS Hallmarking Regulations, for hallmarking.

Further, vide the Hallmarking of Gold Jewellery and Gold Artefacts (Second Amendment) Order, 2021, dated June 23, 2021 the aforementioned list of exceptions was extended to include within its ambit, any article meant for export and reimport as per trade policy of the Government of India, any article meant for international exhibitions, any article meant for domestic business-to-business exhibitions, approved by the Government, special categories of jewellery, namely Kundan, Polki and Jadaau, watch and fountain pen, and jewellers with the annual turnover of upto ₹ 4,000,000 per annum.

Circular No. 9/2022-Customs on the Simplified regulatory framework for e-commerce exports of Jewellery through Courier mode as amended by Circular 17 of 2023 dated June 12, 2023

The circular dated June 30, 2022 ("**CBIC Circular**") issued by the Department of Revenue of the Central Board of Indirect Taxes & Customs ("**CBIC**"), lays down the standard operating procedure to be followed on export of jewellery through ecommerce. The CBIC Circular mandates the authorized courier to electronically file courier shipping bill on behalf of the exporter on the express cargo clearance systems and electronic payment for such exports to be made in advance and establishes criteria for customs assessment and examination. Further, the CBIC Circular lays down the procedure on reimport of returned jewellery items.

Anti-Money Laundering, Countering the Financing of Terrorism, and Combating Proliferation Financing Guidelines for Dealers in Precious Metals and Precious Stones, 2023 (the "Guidelines) under Prevention of Money Laundering Act, 2002, Unlawful Activities (Prevention) Act, 1967, and Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005

The Guidelines issued by the Directorate General of Audit (DGA), Central Board of Indirect Taxes and Customs, which came into effect from May 4, 2023, aim to provide a general background and summary of the provisions of the applicable anti money laundering and anti-terrorism financing legislations in India, viz. the Prevention of Money Laundering Act, 2002 ("**PMLA**"), the Prevention of Money Laundering (Maintenance of Records) Rules, 2005 ("**PMLR**"), the Unlawful Activities (Prevention) Act, 1967 ("**UAPA**") and The Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005 ("**WMDA**") and their applicability to and implications for the dealers in precious metals and precious stones in applying certain Anti Money Laundering/ Countering the Financing of Terrorism/ Combating Proliferation Financing (AML/CFT/CPF) obligations.

The Guidelines provide that the provisions related to applicability of Section 51A of the UAPA and Section 12A of the WMDA as mentioned are applicable to all dealers in precious metals and precious stones, irrespective of their turnover or any threshold of transactions they may undertake with their customers/ clients. However, the provisions related to PMLA and PMLR are applicable to dealers in precious metals and precious stones, who are "Reporting Entities" (as defined in the Guidelines).

Importer-Exporter Code

Under the Indian Foreign Trade Policy, 2004, no export or import can be made by a person or company without an Importer Exporter Code number unless such person/company is specifically exempted. An application for an Importer Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An Importer Exporter Code number allotted to an applicant is valid for all its branches/divisions/ units/factories.

2. **General legislations applicable to our business**

*Factories Act, 1948 ("**Factories Act**")*

The Factories Act defines a 'factory' to cover any premises which employs 10 or more workers and in which manufacturing process is carried on with the aid of power and any premises where there are at least 20 workers, where a manufacturing process is being carried on without the aid of power. State Governments have the authorityto formulate rules in respect of matters such as prior submission of plans and their approval for the establishmentof factories and registration and licensing of factories. The Factories Act provides that the person who has ultimatecontrol over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety, and welfare of all workers. It provides such safeguards of workers in the factories as well as offersprotection to the exploited workers and improve their working conditions. The penalties for contravention of theFactories Act include fine and imprisonment for the 'occupier' or 'manager' as defined under the Factories Act, and enhanced penalties for repeat offences and contravention of certain provisions relating to use of the hazardousmaterials.

*Consumer Protection Act, 2019 and the rules made thereunder ("**Consumer Protection Act**")*

The Consumer Protection Act, which repeals the Consumer Protection Act, 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, *inter alia*, to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of "consumer" has been expanded under the Consumer Protection Act to include persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums, and commissions under the Consumer Protection Act,in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs. In cases of manufacturing for sale or storing, selling,or distributing or importing products containing an adulterant, the imprisonment may vary between six months toseven years and fine between one lakh to ten lakh depending upon the nature of injury to the consumer.

In line with the Consumer Protection Act, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India ("Ministry of Consumer Affairs") has also notified the Consumer Protection (E-Commerce) Rules, 2020 ("E-Commerce Rules") on July 23, 2020, which provide a framework to regulate the marketing, sale and purchase of goods and services online. The E-Commerce Rules govern e-commerce entities which own, operate, or manage, a digital or electronic facility or platform for electronic commerce, but does not include a seller offering his goods or services for sale on a marketplace e-commerce entity. The Ministry of Consumer Affairs has also released draft amendments to the E-Commerce Rules for public comments. The aforesaid draft amendments require e-commerce entities to, amongst other things, register themselves with the Department for Promotion of Industry and Internal Trade, and appoint a chief compliance officer, a nodal contact person and a resident grievance officer. Additionally, the draft amendments prohibit e-commerce entities from misleading users by manipulating search results, prohibit flash sales and abuse of dominant position, and mandate e-commerce entities to identify sponsored listings of products and services with clear and prominent disclosures.

*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 records 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. 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.

3. Intellectual Property Laws

*The Trade Marks Act, 1999 ("**Trademark Act**")*

The Trademarks Act governs the statutory protection of trademarks and prohibits any registration of deceptivelysimilar trademarks, among others. The Trade Marks Act was enacted to provide exclusive rights to trademarks, including brands, labels, and headings, and to provide relief from trademark infringement. Trademark registrationfor goods and services is allowed in India. As per the provisions of the Trademarks Act, any individual or joint applicant who believes they are the owner of a trademark may submit an application for trademark registration tothe Trademark Registry. This application may be based on the applicant's intention to use a trademark in the futureor on their actual use of the trademark. A trademark registration can be renewed after it has been granted and is valid for ten years unless it is revoked. The mark expires if it is not renewed, and then the registration needs to be renewed. Additionally, owners of both domestic and foreign trademarks now have access to simultaneous protection of their marks in India and other nations thanks to the Trade Marks (Amendment) Act, 2010 (the "Trademark Amendment Act"). The Trademark Amendment Act also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law to international practice.

*The Copyright Act, 1957("**Copyright Act**")*

The Copyright Act serves to create property rights for certain kinds of intellectual property, generally called works of authorship. The intellectual property protected under the Copyright Act includes copyrights subsisting in artistic works, original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings, including computer programs, tables and compilations including computer databases. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as prima facie evidence of the particulars entered therein and may help expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Upon registration, the copyright protection for a work exists for a period of 60 years following the demise of the author. Reproduction of a copyrighted work for sale or hire and issuing of copies to the public, among others, without consent of the owner of the copyright are acts which expressly amount to an infringement of copyright.

*Designs Act, 2000 ("**Designs Act**")*

Industrial designs have been accorded protection under the Designs Act. A 'Design' means only the features of shape, configuration, pattern, ornament or composition of lines or colour thereof applied to any article whether two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye, but does not include any mode or principle or construction or anything which is in substance a mere mechanical device, and expressly excludes works accorded other kinds of protection like property marks, trademarks and artistic works. Any person claiming to be the proprietor of a new or original design, not previously published in any country and which is not contrary to public order or morality, may apply for registration of the same under the Act before the Controller-General of Patents, Designs and Trademarks. On registration, the registered proprietor of the design attains a copyright over the same. The duration of the registration of a design in India is initially ten years from the date of registration, but in cases where claim to priority has been allowed the duration is ten years from the priority date. No person may sell, apply for the purpose of sale or import for the purpose of sale any registered design, or fraudulent or obvious imitation thereof.

4. Environmental Legislations

Key environment regulations applicable to companies in India include The Environment (Protection) Act, 1986 ("**EPA**"). The EPA is the umbrella legislation in respect of the various environmental protection laws in India. Under the EPA, the Government of India is empowered to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes rules for, inter alia, laying down standards for the quality of environment, standards for emission of discharge of environment pollutants from various sources, as provided under the Environment (Protection) Rules, 1986, inspection of any premises, plant, equipment, machinery, manufacturing, examination of manufacturing processes and materials and substances likely to cause pollution. Penalties for violation of the EPA include fines not less than ₹10,000 and may extend up to ₹ 1,500,000. There are provisions with respect to certain compliances by persons handling hazardous substances, furnishing of information to the authorities in certain cases, establishment of environment laboratories and appointment of government analysts.

The Maharashtra Fire Prevention & Life Safety Measures Act, 2006 read with the Maharashtra Fire Prevention & Life Safety Measures Rules, 2009

This Act may be called the Maharashtra Fire Prevention & Life Safety Measures Act, 2006 which extends to the whole of the State of Maharashtra. It is an Act to make more effective provisions for the fire prevention and life safety measures in various types of buildings in different areas in the State of Maharashtra. The Maharashtra Fire Prevention and Life Safety Measures Rules, 2009 were made by State Government in exercise of the powers conferred by sub-section (1) of section 49 of the Maharashtra Fire Prevention and Life Safety Measures Act, 2006 and they extend to the whole State of Maharashtra.

Maharashtra Fire Prevention and Life Safety Measures (Amendment) Act, 2023

The Government of Maharashtra has published the Maharashtra Fire Prevention and Life Safety Measures (Amendment) Act, 2023 to further amend the Maharashtra Fire Prevention and Life Safety Measures Act, 2006. It has come into force with effect from May 11, 2023.

Salient features of the amendment are as under:

a) Fire safety approval will be required for educational buildings, storage building, multi-level car parking, storage for utilities (such as DG sets) etc.

b) Appointment of Fire Officer and Fire Supervisor will be required for residential buildings having height >70 mts., large oil & natural gas installations such as refineries, LPG bottling plants etc. and industrial buildings with moderate and high hazardous activities.

c) Provision for fire safety audit and appointment of Fire Safety Auditor made.

d) Schedules-I and II of the Act have been amended as per Building Code of India 2016.

e) Fire services renamed as Fire and Emergency Services to cover all manmade and natural calamities as per directives of Home Ministry.

5. Labour Law Legislations

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws, including the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952,Payment of Gratuity Act, 1972, the Payment of Bonus Act, 1965, Contract Labour (Regulation and Abolition) Act, 1970, the Maternity Benefit Act, 1961, the Employee's Compensation Act, 1923, the Trade Unions Act, 1926, Equal Remuneration Act, 1976, the Industrial Dispute Act, 1947, Apprentices Act, 1961, Industrial Employment (Standing Orders) Act, 1946, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Equal Remuneration Act, 1976, the Child Labour (Prohibition and Regulation) Act, 1986, and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes:

(a) Code on Wages, 2019, which regulates and amalgamates wage and bonus payments and subsumes 4 existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.

(b) Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

(c) Code on Social Security, 2020, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including Maharashtra Labour Welfare Fund Act, 1953, the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act,1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

(d) The Occupational Safety, Health and Working Conditions Code, 2020, consolidates and amends the lawsregulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Contract Labour (Regulation and Abolition) Act, 1970 and received the presidential assent on September 28, 2020.

Other than few provisions of the Code on Social Security which have been notified on May 3, 2023, the provisions of these codes shall become effective on the day that the Government shall notify for this purpose.

Shops and establishments legislations

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. All establishments must be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations, as well as the procedures for appeal in relation to such contravention of the provisions.

6. **Laws governing foreign investments**

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999 ("**FEMA**") along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy ("**FDI Policy**") issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India from time to time. Under the current FDI Policy (effective from August 28, 2017), foreign direct investment in the sector in which company operates is permitted up to 100% of the paid-up share capital of the Company under the automatic route, i.e. without requiring prior government approval, subject to compliance with certain prescribed pricing guidelines and reporting requirements.

*Foreign Trade (Development and Regulation) Act, 1992 ("**FTA**") and the Foreign Trade (Regulation) Rules, 1993 and the Foreign Trade Policy, 2023*

The FTA aims to facilitate the increase in foreign trade by regulating imports and exports to and from India. It authorizes the government to announce and subsequently formulate the export and import policy and to keep amending the same on a timely basis. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The FTA read along with the Indian Foreign Trade Policy, 2023 provides that no person or company can make exports or imports without having obtained an importer exporter code ("**IEC"**) number unless such person or company is specifically exempted. An application for an importer exporter code number has to be made to the Office of the Director General of Foreign Trade, Ministry of Commerce. An IEC number allotted to an applicant is valid for all its branches, divisions, units, and factories. Failure to obtain the IEC number shall attract penalty under the FTA.

7. Laws relating to Taxation

The Goods and Services Tax ("**GST"**) is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 ("**CGST"**), relevant state's Goods and Services Act, 2017 ("**SGST"**), Union Territory Goods and Services Act, 2017 ("**UTGST"**), Integrated Goods and Services Act, 2017 ("**IGST"**), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

Further, the Income-tax Act, 1961 ("**Income Tax Act"**) is applicable to every company, whether domestic or foreignwhose income is taxable under the provisions of this Act or rules made there under depending upon its 'Residential Status' and 'Type of Income' involved. The Income Tax Act provides for the taxation of persons resident in Indiaon global income and persons not resident in India on income received, accruing or arising in India or deemed tohave been received, accrued or arising in India. Every company assessable to income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advancetax, minimum alternative tax, etc. In 2019, the Government has also passed an amendment act pursuant to whichconcessional rates of tax are offered to a few domestic companies and new manufacturing companies.

In addition to the Goods and Services Act, 2017 and the Income Tax Act, some other tax legislations that may be applicable to our Company include:

1. Income Tax Rules, 1962, as amended by the Finance Act in respective years;

2. The Customs Act, 1962;

3. Central Goods and Service Tax Act, 2017, the Central Goods and Service Tax Rules, 2017 and various state-specific legislations made thereunder;

4. State-specific legislations in relation to professional tax; and

   Indian Stamp Act, 1899 and various state-specific legislations made thereunder.

8. Other Applicable Laws

The respective State legislatures in India have the power to endow the municipalities (as defined under Article 243Q of the Constitution of India) with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, foreign exchange laws, contract laws, customs act, Civil Procedure Code (CPC), Bharatiya Nyaya Sanhita (BNS), Bharatiya Nagarik Suraksha Sanhita (BNSS), Competition Act, Indian Contract Act, Sale of Goods Act, Negotiable Instrument Act, Indian Stamp Act, Municipality Laws, and other applicable statutes enactedby the Centre or relevant State Governments and authorities for our day-to-day business and operations. Our Company is also subject to various central and state tax laws where we operate.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally formed as a partnership firm in the name and style of "*M/s Shanti Gold*" pursuant to partnership deed dated August 05, 2003 with Pankajkumar H Jagawat and Manojkumar N Jain as its partners. Subsequently, by way of a restated partnership deed dated July 13, 2013, Mukesh Shantilal Jain, Rakesh Shantilal Jagawat, Shashank Bhawarlal Jagawat, Llalet Gulab Jagasia and Vikramsingh Prakash Verma joined as partners and the name of the firm was changed to "*M/s. Shanti Gold International*". In accordance with the provisions of Part IX of the Companies Act, 1956, the partnership firm was converted to a public limited company under the name and style of '*Shanti Gold International Limited*', and a fresh certificate of incorporation dated November 01, 2013 was issued by the RoC. Our Company was granted the certificate of commencement of business on November 22, 2013 by the RoC.

Changes in the registered office

The following table sets forth the details of the change in registered office of the Company since its date of incorporation:

Effective Date	Details of change in address of our registered office	Reason for change
April 15, 2018	The registered office of our Company was changed from 64, Apollo Industrial Estate, Off Mahakali Caves Road, Andheri (East), Mumbai - 400069 to 32, 5th floor, C-D Wing, Mahal Ind. Estate, Mahakali Caves Road, Andheri (East), Mumbai, Maharashtra – 400069.	Operational Convenience
August 1, 2023	The registered office of our Company was changed from 32, 5th floor, C-D Wing, Mahal Industrial Estate, Mahakali Caves Road, Andheri (E), Mumbai – 400069 to Plot No. 51, 2nd Floor To 7th Floor, MIDC, Marol Industrial Estate, Near Tunga International Hotel, Andheri (E), Chakala MIDC, Mumbai - 400093	Operational convenience
August 1, 2023	The registered office of our Company was changed Plot No. 51, 2nd Floor To 7th Floor, MIDC, Marol Industrial Estate, Near Tunga International Hotel, Andheri (E), Chakala MIDC, Mumbai - 400093 to Plot No. A-51, 2nd Floor to 7th Floor, MIDC, Marol Industrial Area, Road no.-1, Near Tunga International Hotel, Andheri (E), Chakala MIDC, Mumbai – 400093, Maharashtra, India.	Operational convenience

Main objects of our Company

The main objects contained in our Memorandum of Association are as follows:

1. *To carry on the business of importers, exporters, manufacturers, producers, designers, buyers, sellers, dealers, distributors, wholesalers, retailers, commission agents, traders, assemblers, sawers, cutters, polishers, goldsmith, silversmith and job workers of all shapes, sizes, varieties, designs, applications, combinations and uses of jewelleries, apparels, gold ornaments, silver, cut and uncut diamonds, including industrial grades, precious stones, semi-precious stones, gem stones, imitation, costume, synthetic stones, gold, silver, platinum, pearls, emeralds, rubies, bullion jewelleries, silver utensils, studded jewellery ornaments and articles and things including decorative and precious objects, their parts, accessories, fittings, components, materials thereof made partly, wholly, or plated with gold, silver, platinum or other precious metals and alloys thereof together with precious, semi-precious, imitation, synthetic, natural or other varieties of stones and materials.*

The objects clause as contained in the Memorandum of Association enables our Company to carry on the business presently being carried out.

Amendments to the Memorandum of Association in the last 10 years preceding the date of this Draft Red Herring Prospectus

Set out below are the amendments to our Memorandum of Association, in the last 10 years preceding the date of this Draft Red Herring Prospectus:

Date of Shareholders' Resolution/ Effective Date	Nature of Amendment
September 27, 2024	Amendments to the Memorandum of Association for compliance with Companies Act, 2013.
September 27, 2024	Clause V of the Memorandum of Association of our Company was amended to reflect an increase in authorised share capital of our Company from ₹10,00,00,000 divided into 1,00,00,000 equity shares of face value of ₹10 each to ₹80,00,00,000 divided into 8,00,00,000 equity shares of face value of ₹10 each.

Major events and milestones of our Company

Fiscal Year	Event
2003	Started the business as a partnership firm under the name and style of "M/s. Shanti Gold."
2007-2008	Commenced sales of our products to customers in United Arab Emirates
2012	Commenced sales of our products to retail businesses located in Kerela, Chennai, Andhra Pradesh, Punjab and Uttar Pradesh
2013	Name of the partnership firm was changed from "M/s. Shanti Gold" to "M/s. Shanti Gold International."
2013	Converted the partnership firm into a public limited company on November 1, 2013 under the name and style of '*Shanti Gold International Limited*'.
2022	Our Company produced more than 1,000.00 kgs of 22kt CZ casting gold jewellery
2024	Shifted our manufacturing facilities by setting up a new facility in Mumbai having an installed production capacity of 2,700 kilo grams per annum.

Awards, accreditations, certifications and recognitions received by our Company:

Calendar Year	Award/Accreditation/Certification/Recognition
2009	Received a certificate for lifetime membership of All India Gems and Jewellery Trade Federation.
2018	Received an award of appreciation for contributing to the successful achievement of Gem & Jewellery India International Fair from Chennai Trade Centre
2018	Received an award for participation at Chennai Jewellery and Gem Fair by Chennai Jewellers Association
2019	Received an award of appreciation for participating in the Gem & Jewellery India International Fair 2019 from Chennai Trade Centre.
2020	Received an award for participating in the Preferred Manufacturer of India (PMI 5) (2019-2020) from All India Gem and Jewellery Domestic Council
2021	Received various certifications for using Hallmark upon Gold Jewellery and Artefacts- IS 1417: 2016 Gold and Gold Alloys, Jewellery/Artefacts - Fineness and Marking.
2024	Received an award for being the prime exhibitor at IIJS India International Jewellery Show from -the Gem & Jewellery Export Promotion Council (GJEPC)
2024	Received an award of appreciation for participating in India's Largest B2B Exhibition for South Indian jewellery organized by the Jewellers and Diamond Traders Association – Madras
2024	Received a certificate of Membership under Gold Jewellery Panel as Members for the year 2024-2025 by The Gem & Jewellery Export Promotion Council.

Time and cost over-runs

There have been no time and cost over-runs in the setting up of projects by our Company since incorporation.

Defaults or re-scheduling, restructuring of borrowings with financial institutions/banks

There have been no defaults or re-scheduling/ re-structuring in relation to borrowings availed by our Company from any financial institutions or banks

Significant financial or strategic partners

As of the date of this Draft Red Herring Prospectus, our Company does not have any significant financial or strategic partners.

Launch of key products or services, entry into new geographies or exit from existing markets

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/facility creation, location of our manufacturing facilities, see *"– Major Events and Milestones of our Company*" and "*Our Business*" on pages 200 and 175, respectively.

Lock-out and strikes

There have been no instances of strikes or lock-outs at any time in our Company.

Revaluation of assets

Our Company has not revalued its assets since its incorporation.

Mergers or amalgamations

Our Company has not been party to any merger or amalgamation since its incorporation

Details regarding material acquisitions or divestments of business/ undertakings

Our Company has not acquired or divested any material business or undertaking since its incorporation.

Holding Company

As of the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Our subsidiaries

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries.

Our associates and joint ventures

As of the date of this Draft Red Herring Prospectus, our Company has no associates and joint ventures.

Details of shareholders' agreements

Our Company does not have any subsisting shareholders' agreements among our Shareholders vis-à-vis our Company.

Agreements with Key Managerial Personnel, Senior Management Personnel, Director, Promoters or any other employee

As on the date of this Draft Red Herring Prospectus, there are no agreements entered into by our Key Managerial Personnel or Senior Management Personnel or Director or Promoters or any other employee of our 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 our Company.

Key terms of other subsisting material agreements

Except as stated below, as on the date of this Draft Red Herring Prospectus, our Company has not entered into any subsisting material agreements including inter-se agreements, agreements with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of the business of our Company or which are otherwise material and need to be disclosed in this Draft Red Herring Prospectus in context of the Issue:

Non-compete agreement dated January 06, 2025 entered between Utssav CZ Gold Jewels Limited and our Company ("Non-Compete Agreement 1")

In terms of the Non-Compete Agreement 1, Utssav CZ Gold Jewels Limited shall only manufacture and sell light weight jewellery and will not in any way offer products having designs similar to that of our Company to any of the customers of our Company or otherwise, ensuring that there is no direct competition between our Company and Utssav CZ Gold Jewels Limited. For the purpose of the Non-Compete Agreement 1, "lightweight jewellery" shall mean any jewellery items that are designed with a focus on reduced weight compared to traditional or heavier jewellery, and jewellery intended to cater to consumers seeking practical, comfortable, and everyday wear options that are lighter and/or more comfortable than traditional, heavier jewellery, particularly for prolonged use or active wear. Consequently, both parties agree that their respective offerings will remain distinct and will not overlap, thereby avoiding any potential conflict or competition between them in the market till the termination of the Non-Compete Agreement 1.

Non-compete agreement dated January 06, 2025 entered between Uzuri Jewels Private Limited and our Company ("Non-Compete Agreement 2")

In terms of the Non-Compete Agreement 2, Uzuri Jewels Private Limited shall only manufacture and sell light weight and will not in any way offer products having designs similar to that of our Company to any of the customers of our Company or otherwise, ensuring that there is no direct competition between our Company and Uzuri Jewels Private Limited. For the purpose of the Non-Compete Agreement 2, "lightweight jewellery" shall mean any jewellery items that are designed with a focus on reduced weight compared to traditional or heavier jewellery, and jewellery intended to cater to consumers seeking practical, comfortable, and everyday wear options that are lighter and/or more comfortable than traditional, heavier jewellery, particularly for prolonged use or active wear. Consequently, both parties agree that their respective offerings will remain distinct and will not overlap, thereby avoiding any potential conflict or competition between them in the market till the termination of the Non-Compete Agreement 2.

Other Confirmations

Our Company, our Promoters, and the Shareholders are not a party to any other agreements, including any deed of assignment, acquisition agreement, shareholders' agreement, inter se agreement/ arrangement or agreements of like nature, with respect to securities of our Company.

Further, we confirm there are no other agreements and clauses or covenants which our Company, our Promoters, the members of the Promoter Group or the Shareholders are a party to, in relation to securities of our Company, which are material and need to be disclosed and that there are no other clauses / covenants which are adverse or pre-judicial to the interest of the minority / public Shareholders or nor are there agreements that the Company has entered into that are required to be disclosed under the SEBI ICDR Regulations or non-disclosure of which may have a bearing on the investment decisions of the Bidders, except as already disclosed in this Draft Red Herring Prospectus. Further, there is no inter-se agreement / arrangement between the Shareholders.

OUR MANAGEMENT

In terms of the Companies Act and our Articles of Association, our Company is required to have a minimum of three Directors and a maximum of up to fifteen Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises six Directors, of whom three are Independent Directors including two women Independent Director. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Red Herring Prospectus:

Board of Directors

Name, designation, term, period of directorship, address, occupation, date of birth, age and DIN	Directorships in other companies
Pankajkumar H Jagawat *Designation:* Chairman and Managing Director *Term:* September 01,2023 to August 31, 2026 and liable to retire by rotation *Period of Directorship:* Director since incorporation *Address:* Navratan CHS, 401/402, 14th/33rd road, Near Mira Agrwal nursing home, Bandra West, Mumbai, Maharashtra- 400050. *Occupation:* Business *Date of Birth:* November 21, 1973 *Age:* 51 years *DIN:* 01843846	*Indian Companies* • Utssav CZ Gold Jewels Limited • Uzuri Jewels Private Limited *Foreign Companies* Nil
Manojkumar N Jain *Designation:* Whole- Time Director *Term:* September 01,2023 to August 31, 2026 and liable to retire by rotation *Period of Directorship:* Director since incorporation *Address:* 1001/1101, Nav Sonarbala CHS Ltd Annex Building, 35 Gurunanak Road (Turner Road), Maharashtra, Bandra (West), Mumbai- 400050. *Occupation:* Business *Date of Birth:* January 1, 1976 *Age:* 48 years *DIN:* 01817027	*Indian Companies* • Uzuri Jewels Private Limited *Foreign Companies* • Nil
Shashank Bhawarlal Jagawat *Designation:* Non-Executive Director *Term:* liable to retire by rotation *Period of Directorship:* From September 30, 2016	*Indian Companies* • Utssav CZ Gold Jewels Limited *Foreign Companies* • Nil

Address: Flat No. 901, Ekta Verve, 16th Road, Khar West, Mumbai, Maharashtra- 400052. *Occupation:* Business *Date of Birth:* May 16, 1985 *Age:* 39 years *DIN:* 01824609	
Yash Mahansaria *Designation:* Independent Director *Term:* 5 years and not liable to retire by rotation *Period of Directorship:* From September 27, 2024 *Address:* Shyam ji Mandir, Pratibha Nagar, ward no- 41, Churu, Rajasthan, 331001. *Occupation:* Self-employed *Date of Birth:* October 25, 1998 *Age:* 26 years *DIN:* 10776135	*Indian Companies* • Nil *Foreign Companies* • Nil
Bhavika Yash Ghuntla *Designation*: Independent Director *Term:* 5 years and not liable to retire by rotation *Period of Directorship:* From July 1, 2024 *Address:* A-1902, Gokul Concorde CHS, Dattani Park, Thakur Village, Near Western Express Highway, Kandivali East, Maharashtra, 400101. *Occupation:* Self-employed *Date of Birth:* November 7, 1994 *Age:* 30 Years *DIN:* 10084723	*Indian Companies* • Ullu Digital Limited *Foreign Companies* • Nil
Purvi Pathik Shah *Designation:* Independent Director *Term:* 5 years and not liable to retire by rotation *Period of Directorship:* From July 1, 2024 *Address:* C 401, MandPeshwar Kripa Co-op Housing Society Ltd, S V Road, Opp St Francis School, Borivali West, Mandapeshwar, Mumbai Suburban, Mumbai – 400103. *Occupation:* Self-employed	*Indian Companies* • Nil *Foreign Companies* • Nil

Date of Birth: February 5, 1980 *Age:* 44 Years *DIN:* 10694424	

Brief profiles of our Directors

Pankajkumar H Jagawat is the Chairman and Managing Director of our Company. He is also one of the Promoters and founders of our Company. His key responsibilities in our Company include general management of our Company's business and operations. He is also responsible for undertaking and executing strategic decisions, with the approval of the Board and members of the Company, as applicable, for the growth of our Company. He was one of the partners in the erstwhile partnership firm, M/s Shanti Gold and has been associated with our Company since its inception. He has experience of over 21 years in jewellery manufacturing.

Manojkumar N Jain is the Whole-time Director of our Company. He is also one of the Promoters and founders of our Company. His key responsibilities include participation in administrative decisions pertaining to affairs of our Company including supervision over our Company's diverse functions and employee related matters. He was one of the partners in the erstwhile partnership firm, M/s Shanti Gold and has been associated with our Company since its inception. He has experience of over 21 years in jewellery manufacturing.

Shashank Bhawarlal Jagawat is the Non-Executive Director of our Company. He is also one of the Promoters and founders of our Company. He was previously associated with M/s. Raksha Jewellers and M/s. Dinesh Jewellers. He has been associated with our Company since inception. He has experience of over 16 years in jewellery manufacturing.

Yash Mahansaria is the Independent Director of our Company. He holds a bachelor's degree in commerce from Gujarat University. He is also a member of the Institute of Chartered Accountants of India. Prior to joining our Company, he was associated with S.R. Batliboi & Associates LLP.

Bhavika Yash Ghuntla is the Independent Director of our Company. She has successfully passed the examination for bachelor's degree in commerce and bachelor's degree in law from University of Mumbai. She is also a member of the Institute of Company Secretaries of India since May 25, 2018. She has approximately 5 years of corporate and secretarial experience. She was previously associated with Sundaram Multi Pap Limited and KJMC Corporate Advisors (India) Limited as their company secretary and compliance officer, and is currently working as a proprietor of M/s. BYG & Associates.

Purvi Pathik Shah is the Independent Director of our Company. She has successfully passed the examination for bachelor's degree in commerce from Narsee Monjee College of Commerce, Mumbai University. She is a member of the Institute of Chartered Accountants of India. She has approximately 8 years of experience in the financial services sector. She is currently working as a partner in M/s. Devpura Navlakha & Company.

Details of directorship in companies suspended or delisted

None of our Directors is or was a director of any listed company, whose shares have been or were suspended from being traded on any stock exchanges, in the last five years prior to the date of this Draft Red Herring Prospectus, during the term of their 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 their directorship in such company.

Relationship between our Directors, Key Managerial Personnel and Senior Management

None of our Directors are related to each other or to any of the Key Managerial Personnel or members of our Senior Management.

Terms of appointment of our Managing Director and Whole-Time Director

Pankajkumar H Jagawat

Pankajkumar H Jagawat is the Chairman & Managing Director, and one of the Promoters of our Company. He has been associated with our Company since incorporation. He was initially appointed as the Managing Director of our Company pursuant to the resolution passed by our Board dated August 7, 2014, and the resolution passed by our Shareholders' dated September 1, 2014, for a period of three years with effect from September 1, 2014.

According to the resolution of the Board dated July 27, 2023, and the Shareholders' resolution dated July 31, 2023, he is entitled to the following remuneration and perquisites:

Salary	₹ 1.00 million to ₹ 1.20 million per month
Perquisites and allowance	He is entitled to perquisites and allowances as per Income Tax Act, 1961.
Minimum remuneration	In the event of loss or inadequacy of profits in any financial year, our Company shall pay him remuneration subject to Schedule V of the Companies Act.
Reimbursement of expenses	He is entitled to reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as any from time to time.

Manojkumar N Jain

Manojkumar N Jain is the Whole-time Director and one of the Promoters of our Company. He has been associated with our Company since incorporation. He was appointed as a Whole-time Director of our Company pursuant to the resolution passed by our Board dated August 7, 2014, and the resolution passed by our Shareholders' dated September 1, 2014, for a period of 3 year with effect from September 1, 2014.

According to the resolution dated July 27, 2023, and the Shareholders' resolution dated July 31, 2023, he is entitled to the following remuneration and perquisites:

Salary	₹ 0.80 million to ₹ 1.20 million per month
Perquisites and allowance	He is entitled to perquisites and allowances as per Income Tax Act, 1961.
Minimum remuneration	In the event of loss or inadequacy of profits in any financial year, our Company shall pay him remuneration subject to Schedule V of the Companies Act.
Reimbursement of expenses	He is entitled to reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as any from time to time.

Terms of appointment of our Non-Executive Director and Independent Directors

Pursuant to a resolution passed by our Board on November 18, 2024 our Non-Executive Director, Shashank Bhawarlal Jagawat, and Independent Directors, viz., Yash Mahansaria, Purvi Pathik Shah and Bhavika Yash Ghuntla are entitled to receive a sitting fee of ₹ 7,500/- for attending each meeting of our Board and committees constituted by our Board, respectively.

Payment or benefit to Directors of our Company

Details of the sitting fees or other remuneration paid to our Directors in Fiscal 2024 are set forth below.

Remuneration to our Managing Director and Whole-Time Directors

Details of the remuneration paid to our Managing Director and Whole-Time Director in Fiscal 2024 is set forth below:

(in ₹ million)

Sr. No.	Name of the Director	Total Remuneration
1.	Pankajkumar H Jagawat	10.80
2.	Manojkumar N Jain	10.00

Remuneration to our Independent Directors

The Independent Directors of our Company were appointed in Fiscal 2025, and accordingly, no sitting fees were paid to them in Fiscal 2024.

Remuneration to our Non-Executive Director

Our Non-Executive Director, Shashank Bhawarlal Jagawat was paid a sitting fees of ₹ 0.06 million in Fiscal 2024 for attending the meetings of the Board and its committees.

Remuneration paid to our Directors by our subsidiaries and associates

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries or associate companies.

Bonus or profit-sharing plan for our Directors

None of our Directors are party to any bonus or profit-sharing plan of our Company.

Contingent and deferred compensation payable to our Directors

There is no contingent or deferred compensation payable to our Directors, which does not form part of their remuneration.

Shareholding of our Directors in our Company

Our Articles of Association do not require our Directors to hold any qualification shares. Except as disclosed in "*Capital Structure – Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company*" on page 89, none of our Directors hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

Arrangement or understanding with major shareholders, customers, suppliers or others

There is no arrangement or understanding with the major Shareholders, customers, suppliers or others, pursuant to which any of our other Directors were appointed on the Board.

Further, none of our Key Managerial Personnel and members of our Senior Management have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Further, our Company does not have any KMP or members of our Senior Management or other person nominated by any Shareholder or any other person.

Interest of Directors

Our Directors, namely Pankajkumar H Jagawat and Manojkumar N Jain, may be deemed to be interested to the extent that they have promoted the Company.

Our Non-Executive Director and all our Independent Directors may be deemed to be interested to the extent of sitting fees payable, if any, to them for attending meetings of our Board and committees thereof, and reimbursement of expenses available to them. Our Managing Director and Whole-Time Director may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them as stated in *"– Terms of appointment of our Managing Director and Whole-Time Director*" on page 206.

Our Directors may also be interested to the extent of Equity Shares and to the extent of any dividend payable to them, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors, kartas or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue. For further details regarding the shareholding of our Directors, see "*Capital Structure - Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company*" on page 89.

Further, our Directors, namely Pankajkumar H Jagawat and Manojkumar N Jain, have extended personal guarantees in favour of our lenders to secure the borrowings availed by our Company and may be deemed to be interested to that extent. Our Directors, namely Pankajkumar H Jagawat and Manojkumar N Jain, have also from time to time extended unsecured loans to our Company and are interested to the extent of repayment of such amounts along with interest thereon. As on the date of this Draft Red Herring Prospectus, our Directors had extended unsecured loans that cumulatively amounted to ₹ 22.88 million.

Further, our Directors may also be directors on the board, or are shareholders, kartas, proprietors, members or partners, of entities with which our Company has had transactions and may be deemed to be interested to the extent of the payments made by our Company, or services provided by our Company, if any, to these entities.

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 which is promoted by them or in which they hold directorships or any partnership firm in which they are partners in the ordinary course of business.

There is no conflict of interest between the suppliers of raw materials and third-party service providers of our Company (crucial for operations of our Company) and our Directors.

There is no conflict of interest between the lessor of the immovable properties of our Company (crucial for operations of our Company) and our Directors.

Interest in land and property

None of our Directors have any interest in any property acquired in the preceding three year or proposed to be acquired of our Company or by our Company.

Interest in transactions for acquisition of land, construction of building or supply of machinery

Our Directors have no interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Interest in promotion of our Company

Except for Pankajkumar H Jagawat, Manojkumar N Jain and Shashank Bhawarlal Jagawat, who are also the Promoters of our Company, none of our Directors have any interest in the promotion or formation of our Company, as on the date of this Draft Red Herring Prospectus.

Loans to Directors

No loans have been availed by our Directors from our Company, as on the date of this Draft Red Herring Prospectus.

Confirmations

No consideration in cash or shares or otherwise has been paid, or agreed to be paid to any of our Directors, or to the firms, trusts or companies in which they may be partners or members respectively or in which they have interest, either to induce such director to become, or to help such director to qualify as a Director, or otherwise for services rendered by him/her or by the firm, trust or company in which he/she is interested, in connection with the promotion or formation of our Company.

None of our Directors have been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on Wilful Defaulters or Fraudulent Borrowers issued by Reserve Bank of India.

None of our Directors has been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

Changes in our Board during the last three years

The changes in our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below.

Name of Director	Date of Change	Reasons
Sanjoy Ghosh	April 4, 2022	Resignation as an Independent Director
Bhavika Yash Ghuntla	July 26, 2024	Appointment as an Independent Director

Name of Director	Date of Change	Reasons
Purvi Pathik Shah	July 26, 2024	Appointment as an Independent Director
Yash Mahansaria	September 27, 2024	Appointment as an Independent Director

Borrowing Powers

Pursuant to Section 180(1)(a), 180(1)(c) and other applicable provisions, if any, of the Companies Act 2013 and our Articles of Association, subject to applicable laws and pursuant to the resolution passed by our Board dated December 26, 2023 and the special resolution passed by our Shareholders on January 19, 2024, our Board has been authorised to borrow any sum or sums of money from time to time at their discretion for the purpose of the business of our Company, not exceeding ₹ 10,000 million (including money already borrowed by our Company) on such terms and conditions as our Board may think fit, whether secured or unsecured, whether by way of mortgage, charge, hypothecation, pledge or otherwise in any whatsoever, on, over or in any respect of all, or any of our Company's assets and effects or properties whether movable or immovable, notwithstanding that the money to be borrowed together with the money already borrowed by our Company (apart from the temporary loans obtained from our Company's bankers in the ordinary course of business) and remaining un-discharged at given time, may exceed the aggregate, for the time being, of the paid of capital of our Company and our free reserves and securities premium.

Corporate Governance

As on the date of this Draft Red Herring Prospectus, there are six Directors on our Board comprising two Executive Directors, one Non-Executive Non-Independent Director and three Independent Directors, including two women Independent Director. Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our Company is in compliance and undertakes to take all necessary steps to continue to comply with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act in relation to the composition of our Board and constitution of committees thereof.

In compliance with Section 152 of the Companies Act, 2013, not less than two thirds of the Directors (excluding Independent Directors) are liable to retire by rotation.

Board committees

Our Company has constituted the following Board committees in terms of the SEBI Listing Regulations, and the Companies Act:

a) Audit Committee;

b) Nomination and Remuneration Committee;

c) Stakeholders' Relationship Committee; and

d) Corporate Social Responsibility Committee.

Audit Committee

The Audit Committee was constituted by a resolution passed by our Board dated April 05, 2014. The Audit Committee was re-constituted by a resolution passed by our Board dated July 15, 2024. The Audit Committee is in compliance with Section 177 and other applicable provisions of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The Audit Committee currently comprises:

Sr. No.	Name of Director	Designation	Committee Designation
1.	Purvi Pathik Shah	Independent Director	Chairperson
2.	Bhavika Yash Ghuntla	Independent Director	Member
3.	Pankajkumar H Jagawat	Chairman and Managing Director	Member

Vrushti Parag Shah, our Company Secretary and Compliance Officer shall act as the secretary of the Audit Committee.

Terms of Reference:

The Audit Committee shall be responsible for, among other things, as may be required by the stock exchange(s) from time to time, the following:

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

(1) to investigate any activity within its terms of reference;

(2) to seek information from any employee;

(3) to obtain outside legal or other professional advice; and

(4) to secure attendance of outsiders with relevant expertise, if it considers necessary.

(5) Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

Role of Audit Committee

The role of the Audit Committee shall include the following:

(1) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;

(2) recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   a. 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;

   b. changes, if any, in accounting policies and practices and reasons for the same;

   c. major accounting entries involving estimates based on the exercise of judgment by management;

   d. significant adjustments made in the financial statements arising out of audit findings;

   e. compliance with listing and other legal requirements relating to financial statements;

   f. disclosure of any related party transactions; and

   g. modified opinion(s) in the draft audit report.

(5) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

(7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(8) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

Explanation: *The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.*

(9) scrutiny of inter-corporate loans and investments;

(10) valuation of undertakings or assets of the Company, wherever it is necessary;

(11) evaluation of internal financial controls and risk management systems;

(12) reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

(13) 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;

(14) discussion with internal auditors of any significant findings and follow-up thereon;

(15) 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;

(16) 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;

(17) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(18) reviewing the functioning of the whistle blower mechanism;

(19) monitoring the end use of funds through public offers and related matters;

(20) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

(21) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

(22) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision; and

(23) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

(24) approving the key performance indicators for disclosure in the offer documents; and

(25) carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Audit Committee shall mandatorily review the following information:

a. Management discussion and analysis of financial condition and results of operations;

b. Management letters / letters of internal control weaknesses issued by the statutory auditors;

c. Statement of significant related party transactions (as defined by the audit committee), submitted by management

d. Internal audit reports relating to internal control weaknesses;

e. The appointment, removal and terms of remuneration of the chief internal auditor;

f. Statement of deviations in terms of the SEBI Listing Regulations:

- quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations;

- annual statement of funds utilised for purposes other than those stated in the Offer document/ prospectus/ notice in terms of the SEBI Listing Regulations.

g. the financial statements, in particular, the investments made by any unlisted subsidiary; and

h. such information as may be prescribed under the Companies Act and SEBI Listing Regulations.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted by a resolution passed by our Board dated April 05, 2014. The Nomination and Remuneration Committee was re-constituted by a resolution passed by our Board dated July 15, 2024.The composition and terms of reference of the Nomination and Remuneration Committee are in compliance with Section 178 and other applicable provisions of the Companies Act 2013 and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently comprises:

Sr. No.	Name of Director	Designation	Committee Designation
1.	Bhavika Yash Ghuntla	Independent Director	Chairperson
2.	Purvi Pathik Shah	Independent Director	Member
3.	Shashank Bhawarlal Jagawat	Non- Executive Director	Member

Terms of Reference

The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees (“**Remuneration Policy**”);

(2) For appointment of an independent directors, evaluation of the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparation of a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:

   a. use the services of an external agencies, if required;

   b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

   c. consider the time commitments of the candidates.

(3) Formulation of criteria for evaluation of independent directors and the Board;

(4) Devising a policy on Board diversity;

(5) 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 and carrying out evaluation of every director’s performance (including independent director);

(6) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of

performance evaluation of independent directors;

(7) Recommend to the board, all remuneration, in whatever form, payable to senior management;

(8) The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that-

a. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

(9) perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including the following:

a. administering the employee stock option plans of the Company, as may be required;

b. determining the eligibility of employees to participate under the employee stock option plans of the Company;

c. granting options to eligible employees and determining the date of grant;

d. determining the number of options to be granted to an employee;

e. determining the exercise price under the employee stock option plans of the Company; and

f. construing and interpreting the employee stock option plans of the Company and any agreements defining the rights and obligations of the Company and eligible employees under the employee stock option plans of the Company, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans of the Company.

(10) frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

(11) carrying out any other activities as may be delegated by the Board and other functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated November 18, 2024. The composition and terms of reference of Stakeholders' Relationship Committee are in compliance with Section 178 and any other applicable law of the Companies Act 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently comprises:

Sr. No.	Name of Director	Designation	Committee Designation
1.	Shashank Bhawarlal Jagawat	Non-Executive Director	Chairperson
2.	Purvi Pathik Shah	Independent Director	Member
3.	Manojkumar N Jain	Whole-Time Director	Member

Terms of Reference

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required under applicable law, the following:

(1) considering and looking into various aspects of interest of shareholders, debenture holders and other security holders;

(2) resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

(3) formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

(4) giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;

(5) issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;

(6) review of measures taken for effective exercise of voting rights by shareholders;

(7) review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar & share transfer agent;

(8) to dematerialize or rematerialize the issued shares;

(9) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and

(10) carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by a resolution passed by our Board dated October 22, 2018. The Corporate Social Responsibility Committee was re-constituted by a resolution passed by our Board dated July 15, 2024. The composition and terms of reference are in compliance with Section 135 and other applicable provisions of the Companies Act 2013. The CSR Committee currently comprises of:

Sr. No.	Name of Director	Designation	Committee Designation
1.	Purvi Pathik Shah	Independent Director	Chairperson
2.	Pankajkumar H Jagawat	Chairman and Managing Director	Member
3.	Manojkumar N Jain	Whole-time Director	Member

Terms of Reference

The Corporate Social Responsibility Committee be and is hereby authorized to perform the following functions:

(1) formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act;

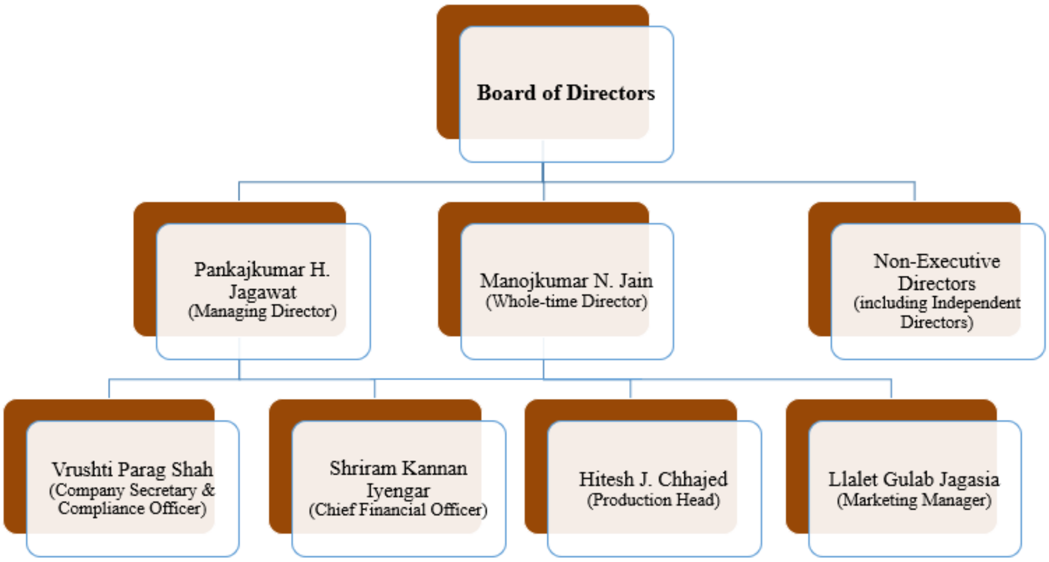
(2) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (1) and amount to be incurred for such expenditure shall be as per the applicable law;

(3) review and monitor the corporate social responsibility policy of the Company and its implementation from time to time and timely completion of corporate social responsibility programmes; and

(4) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and

when amended from time to time.

Management Organisation Structure



Key Managerial Personnel and Senior Management

Key Managerial Personnel

The details of our Key Managerial Personnel, as of the date of this Draft Red Herring Prospectus are as follows:

In addition to Pankajkumar H Jagawat, our Chairman and Managing Director, and Manojkumar N Jain, our Whole-time Director, whose details are provided in *'- Brief Profiles of our Directors*' above, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below.

Shriram Kannan Iyengar is the Chief Financial Officer of our Company. He holds a bachelor's degree in commerce from S. I. E. S College of Arts, Science and Commerce, Mumbai University, a master's degree in business administration from the Institute of Chartered Financial Analyst of India University, Tripura. Further, he holds a diploma in financial management from Welingkar Institute of Management Development and Research, Mumbai. He was previously appointed as General Manager Finance in the erstwhile partnership firm, M/s Shanti Gold in 2012 and has been associated with our Company since incorporation. He was appointed as our Chief Financial Officer with effect from June 17, 2024. Prior to joining the erstwhile partnership firm, M/s Shanti Gold in 2012, he was associated with Fine Jewellery (India) Limited and M/s. Mittal and Mehrotra, Chartered Accountant Firms. In Fiscal 2024, he received an aggregate compensation of ₹ 3.01 million, in his capacity of general manager finance.

Vrushti Parag Shah is the Company Secretary and Compliance Officer of our Company. She holds a bachelor's degree in commerce and a bachelor's degree in law from Mumbai University. She is also an associate member of the Institute of Company Secretaries of India. Prior to joining our Company, she was associated with M/s. Krupa Joisar & Associates and Rikhav Securities Limited. She joined our Company with effect from June 17, 2024. Since she has been appointed in Fiscal 2025, she did not receive any remuneration in Fiscal 2024.

Senior Management

In addition to Shriram Kannan Iyengar, our Chief Financial Officer, and Vrushti Parag Shah, our Company Secretary and Compliance Officer, whose details are provided in "-*Key Managerial Personnel*" on page 215 above, the details of other members of our Senior Management in terms of SEBI ICDR Regulations, as on the date of this Draft Red Herring Prospectus are set out below:

Hitesh J Chhajed is the Production Head of our Company. He was appointed as the Production Head in 2013 in the erstwhile partnership firm, M/s Shanti Gold and has been associated with our Company since inception. He holds a bachelor's degree in commerce from Kishinchand Chellaram College, Mumbai University. He has experience of over 10 years in jewellery manufacturing. In Fiscal 2024, he received an aggregate compensation of ₹ 2.64 million.

Llalet Gulab Jagasia is the Marketing Manager of our Company. He has been associated with our Company since July 1, 2016. He holds a bachelor's degree in commerce from Siddharth College of Arts, Science and Commerce, Mumbai University. He has experience of over 8 years in marketing. In Fiscal 2024, he received an aggregate compensation of ₹ 1.20 million.

Status of Key Managerial Personnel and Senior Management

All the Key Managerial Personnel and members of our Senior Management are permanent employees of our Company.

Relationship among Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel and members of our Senior Management are related to each other.

Bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management

Except as disclosed in " - *Terms of appointment of our Managing Director and Whole-Time Director*", none of our Key Managerial Personnel or members of our Senior Management are party to any bonus or profit-sharing plan of our Company.

Shareholding of Key Managerial Personnel and Senior Management in our Company

Except as disclosed in "*Capital Structure - Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company"* on page 89, none of our Key Managerial Personnel or members of our Senior Management, hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

Service Contracts and retirement or termination benefits with Directors and Key Managerial Personnel and Senior Management

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors, Key Managerial Personnel and members of our Senior Management, is entitled to any benefits upon termination of employment under any service contract entered into with our Company and they are governed by the terms of their respective appointment letters.

Contingent and deferred compensation payable to our Key Managerial Personnel and Senior Management

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to our Key Managerial Personnel and members of our Senior Management, which does not form part of their remuneration.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of the Key Managerial Personnel or nor the members of Senior Management of our Company have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

Loans to and deposits from Key Managerial Personnel and Senior Management

Except as disclosed under "– Loans to Directors" on page 208, there are no outstanding loans availed by our Key Managerial Personnel or members of the Senior Management from our Company as on the date of this Draft Red Herring Prospectus.

Interest of Key Managerial Personnel and Senior Management

Other than as disclosed in "*Our Management - Interest of Directors*", the Key Managerial Personnel and members of our Senior Management of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

There is no conflict of interest between our KMPs and members of our Senior Management and third-party service providers of our Company (crucial for operations of our Company).

There is no conflict of interest between our KMPs and members of our Senior Management and the lessor of immovable properties of our Company (crucial for operations of our Company).

Changes in Key Managerial Personnel or Senior Management during the last three years

Except as disclosed below, there are no other changes in our Key Managerial Personnel or members of our Senior Management during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below:

Name	Date of Change	Reasons
Nayankumar Gamdha	December 14, 2022	Resignation as the Company Secretary
Namrata Somani	June 14, 2024	Resignation as the Company Secretary
Shriram Kannan Iyengar	June 17, 2024	Appointment as the Chief Financial Officer
Vrushti Parag Shah	June 17, 2024	Appointment as the Company Secretary

Employee stock option and stock purchase schemes

As on the date of this Draft Red Herring Prospectus, our Company does not have any employee stock exchange scheme.

Payment or Benefit to Key Managerial Personnel and Senior Management of our Company

No non-salary related amount or benefit has been paid or given to any of our Company's officers including our Directors, Key Managerial Personnel and members of our Senior Management within the two preceding years of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are Pankajkumar H Jagawat, Manojkumar N Jain and and Shashank Bhawarlal Jagawat.

As on date of this Draft Red Herring Prospectus, our Promoters collectively hold 53,978,400 Equity Shares in our Company, representing 99.96% of the pre-Issue issued, subscribed and paid-up equity share capital of our Company. For details, see the section titled "*Capital Structure – Build-up of the shareholding of our Promoters in our Company*" on page 83.

Details of our Promoters are as follows:

	***Pankajkumar H Jagawat***, aged 51 years, is one of our Promoters and is the Chairman and Managing Director of our Company. He is an Indian national. ***Date of Birth:*** November 21, 1973 ***Permanent Account Number*:** AAJPJ8141Q For the complete profile of Pankajkumar H Jagawat, along with details of his address, educational qualifications, experience in the business or employment, position/posts held in the past, directorships held, other ventures, special achievements and business and financial activities, see "*Our Management – Board of Directors"* and *"Our Management - Brief profiles of our Directors*" on pages 203 and 205, respectively.
	***Manojkumar N Jain***, aged 48 years, is one of our Promoters and a Whole-time Director of our Company. He is an Indian national. ***Date of Birth:*** January 01, 1976 ***Permanent Account Number*:** ABRPJ4726A For the complete profile of Manojkumar N Jain, along with details of his address, educational qualifications, experience in the business or employment, position/posts held in the past, directorships held, other ventures, special achievements and business and financial activities, see "*Our Management – Board of Directors"* and *"Our Management - Brief profiles of our Directors*" on pages 203 and 205, respectively.
	***Shashank Bhawarlal Jagawat***, aged 39 years, is one of our Promoters and a Non-Executive Director of our Company. He is an Indian national. ***Date of Birth:*** May 16, 1985 ***Permanent Account Number*:** AXEPS6887Q For the complete profile of Shashank Bhawarlal Jagawat, along with details of his address, educational qualifications, experience in the business or employment, position/posts held in the past, directorships held, other ventures, special achievements and business and financial activities, see "*Our Management – Board of Directors"* and *"Our Management - Brief profiles of our Directors*" on pages 203 and 205, respectively.

Except for Manojkumar N Jain, who does not have a driving license, our Company confirms that the permanent account number, Aadhaar card number, driving license number and bank account number and passport number, as applicable, of our Promoters will be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Change in control of our Company

Our Promoters are the original Promoters of our Company and there has been no change in control of our Company in the preceding five years. Additionally, pursuant to a resolution dated September 2, 2024 passed by our Board, Pankajkumar H Jagawat, Manojkumar N Jain and Shashank Bhawarlal Jagawat have been identified as Promoters of our Company. For details in relation to the shareholding of our Promoters and Promoter Group, and changes in the shareholding of our Promoter, including since incorporation, see "*Capital Structure*" on page 80.

Other ventures of our Promoter

Other than as disclosed in the sections entitled, "*Our Management – Board of Directors*" and "*-Entities forming part of the promoter group*" on pages 203 and 221 respectively, our Promoters are not involved in any other ventures.

Interests of our Promoters

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their respective shareholding in our Company, the shareholding of their relatives who hold Equity Shares in our Company, and the dividends payable upon such shareholding and any other distributions in respect of their shareholding in our Company. For further details, see "*Capital Structure – Build-up of the shareholding of our Promoters in our Company*" on page 83. Additionally, our Promoters may also be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) controlled by our Promoters. For further details, see *"Other Financial Information - Related Party Transactions"* on page 274.

Further, our Promoters namely, Pankajkumar H Jagawat and Manojkumar N Jain, who are also Directors and Key Managerial Personnel of our Company, and Shashank Bhawarlal Jagawat, who is a Non-Executive Director, may be deemed to be interested in the terms of their appointment as such, including in relation to benefits, remuneration, reimbursement of expenses, etc., payable to them, if any, in their capacity as Directors and Key Managerial Personnel, as applicable. For further details, see "*Our Management*" on page 203.

Further, our Promoters have extended personal guarantees in favour of our lenders to secure the borrowings availed by our Company and may be deemed to be interested to that extent. Our Promoters have also from time to time extended unsecured loans to our Company and are interested to the extent of repayment of such amounts along with interest thereon. As on the date of this Draft Red Herring Prospectus, our Promoters have extended unsecured loans that cumulatively amounted to ₹ 22.88 million.

No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested, in cash or shares or otherwise, by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our Promoters or by such firm or company, in connection with the promotion or formation of our Company.

Except for Utssav CZ Gold Jewels Limited and Uzuri Jewels Private Limited, our Promoters do not have any interest in a venture that is involved in any activities similar to those conducted by our Company. Uzuri Jewels Private Limited and Utssav CZ Gold Jewels Limited have entered into separate non-compete agreements dated January 06, 2025 and January 06, 2025 , respectively, with our Company, to ensure that their products do not compete with those of our Company.

For further details, see "*History and Certain Corporate Maters - Key terms of other subsisting material agreements - Non-Compete Agreement dated January 06, 2025, entered into among our Company and Utssav CZ Gold Jewels Limited ("Non-Compete Agreement 1")"* and *"History and Certain Corporate Maters - Key terms of other subsisting material agreements - Non-Compete Agreement dated January 06, 2025, entered into among our Company and Uzuri Jewels Private Limited ("Non-Compete Agreement 2")*" on page 202 and "*Risk Factors – 45. Our Promoters, Promoter Group, Directors, Group Companies, Key Managerial Personnel, Senior Management of our Company may enter into ventures that may lead to real or potential conflicts of interest with our business. Further, our Promoters and Directors have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits. Any real or potential conflicts of interest that may arise in this regard may materially adversely impact our business, financial condition, results of operations and cash flows.*" on page 55.

Interest in property acquired, acquisition of land, construction of building and supply of machinery

Our Promoters do not have any interest (direct or indirect) in any property acquired by our Company in the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building and supply of machinery.

Payment or Benefits to Promoters or Promoter Group

Except in the ordinary course of business and as stated in the section entitled "*Other Financial Information – Related Party Transactions*" on page 274, there have been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus, nor is there any intention to pay or give any benefit to our Promoter or Promoter Group as on the date of this Draft Red Herring Prospectus.

Disassociation by our Promoters in the last three years

Except as disclosed below, our Promoters have not disassociated themselves from any companies or firms during the preceding three years from the date of this Draft Red Herring Prospectus**.**

Name of the company/firm	Name of Promoter	Reasons for and circumstances leading to dissociation	Date of dissociation
M/s. Sanskriti Gold	Pankajkumar H Jagawat	Dissolution	March 29, 2024
M/s. Sanskriti Gold	Manojkumar N Jain	Dissolution	March 29, 2024
M/s. Shanti Gold Finance	Pankajkumar H Jagawat	Dissolution	August 16, 2024
M/s. Shanti Gold Finance	Manojkumar N Jain	Dissolution	August 16, 2024
Brahammand Jewellery Private Limited	Pankajkumar H Jagawat	Entity has been struck off	September 16, 2024

Experience of our Promoters in the business of our Company:

Our Promoters are experienced in the line of business in which our Company operates. For details in relation to experience of our Promoters in the business of our Company, see "*Our Management – Brief Profile of our Directors*" and "*Our Promoters & Promoters Group*" on pages 205 and 218, respectively.

Material guarantees given by our Promoters with respect to the Equity Shares

As of the date of this Draft Red Herring Prospectus, our Promoters have not given any material guarantees with respect to the Equity Shares of the Company.

Confirmations

Our Promoters and members of our Promoter Group have not been declared Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on Wilful Defaulters or Fraudulent Borrowers issued by Reserve Bank of India.

Our Promoters have not been declared as fugitive economic offenders under section 12 of the Fugitive Economic Offenders Act, 2018.

Our Promoters and members of our Promoter Group have not been prohibited or debarred 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 any other authority, court or tribunal inside and outside India.

Our Promoters are not and have not been a promoter or director of any other company which is debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no conflict of interest between our Promoters or members of our Promoter Group and the suppliers of raw materials and third-party service providers of our Company, which are crucial for the operations of our Company.

There is no conflict of interest between our Promoters or members of our Promoter Group and lessors of the immovable properties, which are crucial for the operations of our Company.

Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group (due to their relationship with our individual Promoters), other than our individual Promoters, are as follows:

Name of Promoter	Name of member of the Promoter Group	Relationship with the Promoter
Pankajkumar H Jagawat	Suman Pankaj Jagawat	Spouse
	Manjula G. Kothari	Sister
	Veena Sanjay Jain	Sister
	Bhawarlal Hastimal Jain	Brother
	Shantilal H Jagawat	Brother
	Dineshkumar Hastimal Jagawat	Brother
	Krish Pankaj Jagawat	Son
	Mir Pankaj Jagawat	Son
	Kantaben J Ranka	Spouse's mother
	Vasant Jaswantraj Ranka	Spouse's brother
Manojkumar N Jain	Kavita M. Jain	Spouse
	Praveen Kumar Jain	Brother
	Soniya Pramodbhai Jain	Sister
	Tarunaben Hiralal Jain	Sister
	Vansh Manojkumar Jain	Son
	Shristi Manoj Jain	Daughter
	Nimesh Pukhraj Jain	Spouse's brother
Shashank Bhawarlal Jagawat	Neha Shashank Jagawat	Spouse
	Pawan Bhawarlal Jagawat	Mother
	Bhawarlal Hastimal Jain	Father
	Shruti Bhawar Jagawat	Sister
	Vihana Shashank Jagawat	Daughter
	Sadhna Narendrakumar Bhandari	Spouse's mother
	Sahil Narendra Bhandari	Spouse's brother

Entities forming part of the Promoter Group

The entities forming part of our Promoter Group are as follows:

1. M/s. Ganesh Gold
2. M/s. Shanti Developers
3. Uzuri Jewels Private Limited
4. Utssav CZ Gold Jewels Limited
5. Shantilal Jagawat HUF
6. Pankaj Hastimal Jagawat HUF
7. Shashank Bhawarlal Jagawat HUF

OUR GROUP COMPANIES

In accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**"), for the purpose of identification of group companies, our Company has considered:

(i) the companies with which there were related party transactions, as covered under the applicable accounting standards, during the period for which the Restated Financial Information has been disclosed in this Draft Red Herring Prospectus; and

(ii) any other company as considered material by the Board.

In relation to point (ii) above, our Board, through its resolution dated November 18, 2024, has also considered such companies (other than the companies covered under the schedule of related party transactions as per the Restated Financial Information) as material for classification as "group companies", which are members of the Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, and have entered into one or more related party transactions during the last completed financial year and stub period, which individually or in the aggregate, exceed 10% of the restated revenue from operations of our Company, for the last completed financial year, as per the Restated Financial Information.

Based on the parameters outlined above, as on the date of this Draft Red Herring Prospectus, our Company has the following Group Companies:

A. Details of the Group Companies

Set out below are details of our Group Companies.

Uzuri Jewels Private Limited

Registered Office

The registered office of Uzuri Jewels Private Limited is situated at 211/212, Keytu Industrial Estates, Near MIDC Police Station, MIDC Andheri (East), Mumbai, Maharashtra, India, 400059.

Financial information

Certain financial information derived from the audited financial statements of Uzuri Jewels Private Limited for Fiscals 2024, 2023 and 2022, as required by the SEBI ICDR Regulations, is available on the website of our Company at www.shantigold.in.

Utssav CZ Gold Jewels Limited

Registered Office

The registered office of Utssav CZ Gold Jewels Limited is situated at 2nd Floor, Hitech Plaza, Giriraj Indl Estate Mahakali Caves Road, Andheri (East), Mumbai City, Mumbai, Maharashtra, India, 400093.

Financial information

Certain financial information derived from the audited financial statements of Utssav CZ Gold Jewels Limited for Fiscals 2024, 2023 and 2022, as required by the SEBI ICDR Regulations, is available on the website of Utssav CZ Gold Jewels Limited at https://utssavjewels.com.

B. Nature and extent of interest of our Group Companies

a) *In the promotion of the Company*

None of our Group Companies have any interest in the promotion of our Company.

1. ***In the properties acquired by our Company in the past three years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company***

Our Group Companies are not interested in the properties acquired by our Company in the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

2. ***In transactions for acquisition of land, construction of building and supply of machinery, etc.***

Our Group Companies are not interested in any transactions for acquisition of land, construction of building or supply of machinery, etc.

C. Common pursuits among our Group Companies and our Company

Our Group Companies, namely, Utssav CZ Gold Jewels Limited and Uzuri Jewels Private Limited are engaged in similar line of business as that of our Company and are enabled under their memorandum of association to carry on similar activities as those of our Company. Uzuri Jewels Private Limited and Utssav CZ Gold Jewels Limited have entered into separate non-compete agreements dated January 06, 2025 and January 06, 2025, respectively, with our Company, to ensure that the products of Uzuri Jewels Private Limited and Utssav CZ Gold Jewels Limited do not compete with those our Company. Our Company and our Group Companies will also adopt any additional necessary procedures and practices as permitted by law to address any conflict situation as and when they arise. For further details, see "*History and Certain Corporate Maters - Key terms of other subsisting material agreements - Non-Compete Agreement dated January 06, 2025, entered into among our Company and Utssav CZ Gold Jewels Limited ("Non-Compete Agreement 1")*" and *"History and Certain Corporate Maters - Key terms of other subsisting material agreements - Non-Compete Agreement dated January 06, 2025, entered into among our Company and Uzuri Jewels Private Limited ("Non-Compete Agreement 2")*" on page 202 and "*Risk Factors – 45. Our Promoters, Promoter Group, Directors, Group Companies, Key Managerial Personnel, Senior Management of our Company may enter into ventures that may lead to real or potential conflicts of interest with our business. Further, our Promoters and Directors have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits. Any real or potential conflicts of interest that may arise in this regard may materially adversely impact our business, financial condition, results of operations and cash flows.*" on page 55.

D. Related business transactions within our Group Companies and significance on the financial performance of our Company

Except as disclosed in "*Restated Financial Information – Note 33: Related Party Transactions*" on page 265, there are no related business transactions with our Group Companies.

E. Litigation

As on the date of this Draft Red Herring Prospectus, there are no pending litigations involving our Group Companies which may have a material impact on our Company.

F. Business interest of our Group Company

Except in the ordinary course of business and as stated in "*Restated Financial Information – Note 33: Related Party Transactions*" on page 265, our Group Companies do not have any business interest in our Company.

G. Other confirmations

Except for Utssav CZ Gold Jewels Limited, whose equity shares are listed on the EMERGE Platform of NSE, none of our Group Companies have any securities listed on any stock exchange. Further, except for Utssav CZ Gold Jewels Limited, which undertook an initial public offering of its equity shares, none of our Group Companies have made any public or rights issue (as defined under the SEBI ICDR Regulations) during the three years preceding the date of this Draft Red Herring Prospectus. Details of such public issue by Utssav CZ Gold Jewels Limited are as set forth below:

Information	Details
Year of Issue	2024-2025
Type of Issue (Public/Rights/Composite)	Initial public offer of equity shares of face value of ₹10 each.
Amount of Issue (₹)	6,94.98 million

Information	Details
Issue Price (₹)	110/-
Current Market Price (₹)	273.75/-
Date of Closure of Issue	August 2, 2024
Date of Allotment and Credit of Securities to Dematerialized Account of Investors	August 5, 2024
Date of completion of the project, where object of the issue was financing the project	N.A.
Rate of Dividend Paid	Nil

There is no conflict of interest between our Group Companies and their directors and third-party service providers of our Company (crucial for operations of our Company).

There is no conflict of interest between our Group Companies and their directors and the lessor of immovable properties of our Company (crucial for operations of our Company).

DIVIDEND POLICY

Our Board of Directors, pursuant to a resolution dated December 19, 2024, have adopted a dividend distribution policy. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued there under).

Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on internal factors that our Board deems relevant, including among others, profitable growth of our Company and specifically profits earned during the financial year, capital allocation plans, earning stability and outlook, past dividend pattern, cash flow position of our Company, capital expenditure to be incurred by our Company, accumulated reserves, statutory requirements like transfer to statutory reserve fund, liquidity position of the company including its working capital requirements and debt servicing obligations, minimum cash required for contingencies or unforeseen events, funds required to service any outstanding loans, liquidity and return ratios and any other significant developments that require cash investments, or, retention of fund. In addition, our ability to pay dividends may be impacted by a number of external factors such as macro-economic environment, changes in the government policies, including political, tax and regulatory changes both domestic and global, significant change in the business or technological environment or any changes in competitive environment, industry specific rulings and regulatory provisions, industry outlook for the future years, and inflation rate. Our Company may decide against paying dividend due to, *inter alia*, inadequacy of profits or whenever the Company has incurred losses, undertaking of or proposal to undertake a significant expansion project requiring higher allocation of capital, and undertaking ofany acquisitions or joint arrangements requiring significant allocation of capital. For more information on restrictive covenants under our current loan agreements, see "*Financial Indebtedness*" and *"Risk Factors – 31. We have incurred significant indebtedness which exposes us to various risks which may have an adverse effect on our business, results of operations and financial conditions. Conditions and restrictions imposed on us by the agreements governing our indebtedness could adversely affect our ability to operate our business."* on pages 276 and 49, respectively. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time and the final dividend will be paid on the approval of shareholders at a general meeting.

Our Company has not declared any dividends on the Equity Shares during the last three Fiscals and six months period ended September 30, 2024, and the period from October 1, 2024, until the date of this Draft Red Herring Prospectus.

The past trend in relation to our payment of dividends is not necessarily indicative of our dividend trend or dividend policy, in the future, and there is no guarantee that any dividends will be declared or paid in the future. For details in relation to the risk involved, see "*Risk Factors – 46. There can be no assurance that our Company will be in a position to pay dividends in the future.*" on page 56.

SECTION V: FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION/STATEMENTS

To,

The Board of Directors,
SHANTI GOLD INTERNATIONAL LIMITED
Mumbai

Independent Auditor's Examination Report on Restated Financial Information/Statements in Connection with the Proposed Issue of Equity Shares pursuant to Initial Public Offering By Shanti Gold International Limited.

Dear Sirs,

We have examined the attached Restated Financial Information/Statements and Other Financial Information of **Shanti Gold International Limited** (hereunder referred to 'the Company", "issuer") comprising the following:

a) the Restated Statement of Assets and Liabilities as at September 30,2024, March 31,2024, March 31, 2023, and March 31, 2022,

b) the Restated Statement of Profit & Loss for the period ended September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022,

c) the Restated Cash Flow Statement for the period ended September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, and

d) the statement of Significant Accounting Policies and other explanatory information enclosed as Notes to Financial Statements (Collectively the Restated Financial Information/Statements),

As approved by the Board of Directors in their meeting held on 19th December, 2024 for the purpose of inclusion in the offer documents – Draft Red Herring Prospectus ("DRHP") ,the Red Herring Prospectus ("RHP") and the Prospectus to be filed with the Securities and Exchange Board of India ("SEBI"), the Stock Exchanges and the Registrar of Companies, Maharashtra at Mumbai ("Registrar of Companies" prepared by the Company in connection with the IPO of equity shares of face value of Rs.10 each comprising a fresh issue of equity shares (the "Issue") prepared in terms of the requirements of:

a) Section 26 and 32 of Part I of Chapter III to the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014, as amended from time to time.

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (the 'SEBI ICDR Regulations') as amended from time to time in pursuance of Section 11 of the Securities and Exchange Board of India Act,1992, and

c) The Guidance Note on Reports in Company Draft Prospectus / Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("ICAI") ("Guidance Note")

d) E-mail dated 28 October 2021 from Securities and Exchange Board of India ("SEBI") to Association of Investment Bankers of India, instructing lead managers to ensure that companies provide financial statements prepared in accordance with Indian Accounting Standards (Ind-AS) for financial statements of the Company as at and for the six months ended September 30, 2024 and for the Fiscals 2024, 2023 and 2022.

e) The terms of reference to our engagement letter with the company dated 20th November, 2024 requesting us to carry out the assignment, in connection with Company proposes to file the Draft Red Herring Prospectus with respect to the Issue (the "DRHP") with the Securities and Exchange Board of India ("SEBI"), BSE Limited and National Stock Exchange of India Limited (collectively, the "Stock Exchanges") in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") and subsequently proposes to file (i) Red Herring Prospectus with SEBI, the Stock Exchanges and the Registrar of Companies, Mumbai ("Registrar of Companies" and such Red Herring Prospectus, the "RHP"); (ii) Prospectus with SEBI, the Stock Exchanges and the Registrar of Companies (the "Prospectus").

Management's Responsibility for the Restated Financial Information/Statements:

1. The Company's Management and Board of Directors are responsible for the preparation of the Restated Financial Information/Statements for the purpose of inclusion in the offer documents to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and the Registrar of Companies in connection with the IPO.

2. The Restated Financial Information/Statements have been prepared by the management of the Company for the Period ended on September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 on the basis of preparation stated in paragraph 2.2 to the Restated Financial Information/Statements.

3. The responsibilities of the management and the Board of Directors of the Companies includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information/Statements.

4. The Management and Board of Directors are also responsible for identifying and ensuring that the Companies complies with the Act, SEBI ICDR Regulations and the ICAI Guidance Note, read with the SEBI e-mail, as applicable.

5. The Financial Information/Statements and information referred is the responsibility of the management of the Company.

Auditor's Responsibilities

1. We, J Kala & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and our peer Review Certificate is valid as on the date of signing of this report.

2. We have examined such Restated Financial Information/Statements taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 20th November, 2024 in connection with the proposed IPO of the Company;

   b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

   c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information/Statements; and in accordance with the Guidance Note on Reports in Company Prospectuses (Revised 2019) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India; and

   d) 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 SEBI ICDR Regulations and the Guidance Note in connection with the proposed IPO.

3. These Restated Financial Information have been compiled by the management from:

   a) The Audited Special Purpose Interim Ind AS Financial Statements of the Company as at and for the six month ended September 30, 2024, prepared in accordance with the

Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 19th December, 2024. The Special Purpose Interim Ind AS Financial Statements have been prepared by the management of the Company prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP") which was approved by the board of directors at their meeting held on 19th December, 2024.

b) As at and for the years ended March 31, 2024, March 31, 2023, and March 31, 2022

From the Audited Special Purpose Ind AS Financial Statements of the Company as at and for the years ended March 31, 2024, March 31, 2023, and March 31, 2022, which were prepared by the Company in response to the requirements of the SEBI e-mail and were approved by the Board of Directors at their Board meeting held on 19th December 2024. The Audited Special Purpose Ind AS Financial Statements as at and for the years ended 31st March 2024, 31st March 2023 and 31st March 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies (both mandatory exceptions and optional exemptions) availed as per Ind AS 101 for the transition date of 1st April 2021 and as per the presentation, accounting policies and grouping/classifications followed as at and for the stub period ended September 30, 2024.

4. We have audited Special Purpose Interim Ind AS Financial Statements of the Company as at and for the six months ended September 30, 2024 and also audited the Special Purpose Ind AS Financial Statements of the Company as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, prepared by the Company in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with ICAI's Guidance Note on Reports in Company Prospectuses and other accounting principles generally accepted in India, for the limited purpose of complying with the requirement of the financial statements being audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to proposed IPO and for complying with the requirements of the e-mail dated October 28, 2021 from Securities and Exchange Board of India ("SEBI") to Association of Investment Bankers of India, instructing lead managers to ensure that companies provide financial statements prepared in accordance with Indian Accounting Standards (Ind-AS) for financial statements of the Company as at and for the six months ended September 30, 2024 and for the Fiscals 2024, 2023 and 2022 (hereinafter referred to as the "the SEBI e-mail") that has been received by us through the book running lead manager appointed in connection with the IPO.

5. For the purpose of our examination, we have relied on:

Independent Auditors' Reports issued by the Previous Auditors Shahji & Co. (the "Previous Auditors") dated 08th September, 2022 and 29th August, 2023 for the financial year ended 31st March 2022 and 31st March 2023 respectively.

6. We have also examined the other financial information and Notes to Restated Financial Information/Statements relating to the Company prepared by the Company's 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 September 30, 2024, and for the financial year ended on March 31, 2024, March 31, 2023, and March 31, 2022 proposed to be included in the Offer Document for the proposed of IPO.

Particulars
Summary Statements of Restated Assets and Liabilities
Summary Statements of Restated Profit and Loss
Summary Statements of Restated Cash Flows
Summary Statement of Financial Liabilities
Summary of Capitalization Statement
Summary Statement of Dividend Paid / Proposed on Equity Shares;
Summary Statement of Change in Equity
Summary Statement of Deferred tax asset/Liability
Summary Statement of Trade Payables
Summary Statement of Other Current Liabilities
Summary Statement of Short Term Provision
Summary Statement of Investment
Summary Statement of Other Non-Current Assets
Summary Statement of Inventories
Summary Statement of Trade Receivable
Summary Statement of Cash and Cash Equivalents
Summary Statement of Bank
Summary Statement of Other Current Assets
Summary Statement of Revenue From Operations
Summary Statement of Other Income
Summary Statement of Cost Of Material Consumed
Summary Statement of Change In Inventory
Summary Statement of Employee Benefits Expenses
Summary Statement of Finance Costs
Summary Statement of Depreciation
Summary Statement of Other Expenses
Summary Statement of Property, Plant and Equipments
Summary Statement of Gratuity

Opinion

7. In accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with, Rules 4 to 6 Companies (Prospectus and Allotment of Securities) Rules, 2014, the Securities and Exchange Board of India (issue of capital and disclosure requirements) regulations, 2009 and the Guidance Note, we report that the Restatement:

   a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the six months period ended September 30, 2024 and in the financial years ended 31st March 2024, 31st March 2023 and 31st March 2022 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the six months period ended September 30, 2024;

   b) does not contain any qualifications requiring adjustments. However, those qualifications in the Annexure to the auditors" report issued under Companies (Auditor's Report) Order, 2020 / Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, as applicable, on the financial statements for the years ended 31st March 2024, 31st March 2023 and 31st March 2022, which do not require any corrective adjustments in the Restated Financial Information.

   c) has been prepared in accordance with the Act, ICDR Regulations and the Guidance Note, and the SEBI e-mail.

   The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the Reports on the Special Purpose Interim Audited Financial Statements and Audited Special Purpose Ind AS Financial Statements except the material developments after the balance sheet date before filing of DRHP (Refer Note 46 of Restated Financial Statement).

   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 or the previous auditors, nor should this report be construed as a new opinion on any of the Financial Statements referred to therein.

   We have no responsibility to update our report for events and circumstances occurring after the date of the report.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, Issued by the ICAI. We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the Institute of Chartered Accountants of India.

Restriction on Use

Our report is intended solely for use of the Board of Directors for inclusion in the offer documents to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, Maharashtra at Mumbai in connection with the IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For J Kala & Associates
Chartered Accountants
Firm Registration No: 118769W

Hiral Mehta
Partner
Membership No: 149085
UDIN: 24149085BKCKJM4330
Date: 19th December 2024
Place: Mumbai

SHANTI GOLD INTERNATIONAL LIMITED
STATEMENT OF RESTATED ASSETS AND LIABILITIES

(₹ in million)

Particulars	Note No.	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
ASSETS					
Non -Current Assets					
(a) Property, Plant and Equipment	3	167.43	185.18	117.22	116.07
(b) Capital Work-in-progress	3	80.65	78.45	59.54	37.83
(c) Investment Property	3	240.34	214.74	218.88	223.02
(d) Intangible Assets	3	0.06	0.07	0.12	0.91
(e) Right-of-use asset	3	187.79	202.00	88.78	92.70
(f) Financial Assets	4				
(i) Investments		0.03	0.03	0.03	0.03
(ii) Other Financial Assets		22.79	18.20	48.88	24.37
(g) Other non current assets	5	0.00	0.00	0.00	0.00
Current Assets					
(a) Inventories	6	1285.97	1286.02	853.93	850.46
(b) Financial Assets	7				
(i) Trade receivables		1528.87	782.31	1023.25	698.46
(ii) Cash and cash equivalents		70.72	34.56	14.14	2.64
(iii) Bank balances other than cash and cash equivalents		448.03	394.26	97.96	44.16
(iv) Other financial assets		1.97	1.72	0.57	2.00
(c) Other current Assets	8	77.91	56.46	45.53	51.45
TOTAL		**4112.56**	**3254.01**	**2568.83**	**2144.10**
EQUITY AND LIABILITIES					
EQUITY					
(a) Equity Share Capital	9	90.00	90.00	90.00	90.00
(b) Other Equity	10	1058.43	876.69	608.05	410.13
Non Current Liabilities					
(a) Financial Liabilities	11				
(i) Borrowing		307.12	346.20	430.68	393.89
(ii) Lease Liabilities		97.55	105.68	11.41	12.68
(iii) Other Financial Liabilities		10.80	10.80	5.86	4.02
(b) Deferred Tax Liability	12	68.39	72.14	80.51	78.81
(c) Provisions	13	1.77	1.67	1.80	0.83
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowing	14	2307.31	1637.43	1204.96	1025.81
(ii) Lease Liabilities		17.13	17.47	6.29	7.34
(iii) Trade Payables	15				
(a) Dues of micro enterprises and small enterprises		15.07	19.70	15.71	18.31
(b) Dues of creditors other than micro enterprises and small enterprises		77.79	24.94	47.20	58.42
(b) Other Current Liabilities	16	37.04	32.39	41.44	43.83
(c) Short Term Provisions	17	24.16	18.89	24.92	0.03
TOTAL		**4112.56**	**3254.01**	**2568.83**	**2144.10**

Statement of Significant accounting policies	1-2
The accompanying notes are an integral part of the Financial Statements	3-46

As per our Report of even date attached
For J. Kala & Associates
CHARTERED ACCOUNTANTS
F.R.N. 118769W

CA Hiral Mehta
Partner
M. NO: 149085
UDIN : 24149085BKCKJM4330

PLACE : Mumbai
DATE: 19th December,2024

For and on behalf of the Board of Directors
FOR SHANTI GOLD INTERNATIONAL LIMITED

Pankajkumar H. Jagawat
Managing Director
DIN No :- 01843846

Manojkumar N. Jain
Wholetime Director
DIN No :- 01817027

Shriram Kannan Iyengar
Chief Finance Officer
PAN:-AAHPI1372G

Vrushti Parag Shah
Company Secretary
PAN:-GTPPS8086E

SHANTI GOLD INTERNATIONAL LIMITED
STATEMENT OF RESTATED PROFIT AND LOSS

(₹ in million)

Particulars	Note No.	For the period ended September 30,2024	For the period ended March 31,2024	For the period ended March 31,2023	For the period ended March 31,2022
INCOME					
I. Revenue from Operations	18	5059.00	7114.34	6794.04	4283.41
II. Other Income	19	37.65	36.04	28.71	17.93
III.Total Income (I+II)		**5096.65**	**7150.38**	**6822.75**	**4301.34**
EXPENSES					
Cost of materials consumed	20	4646.61	6939.08	6248.32	4393.96
Changes in inventories of Finished Goods, Work-in-progress and Stock-in-Trade	21	22.72	(441.97)	17.88	(378.47)
Employee benefits expenses	22	27.41	49.85	44.63	39.03
Finance costs	23	87.48	142.78	121.27	97.97
Depreciation and amortisation expense	24	27.31	33.52	24.87	25.04
Other Expenses	25	37.98	68.88	56.22	39.88
IV.Total Expenses		**4849.51**	**6792.14**	**6513.19**	**4217.41**
V. Profit before exceptional and extraordinary items and tax (III - IV)		**247.14**	**358.24**	**309.56**	**83.93**
VI. Exceptional items (net)		.	.	.	.
VII.Profit / (Loss) before extraordinary items and tax (V-VI)		**247.14**	**358.24**	**309.56**	**83.93**
VIII.Extraordinary items					
IX. Profit / (Loss) before tax (VII-VIII)		**247.14**	**358.24**	**309.56**	**83.93**
.Tax expense:					
1. Current tax		68.15	97.38	109.53	33.65
2. Deferred Tax		(3.49)	(8.36)	1.84	17.27
3. Earlier Year Tax		0.00	0.54	0.00	0.00
X.Total Tax Expense		**64.66**	**89.56**	**111.37**	**50.92**
XI.Profit / (Loss) from the period (IX - X)		**182.48**	**268.68**	**198.19**	**33.01**
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurement gains/(losses) on defined benefit plan		(0.98)	(0.06)	(0.41)	0.50
Income tax effect on above		0.25	0.01	0.14	0.18
Other comprehensive income for the year		(0.73)	(0.04)	(0.27)	0.68
Total comprehensive income for the year		**181.75**	**268.64**	**197.92**	**33.69**
WEIGHTED AVERAGE NUMBER OF SHARES		54.00	54.00	54.00	54.00
Earning per Equity Share of Rs. 10/- fully paid:	26				
1. Basic		3.38	4.98	3.67	0.61
2. Diluted		3.38	4.98	3.67	0.61

Statement of Significant accounting policies	1-2
The accompanying notes are an integral part of the Financial Statements	3-46

As per our Report of even date attached
For J. Kala & Associates
CHARTERED ACCOUNTANTS
F.R.N. 118769W

CA Hiral Mehta
Partner
M. NO: 149085
UDIN : 24149085BKCKJM4330

PLACE : Mumbai
DATE: 19th December,2024

For and on behalf of the Board of Directors
FOR SHANTI GOLD INTERNATIONAL LIMITED

Pankajkumar H. Jagawat
Managing Director
DIN No :- 01843846

Manojkumar N. Jain
Wholetime Director
DIN No :- 01817027

Shriram Kannan Iyengar
Chief Finance Officer
PAN:-AAHPI1372G

Vrushti Parag Shah
Company Secretary
PAN:-GTPPS8086E

SHANTI GOLD INTERNATIONAL LIMITED
STATEMENT OF RESTATED CASH FLOW STATEMENT

(₹ in million)

Particulars	For the period ended September 30,2024	For the period ended March 31,2024	For the period ended March 31,2023	For the period ended March 31,2022
A) Cash Flow From Operating Activities				
Net Profit Before Tax For The Year	**247.14**	**358.24**	**309.56**	**83.93**
Adjustment For				
Depreciation/ Amortisation	27.31	33.52	24.87	25.04
(Profit)/Loss On Sale Of Fixed Assets	0.19	1.42	(1.46)	0.00
Impairment Provision / (Reversal) Of Financial Instruments (Net)	0.13	0.26	(0.46)	(0.65)
Unwinding Of Discount On Security Deposits	(0.77)	(0.44)	(0.16)	(0.15)
Remeasurement Gains/(Losses) On Defined Benefit Plans	(0.98)	(0.06)	(0.41)	0.50
Interest & Finance Charges	87.48	142.78	121.27	97.97
Dividend Income	(0.00)	(0.00)	(0.01)	(0.01)
Rent Income	(14.75)	(15.81)	(10.62)	(14.04)
Interest Income	(17.69)	(14.09)	(3.64)	(0.42)
Operating Profit Before Working Capital Changes	**328.07**	**505.82**	**438.94**	**192.17**
Adjustment For Working Capital Changes				
Decrease/(Increase) In Trade And Other Receivables	(746.56)	240.93	(324.78)	125.24
Decrease/(Increase) In Inventories	0.05	(432.09)	(3.47)	(386.65)
Decrease/(Increase) In Short Term Loans & Advances	(0.25)	(1.15)	1.43	(0.63)
Decrease In Other Current Assets	41.55	4.09	60.39	134.85
Decrease/(Increase) In Other Bank Balances	(53.77)	(296.30)	(53.81)	(32.56)
Increase/(Decrease) In Other Current Liabilities	4.65	(9.05)	(2.39)	(27.83)
Increase/(Decrease) In Trade And Other Payables	48.21	(18.27)	(13.82)	21.10
Increase/(Decrease) In Long/Short Term Provisions	(62.78)	(17.02)	(57.67)	(149.59)
Cash Generated From Operations	**(440.83)**	**(23.05)**	**44.80**	**(123.88)**
Income Tax Paid (Net Of Refund Received)	63.00	102.05	80.46	34.08
Net Cash Flow From Operating Activities (A)	**(503.83)**	**(125.10)**	**(35.66)**	**(157.97)**
B) Cash Flow From Investing Activities				
Purchase Of Fixed Assets	(49.55)	(84.98)	(17.44)	(3.54)
Proceeds From Sales Of Fixed Assets	29.45	1.13	4.72	0.00
Investment In Construction Of Building (Capital Work In Progress)	(2.20)	(18.91)	(21.70)	(37.44)
Proceeds From Sale Of Capital Assets	0.00	0.00	0.00	21.14
Fixed Deposit (Given)/ Received Back	(0.36)	2.21	(20.31)	(0.84)
Security Deposit (Given)/ Received Back	(3.50)	19.90	(4.31)	(19.79)
Interest Received	17.69	14.09	3.64	0.42
Dividend Received	0.00	0.00	0.01	0.01
Rent Received	14.75	15.81	10.62	14.04
Net Cash Used In Investment Activities (B)	**6.29**	**(50.75)**	**(44.77)**	**(26.00)**
C. Cash Flow From Financing Activities				
Proceeds From Long Term Borrowings	0.00	35.95	159.57	338.47
Repayment Of Long Term Borrowings	(39.21)	(120.69)	(122.33)	(57.56)
Principal Payment Of Lease Liabilities	(16.66)	(21.02)	(7.36)	(6.26)
Security Deposit (Given)/ Received Back	0.00	4.95	1.84	0.00
Increase/(Decrease) In Short Term Borrowings	669.88	432.47	179.16	2.92
Interest & Finance Charges Paid	(80.30)	(135.39)	(118.95)	(95.49)
Net Cash Flow From Financing Activities (C')	**533.70**	**196.27**	**91.93**	**182.08**
Net Increase / Decrease In Cash And Cash Equivalents (A+B+C)	**36.16**	**20.42**	**11.50**	**(1.88)**
Cash & Cash Equivalents As At The Beginning Of The Period	34.56	14.14	2.64	4.52
Cash & Cash Equivalents As At The End Of The Period	**70.72**	**34.56**	**14.14**	**2.64**

Note: Previous year's figures have been regrouped/rearranged wherever considered necessary.

As per our Report of even date attached
For J. Kala & Associates
CHARTERED ACCOUNTANTS
F.R.N. 118769W

CA Hiral Mehta
Partner
M. NO: 149085
UDIN : 24149085BKCKJM4330
PLACE : Mumbai
DATE: 19th December,2024

For and on behalf of the Board of Directors
FOR SHANTI GOLD INTERNATIONAL LIMITED

Pankajkumar H. Jagawat
Managing Director
DIN No :- 01843846

Manojkumar N Jain
Wholetime Director
DIN No :- 01817027

Shriram Kannan Iyengar
Chief Finance Officer
PAN:-AAHPI1372G

Vrushti Shah
Company Secretary
PAN:-GTPPS8086E

(All amounts are in rupees million unless otherwise stated)

Restated Financial Information – Basis of Preparation, Measurement and Significant Accounting Policies

1. Corporate information

1.1. Shanti Gold International Limited (the Unlisted Public “Company") is a public company domiciled in India, with its registered office situated at A-51, 2nd floor - 7th floor, Road No.1, Marol Industrial Estate, MIDC, Near Tunga International Hotel, Andheri East, Mumbai, Maharashtra, 400093, India and its other Branches located in other parts of India. The company is mainly engaged in the business Wholesaler & Manufacturer of Gold Ornaments.

1.2. Shanti Gold International Limited was converted on 1st November 2013 under the provision of Companies Act 1956, and deemed to be incorporated under the provisions of Companies Act 2013.

1.3. The financial statements of the Company for the period ended September 30, 2024, are approved and authorized for issue in accordance with a resolution of the Board of Directors.

2. Basis of Preparation, Measurement and Significant Accounting Policies

Basis of Preparation and Measurement

2.1. The restated financial information of the Company comprise the Restated Balance Sheet as at 30th September 2024, 31st March 2024, 31st March 2023, 31st March 2022 and , the Restated Statement of Profit and Loss (including Other Comprehensive Income), Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for years ended 30th September 2024, 31st March 2024, 31st March 2023 and 31st March 2022, the summary of significant accounting policies and explanatory notes (collectively, the „Restated Financial Information‟)., has been prepared by the Management of the Company as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”) issued by the Securities and Exchange Board of India ('SEBI'), in pursuance of the Securities and Exchange Board of India Act, 1992, solely for the purpose of inclusion in the Draft Red Herring Prospectus (referred to as 'DRHP'), in connection with its proposed Initial Public Offer of equity shares (“IPO”) ('DRHP' referred to as 'IPO Offer Document') and have been prepared in accordance

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act")

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended:

c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the “Guidance Note”)

The Restated Financial Information of the Company have been prepared to comply in all material respects with the Indian Accounting Standards (“Ind AS”) as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III to the Act, as applicable to the financial statements and other relevant provisions of the Act.

Pursuant to the Companies (Indian Accounting Standard) Second Amendment Rules, 2015, the Company prepared its first set of statutory financial statements as per Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) for the period ended 30 Sept 2024. and consequently, 1st April 2021 is the transition date for preparation of such statutory financial statements. Up to the financial year ended 31st March 2022, the Company prepared its financial statements in accordance with accounting standards prescribed under Section 133 of the Companies Act, 2013 (“Indian GAAP”).

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Company has presented an explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows (Refer to Note 27 forming part of financial statements)

This restated financial information were approved for issue by the Company’s Board of Directors on 19th December 2024

(All amounts are in rupees million unless otherwise stated)

2.2. Process of preparation of Restated Financial Information:

The Restated Financial Information of the Company for the Period has been complied by the Company from:

2.2.1. Restated Financial Information as at and for the periods ended 30th September 2024, 31st March 2024, 31st March 2023 and 31st March 2022.

2.2.2. The Restated Financial Information has been prepared have been prepared in accordance with the Guidance Note on Combined and Carve Out Financial Statements and Guide to Reporting on Restated Financial Statements issued by the Institute of Chartered Accountants of India ('ICAI') ('Guidance Note') using the recognition and measurement principles of Indian Accounting Standards (‘Ind AS’).

Notes to the Restated Financial Information

(i) Basis of Preparation:

The accounting policies set out below have been applied consistently to the years presented in the Restated Financial Information. This Restated Financial Information has been prepared on a going concern basis.

(ii) Basis of Measurement:

The Restated Financial Information have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value or amortized cost method (refer accounting policy regarding financial instruments) or revalued amount.

(iii) **Current and non-current classification:** All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in Schedule III to the Act. Based on the above criteria, the Company has ascertained its accounting cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

(iv) **Functional and presentation currency:** The financial statements are presented in Indian Rupees (₹), which is also the Company’s functional currency. All amounts have been rounded off to the nearest millions, unless otherwise indicated.

(v) **Basis of measurement:** The financial statements have been prepared on the historical cost basis except for the following items:

Items	**Measurement basis**
Certain financial assets and liabilities	Fair value
Net defined benefit liability	Present value of defined benefit obligations.

Use of estimates and judgements

The preparation of these Restated financial statements in conformity with the recognition and measurement principles of Ind AS requires, management to make judgements, estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented.

Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the amounts recognized in the Restated Financial Information is included in the following notes:

- Impairment test of non-financial assets and financials assets
- Measurement of defined benefit obligations: key actuarial assumptions
- Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used.
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

Critical Judgements and Estimation In applying the Company's Accounting Policies

The estimates and judgements used in the preparation of the financial statements are based on historical experience and various other assumptions and factors (Including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates and judgements are based on the facts and events, which existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

The estimates and underlying assumptions are reviewed on an ongoing basis, Revisions to accounting estimates include useful lives of Property, Plant and Equipment, Intangible Assets allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognized in the period In which the results are known.

The areas involving critical estimates and judgements are:

a. Amortization of Intangible Assets

b. Recognition of deferred tax assets for carried forward tax losses.

c. Estimation of Current tax expenses and payable

d. Revenue recognition

(vi) Measurement of fair value

A number of accounting policies and disclosures require measurement of fair value for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either –

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

The principal or the most advantageous market must be accessible to/ by the Company.

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

Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

(All amounts are in rupees million unless otherwise stated)

2.1 Summary of significant accounting policies

a) Revenue

In recognizing revenue, the Company applies Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. The Standard require apportioning revenue earned from contracts to individual promises, or performance obligations, on a relative stand-alone selling price basis, using a five-step model.

Revenue is recognized upon transfer of control of promised product or services to customer in an amount that reflect the consideration which the Company expects to receive in exchange for those product or services at the fair value of the consideration received or receivable, which is generally the transaction price, net of any taxes/duties and discounts.

Revenue from Sale of products is recognized at the point of time upon transfer of control of promised goods to the customer in an amount that reflects the consideration the Company expects to receive in exchange for those goods i.e. when it is probable that the entity will receive the economic benefits associated with the transaction and the related revenue can be reliably measured.

Revenue is recognized at the fair value of the consideration received or receivable, which is generally the contracted price, net of any taxes/duties and discounts considering the impact of variable consideration.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

Use of significant judgements in revenue recognition: -

- The performance obligation is satisfied upon delivery of the goods.
- At the time of entering into the agreement / raising an invoice, performance obligations in the contract are identified. The Company/Entity delivers goods as per the terms & conditions of the contract. Contracts are of differing natures and sometimes have one specific performance obligation, and on other occasions have multiple performance obligations. Contract liability has been created towards unsatisfied or partially satisfied performance obligation.
- Contract fulfilment costs are expensed as incurred.

Interest income
Interest income on time deposits and inter-corporate loans is recognized using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

Other income
In respect of other heads of income, the Company follows the practice of recognizing income on accrual basis.

b) Property, plant and equipment

Recognition and Measurement

Items of property, plant and equipment are measured at cost, net of recoverable taxes (wherever applicable), which includes capitalized borrowing costs less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, if any, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant, and equipment.

Any gain or loss from the disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

Subsequent Expenditure

Subsequent expenditures are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only if it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

All other repairs and maintenance are charged to the statement of profit and loss during the reporting year in which they are incurred.

Depreciation methods, estimated useful lives and residual values

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value over their useful life using straight line method and is recognized in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as under and the same are equal to lives specified as per schedule II of the Act.

Particulars	**Useful lives (in years)**
Tangible assets:	
Building	60 Years
Furniture and fixtures	8-10 years
Plant & Machinery	8-15 years
Office equipment	5 Years
Vehicle	8 Years
Computer & Server	3-6 years
Electrical Installment	10 years

Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale/discard from property, plant and equipment is provided for up to the date of sale, deduction or discard of property, plant and equipment as the case may be.

Depreciation method, useful lives and residual values are reviewed at each financial year-end, and changes, if any, are accounted for prospectively.

c) Other intangible assets

Other intangible assets

An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the Company where its cost can be reliably measured.

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortization and any accumulated impairment losses. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

Amortization

Amortization is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method and is included in depreciation and amortization expense in the statement of profit and loss.

The useful lives of intangible assets are as follows:

Intangible assets: Useful lives (in years)	
Trademark	10 Years
Software Licenses	5 years

Amortization method, useful lives and residual values are reviewed at each financial year-end, and changes, if any, are accounted for prospectively.

Losses arising from the retirement of, and gain or losses arising from disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognized as income or expense in the statement of profit and loss.

d) Investment Property

Recognition and Measurement

Land and Building held to earn rental or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes: or sale in the ordinary course of business is recognized as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

e) Capital Work in progress:

Cost of assets not ready for intended use, as on balance sheet date is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as other non-current assets.

f) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets or CGU's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are Companied together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Company of CGUs) on a pro rata basis.

After impairment, depreciation/amortization is provided on the revised carrying amount of the asset over its remaining useful life.

g) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

1. **Financial instruments**

i. Recognition and initial measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue, except for an item recognized at fair value through profit and loss. Transaction cost of financial assets carried at fair value through profit and loss is expensed in the statement of profit and loss.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost.
- Fair value through other comprehensive income (FVOCI), or
- Fair value through profit and loss (FVTPL)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.
Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified to be measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at amortized cost: These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses, if any. Interest income and impairment are recognized in the statement of profit and loss. Any gain or loss on derecognition is recognized in the statement of profit and loss.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognized in the statement of profit and loss.

Debts investments at FVOCI: These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On Derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

<u>Financial liabilities: classification, subsequent measurement & gain and loss</u>

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of profit and loss. Any gain or loss on derecognition is also recognized in the statement of profit and loss.

iii. Offsetting

Financial assets and monetary liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

iv. Derecognition

Financial Assets

The Company derecognize a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enter into transactions whereby it transfers assets recognized on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company derecognize a financial liability when its contractual obligations are discharged or cancelled or expired.

The Company also derecognize financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in the statement of profit and loss.

v. Impairment of financial instruments:

The Company recognize loss allowances for expected credit losses on: -

(i) Financial assets measured at amortized cost; and
(ii) Financial assets measured at FVOCI- debt investments.

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer.
- a breach of contract such as a default or being past due for an agreed credit period.
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise.
- it is probable that the borrower will enter bankruptcy or another financial reorganization; or
- the disappearance of an active market for security because of financial difficulties.

<u>Expected credit loss:</u>
Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than the agreed credit

period. The Company consider a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is past due and not recovered within the agreed credit period.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets disclosed in the Balance Sheet.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

h) Inventories

Inventories are valued as under:

a) Raw Material: Polished diamonds (including colour stone) are valued at lower cost or net realizable value.

b) Raw Material: Gold is valued at lower cost or net realizable value.

c) Finished goods: Jewellery is valued at lower cost or Net realizable value. The cost of material is determined on a FIFO basis. Cost includes cost of conversion and other costs incurred in bringing the inventory to their present location and condition less input credit availed.

d) Designs & Moulds: - Designs and Moulds is valued at lower cost or Net Realizable value. Cost Includes cost associated with creating and refining designs, Purchase cost, cost of conversion and other costs.

The Cost comprises all costs of purchases and other costs incurred in bringing the inventory to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on an item-by-item basis.

(All amounts are in rupees million unless otherwise stated)

i) Employee Benefits

Short term employee benefits:

Short-term employee benefit obligations are measured on an undiscounted basis and are expenses off as the related services are provided. Benefits such as salaries, wages, and bonus etc. are recognized in the statement of profit and loss in the year in which the employee renders the related service. The liabilities are presented as current employee benefit obligation in the balance sheet.

Long term employee benefits

Defined contribution plan: Provident fund

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate as per the provisions of The Employees Provident Fund and Miscellaneous Provisions Act, 1952. These contributions are made to the fund administered and managed by the Government of India. The Company has no further obligations under the plan beyond its monthly contributions. Obligation for contribution to defined contribution plan are recognized as an employee benefit expense in statement of profit and loss in the period during which the related services are rendered by the employees.

Defined Benefit Plan: Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company provide for retirement benefits in the form of Gratuity, which provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment in an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. Benefits payable to eligible employees of the Company with respect to gratuity is accounted for on the basis of an actuarial valuation as at the balance sheet date.

The present value of such an obligation is determined by the projected unit credit method and adjusted for past service cost as at the balance sheet date. The resultant actuarial gain or loss on change in present value of the defined benefit obligation is recognized as an income or expense in the other comprehensive income. The Company's obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The Company's determine the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Actuarial gain and losses are recognized in the Other Comprehensive Income.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized in the statement of profit and loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term benefits: Compensated absences

Benefits under the Company's compensated absences scheme constitute other employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation using the Projected Unit Credit Method. done by an independent actuary as at the balance sheet date. Actuarial gain and losses are recognized immediately in the Statement of Profit and Loss.

j) Income tax

Income tax comprises current and deferred tax. It is recognized in the statement of profit and loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction.

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be real.

k) Contingent Liability, Contingent Asset and Provisions

Contingent liability

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Provisions

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources, and a reliable estimate can be made of the amount of obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as a financial cost.

l) Cash and cash equivalents

Cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current financial liabilities in the balance sheet.

m) 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 period. The weighted average number of equity shares outstanding during the period are adjusted for events such as bonus issues, share split or of shares.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted into equity shares at the beginning of the period, unless they have been issued at a later date.

n) Leases

Company/Entities as a lessee

The Company's lease asset classes primarily consist of leases for land and other assets The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

•the contract involves the use of an identified asset.
•the Company has substantially all the economic benefits from use of the asset through the period of the lease and
•the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

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

The Company/Entities as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

(*All amounts are in rupees million unless otherwise stated)*

Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16, *Property Plant and equipment* – The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its *financial statements*.

Ind AS 37, *Provisions, Contingent Liabilities and Contingent Assets* – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company have evaluated the amendment, and the impact is not expected to be material.

Note - 3 (a) Property, Plant and Equipment

For the half year ended September 30, 2024

(₹ in million)

		Gross Carrying Amount				Accumulated Depreciation				Net Block	
S.No	**Description**	**As at April 1, 2024**	**Addition during the year**	**Disposal/ Adjustment**	**As at September 30, 2024**	**As at April 1, 2024**	**For the Year**	**Disposal/ Adjustment**	**As at September 30, 2024**	**As at September 30, 2024**	**As at March 31, 2024**
1	**Tangible Assets**										
	Buildings & Office Premise	67.07	0.00	42.35	24.72	16.28	0.20	13.93	2.55	22.17	50.79
	Plant and Equipment	96.86	19.19	2.70	113.35	28.42	3.97	1.47	30.92	82.43	68.44
	Computer & Software	11.12	1.50	0.00	12.61	8.87	0.66	0.00	9.54	3.08	2.24
	Furniture & Fixtures	17.77	0.06	0.00	17.83	10.23	0.83	0.00	11.06	6.77	7.54
	Motor cycle & Scooters	79.02	0.24	0.00	79.26	23.75	3.49	0.00	27.23	52.02	55.27
	Office Equipments	2.26	0.14	0.00	2.40	2.01	0.04	0.00	2.05	0.35	0.25
	Electrical Installation	0.91	0.00	0.00	0.91	0.26	0.04	0.00	0.30	0.61	0.65
	Total	**275.01**	**21.12**	**45.05**	**251.08**	**89.82**	**9.23**	**15.4**	**83.65**	**167.43**	**185.18**
	Previous year Figure	**196.13**	**84.98**	**6.1**	**275.01**	**78.91**	**14.47**	**3.55**	**89.82**	**185.18**	**117.22**

For the period ended March 31, 2024

(₹ in million)

		Gross Carrying Amount				Accumulated Depreciation				Net Block	
S.No	**Description**	**As at April 1, 2023**	**Addition during the year**	**Disposal/ Adjustment**	**As at March 31, 2024**	**As at April 1, 2023**	**For the Year**	**Disposal/ Adjustment**	**As at March 31, 2024**	**As at March 31, 2024**	**As at March 31, 2023**
1	**Tangible Assets**										
	Buildings & Office Premise	67.07	0.00	0.00	67.07	14.39	1.89	0.00	16.28	50.79	52.67
	Plant and Equipment	57.79	45.17	6.10	96.86	27.43	4.54	3.55	28.42	68.44	30.36
	Computer & Software	8.70	2.41	0.00	11.12	7.40	1.47	0.00	8.87	2.24	1.30
	Furniture & Fixtures	17.30	0.47	0.00	17.77	8.58	1.65	0.00	10.23	7.54	8.72
	Motor cycle & Scooters	42.94	36.08	0.00	79.02	18.91	4.83	0.00	23.75	55.27	24.02
	Office Equipments	2.02	0.24	0.00	2.26	1.96	0.05	0.00	2.01	0.25	0.06
	Electrical Installation	0.31	0.60	0.00	0.91	0.23	0.03	0.00	0.26	0.65	0.08
	Total	**196.13**	**84.98**	**6.1**	**275.01**	**78.91**	**14.47**	**3.55**	**89.82**	**185.18**	**117.22**
	Previous year Figure	**181.96**	**17.44**	**4.73**	**194.67**	**65.89**	**13.02**	**1.46**	**77.45**	**117.22**	**116.07**

For the period ended March 31, 2023

(₹ in million)

S.No	**Description**	**As at April 1, 2022**	**Addition during the year**	**Disposal/ Adjustment**	**As at March 31, 2023**	**As at April 1, 2022**	**For the Year**	**Disposal/ Adjustment**	**As at March 31, 2023**	**As at March 31, 2023**	**As at March 31, 2022**
1	**Tangible Assets**										
	Buildings & Office Premise	67.07	0.00	0.00	67.07	12.51	1.89	0.00	14.39	52.67	54.56
	Plant and Equipment	55.31	2.49	0.00	57.79	23.69	3.74	0.00	27.43	30.36	31.62
	Computer & Software	7.99	0.72	0.00	8.70	6.27	1.13	0.00	7.40	1.30	1.72
	Furniture & Fixtures	17.24	0.06	0.00	17.30	6.94	1.64	0.00	8.58	8.72	10.30
	Motor cycle & Scooters	32.03	14.18	4.73	41.48	14.40	4.51	1.46	17.45	24.02	17.63
	Office Equipments	2.02	0.00	0.00	2.02	1.88	0.08	0.00	1.96	0.06	0.14
	Electrical Installation	0.31	0.00	0.00	0.31	0.20	0.03	0.00	0.23	0.08	0.11
	Total	**181.96**	**17.44**	**4.73**	**194.67**	**65.89**	**13.02**	**1.46**	**77.45**	**117.22**	**116.07**
	Previous year Figure	**178.55**	**3.41**	**0.00**	**181.96**	**52.62**	**13.27**	**0.00**	**65.89**	**116.07**	**125.93**

For the period ended March 31, 2022

(₹ in million)

S.No	**Description**	**As at April 1, 2021**	**Addition during the year**	**Disposal/ Adjustment**	**As at March 31, 2022**	**As at April 1, 2021**	**For the Year**	**Disposal/ Adjustment**	**As at March 31, 2022**	**As at March 31, 2022**	**As at March 31, 2021**
1	**Tangible Assets**										
	Buildings & Office Premise	67.07	0.00	0.00	67.07	10.62	1.89	0.00	12.51	54.56	56.45
	Plant and Equipment	52.33	2.97	0.00	55.31	19.83	3.85	0.00	23.69	31.62	32.50
	Computer & Software	7.59	0.39	0.00	7.99	4.67	1.60	0.00	6.27	1.72	2.92
	Furniture & Fixtures	17.24	0.00	0.00	17.24	5.30	1.64	0.00	6.94	10.30	11.94
	Motor cycle & Scooters	32.00	0.03	0.00	32.03	10.34	4.06	0.00	14.40	17.63	21.66
	Office Equipments	2.01	0.01	0.00	2.02	1.68	0.2	0.00	1.88	0.14	0.32
	Electrical Installation	0.31	0.00	0.00	0.31	0.17	0.03	0.00	0.2	0.11	0.14
	Total	**178.55**	**3.41**	**0.00**	**181.96**	**52.62**	**13.27**	**0.00**	**65.89**	**116.07**	**125.93**
	Previous year Figure	**183.87**	**3.29**	**8.61**	**178.55**	**47.91**	**12.83**	**8.12**	**52.62**	**125.93**	**135.96**

Note - 3 (b) Capital Work-in-progress

For the half ended September 30, 2024

(₹ in million)

		Gross Carrying Amount				Accumulated Depreciation				Net Block	
S.No	**Description**	**As at April 01, 2024**	**Addition during the year**	**Disposal/ Adjustment**	**As at September 30, 2024**	**As at April 01, 2024**	**For the Year**	**Disposal/ Adjustment**	**As at September 30, 2024**	**As at September 30, 2024**	**As at March 31, 2024**
2	**Capital Work-in Progress**										
	Building	78.45	2.20	0.00	80.65	0.00	0.00	0.00	0.00	80.65	78.45
	Total	**78.45**	**2.20**	**0.00**	**80.65**	**0.00**	**0.00**	**0.00**	**0.00**	**80.65**	**78.45**
	Previous year Figure	**59.54**	**18.91**	**0.00**	**78.45**	**0.00**	**0.00**	**0.00**	**0.00**	**78.45**	**59.54**

For the period ended March 31, 2024

(₹ in million)

		Gross Carrying Amount				Accumulated Depreciation				Net Block	
S.No	**Description**	**As at April 1, 2023**	**Addition during the year**	**Disposal/ Adjustment**	**As at March 31, 2024**	**As at April 1, 2023**	**For the Year**	**Disposal/ Adjustment**	**As at March 31, 2024**	**As at March 31, 2024**	**As at March 31, 2023**
2	**Capital Work-in Progress**										
	Building	59.54	18.91	0.00	78.45	0.00	0.00	0.00	0.00	78.45	59.54
	Total	**59.54**	**18.91**	**0.00**	**78.45**	**0.00**	**0.00**	**0.00**	**0.00**	**78.45**	**59.54**
	Previous year Figure	**37.83**	**21.70**	**0.00**	**59.54**	**0.00**	**0.00**	**0.00**	**0.00**	**59.54**	**37.83**

For the period ended March 31, 2023

(₹ in million)

		Gross Carrying Amount				Accumulated Depreciation				Net Block	
S.No	**Description**	**As at April 1, 2022**	**Addition during the year**	**Disposal/ Adjustment**	**As at March 31, 2023**	**As at April 1, 2022**	**For the Year**	**Disposal/ Adjustment**	**As at March 31, 2023**	**As at March 31, 2023**	**As at March 31, 2022**
2	**Capital Work-in Progress**										
	Building	37.83	21.70	0.00	59.54	0.00	0.00	0.00	0.00	59.54	37.83
	Total	**37.83**	**21.7**	**0.00**	**59.54**	**0.00**	**0.00**	**0.00**	**0.00**	**59.54**	**37.83**
	Previous year Figure	**142.09**	**37.44**	**141.70**	**37.83**	**0.00**	**0.00**	**0.00**	**0.00**	**37.83**	**142.09**

For the period ended March 31, 2022

(₹ in million)

		Gross Carrying Amount				Accumulated Depreciation				Net Block	
S.No	**Description**	**As at April 1, 2021**	**Addition during the year**	**Disposal/ Adjustment**	**As at March 31, 2022**	**As at April 1, 2021**	**For the Year**	**Disposal/ Adjustment**	**As at March 31, 2022**	**As at March 31, 2022**	**As at March 31, 2021**
2	**Capital Work-in Progress**										
	Building	142.09	37.44	141.70	37.83	0.00	0.00	0.00	0.00	37.83	142.09
	Total	**142.09**	**37.44**	**141.70**	**37.83**	**0.00**	**0.00**	**0.00**	**0.00**	**37.83**	**142.09**
	Previous year Figure	**197.86**	**64.59**	**120.35**	**142.09**	**0.00**	**0.00**	**0.00**	**0.00**	**142.09**	**197.86**

The Capital work-in-progress ageing schedule during transition period is as follows:

(₹ in million)

Current Year 2024-25	**Amount in capital work-in-progress for a period of**				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Jaipur Building	2.20	18.91	21.70	37.83	80.65
Total Capital work-in-progress	**2.20**	**18.91**	**21.70**	**37.83**	**80.65**

(₹ in million)

Current Year 2023-24	**Amount in capital work-in-progress for a period of**				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Jaipur Building	18.91	21.7	37.44	0.39	78.45
Total Capital work-in-progress	**18.91**	**21.7**	**37.44**	**0.39**	**78.45**

(₹ in million)

Current Year 2022-23	**Amount in capital work-in-progress for a period of**				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Jaipur Building	21.7	37.44	0.09	0.31	**59.54**
Total Capital work-in-progress	**21.7**	**37.44**	**0.09**	**0.31**	**59.54**

(₹ in million)

Current Year 2021-22	**Amount in capital work-in-progress for a period of**				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Jaipur Building	37.44	0.09	0.31	0.00	37.83
Total Capital work-in-progress	**37.44**	**0.09**	**0.31**	**0.00**	**37.83**

Note - 3 (c) Investment Property

For the half year ended September 30, 2024

(₹ in million)

		Gross Carrying Amount				Accumulated Depreciation				Net Block	
S.No	**Description**	**As at April 1, 2024**	**Addition during the year**	**Disposal/ Adjustment**	**As at September 30, 2024**	**As at April 1, 2024**	**For the Year**	**Disposal/ Adjustment**	**As at September 30, 2024**	**As at September 30, 2024**	**As at March 31, 2024**
2	**Investment Property**										
	Buildings & Office Premise	245.54	28.42	0.00	273.96	30.81	2.82	0.00	33.62	240.34	214.74
	Total	**245.54**	**28.42**	**0.00**	**273.96**	**30.81**	**2.82**	**0.00**	**33.62**	**240.34**	**214.74**
	Previous year Figure	**245.54**	**0.00**	**0.00**	**245.54**	**26.66**	**4.14**	**0.00**	**30.81**	**214.74**	**218.88**

For the period ended March 31, 2024

(₹ in million)

		Gross Carrying Amount				Accumulated Depreciation				Net Block	
S.No	**Description**	**As at April 1, 2023**	**Addition during the year**	**Disposal/ Adjustment**	**As at March 31, 2024**	**As at April 1, 2023**	**For the Year**	**Disposal/ Adjustment**	**As at March 31, 2024**	**As at March 31, 2024**	**As at March 31, 2023**
2	**Investment Property**										
	Buildings & Office Premise	245.54	0.00	0.00	245.54	26.66	4.14	0.00	30.81	214.74	218.88
	Total	**245.54**	**0.00**	**0.00**	**245.54**	**26.66**	**4.14**	**0.00**	**30.81**	**214.74**	**218.88**
	Previous year Figure	**245.54**	**0.00**	**0.00**	**245.54**	**22.52**	**4.14**	**0.00**	**26.66**	**218.88**	**223.02**

For the period ended March 31, 2023

(₹ in million)

		Gross Carrying Amount				Accumulated Depreciation				Net Block	
S.No	**Description**	**As at April 1, 2022**	**Addition during the year**	**Disposal/ Adjustment**	**As at March 31, 2023**	**As at April 1, 2022**	**For the Year**	**Disposal/ Adjustment**	**As at March 31, 2023**	**As at March 31, 2023**	**As at March 31, 2022**
2	**Investment Property**										
	Buildings & Office Premise	245.54	0.00	0.00	245.54	22.52	4.14	0.00	26.66	218.88	223.02
	Total	**245.54**	**0.00**	**0.00**	**245.54**	**22.52**	**4.14**	**0.00**	**26.66**	**218.88**	**223.02**
	Previous year Figure	**103.84**	**141.70**	**0.00**	**245.54**	**18.39**	**4.13**	**0.00**	**22.52**	**223.02**	**85.45**

For the period ended March 31, 2022

(₹ in million)

		Gross Carrying Amount				Accumulated Depreciation				Net Block	
S.No	**Description**	**As at April 1, 2021**	**Addition during the year**	**Disposal/ Adjustment**	**As at March 31, 2022**	**As at April 1, 2021**	**For the Year**	**Disposal/ Adjustment**	**As at March 31, 2022**	**As at March 31, 2022**	**As at March 31, 2021**
2	**Investment Property**										
	Buildings & Office Premise	103.84	141.70	0.00	245.54	18.39	4.13	0.00	22.52	223.02	85.45
	Total	**103.84**	**141.70**	**0.00**	**245.54**	**18.39**	**4.13**	**0.00**	**22.52**	**223.02**	**85.45**
	Previous year Figure	**128.49**	**0.00**	**24.66**	**103.84**	**21.26**	**2.36**	**5.23**	**18.39**	**85.45**	**107.23**

Note - 3 (d) Intangible Assets

For the half year ended September 30, 2024

(₹ in million)

		Gross Carrying Amount				Accumulated Depreciation				Net Block	
S.No	**Description**	**As at April 1, 2024**	**Addition during the year**	**Disposal/ Adjustment**	**As at Sept 30, 2024**	**As at April 1, 2024**	**For the Year**	**Disposal/ Adjustment**	**As at Sept 30, 2024**	**As at Sept 30, 2024**	**As at March 31, 2024**
3	**Intangible Assets**										
	Software Licenses	9.69	0.00	0.00	9.69	9.66	0.01	0.00	9.67	0.01	0.02
	Trade Mark	.10	0.00	0.00	0.10	0.05	0.00	0.00	0.05	0.04	0.05
	Total	**9.78**	**0.00**	**0.00**	**9.78**	**9.71**	**0.02**	**0.00**	**9.73**	**0.06**	**0.07**
	Previous year Figure	**9.78**	**0.00**	**0.00**	**9.78**	**9.66**	**0.05**	**0.00**	**9.71**	**0.07**	**0.12**

For the period ended March 31, 2024

(₹ in million)

		Gross Carrying Amount				Accumulated Depreciation				Net Block	
S.No	**Description**	**As at April 1, 2023**	**Addition during the year**	**Disposal/ Adjustment**	**As at March 31, 2024**	**As at April 1, 2023**	**For the Year**	**Disposal/ Adjustment**	**As at March 31, 2024**	**As at March 31, 2024**	**As at March 31, 2023**
3	**Intangible Assets**										
	Software Licenses	9.69	0.00	0.00	9.69	9.62	0.04	0.00	9.66	0.02	0.07
	Trade Mark	0.10	0.00	0.00	0.10	0.04	0.01	0.00	0.05	0.05	0.06
	Total	**9.78**	**0.00**	**0.00**	**9.78**	**9.66**	**0.05**	**0.00**	**9.71**	**0.07**	**0.12**
	Previous year Figure	**9.78**	**0.00**	**0.00**	**9.78**	**8.87**	**0.78**	**0.00**	**9.66**	**0.12**	**0.91**

For the period ended March 31, 2023

(₹ in million)

		Gross Carrying Amount				Accumulated Depreciation				Net Block	
S.No	Description	As at April 1, 2022	Addition during the year	Disposal/ Adjustment	As at March 31, 2023	As at April 1, 2022	For the Year	Disposal/ Adjustment	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
3	**Intangible Assets**										
	Software Licenses	9.69	0.00	0.00	9.69	8.85	0.77	0.00	9.62	0.07	0.84
	Trade Mark	0.10	0.00	0.00	0.10	0.03	0.01	0.00	0.04	0.06	0.07
	Total	**9.78**	**0.00**	**0.00**	**9.78**	**8.87**	**0.78**	**0.00**	**9.66**	**0.12**	**0.91**
	Previous year Figure	**9.65**	**0.13**	**0.00**	**9.78**	**7.28**	**1.59**	**0.00**	**8.87**	**0.91**	**2.37**

For the period ended March 31, 2022

(₹ in million)

		Gross Carrying Amount				Accumulated Depreciation				Net Block	
S.No	Description	As at April 1, 2021	Addition during the year	Disposal/ Adjustment	As at March 31, 2022	As at April 1, 2021	For the Year	Disposal/ Adjustment	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
3	**Intangible Assets**										
	Software Licenses	9.56	0.13	0.00	9.69	7.26	1.58	0.00	8.85	0.84	2.29
	Trade Mark	0.10	0.00	0.00	0.10	0.02	0.01	0.00	0.03	0.07	0.08
	Total	**9.65**	**0.13**	**0.00**	**9.78**	**7.28**	**1.59**	**0.00**	**8.87**	**0.91**	**2.37**
	Previous year Figure	**9.65**	**0.00**	**0.00**	**9.65**	**4.93**	**2.35**	**0.00**	**7.28**	**2.37**	**4.72**

Note - 3 (e) Right-of-use asset

For the half year ended Sept 30, 2024

(₹ in million)

		Gross Carrying Amount				Accumulated Depreciation				Net Block	
S.No.	Description	As at April 1, 2024	Addition during the year	Disposal/ Adjustment	As at Sept 30, 2024	As at April 1, 2024	For the Year	Disposal/ Adjustment	As at Sept 30, 2024	As at Sept 30, 2024	As at March 31, 2024
4	**Right-of-use assets**										
	Leasehold Land	76.87	0.00	0.00	76.87	5.45	0.44	0.00	5.89	70.98	71.42
	Other Assets	157.39	1.04	0.00	158.43	26.81	14.81	0.00	41.62	116.81	130.58
	Total	**234.26**	**1.04**	**0.00**	**235.30**	**32.26**	**15.25**	**0.00**	**47.51**	**187.79**	**202.00**
	Previous year Figure	**104.58**	**139.53**	**9.84**	**234.26**	**15.79**	**16.47**	**0.00**	**32.26**	**202.00**	**88.78**

For the period ended March 31, 2024

(₹ in million)

		Gross Carrying Amount				Accumulated Depreciation				Net Block	
S.No	Description	As at April 1, 2023	Addition during the year	Disposal/ Adjustment	As at March 31, 2024	As at April 1, 2023	For the Year	Disposal/ Adjustment	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
4	**Right-of-use assets**										
	Leasehold Land	76.87	0.00	0.00	76.87	4.57	0.88	0.00	5.45	71.42	72.30
	Other Assets	27.71	139.53	9.84	157.39	11.22	15.59	0.00	26.81	130.58	16.49
	Total	**104.58**	**139.53**	**9.84**	**234.26**	**15.79**	**16.47**	**0.00**	**32.26**	**202.00**	**88.78**
	Previous year Figure	**101.57**	**4.07**	**1.06**	**104.58**	**8.87**	**6.92**	**0.00**	**15.79**	**88.78**	**92.70**

For the period ended March 31, 2023

(₹ in million)

		Gross Carrying Amount				Accumulated Depreciation				Net Block	
S.No	Description	As at April 1, 2022	Addition during the year	Disposal/ Adjustment	As at March 31, 2023	As at April 1, 2022	For the Year	Disposal/ Adjustment	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
4	**Right-of-use assets**										
	Leasehold Land	76.87	0.00	0.00	76.87	3.69	0.88	0.00	4.57	72.30	73.17
	Other Assets	24.70	4.07	1.06	27.71	5.18	6.05	0.00	11.22	16.49	19.52
	Total	**101.57**	**4.07**	**1.06**	**104.58**	**8.87**	**6.92**	**0.00**	**15.79**	**88.78**	**92.70**
	Previous year Figure	**99.91**	**1.66**	**0.00**	**101.57**	**2.82**	**6.05**	**0.00**	**8.87**	**92.70**	**97.09**

For the period ended March 31, 2022

(₹ in million)

		Gross Carrying Amount				Accumulated Depreciation				Net Block	
S.No	Description	As at April 1, 2021	Addition during the year	Disposal/ Adjustment	As at March 31, 2022	As at April 1, 2021	For the Year	Disposal/ Adjustment	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
4	**Right-of-use assets**										
	Leasehold Land	76.87	0.00	0.00	76.87	2.82	0.88	0.00	3.69	73.17	74.05
	Other Assets	23.04	1.66	0.00	24.70	0.00	5.18	0.00	5.18	19.52	23.04
	Total	**99.91**	**1.66**	**0.00**	**101.57**	**2.82**	**6.05**	**0.00**	**8.87**	**92.70**	**97.09**
	Previous year Figure	**76.87**	**23.04**	**0.00**	**99.91**	**1.94**	**0.88**	**0.00**	**2.82**	**97.09**	**74.93**

(i) The company has adopted Full Retrospective approach to measure the fair value for all of its property, plant and equipment as per IND AS 16, Property, Plant and Equipment as at th

(ii) The company has not elected Ind AS 101 exemption and continues with the carrying value for all of its property, plant and equipment as its deemed cost as at the date of transition.

(iii) The Company has not carried out any revaluation of property, plant and equipment for the period ended September 30,2024, March 31, 2024, March 31, 2023, March 31, 2022 and

(iv) The title deeds, comprising all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company

(v) There are no exchange differences adjusted in property, plant & equipment.

(vii) The company has adopted Full Retrospective approach to measure the fair value for all of its Right of use assets as per IND AS 116, Leases, as at the date of transition. (Refer Note. 3

(viii) There are no impairment losses recognised during the year.

Note - 4 (f) Financial Assets (i) Investments (₹ in million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Investments in Unquoted Equity Shares				
(a) Investments in Equity Instruments				
2500 Equity Shares of Rs.10/- each fully paid up of The Saraswat Co-op. Bank Ltd.	0.03	0.03	0.03	0.03
(Previous Years - 2500 Equity Shares of Rs.10/- each fully paid up)				
(Negative Lien to The Sarasawat Co-Op. Bank Ltd., SME Vile Parle (East) Branch)				
TOTAL	**0.03**	**0.03**	**0.03**	**0.03**

Note - 4 (f) Financial Assets (ii) Other Financial Assets (₹ in million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Secured, considered good				
Fixed Deposits with Banks*	7.70	4.20	24.10	19.79
Unsecured, considered good				
Security Deposits	15.09	14.00	24.78	4.58
Total	**22.79**	**18.2**	**48.88**	**24.37**

*Bank deposits having original maturity of more than twelve months Held as margin money against borrowings, guarantees and other commitments including collate

Note - 5 (g) Other non current assets (₹ in million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Other Receivable	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00

Note - 6 (a) Inventories (₹ in million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Raw Materials	97.19	74.52	84.39	63.04
Work in Progress	0.00	0.00	19.69	0.00
Finished Goods	1188.78	1211.50	749.85	787.42
Total	**1285.97**	**1286.02**	**853.93**	**850.46**

Note - 7 (b) Financial Assets (i) Trade receivables (₹ in million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(i) Secured, considered good	0.00	0.00	0.00	0.00
(ii) Unsecured, considered good	1528.87	782.31	1023.25	698.46
(iii) Doubtful	0.00	0.00	0.00	0.00
Total	**1528.87**	**782.31**	**1023.25**	**698.46**

Note - 7 (b) Financial Assets (ii) Cash and cash equivalents (₹ in million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(i) Balances with Bank	70.70	34.55	14.12	2.59
(ii) Cash on Hand	0.02	0.01	0.02	0.05
Total :	**70.72**	**34.56**	**14.14**	**2.64**

Note - 7 (b) Financial Assets (iii) Bank balances other than cash and cash equivalents (₹ in million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Fixed Deposit with Bank, maturity more than 3 months but less than 12 months	448.03	394.26	97.96	44.16
Total :	**448.03**	**394.26**	**97.96**	**44.16**

Note - 7 (b) Financial Assets (iv) Other financial assets (₹ in million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(i) Unsecured , considered good				
Advance to staff	0.50	0.55	0.04	0.50
Rent Receivable	1.47	1.17	0.53	1.50
Total	**1.97**	**1.72**	**0.57**	**2.00**

Note - 8 (c) Other current Assets (₹ in million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Prepaid Expenses	0.97	1.85	1.44	1.29
Advance to Creditors	8.11	5.49	5.45	2.91
Balance with govt. authorities	41.53	41.31	37.67	47.06
Interest On Income Tax Refund Receivable	0.18	0.18	0.19	0.19
Preliminary Expenses For IPO	7.60	0.00	0.00	0.00
Accrued Interest	19.52	7.64	0.78	0.00
Total	**77.91**	**56.46**	**45.53**	**51.45**

Note - 9 (a) Equity Share Capital (₹ in million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
AUTHORISED CAPITAL				
8,00,00,000 EQUITY SHARES OF RS. 10/- EACH WITH VOTING RIGHTS	800.00	100.00	100.00	100.00
(Previous Years: 1,00,00,000 Equity Shares of Rs.10/- each)				
Issued, Subscribed and Fully Paid-Up				
90,00,000 (Previous Years: 90,00,000 Equity Shares Of Rs. 10/- Each	90.00	90.00	90.00	90.00
Total	**90.00**	**90.00**	**90.00**	**90.00**

Note 9.1: Reconciliation of number of equity shares and amount outstanding at the beginning and at the end of the reporting period

(₹ in million)

Particulars	As at September 30, 2024		As At 31.03.2024		As At 31.03.2023		As At 31.03.2022	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Equity shares at the beginning of the year	9.00	90.00	9.00	90.00	9.00	90.00	9.00	90.00
Add: Shares issued during the yea	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Shares bought back during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equity shares at the end of the y	**9.00**	**90.00**	**9.00**	**90.00**	**9.00**	**90.00**	**9.00**	**90.00**

9.2 Terms/Rights Attached To Equity Shares

The company has only one class of Equity Shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of directors is subject to the approval of shareholders in ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity share holders

Note 9.3: Details of shareholders holding more than 5% shares in the Company

Name of Shareholders	As at September 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	No. of shares held	% Holding	No. of shares held	% Holding	No. of shares held	% Holding	No. of shares held	% Holding
Pankajkumar Jagawat	4.50	49.98%	4.50	49.98%	4.50	49.98%	4.50	49.98%
Manoj Kumar Jain	4.50	49.98%	4.50	49.98%	4.50	49.98%	4.50	49.98%

Note 9.4: Details of shares held by Promotor's

Name of Promotor's	As at September 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022		% Change during the year
	No. of shares held	% Holding	No. of shares held	% Holding	No. of shares held	% Holding	No. of shares held	% Holding	
1. Pankajkumar Jagawat	4.50	49.98%	4.50	49.98%	4.50	49.98%	4.50	49.98%	0.00
2. Manoj Kumar Jain	4.50	49.98%	4.50	49.98%	4.50	49.98%	4.50	49.98%	0.00
3. Shashank B Jagawat	0.00	0.01%	0.00	0.01%	0.00	0.01%	0.00	0.01%	0.00
	9.00	**100.00%**	**9.00**	**100.00%**	**9.00**	**100.00%**	**9.00**	**100.00%**	0.00

Note 9.5: Details of shares held by Shareholders

Name of Shareholder's	As at September 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022		% Change during the year
	No. of shares held	% Holding	No. of shares held	% Holding	No. of shares held	% Holding	No. of shares held	% Holding	
1. Pankajkumar Jagawat	4.50	49.98%	4.50	49.98%	4.50	49.98%	4.50	49.98%	0.00
2. Manoj Kumar Jain	4.50	49.98%	4.50	49.98%	4.50	49.98%	4.50	49.98%	0.00
3. Shashank B Jagawat	0.00	0.01%	0.00	0.01%	0.00	0.01%	0.00	0.01%	0.00
4. Rakesh Shantilal Jagawat	0.00	0.01%	0.00	0.01%	0.00	0.01%	0.00	0.01%	0.00
5. Lallet Jagasia	0.00	0.01%	0.00	0.01%	0.00	0.01%	0.00	0.01%	0.00
6. Vikramsingh Prakash Varma	0.00	0.01%	0.00	0.01%	0.00	0.01%	0.00	0.01%	0.00
7. Mukesh Shantilal Jain	0.00	0.01%	0.00	0.01%	0.00	0.01%	0.00	0.01%	0.00
	9.00	**100.00%**	**9.00**	**100.00%**	**9.00**	**100.00%**	**9.00**	**100.00%**	**0.00**

Note - 10 (b) Other Equity

(₹ in million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Surplus i.e., Balance in Statement of Profit & Loss Account				
At the beginning of the year	876.69	608.05	410.13	376.44
Adjustment as per Indian Accounting standards	(3.39)	8.06	(25.15)	(30.71)
Add: Net Profit for the year	185.13	260.58	223.06	64.4
Net Profit available for appropriation	**1058.43**	**876.69**	**608.05**	**410.13**
Less : Transfer to General Reserves	.	.	.	.
Closing Balance at the end of the year	**1058.43**	**876.69**	**608.05**	**410.13**
TOTAL	**1058.43**	**876.69**	**608.05**	**410.13**

Note - 11 (a) Financial Liabilities (i) Borrowing (₹ in million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Secured*				
Term Loans from banks	323.51	355.97	421.83	381.25
Vehicle Loans from banks	41.52	45.02	13.61	9.30
Less : Current maturities of long term borrowings	(79.08)	(74.74)	(22.46)	(12.37)
Unsecured				
(i) Loans and advances from related parties	0.00	0.00	0.00	0.00
(ii) Inter- Corporate Deposits	21.17	19.94	17.70	15.71
(iii) Other loans & advances	0.00	0.00	0.00	0.00
Total	**307.12**	**346.20**	**430.68**	**393.89**

The Company's exposure to currency risks, liquidity risks and interest rate risks are disclosed in Note 36

***Secured loan**

(i) Term loan

For the period ended Sept 30, 2024

Saraswat Co-operative Bank Ltd

1. The Company has availed Emergency Credit line - Working Capital Term Loan facility from Saraswat co-operative Bank Ltd, (Sanctioned Limit Rs 2500.00 Lacs), which are secured by collateral guarantee in form of first and Inclusive from National Credit Guarantee Trust Company Limited (NCGTC) under Emergency Credit Line Guarantee Scheme (ECLGS) and Second Secured by second charge against Hypothecation of Stocks & Book Debts and Equitable Mortgage over lndustrial Units No. 12,14 & 15 in Ravi Industrial Estate, Off Mahakali Caves Road, Andheri (E), Mumbai, lndustrial Units No. 211 & 212 in Keytuo Industrial Estate, Near MIDC Police Station, Andheri (E), Mumbai & Units No.4E, 5A & B, Victoria Plaza, S V Road, Santacruz (W), Mumbai; Factory Land and Building alongwith proposed Construction thereon at Plot No. DTA-02-14 and DTA-02-15 both admeasuring 12140 sq. mtrs. (3 acres), Khasra No. 1181, 1189 and 1192 situated at Domestic Tariff Area, Phase II of Mahindra World City (Jaipur) Ltd., Jaipur - Ajmer Road, NH-8, Village: Newata, Tehsil - Sanganer, Jaipur, Rajasthan - 302037; & Hypothecation of Plant & Machineries and personally guaranteed by Director Mr. Pankaj Jagawat & Mr. Manoj Jain. The loan carries a floating rate of interest of 6.00% Per annum subject to minimum @8.00% Per annum.

Yes Bank Limited

1. The Company has availed Term Loan facility from Yes Bank Ltd, (Sanctioned Limit Rs 9000.00 Lacs) which are secured against First and Exclusive charge by way of Equitable mortgage on property located at unit no. 6, Ground Floor, A Wing , INS Towers , Opp. Trident Hotel , near Bharat Diamond market BKC , Bandra east Mumbai 400051 and personal guarantee of Mr Pankaj Kumar Jagawat & Manoj Kumar Jain The loan carries a Pricing of 1 M MLCR Plus 0.05% per Annum.

2. The Company has availed Guaranteed Emergency Credit Line facility (Sanctioned Limit Rs 293.00 Lacs) and (Sanctioned Limit Rs 120.00 Lacs) from Yes Bank Ltd, which are secured against Second charge on a) property located at unit no. 6, Ground Floor, A Wing , INS Towers , Opp. Trident Hotel , near Bharat Diamond market BKC , Bandra east Mumbai 400051 and b) Bungalow No. M 36. Mandara Sujala Bungalow. Survey No. 47H No. IC & ID . Village Tungarli Taluka Maval, Lonavala , Pune - 410401 and Current assets financed through the additional WCTL to be created also 100% Credit Guarantee by National Credit Guarantee trust Company Limited and also secured with personal guarantees of Directors . The loan carries a Pricing of 3 M MLCR Plus 0.05% per Annum subject to cap of 9.25%.

(ii) Vehicle loan

Saraswat Co-operative Bank Ltd

1. The company has sanctioned vehicle Loan facility amounting to Rs.359.47 Lacs which is secured by way of Hypothecation of Vehicle and secured by personal guarantee of Mr Pankaj Kumar Jagawat & Manoj Kumar Jain The loan carries a fixed rate of interest 8.30% per annum payable monthly.

2. The company has sanctioned vehicle Loan facility amounting to Rs.56 Lacs which is secured by way of Hypothecation of Vehicle and secured by personal guarantee of Mr Pankaj Kumar Jagawat & Manoj Kumar Jain The loan carries a fixed rate of interest 10.00% per annum payable monthly.

3. The company has sanctioned vehicle Loan facility amounting to Rs.100 Lacs which is secured by way of Hypothecation of Vehicle and secured by personal guarantee of Mr Pankaj Kumar Jagawat & Manoj Kumar Jain The loan carries a fixed rate of interest 9.50% per annum payable monthly.

Unsecured Loan

(i) Inter- Corporate deposits

The company has taken interest free inter corporate deposit, which are repayable on due date with unpaid and accrued nominal interest and other cost or charges with mutual consent of the parties.

For the Year ended March 31, 2024

(i) Term loan

Saraswat Co-operative Bank Ltd

1. The Company has availed Emergency Credit line - Working Capital Term Loan facility from Saraswat co-operative Bank Ltd, (Sanctioned Limit Rs 2500.00 Lacs), which are secured by collateral guarantee in form of first and Inclusive from National Credit Guarantee Trust Company Limited (NCGTC) under Emergency Credit Line Guarantee Scheme (ECLGS) and Second Secured by second charge against Hypothecation of Stocks & Book Debts and Equitable Mortgage over lndustrial Units No. 12,14 & 15 in Ravi Industrial Estate, Off Mahakali Caves Road, Andheri (E), Mumbai, lndustrial Units No. 211 & 212 in Keytuo Industrial Estate, Near MIDC Police Station, Andheri (E), Mumbai & Units No.4E, 5A & B, Victoria Plaza, S V Road, Santacruz (W), Mumbai; Factory Land and Building alongwith proposed Construction thereon at Plot No. DTA-02-14 and DTA-02-15 both admeasuring 12140 sq. mtrs. (3 acres), Khasra No. 1181, 1189 and 1192 situated at Domestic Tariff Area, Phase II of Mahindra World City (Jaipur) Ltd., Jaipur - Ajmer Road, NH-8, Village: Newata, Tehsil - Sanganer, Jaipur, Rajasthan - 302037; & Hypothecation of Plant & Machineries and personally guaranteed by Director Mr. Pankaj Jagawat & Mr. Manoj Jain. The loan carries a floating rate of interest of 6.00% Per annum subject to minimum @8.00% Per annum.

Yes Bank Limited

1. The Company has availed Term Loan facility from Yes Bank Ltd, (Sanctioned Limit Rs 9000.00 Lacs) which are secured against First and Exclusive charge by way of Equitable mortgage on property located at unit no. 6, Ground Floor, A Wing , INS Towers , Opp. Trident Hotel , near Bharat Diamond market BKC , Bandra east Mumbai 400051 and personal guarantee of Mr Pankaj Kumar Jagawat & Manoj Kumar Jain The loan carries a Pricing of 1 M MLCR Plus 0.05% per Annum.

2. The Company has availed Guaranteed Emergency Credit Line facility (Sanctioned Limit Rs 293.00 Lacs) and (Sanctioned Limit Rs 120.00 Lacs) from Yes Bank Ltd, which are secured against Second charge on a) property located at unit no. 6, Ground Floor, A Wing , INS Towers , Opp. Trident Hotel , near Bharat Diamond market BKC , Bandra east Mumbai 400051 and b) Bungalow No. M 36. Mandara Sujala Bungalow. Survey No. 47H No. IC & ID . Village Tungarli Taluka Maval, Lonavala , Pune - 410401 and Current assets financed through the additional WCTL to be created also 100% Credit Guarantee by National Credit Guarantee trust Company Limited and also secured with personal guarantees of Directors . The loan carries a Pricing of 3 M MLCR Plus 0.05% per Annum subject to cap of 9.25%.

(ii) Vehicle loan

Saraswat Co-operative Bank Ltd

1. The company has sanctioned vehicle Loan facility amounting to Rs.359.47 Lacs which is secured by way of Hypothecation of Vehicle and secured by personal guarantee of Mr Pankaj Kumar Jagawat & Manoj Kumar Jain The loan carries a fixed rate of interest 8.30% per annum payable monthly.

2. The company has sanctioned vehicle Loan facility amounting to Rs.56 Lacs which is secured by way of Hypothecation of Vehicle and secured by personal guarantee of Mr Pankaj Kumar Jagawat & Manoj Kumar Jain The loan carries a fixed rate of interest 10.00% per annum payable monthly.

3. The company has sanctioned vehicle Loan facility amounting to Rs.100 Lacs which is secured by way of Hypothecation of Vehicle and secured by personal guarantee of Mr Pankaj Kumar Jagawat & Manoj Kumar Jain The loan carries a fixed rate of interest 9.50% per annum payable monthly.

Unsecured Loan

(i) Inter- Corporate deposits

The company has taken interest free inter corporate deposit, which are repayable on due date with unpaid and accrued nominal interest and other cost or charges with mutual consent of the parties.

Note - 11 (a) Financial Liabilities (ii) Lease Liabilities **(₹ in million)**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Lease Liabilities (Refer Note 40)	97.55	105.68	11.41	12.68
Total :	**97.55**	**105.68**	**11.41**	**12.68**

Note - 11 (a) Financial Liabilities (iii) Other Financial Liabilities **(₹ in million)**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Deposits Received	10.80	10.80	5.86	4.02
Total :	**10.80**	**10.80**	**5.86**	**4.02**

Note - 12 (b) Deferred Tax Liability **(₹ in million)**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Deferred Tax Liability (Net)	68.39	72.14	80.51	78.81
Total :	**68.39**	**72.14**	**80.51**	**78.81**

Note - 13 (c) Provisions **(₹ in million)**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Provision for gratuity (Refer Note 41)	1.77	1.67	1.80	0.83
Total :	**1.77**	**1.67**	**1.8**	**0.83**

Note - 14 (a) Financial Liabilities (i) Borrowing **(₹ in million)**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Secured				
(i) Loans from Bank (Repayable on demand)	2198.78	1521.26	1120.52	878.88
(ii) Current maturities of long term borrowings	79.08	74.74	22.45	12.37
Unsecured				
(i) Loans and advances from related parties	29.43	41.39	51.54	55.27
(ii) Other loans & advances	.02	.04	10.45	79.29
Total	**2307.31**	**1637.43**	**1204.96**	**1025.81**

***Secured loan**

(i) Working capital Overdraft facility

For the period ended Sept 30, 2024

Saraswat Co-operative Bank Ltd

1. The company has availed Working capital Demand Loan facility from Saraswat Bank Ltd Sublimit to cash credit facility (Sanctioned Limit Rs 600.00 Lacs) which is Secured against first pari-passu charge by way of Hypothecation of entire current assets, plant and machinery (excluding vehicle) & Exclusive charge by way of equitable mortgage on residential property located at Bungalow No M 36, Mandara Sujala Bungalow, Survey No 47H No 1C and 1D, Village Tungarli, Taluka Maval, Lonavala, Pune - 410401 & equitable mortgage on commercial property located at Unit No 6, Ground Floor, A wing, INS Towers, Opp Trident Hotel, near Bharat Diamond Market, BKC, Bandra East, Mumbai - 400051, 100% guaranteed by National Credit Guarantee Trustee Company Ltd.. The loan carries a floating rate of interest of 6.50% per annum subject to minimum of 7.50% per annum.

2. The company has availed Working capital Demand Loan facility from Saraswat Bank Ltd (Sanctioned Limit Rs 400.00 Lacs) which is Secured against Hypothecation of Stocks & Book Debts and Equitable Mortgage overlndustrial Units No. 12,14 & 15 in Ravi Industrial Estate, Off Mahakali Caves Road, Andheri (E), Mumbai, lndustrial Units No. 211 & 212 in Keytuo Industrial Estate, Near MIDC Police Station, Andheri (E), Mumbai & Units No.4E, 5A & B, Victoria Plaza, S V Road, Santacruz (W), Mumbai; Factory Land and Building alongwith proposed Construction thereon at Plot No. DTA-02-14 and DTA-02-15 both admeasuring 12140 sq. mtrs. (3 acres), Khasra No. 1181,1189 and 1192 situated at Domestic Tariff Area, Phase II of Mahindra World City (Jaipur) Ltd., Jaipur - Ajmer Road, NH-8, Village: Newata, Tehsil - Sanganer, Jaipur, Rajasthan - 302037; & Hypothecation of Plant & Machineries and personally guaranteed by Director Mr. Pankaj Jagawat & Mr. Manoj Jain. The loan carries a floating rate of interest of 6.50% per annum subject to minimum of 7.50% per annum

3. The company has availed Additional Working capital Demand Loan facility from Saraswat Bank Ltd sublimit to cash credit facility (Original Sanctioned Limit Rs 2500.00 Lacs) , which are Secured against first pari-passu charge by way of Hypothecation of entire current assets, plant and machinery (excluding vehicle) & Exclusive charge by way of equitable mortgage on residential property located at Bungalow No M 36, Mandara Sujala Bungalow, Survey No 47H No 1C and 1D, Village Tungarli, Taluka Maval, Lonavala, Pune - 410401 & equitable mortgage on commercial property located at Unit No 6, Ground Floor, A wing, INS Towers, Opp Trident Hotel, near Bharat Diamond Market, BKC, Bandra East, Mumbai - 400051, 100% guaranteed by National Credit Guarantee Trustee Company Ltd. The loan carries a floating rate of interest of 6.50% per annum subject to minimum of 9.00% per annum .

4. The company has availed Overdraft facility Sublimit to cash credit facility from Saraswat Bank Ltd (Sanctioned Limit Rs 2450.00 Lacs and Rulling limit is 7034 lakhs), which are Secured against first pari-passu charge by way of Hypothecation of entire current assets, plant and machinery (excluding vehicle) & Exclusive charge by way of equitable mortgage on residential property located at Bungalow No M 36, Mandara Sujala Bungalow, Survey No 47H No 1C and 1D, Village Tungarli, Taluka Maval, Lonavala, Pune - 410401 & equitable mortgage on commercial property located at Unit No 6, Ground Floor, A wing, INS Towers, Opp Trident Hotel, near Bharat Diamond Market, BKC, Bandra East, Mumbai - 400051, 100% guaranteed by National Credit Guarantee Trustee Company Ltd.. The loan carries a floating rate of interest of 5.75% per annum subject to minimum @8.25% Per annum .

HDFC Bank Limited

1. The company has availed Working capital Demand Loan facility from HDFC Bank Ltd (Sanctioned Limit Rs 5000.00 Lacs) , which are secured against First pari-passu charge on all Current assets of the company both current and Future and first pari-Passu charge on all properties currently held with Yes bank Ltd and Saraswat Bank. and it is also secured with personal guarantees of Directors and Property Owners . The loan carries a fixed rate of interest @8.35% Per annum .

YES Bank Limited

1. The company has availed Working capital Demand Loan facility from Yes Bank Ltd. (Sanctioned Limit Rs 1425.00 Lacs) , which are Secured against first pari-passu charge by way of Hypothecation of entire current assets, plant and machinery (excluding vehicle) & Exclusive charge by way of equitable mortgage on residential property located at Bungalow No M 36, Mandara Sujala Bungalow, Survey No 47H No 1C and 1D, Village Tungarli, Taluka Maval, Lonavala, Pune - 410401 & equitable mortgage on commercial property located at Unit No 6, Ground Floor, A wing, INS Towers, Opp Trident Hotel, near Bharat Diamond Market, BKC, Bandra East, Mumbai - 400051, 100% guaranteed by National Credit Guarantee Trustee Company Ltd. . The loan carries a Fixed rate of interest of 8.75% per annum.

Unsecured Loan

(i) Loans and advances from related parties

The company has taken interest free Loans and advances from related parties, which are repayable on demand.

For the year Ended March 31, 2024

(i) Working capital Overdraft facility

Saraswat Co-operative Bank Ltd

1. The company has availed Working capital Demand Loan facility from Saraswat Bank Ltd Sublimit to cash credit facility (Sanctioned Limit Rs 600.00 Lacs) which is Secured against first pari-passu charge by way of Hypothecation of entire current assets, plant and machinery (excluding vehicle) & Exclusive charge by way of equitable mortgage on residential property located at Bungalow No M 36, Mandara Sujala Bungalow, Survey No 47H No 1C and 1D, Village Tungarli, Taluka Maval, Lonavala, Pune - 410401 & equitable mortgage on commercial property located at Unit No 6, Ground Floor, A wing, INS Towers, Opp Trident Hotel, near Bharat Diamond Market, BKC, Bandra East, Mumbai - 400051, 100% guaranteed by National Credit Guarantee Trustee Company Ltd.. The loan carries a floating rate of interest of 6.50% per annum subject to minimum of 7.50% per annum.

2. The company has availed Working capital Demand Loan facility from Saraswat Bank Ltd (Sanctioned Limit Rs 400.00 Lacs) which is Secured against Hypothecation of Stocks & Book Debts and Equitable Mortgage overIndustrial Units No. 12,14 & 15 in Ravi Industrial Estate, Off Mahakali Caves Road, Andheri (E), Mumbai, Industrial Units No. 211 & 212 in Keytuo Industrial Estate, Near MIDC Police Station, Andheri (E), Mumbai & Units No.4E, 5A & B, Victoria Plaza, S V Road, Santacruz (W), Mumbai; Factory Land and Building alongwith proposed Construction thereon at Plot No. DTA-02-14 and DTA-02-15 both admeasuring 12140 sq. mtrs. (3 acres), Khasra No. 1181,1189 and 1192 situated at Domestic Tariff Area, Phase II of Mahindra World City (Jaipur) Ltd., Jaipur - Ajmer Road, NH-8, Village: Newata, Tehsil - Sanganer, Jaipur, Rajasthan - 302037; & Hypothecation of Plant & Machineries and personally guaranteed by Director Mr. Pankaj Jagawat & Mr. Manoj Jain. The loan carries a floating rate of interest of 6.50% per annum subject to minimum of 7.50% per annum

3. The company has availed Additional Working capital Demand Loan facility from Saraswat Bank Ltd sublimit to cash credit facility (Original Sanctioned Limit Rs 2500.00 Lacs) , which are Secured against first pari-passu charge by way of Hypothecation of entire current assets, plant and machinery (excluding vehicle) & Exclusive charge by way of equitable mortgage on residential property located at Bungalow No M 36, Mandara Sujala Bungalow, Survey No 47H No 1C and 1D, Village Tungarli, Taluka Maval, Lonavala, Pune - 410401 & equitable mortgage on commercial property located at Unit No 6, Ground Floor, A wing, INS Towers, Opp Trident Hotel, near Bharat Diamond Market, BKC, Bandra East, Mumbai - 400051, 100% guaranteed by National Credit Guarantee Trustee Company Ltd. The loan carries a floating rate of interest of 6.50% per annum subject to minimum of 9.00% per annum .

4. The company has availed Overdraft facility Sublimit to cash credit facility from Saraswat Bank Ltd (Sanctioned Limit Rs 2450.00 Lacs and Rulling limit is 7034 lakhs), which are Secured against first pari-passu charge by way of Hypothecation of entire current assets, plant and machinery (excluding vehicle) & Exclusive charge by way of equitable mortgage on residential property located at Bungalow No M 36, Mandara Sujala Bungalow, Survey No 47H No 1C and 1D, Village Tungarli, Taluka Maval, Lonavala, Pune - 410401 & equitable mortgage on commercial property located at Unit No 6, Ground Floor, A wing, INS Towers, Opp Trident Hotel, near Bharat Diamond Market, BKC, Bandra East, Mumbai - 400051, 100% guaranteed by National Credit Guarantee Trustee Company Ltd.. The loan carries a floating rate of interest of 5.75% per annum subject to minimum @8.25% Per annum .

Unsecured Loan

(i) Loans and advances from related parties

The company has taken interest free Loans and advances from related parties, which are repayable on demand.

Note - 14 (a) Financial Liabilities (ii) Lease Liabilities **(₹ in million)**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Lease Liabilities (Refer Note 40)	17.13	17.47	6.29	7.34
Total :	**17.13**	**17.47**	**6.29**	**7.34**

Note - 15 (a) Financial Liabilities (iii) Trade Payables **(₹ in million)**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(A)Total outstanding dues of micro enterprises and small enterprises	15.07	19.70	15.71	18.31
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	77.79	24.94	47.20	58.42
Total :	**92.85**	**44.64**	**62.91**	**76.73**

Note - 16 (b) Other Current Liabilities **(₹ in million)**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Interest Accrued But Not Due	5.00	0.94	1.14	0.81
Creditors For Capital Expenses	0.65	2.48	0.02	0.02
Advances Received From Customers	11.67	9.65	18.17	23.60
Unearned Rent	0.93	0.52	0.22	0.21
Expenses Payable	13.68	14.91	17.15	19.15
Contribution to Provident Fund & ESIC Payable	0.81	0.74	0.74	0.00
Salary & Wages Payable	1.25	1.03	1.16	0.00
Due To Government Authorities	3.05	2.13	2.84	0.05
Total	**37.04**	**32.39**	**41.44**	**43.83**

Note - 17 (c) Short Term Provisions **(₹ in million)**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Provision for Gratuity (Refer Note : 41)	0.08	0.07	0.10	0.03
Provision For Income Tax (Net of taxes paid)	24.08	18.82	24.82	0.00
Total	**24.16**	**18.89**	**24.92**	**0.03**

Note - 18 I. Revenue from Operations **(₹ in million)**

Particulars	For the period ended September 30,2024	For the period ended March 31,2024	For the period ended March 31,2023	For the period ended March 31,2022
Sale of Products				
Domestic Sales	4641.56	6768.44	6202.07	4052.09
Export Sales	393.26	302.04	558.48	215.61
Sale of Services	24.18	43.86	33.49	15.71
Total	**5059.00**	**7114.34**	**6794.04**	**4283.41**

Note - 19 II. Other Income **(₹ in million)**

Particulars	For the period ended September 30,2024	For the period ended March 31,2024	For the period ended March 31,2023	For the period ended March 31,2022
Interest Income	17.69	14.09	3.64	0.42
Rent	14.75	15.81	10.62	14.04
Profit on sale of Property, Plant and Equipment	0.00	0.00	1.46	0.00
Dividend	0.00	0.00	0.01	0.01
Miscellaneous Income	0.00	0.54	0.10	0.01
Unwinding of discount on security deposits	0.77	0.44	0.15	0.14
Net gain on foreign currency transaction	4.44	5.16	12.73	3.31
Total :	**37.65**	**36.04**	**28.71**	**17.93**

Note - 20 Cost of materials consumed **(₹ in million)**

Particulars	For the period ended September 30,2024	For the period ended March 31,2024	For the period ended March 31,2023	For the period ended March 31,2022
Consumption of Raw material & Packing Material				
Opening Stock	74.52	84.39	63.04	54.86
Add: Purchases During the year	4576.31	6771.42	6139.78	4300.69
	4650.83	**6855.81**	**6202.82**	**4355.56**
Direct Expenses	92.97	157.79	129.89	101.45
Less: Closing Stock	97.19	74.52	84.39	63.04
Total :	**4646.61**	**6939.08**	**6248.32**	**4393.96**

Note - 21 Changes in inventories of Finished Goods, Work-in-progress and Stock-in-Trade **(₹ in million)**

Particulars	For the period ended September 30,2024	For the period ended March 31,2024	For the period ended March 31,2023	For the period ended March 31,2022
Work-In-Progress				
Opening Work In Progress	0.00	19.70	0.00	0.00
Less : Closing Work In Progress	0.00	0.00	19.69	0.00
Finished Goods				
Opening Stock	1211.51	749.84	787.42	408.95
Less : Closing Stock	1188.79	1211.51	749.85	787.42
Total	**22.72**	**(441.97)**	**17.88**	**(378.47)**

Note - 22 Employee benefits expenses **(₹ in million)**

Particulars	For the period ended September 30,2024	For the period ended March 31,2024	For the period ended March 31,2023	For the period ended March 31,2022
Salaries and allowances	13.81	23.39	20.45	18.16
Director's Remuneration	10.83	20.80	19.40	16.60
Employer Contribution to Provident fund and other funds	2.49	4.91	4.35	3.81
Provision for Gratuity (Refer Note : 41)	0.00	0.00	0.00	0.00
Staff Welfare Expenses	0.28	0.75	0.43	0.46
Total	**27.41**	**49.85**	**44.63**	**39.03**

Note - 23 Finance costs (₹ in million)

Particulars	For the period ended September 30,2024	For the period ended March 31,2024	For the period ended March 31,2023	For the period ended March 31,2022
Interest Expense				
Interest on Loan	75.73	130.40	114.19	91.38
Interest Others	0.07	0.07	2.27	0.00
Net interest on net defined benefit liability	0.06	0.18	0.11	0.06
Interest on Lease Liability	7.18	7.40	2.31	2.48
Other Borrowing cost	0.00	0.00	0.00	0.00
Bank charges and other finance costs	4.45	4.73	2.39	4.05
Total	**87.48**	**142.78**	**121.27**	**97.97**

Note - 24 Depreciation and amortisation expense (₹ in million)

Particulars	For the period ended September 30,2024	For the period ended March 31,2024	For the period ended March 31,2023	For the period ended March 31,2022
Depreciation & Amortization expense	27.31	33.52	24.87	25.04
TOTAL	**27.31**	**33.52**	**24.87**	**25.04**

Note - 25 Other Expenses (₹ in million)

Particulars	For the period ended September 30,2024	For the period ended March 31,2024	For the period ended March 31,2023	For the period ended March 31,2022
Auditor's Remuneration	1.00	1.00	1.00	1.00
Hall Marking Charges	3.80	8.68	7.89	4.74
Insurance	0.78	0.97	0.76	0.60
Electricity Expenses	0.78	0.66	1.17	0.80
Printing & Stationery	0.39	0.82	0.40	0.40
Professional Fees	3.33	7.16	4.11	1.46
Rent, Rates & Taxes	2.34	0.25	5.38	5.48
Repairs & Maintenance	0.78	4.22	1.09	1.17
Director Sitting fees	0.20	0.06	0.00	1.30
Security Charges	1.42	2.40	1.43	1.12
Selling & Distribution Expenses	4.24	8.47	6.50	4.23
Loss on sale of asset	0.19	1.42	0.00	0.00
Travelling Expenses	4.94	13.12	9.71	2.57
Vehicle Expenses	2.83	4.49	4.00	2.42
Certification Charges	0.00	0.99	0.01	0.00
Commission And Brokerage	0.00	0.02	0.02	0.00
Donations	0.05	0.01	0.02	0.00
CSR Expenses (Refer Note : 34)	2.50	3.53	1.95	4.89
Miscellaneous Expenses	8.41	10.63	10.77	7.69
Total	**37.98**	**68.88**	**56.22**	**39.88**

Note - 26 Earning per share

Particulars	For the period ended September 30,2024	For the period ended March 31,2024	For the period ended March 31,2023	For the period ended March 31,2022
Net profit after tax as per Statement of Profit & Loss	182.48	268.68	198.19	33.01
Weighted average number of equity shares for Basic & Diluted EPS	54.00	54.00	54.00	54.00
Basic & Diluted EPS (Equity Shares of ₹10/-each)	3.38	4.98	3.67	0.61

Note - 27 First time adoption of ind AS :

A. First Ind AS financial statements

These are the Company’s first financial statements prepared in accordance with Ind AS applicable as at April 01, 2021

The accounting policies set out in notes have been applied in preparing the financial statements for the year ended 31 March 2023, the comparative information presented in these financial statements for the year ended 31 March 2022 and in the preparation of an opening Ind AS balance sheet as at 1 April 2021 (the date of transition). In preparing its opening Ind AS balance sheet, the Company has restated the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2014 and other relevant provisions of the Act (previous GAAP or Indian GAAP) so as to comply in all material respects with Ind AS.

An explanation of how the transition from previous GAAP to Ind AS has affected the Company’s financial position, financial performance and cash flows on the basis of following assumptions and exemptions.

(I) Optional exemptions availed

a) Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption is also applicable for intangible assets covered by Ind AS 38.

b) Investment in any other entities

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its investment in equity shares of any other company as recognised in the financial statements at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its investments in subsidiaries at their previous GAAP carrying value.

(II) Mandatory exceptions applied

a) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2021 are consistent with the estimates as at the same date made in conformity with previous GAAP except where Ind AS required a different basis for estimates as compared to the previous GAAP.

b) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has applied the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

c) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly, the Company has assessed classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Note - 28 Income Tax :

a) The major components of income tax are as under:

i) Income tax related to items recognised in Statement of profit and loss during the year

(₹ in million)

Particulars	**For the period ended September 30,2024**	**For the period ended March 31,2024**	**For the period ended March 31,2023**	**For the period ended March 31,2022**
Current Tax :				
Current tax on taxable income for the year	68.15	97.38	109.53	33.65
Charge/Credit in respect of current tax for earlier year	0.00	0.54	0.00	0.00
Total current tax expenses	**68.15**	**97.92**	**109.53**	**33.65**
Differed Tax :				
Relating to origination and reversal of temporary differences	(3.49)	(8.36)	1.84	17.27
Total deferred tax charge/ (credit)	**(3.49)**	**(8.36)**	**1.84**	**17.27**
Income tax expense reported in the statement of profit and loss	**64.66**	**89.56**	**111.37**	**50.92**

ii) Deferred tax related to items recognized in other comprehensive income (OCI) during the year

(₹ in million)

Particulars	**For the period ended September 30,2024**	**For the period ended March 31,2024**	**For the period ended March 31,2023**	**For the period ended March 31,2022**
Deferred tax on remeasurement (gains)/losses on defined benefit plan	0.25	0.01	0.14	-(0.18)
Total current tax expenses	**0.25**	**0.01**	**0.14**	**-(0.18)**

c) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

(₹ in million)

Particulars	**For the period ended September 30,2024**	**For the period ended March 31,2024**	**For the period ended March 31,2023**	**For the period ended March 31,2022**
Accounting Profits / (loss) before tax (A)	**247.14**	**358.24**	**309.56**	**83.93**
Statutory income tax rate	25.17%	25.17%	34.94%	34.94%
Current Income tax on Accounting profit	**62.20**	**90.16**	**108.17**	**29.33**
Other non deductible expenses	42.79	58.51	32.09	57.07
Other allowances for tax purpose	(28.60)	(40.78)	(34.56)	(53.58)
Income from House property	9.47	10.94	6.35	8.86
Net Adjustments to profits	**23.66**	**28.67**	**3.88**	**12.36**
Taxable Profits / (loss) before tax (A)	**270.79**	**386.91**	**313.43**	**96.28**
Current Income tax on Taxable profit	68.15	97.38	109.53	33.65
Income tax expense charged to the statement of profit and loss	**68.15**	**97.38**	**109.53**	**33.65**

d) **Deferred tax relates to the following:**

(₹ in million)

Particulars	For the period ended September 30,2024	For the period ended March 31,2024	For the period ended March 31,2023	For the period ended March 31,2022
(a) Taxable temporary differences				
(i) Property, Plant & Equipment	201.66	209.56	160.58	153.13
(ii) Right of use Assets	187.79	202.00	88.78	92.70
(iii) Fair valuation of financial instruments	1.16	1.29	1.55	1.09
(iv) Actuarial recognised in OCI	0.00	0.00	0.00	0.50
Total Taxable temporary differences (a)	**390.61**	**412.85**	**250.91**	**247.42**
(b) Deductible temporary differences				
(i) Lease Liability	114.68	123.15	17.70	20.01
(ii) Actuarial Losses recognised in OCI	0.98	0.06	0.41	0.00
(iii) Provision of Gratuity (Employee Benefits)	1.86	1.74	1.90	0.87
Total Deductible temporary differences (b)	**117.52**	**124.95**	**20.01**	**20.88**
Net Taxable temporary difference (a-b)	**273.09**	**287.90**	**230.90**	**226.54**
Effective rate of income tax rate	0.25	0.25	0.35	0.35
Net Differed Tax (Assets)/ Liabilities (a-b)	**68.40**	**72.14**	**80.51**	**79.16**
Opening balance on account of defined benefit obligations	**72.14**	**80.51**	**78.81**	**61.72**
Charged/ (Reversal) differed tax during the year	**(3.74)**	**(8.37)**	**1.70**	**17.44**

Note - 29 Reconciliation of Restated profit with Audited Profit:

(₹ in million)

Particulars	For the period ended September 30,2024	For the period ended March 31,2024	For the period ended March 31,2023	For the period ended March 31,2022
Net profit/(Loss) after Tax as per Audited Profit & Loss Account (a)	**185.13**	**260.58**	**223.07**	**64.40**
Adjustments for:				
(i) Fair valuation of Financial Instruments	(7.37)	(5.03)	2.26	(1.27)
(ii) Remeasurement gains/(losses) on defined benefit plan (net of tax	(0.98)	(0.06)	(0.41)	0.50
(iii) Decrease/(Increase) in Provision for gratuity	1.04	0.23	1.37	(1.00)
(iv) Adjustment on account of Leases	2.61	7.47	1.47	1.23
Net Increase/ (Decrease) in the Profit & Loss Account (b)	(4.69)	2.62	4.69	(0.54)
Net profit/(Loss) before tax after adjustment (a+b)	180.44	263.20	227.76	63.86
(v) Decrease/(Increase) on account of temporary differences	1.30	5.44	(29.84)	(30.17)
Net Profit/ (Loss) After Tax as Restated Profit & Loss Account	181.74	268.64	197.92	33.69

Note - 30 Provisions and Contingent Liabilities:

(₹ in million)

Particulars	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
Vat In Dispute	0.60	0.60	0.60	0.60
Gst In Dispute	16.93	16.93	14.02	0.00
Income Tax In Dispute	27.86	27.86	6.54	3.97
Guarantees#	101.60	101.60	1.60	1.60

#Bifurcation Of Guarantees are as follows:

(₹ in million)

Particulars	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
Bank Guarantee No. Sme/Vp/Bg-0284200100001173 Dtd. 24.02.2020 Given To The Regional Officer, Maharashtra Pollution Control Board, Raikar Chambers, A Wing, 216, 2Nd Floor, Deonar Gaon Road, Near Jain Mandir, Govandi East, Mumbai - 400 088 By The Saraswat Co-Operative Bank Ltd.	0.00	0.10	0.10	0.10
Bank Guarantee No. Sme/Vp/Bg/0284210000000021 Dtd. 30.04.2021 Given To The Chief Executive Officer, Nagar Nigam, Jaipur - 302 015 By The Saraswat Co-Operative Bank Ltd.	1.50	1.50	1.50	1.50
Bank Guarantee No. SME/VP/BG-0284230000001790 dtd. 22.11.2023 given to The Regional Officer, Maharashtra Pollution Control Board, Kalpataru Point , 1 st Floor , Opp. PVR Theatre, Sion (east) ,Mumbai -	0.05	0.00	0.00	0.00
Bank Guarantee No. Sme/Vp/Bg-0284230000001279 Dtd. 24.08.2023 Issued In Favour Of Yes Bank Ltd By The Saraswat Co-Operative Bank Ltd.	50.00	50.00	0.00	0.00
Bank Guarantee No. Sme/Vp/Bg-0284230000001293 Dtd. 28.08.2023 Issued In Favour Of Yes Bank Ltd By The Saraswat Co-Operative Bank Ltd.	50.00	50.00	0.00	0.00

Note - 31 Payment to auditor:

(₹ in million)

Particulars	For the period ended September 30,2024	For the period ended March 31,2024	For the period ended March 31,2023	For the period ended March 31,2022
Statutory Audit	0.90	0.90	0.90	0.90
Tax Audit	0.10	0.10	0.10	0.10
Total	**1.00**	**1.00**	**1.00**	**1.00**

Note - 32 Earnings Per Share (EPS)

(₹ in million)

PARTICULARS	For the period ended September 30,2024	For the period ended March 31,2024	For the period ended March 31,2023	For the period ended March 31,2022
Profit For the year (₹ in lacs)				
From continuing operations (A)	182.48	268.68	198.19	33.02
From discontinued operations (B)	0.00	0.00	0.00	0.00
Total Net Profit	**182.48**	**268.68**	**198.19**	**33.02**
No. Of Equity Shares At The Beginning	9.00	9.00	9.00	9.00
No Of Equity Shares Issued/Bought Back During The Year	0.00	0.00	0.00	0.00
No. Of Equity Shares At The Closing	9.00	9.00	9.00	9.00
Weighted Average No. Of Shares for Basic EPS During The Year (C')	**54.00**	**54.00**	**54.00**	**54.00**
(a) Basic Earnings per share				
From continuing operations (A/C) (in INR)	3.38	4.98	3.67	0.61
From discontinued operations (B/C)(in INR)	-	-	-	-
(b) Diluted earnings per share				
Weighted Average No. Of Shares for Diluted During The Year (C')	**54.00**	**54.00**	**54.00**	**54.00**
From continuing operations (A/C) (in INR)	3.38	4.98	3.67	0.61
From discontinued operations (B/C)(in INR)	-	-	-	-

Note - 33 Related Party Transactions

List of Related Parties

NAME OF RELATED PARTY	RELATIONSHIP
Ganesh Gold	Enterprise in which KMP exercise contol
Utssav Cz Gold Jewels Limited	Enterprise in which KMP exercise contol
Uzuri Jewels Pvt Limited	Enterprise in which KMP exercise contol
Shanti Investment & Trading	Enterprise in which KMP exercise contol
Shanti Developers	Enterprise in which KMP exercise contol
Sanskriti Gold	Enterprise in which KMP exercise contol
Shanti Cz Jewellary	Enterprise in which KMP exercise contol
Manoj Kumar N Jain	Key Managerial Person (KMP)
Kavita Manoj Jain	Relative of KMP
Vansh Manoj Jain	Relative of KMP
Shrishti Manoj Jain	Relative of KMP
Bhanwaridevi N. Jain	Relative of KMP
Praveen N. Jain	Relative of KMP
Taruna Jain	Relative of KMP
Sonia Jain	Relative of KMP
Manoj Kumar Jain Huf	Relative of KMP
Pankajkumar H Jagawat	Key Managerial Person (KMP)
Suman Pankaj Jagawat	Relative of KMP
Krish Pankaj Jagawat	Relative of KMP
Mir Pankaj Jagawat	Relative of KMP
Bhawarlal H. Jagawat	Relative of KMP
Dinesh H. Jagawat	Relative of KMP
Shantilal Jagawat	Relative of KMP
Veena Pravin Sonaiya	Relative of KMP
Manji Ghisulal Kothari	Relative of KMP
Pankaj Kumar H Jagawat Huf	Relative of KMP
Shashank B. Jagawat	Relative of KMP
Neha S. Jagawat	Relative of KMP
Pawan B. Jagawat	Relative of KMP
Vihana S. Jagawat	Relative of KMP
Shriram Iyengar	Key Managerial Person (KMP)
Vrushti Shah	Key Managerial Person (KMP)
Namrata Somani	Key Managerial Person (KMP)
Nayankumar Babubhai Gamdha	Key Managerial Person (KMP)

(₹ in million)

	Particulars	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
(a)	**Transactions with Related Party**				
i	**Pankajkumar Jagawat**				
	Directors Remuneration	5.42	10.80	10.80	9.40
	Unsecured Loan Taken	0.00	16.92	16.86	24.70
	Unsecured Loan Repaid	11.96	26.90	20.70	25.20
ii	**Shashank Jagawat**				
	Sitting Fees	0.10	0.06	0.00	0.00
iii	**Manojkumar Jain**				
	Directors Remuneration	5.42	10.00	8.60	7.20
	Unsecured Loan Taken	0.00	1.50	2.06	0.00
	Unsecured Loan Repaid	0.00	1.66	1.90	0.00
iv	**Kavita M. Jain**				
	Salary	1.00	1.20	1.20	1.20
	Refund of Advance given	0.00	0.00	0.00	0.00

v	**Suman P. Jagawat**				
	Salary	0.98	1.50	1.50	1.50
	Sale of Capital Assets	0.00	0.00	0.00	18.75
vi	**Krish Pankaj Jagawat**				
	Salary	0.33	0.66	0.40	0.00
vii	**Vansh Manoj Jain**				
	Salary	0.91	0.66	0.31	0.00
viii.	**Shriram Iyengar**				
	Salary	0.99	0.00	0.00	0.00
ix.	**Vrushti Shah**				
	Salary	0.21	0.00	0.00	0.00
x.	**Namrata Somani**				
	Salary	0.14	0.70	0.14	0.00
xi.	**Nayankumar Babubhai Gamdha**				
	Salary	0.00	0.00	0.37	0.43
xii	**Uzuri Jewels Pvt Ltd**				
	Unsecured Loan Taken	0.00	0.00	0.00	0.00
	Unsecured Loan Repaid	0.00	0.05	0.01	0.01
xiii	**Utssav Cz Gold Jewels Limited**				
	Sale of Goods/ Services	0.00	0.07	0.93	0.05
	purchase of Goods/ Services	0.00	0.00	0.93	0.05
xiv	**Sanskriti Gold**				
	Purchase of Goods	0.00	0.12	0.00	0.00
	Purchase of Capital Goods	0.00	0.99	0.00	0.00
(b)	**Outstanding balances pertaining to Related Parties**				
i	**Pankajkumar Jagawat**				
	Directors Remuneration	0.62	0.61	0.60	0.62
	Loan payable	28.19	40.15	50.13	53.97
ii	**Manojkumar Jain**				
	Directors Remuneration	0.62	0.42	0.56	0.43
	Loan payable	0.00	0.00	0.16	0.00
iii	**Suman P. Jagawat**				
	Salary payable	0.17	0.11	0.11	0.11
iv	**Krish Pankaj Jagawat**				
	Salary payable	0.05	0.05	0.05	0.00
v	**Vansh Manoj Jain**				
	Salary payable	0.17	0.05	0.05	0.00
vi	**Shriram Iyengar**				
	Salary payable	0.24	0.00	0.00	0.00
vii	**Vrushti Shah**				
	Salary payable	0.06	0.00	0.00	0.00
viii	**Namrata Somani**				
	Salary payable	0.00	0.04	0.06	0.00
ix	**Nayankumar Babubhai Gamdha**				
	Salary payable	0.00	0.00	0.00	0.04
x	**Uzuri Jewels Pvt Ltd**				
	Loan payable	1.24	1.24	1.29	1.29
xi	**Kavita M. Jain**				
	Salary payable	0.17	0.09	0.09	0.09

Note - 34 Corporate Social Responsibility Expenses

(₹ in million)

Particulars	**For the period ended September 30,2024**	**For the period ended March 31,2024**	**For the period ended March 31,2023**	**For the period ended March 31,2022**
Corporate social responsibility expenses [Refer note no:25]	2.50	3.53	1.95	4.89

As per provisions of section 135 of the Companies Act, 2013, the company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for

The Company has contributed a sum of Rs. 35.31 Lakh (March 31, 2023: 21.19.48 Lakh) (March 31, 2022 48.91 Lakhs) towards this cause and charged the same to the Statement of Profit And Loss.

(₹ in million)

Particulars	**For the period ended September 30,2024**	**For the period ended March 31,2024**	**For the period ended March 31,2023**	**For the period ended March 31,2022**
Contribution	2.50	3.53	1.95	4.89
Accruals towards unspent obligations in relation to:				
Ongoing Projects	0.00	0.00	0.00	0.00
Other than ongoing projects	0.00	0.00	0.00	0.00
Amount required to be spent as per Section 135 of the Act*	2.50	3.53	1.95	4.89
Amount spent during the year on				
(i) upliftment of Socio-economic Backward Society by providing Health, Education and Self Employment	2.50	3.53	1.95	4.89

Note - 35 Fair Value Measurements

(₹ in million)

Particulars	**As at 30-09-2024**		**As at 31-03-2024**		**As at 31-03-2023**		**As at 31-03-2022**	
	FVTPL	**Amortized Cost**	**FVTPL**	**Amortized Cost**	**FVTPL**	**Amortized Cost**	**FVTPL**	**Amortized Cost**
Financial assets (other than investment in subsidiaries, associates and joint venture companies at cost)								
Non-current assets								
Investments	0.00	0.03	0.00	0.03	0.00	0.03	0.00	0.03
Other financial assets	0.00	22.79	0.00	18.20	0.00	48.88	0.00	24.37
Current assets								
Trade receivables	0.00	1,528.87	0.00	782.31	0.00	1,023.25	0.00	698.47
Cash and cash equivalents	0.00	70.72	0.00	34.56	0.00	14.14	0.00	2.65
Other bank balances	0.00	448.04	0.00	394.26	0.00	97.96	0.00	44.16
Loans	0.00	0.49	0.00	0.55	0.00	0.04	0.00	0.50
Other financial assets	0.00	1.97	0.00	1.73	0.00	0.57	0.00	2.00
Total financial asset	0.00	**2,072.91**	0.00	**1,231.64**	0.00	**1,184.86**	0.00	**772.18**
Non-current liabilities								
Borrowings	0.00	307.12	0.00	346.20	0.00	430.68	0.00	393.89
Lease liabilities	0.00	97.55	0.00	105.68	0.00	11.41	0.00	12.68
Current liabilities								
Borrowings	0.00	2,307.31	0.00	1,637.43	0.00	1,204.97	0.00	1,025.81
Lease liabilities	0.00	17.13	0.00	17.47	0.00	6.29	0.00	7.34
Trade and other payables	0.00	92.85	0.00	44.64	0.00	62.91	0.00	76.73
Other financial liabilities	0.00	13.68	0.00	14.91	0.00	17.15	0.00	19.14
Total financial liabilities	0.00	**2,835.64**	0.00	**2,166.33**	0.00	**1,733.41**	0.00	**1,535.59**

Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

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

Valuation techniques used to determine fair value

a) Investments included in Level 1 of fair value hierarchy are based on prices quoted in stock exchange and/ or NAV declared by the funds.

b) Investments included in Level 2 of fair value hierarchy have been valued based on inputs from banks and other recognised institutions such as FIMMDA/ FEDAI

c) Investments included in Level 3 of fair value hierarchy have been valued using acceptable valuation techniques such as Net Asset Value and/ or Discounted Cash Flow Method.

Note : All financial instruments for which fair value is recognised or disclosed are categorised within the Fair ValueHierarchy described as above, based on the lowest level input that is significant to the fair value measurement as a whole.

The carrying amounts of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets, non-current and current borrowings, trade payables and other financial liabilities that are measured at amortised cost are considered to be approximately equal to the fair value due to short-term maturities of these financial assets/ liabilities.

Note - 36 Financial Risk Management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board. The Company is exposed to market risk - foreign currency and interest rate, credit risk and liquidity risk

A) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks.

a) Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize Company's position with regard to interest income and interest expenses and manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instrument in its total portfolio

Other variable rate borrowing

(₹ in million)

Particulars	**As at September 30,2024**	**As at March 31,2024**	**As at March 31,2023**	**As at March 31,2022**
Variable rate borrowings *	1,926.62	1,265.39	1,383.30	1,195.61

* excluding Ind AS adjustments relating to borrowings

b) Foreign currency risk

Currency risk is the risk that the fair value or future cash flows fluctuate because of changes in market prices of various currencies against the functional currency. However, the Company is currently not exposed to foreign currency risk.

B) Credit Risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

a) Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has also taken advances and security deposits from some of its customers, which mitigate the credit risk to an extent.

b) Financial instruments and cash deposits

The Company considers factors such as track record, size of the institution, market reputation, financial strength / rating and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings.

c) The ageing analysis of the receivables (gross of expected credit loss) has been considered from the date the invoice falls due.

(₹ in million)

Particulars	**As at September 30,2024**	**As at March 31,2024**	**As at March 31,2023**	**As at March 31,2022**
Upton 6 months	1,516.33	772.99	945.16	678.84
More than 6 months	12.54	9.32	78.09	19.63

B) Liquidity risk

a) Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

b) Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on the contractual

As at 30-Sept-2024

(₹ in million)

Particulars	**Carrying amount**	**Less than 1**	**1 to 5 years**	**Beyond 5 years**
Long term borrowings	307.12	79.08	218.47	9.56
Lease liabilities	114.68	17.13	97.55	0.00
Short term borrowings	2,307.31	2,307.31	0.00	0.00
Trade payables	92.85	92.85	0.00	0.00
Other financial liabilities	13.68	13.68	0.00	0.00

As at 31 March 2024

(₹ in million)

Particulars	**Carrying amount**	**Less than 1**	**1 to 5 years**	**Beyond 5 years**
Long term borrowings	346.20	74.74	258.97	12.48
Lease liabilities	123.15	17.47	105.68	0.00
Short term borrowings	1,637.43	1,637.43	0.00	0.00
Trade payables	44.64	44.64	0.00	0.00
Other financial liabilities	14.91	14.91	0.00	0.00

As at 31 March 2023

(₹ in million)

Particulars	Carrying amount	Less than 1	1 to 5 years	Beyond 5 years
Long term borrowings	430.68	17.47	377.72	35.49
Lease liabilities	17.70	6.29	11.41	0.00
Short term borrowings	1,204.97	1,204.97	0.00	0.00
Trade payables	62.91	62.91	0.00	0.00
Other financial liabilities	17.15	17.15	0.00	0.00

As at 31 March 2022

(₹ in million)

Particulars	Carrying amount	Less than 1	1 to 5 years	Beyond 5 years
Long term borrowings	393.89	12.37	316.52	65.00
Lease liabilities	20.01	7.34	12.68	0.00
Short term borrowings	1,025.81	1,025.81	0.00	0.00
Trade payables	76.73	76.73	0.00	0.00
Other financial liabilities	19.14	17.15	0.00	0.00

C) Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.
To maintain or adjust the capital structure, the Company may return capital to shareholders, raise new debt or issue new shares.

The Company monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts divided by total capital (equity attributable to owners of the parent plus interest-bearing debts).

(₹ in million)

Particulars	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
Borrowings	2,614.43	1,983.63	1,635.65	1,419.70
Less : Cash and cash equivalent	(70.72)	(34.56)	(14.14)	(2.65)
Adjusted net debt (A)	2,543.71	1,949.07	1,621.51	1,417.05
Total equity (B)	1,148.44	966.69	698.05	500.14
Adjusted net debt to adjusted equity ratio (A/B)	**2.21**	**2.02**	**2.32**	**2.83**

Note - 37 Trade Receivables

Outstanding for following periods from due date of payment

Trade Receivables ageing schedule as at September 30,2024 (₹ in million)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables -considered good	1,516.33	8.65	1.35	0.74	1.80	1,528.87
(ii) Disputed trade receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Disputed trade receivables considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00

Trade Receivables ageing schedule as at March 31,2024 (₹ in million)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables -considered good	772.99	2.63	3.06	1.72	1.91	782.31
(ii) Disputed trade receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Disputed trade receivables considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00

Trade Receivables ageing schedule as at March 31,2023 (₹ in million)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables -considered good	945.16	55.55	19.54	2.27	0.73	1,023.25
(ii) Disputed trade receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Disputed trade receivables considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00

Trade Receivables ageing schedule as at March 31,2022 (₹ in million)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables -considered good	678.84	10.26	8.27	1.07	0.02	698.47
(ii) Disputed trade receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Disputed trade receivables considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00

Note - 38 Trade Payables

Steps have been taken to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006. Since no intimation has been received from the suppliers regarding their status under the said Act as at 31st March 2024, disclosures relating to amounts unpaid as at the year end, if any, have not been furnished. In the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act, is not expected to be material.

Trade Payables and Creditors for expenses ageing schedule: As at 30 September 2024

(₹ in million)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	13.97	1.10	0.00	0.00	15.07
(ii) Others	77.75	0.00	0.04	0.00	77.78
(iii) Disputed dues- MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00

Trade Payables and Creditors for expenses ageing schedule: As at 31st March 2024

(₹ in million)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	19.70	0.00	0.00	0.00	19.70
(ii) Others	24.05	0.89	0.00	0.00	24.94
(iii) Disputed dues- MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00

Trade Payables and Creditors for expenses ageing schedule: As at 31st March 2023

(₹ in million)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	15.71	0.00	0.00	0.00	15.71
(ii) Others	45.96	1.24	0.00	0.00	47.20
(iii) Disputed dues- MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00

Trade Payables and Creditors for expenses ageing schedule: As at 31st March 2022

(₹ in million)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	18.31	0.00	0.00	0.00	18.31
(ii) Others	57.30	0.00	1.12	0.00	58.42
(iii) Disputed dues- MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00

Note - 39 Foreign Exchange Earning And Outgo:

(₹ in million)

Particulars	For the period ended September 30,2024	For the period ended March 31,2024	For the period ended March 31,2023	For the period ended March 31,2022
Exports at FOB	397.71	307.20	571.20	218.92
Foreign Exchange Outgo				
For Purchases & Services at CIF	0.00	0.00	1.00	3.36
For Capital Goods	0.00	0.00	0.39	0.00
For Expenses	0.00	0.00	2.74	0.74

Note - 40 Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether

a) The contract involves the use of an identified asset
b) The Company has substantially all the economic benefits from use of the asset through the period of the lease and
c) The Company has the right to direct the use of the

At the date of commencement of the lease, the Company will classify all leases as Finance lease or Operating Lease. Classification is based on the extent to which the risks and rewards incidental to ownership of the underlying asset lie with the lessor or the lessee. It depends on the substance of the transaction rather than the form of the contract.

Where, a 'Finance Lease' is defined as a lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

Where, an 'Operating Lease' is defined as a lease that does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

At the date of commencement of the lease, the Company recognises a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognises the lease payments as an operating expense on a straight- line basis over the term of the lease

The company has adopted Full Retrospective approach to measure the fair value for all of its Right of use assets and Lease liability as per provision of IND AS 116, Leases, as at the date of transition.

ROU Assets

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. Quantitative details relating to Right of use assets a have been mentioned in **Note No. 03** forming part of financial stateemnts

Lease Liabilities

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Details of lease liability of the Company is as follows:

(₹ in million)

Particulars	**As at September 30,2024**	**As at March 31,2024**	**As at March 31,2023**	**As at March 31,2022**
Opening balance	**123.15**	**17.70**	**20.01**	**22.19**
Add: Additions during the year	1.00	130.04	3.77	1.59
Less: Deletion during the year	-	(11.46)	(1.06)	-
Add: Accretion of inters	7.18	7.40	2.31	2.48
Less: Payments	(16.66)	(20.53)	(7.34)	(6.25)
Net carrying amount	**114.68**	**123.15**	**17.70**	**20.01**

Company is as follows:

(₹ in million)

Particulars	**As at September 30,2024**	**As at March 31,2024**	**As at March 31,2023**	**As at March 31,2022**
Current Lease Liability	17.13	17.47	6.29	7.34
Non- Current Lease liability	97.55	105.68	11.41	12.68

Note - 41 Gratuity And Other Post Employment Benefits Plans

The disclosures of employees benefit as defined in the Ind AS 19 - " Employee Benefits" are given below :

a. Details of post retirement gratuity plan are as follows :-

1. Expenses recognised during the year in the statement of profit and loss :

(₹ in million)

Expenses recognised during the year in the statement of profit and loss :	**For the period ended September 30,2024**	**For the period ended March 31,2024**	**For the period ended March 31,2023**	**For the period ended March 31,2022**
Service Cost	0.82	1.51	1.38	1.31
Net Interest Cost	0.06	0.18	0.11	0.06
Net Actuarial Losses/(Gains) Recognised during the period	0.00	0.00	0.00	0.00
Past Service Cost	0.00	0.00	0.00	0.00
Administration Expenses	0.00	0.00	0.00	0.00
(Gain)/Loss due to Settlements/Curtailments/Terminations/Divestitures	0.00	0.00	0.00	0.00
Total Defined Benefit Cost/(Income) included in Profit & Loss	0.88	1.69	1.49	1.37

ii. Expenses recognised during the year in other comprehensive income (OCI)

(₹ in million)

Expenses recognised during the year in other comprehensive income (OCI)	**For the period ended September 30,2024**	**For the period ended March 31,2024**	**For the period ended March 31,2023**	**For the period ended March 31,2022**
Amount recognized in OCI, Beginning of Period	(0.04)	(0.09)	(0.50)	0.00
Remeasurements due to :	0.00	0.00	0.00	0.00
Effect of Change in financial assumptions	0.30	#### #######	0.13	(0.43)
Effect of Change in demographic assumptions	0.00	0.00	0.13	0.00
Effect of experience adjustments	0.36	(0.24)	0.13	(0.06)
(Gain)/Loss on Curtailments/Settlements	0.00	0.00	0.00	0.00
Return on plan assets (excluding interest)	0.31	(0.02)	0.01	(0.01)
Changes in asset ceiling	0.00	0.00	0.00	0.00
Total remeasurements recognized in OCI	0.98	0.06	0.41	(0.50)
Amount recognized in OCI, End of Period	0.00	(0.04)	(0.09)	(0.50)

iii. Net liability recognised in the balance sheet

(₹ in million)

Amount Recognized in Statement of Financial Position at Period-End	**As at September 30,2024**	**As at March 31,2024**	**As at March 31,2023**	**As at March 31,2022**
Present Value of Funded Defined Benefit Obligation	11.81	10.61	9.53	7.61
Fair value of Plan Assets	9.95	8.86	7.63	6.74
Net liability recognized in balance sheet	1.86	1.74	1.90	0.87

iv. Reconciliation of opening and closing balances of defined benefit obligation

(₹ in million)

Change in Defined Benefit Obligation during the Period	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
Defined benefit obligation as at the beginning of the year	10.61	9.53	7.61	6.31
Net Current Service Cost	0.82	1.51	1.38	1.31
Interest Cost on DBO	0.38	0.74	0.61	0.48
Actuarial (Gains)/Losses	0.66	0.08	0.40	(0.49)
Benefits Paid	(0.66)	(1.25)	(0.47)	0.00
Past Service Cost	0.00	0.00	0.00	0.00
Losses / (Gains) on Curtailments/Settlements	0.00	0.00	0.00	0.00
Defined benefit obligation at the end of the year	11.81	10.61	9.53	7.61

v. Reconciliation of opening and closing balance of fair value of plan assets

(₹ in million)

Change in Fair value of Plan Assets during the Period	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
Fair value of Plan Assets, Beginning of Period	8.86	7.63	6.74	5.99
Interest Income Plan Assets	0.31	0.56	0.50	0.42
Actual Company Contributions	1.74	1.90	0.87	0.31
Actuarial Gains/(Losses)	(0.31)	0.02	(0.01)	0.01
Benefits Paid	(0.66)	(1.25)	(0.47)	0.00
Fair value of Plan Assets, End of Period	9.95	8.86	7.63	6.74

vi. Reconciliation of opening and closing balance of net defined benefit obligation

(₹ in million)

Particulars	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
Net defined benefit obligation as at the beginning of the year	1.74	1.90	0.87	0.31
Net Current Service Cost	0.82	1.51	1.38	1.31
Interest cost (Net)	0.06	0.18	0.11	0.06
Actuarial (Gains)/Losses	0.98	0.06	0.41	(0.50)
Benefits Paid	0.00	0.00	0.00	0.00
Actual Company Contributions	(1.74)	(1.90)	(0.87)	(0.31)
Defined benefit obligation at the end of the year	**1.86**	**1.74**	**1.90**	**0.87**

Vii. Total Defined Benefit Cost/(Income) included in Profit & Loss and Other Comprehensive Income during the period

(₹ in million)

Particulars	For the period ended September 30,2024	For the period ended March 31,2024	For the period ended March 31,2023	For the period ended March 31,2022
Total Charge/(Credit) Recognised in Profit and Loss	0.88	1.69	1.49	1.37
Total Amount Recognised in Other Comprehensive Income (OCI)	0.98	0.06	0.41	-0.50

Viii. Key Financial Assumptions at the Beginning of Period

Particulars	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
Discount Rate	7.09%	7.35%	7.47%	7.03%
Rate of Future Salary Increase	5.00%	5.00%	5.00%	5.00%

ix. Key Financial Assumptions Used at the End of Period

Particulars	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
Discount Rate	6.86%	7.09%	7.35%	7.47%
Rate of Future Salary Increase	5.00%	5.00%	5.00%	5.00%

x. Financial Assumptions Used to Determine the Defined Benefit Obligation

Particulars	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
Discount Rate	6.86%	7.09%	7.35%	7.47%
Salary Escalation Rate	5.00%	5.00%	5.00%	5.00%

xi. Financial Assumptions Used to Determine the Profit & Loss Charge

Particulars	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
Discount Rate	6.86%	7.09%	7.35%	7.47%
Salary Escalation Rate	5.00%	5.00%	5.00%	5.00%
Expected Return on Plan Assets	7.09%	7.09%	7.35%	7.47%

xii.Demographic Assumptions Used to Determine the Defined Benefit Obligation

Particulars	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
Withdrawal Rate	2.50%	2.50%	2.50%	2.20%
Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement Age	60 Years	60 Years	60 Years	60 Years

Note - 42 Significant Accounting Ratio:

		Numerator	Denominator	As at 30.09.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Current Ratio	(in times)	Current assets	Current Liabilities	1.38	1.46	1.52	1.43
Debt - Equity Ratio	(in times)	Total Outside Liabilities (Debentures + Long-term Liabilities + Short Term Liabilities)	Total Shareholders Equity (Shareholder' Equity + Reserves and surplus)	2.38	2.18	2.37	2.88
Debt Service Coverage Ratio	(in times)	Net Operating Income (Net Profit after tax + non-cash operating expenses like depreciation and other amortizations + Interest+other adjustments like loss on sale of fixed assets, etc.)	Debt Service (Current Debt Obligation (Interest + Lease payment+ Principal Repayment)	2.18	1.61	1.38	0.98
Return on Equity Ratio	(in percentage)	*Profit for the period (Net Profit after taxes - preference dividend (if any))*	*Avg. Shareholders Equity(Beginning shareholders' equity + Ending shareholders' equity) ÷ 2*	17.26%	32.28%	33.08%	7.53%
Inventory turnover ratio	(in times)	Cost of Goods sold (Opening Stock + Purchases) – Closing Stock	Average Inventory (Opening Stock + Closing Stock)/2	3.63	6.07	7.35	6.11
Trade Receivables turnover ratio	(in times)	Net Credit Sales (Credit Sales)	Average Trade Receivables (Beginning Trade Receivables + Ending Trade Receivables) / 2	4.38	7.88	7.89	5.63
Trade payables turnover ratio	(in times)	Total Purchases (Annual Net Credit Purchases)	Average Trade Payables ((Beginning Trade Payables + Ending Trade Payables) / 2	66.57	125.92	87.94	64.98
Net capital turnover ratio	(in times)	Net Sales (Total Sales - Sales Return)	Average Working Capital (Current Assets - Current Liabilities)	5.41	8.84	9.78	8.65
Net profit ratio	(in percentage)	Net Profit (Profit After Tax)	Net Sales	3.61%	3.78%	2.92%	0.77%
Return on Capital employed	(in percentage)	EBIT (Profit before Interest and Taxes)	Average Capital Employed * ((Average Capital employed = Beginning Capital employed + Ending capital employed)/2)	9.44%	17.97%	19.36%	10.06%

Note - 43 Subsequent Event

The company have issued bonus shares to its existing shareholders as on 18 Nov 2024 in the ratio of 1:5 and considered its effect in the restated financial statement considering as subsequent event occlude after the balance sheet date

Note - 44 Additional Regulatory Information

1 The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority during the year.

2 The Company did not have any transactions with the companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956.

3 The Company is in compliance with the number of layers in accordance with clause 87 of Section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017, and there are no companies beyond the specified layers.

4 The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Further, there was no previously unrecorded income and no additional assets were required to be recorded in the books of account during the year.

5 The Company has neither traded nor invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2024. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

6 No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties either severally or jointly with any other person except as disclosed in Note 29 to Financial Statement under related parties.

7 The Company has obtained borrowings from banks or financial institutions on the basis of security of Current Assets. The Company has filed Monthly Statements of Current Assets with Banks &/or Financial Institutions and, the same are in agreement with the books of accounts.

8 The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

Note - 45

Previous periods' figures have been recast / restated / regrouped to the extent practicable, whenever necessary.

Note - 46 Material Development After Balance Sheet Date

The Company has issued 45,00,000 Equity Shares of Rs.10 each as bonus shares in proportion of 5(five) equity shares for every 1(one) equity share held by the members as on record date,i.e October15,2024 and allotted on 18th November 2024 .

The effect of bonus shares are considered for calculation of EPS.

OTHER FINANCIAL INFORMATION

The audited standalone financial statements of our Company as at and for the Financial Years ended March 31 2024, March 31, 2023 and March 31, 2022, respectively, together with all annexures, schedules and notes thereto ("**Audited Financial Statements**") are available on our website at https://shantigold.in/.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements or any other information on such website does not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider when subscribing for or purchasing any securities of our Company and should not be relied upon or used as a basis for any investment decision. None of our Company or any of its advisors, nor BRLM nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from reliance placed on any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations derived from our Restated Financial Information are given below:

Particulars	As at and for six months period ended September 30, 2024#	As at and for Financial Year ended March 31, 2024	As at and for Financial Year ended March 31, 2023	As at and for Financial Year ended March 31, 2022
Restated earnings per Equity Share				
- Basic Earnings/ (loss) per Equity Share (₹)	3.38	4.98	3.67	0.61
- Diluted Earnings/ (loss) per Equity Share (₹)	3.38	4.98	3.67	0.61
Return on Net Worth (%)	17.26%	32.28%	33.08%	6.83%
Net Asset Value Per Equity Share (₹)	21.27	17.90	12.93	9.26
Earnings before interest, tax, depreciation and amortisation (EBITDA) (₹ in million)	361.94	534.54	455.70	206.94

#Not annualized

The ratios have been computed as under:
1. Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year
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
3. Net Asset Value per share = Net Worth at the end of the year divided by weighted average no. of equity shares outstanding during the year.
4. Return on Net Worth (%) is calculated as Net Profit after tax attributable to owner of the company, as restated for the end of the year/period divided by Average Net worth as at the end of the year/period. Average net worth means the average of the net worth of current and previous financial year/period. Net worth means the aggregate value of the paid-up share capital and other equity.
5. EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit/ (loss) before exceptional items and tax for the year/period and adding back finance costs, depreciation, and amortization expense.

Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards, i.e., Ind AS 24 -Related Party Disclosures, read with the SEBI ICDR Regulations for the six months ended September 30, 2024 and for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 and as reported in the Restated Financial Information, see "*Restated Financial Information – Note 33 – Related Party Transactions*" on page 265.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at September 30, 2024, on the basis of the Restated Financial Information, and as adjusted for the Issue. This table should be read in conjunction with the sections "*Management's Discussion and Analysis of Financial Position and Results of Operations*", "*Restated Financial Information*" and "*Risk Factors*" on pages 279, 226 and 28, respectively.

(₹ in million, except ratios)

Particulars*	Pre-Issue as at September 30, 2024	As adjusted for the proposed Issue**
Total Borrowings		
Current Borrowings (A)[(1)]	2,245.36	-
Non-current Borrowings (including current maturities of long-term borrowings) (B)[(2)]	483.75	-
Total Borrowings (C)=(A)+(B)	**2,729.11**	**-**
Total Equity		
Equity Share Capital[#] (D)	90.00	-
Other Equity (E)	1,058.43	-
Total Equity (F)=(D)+(E)	**1148.43**	**-**
Total Borrowings/ Total Equity (C)/(F)	**2.38**	**-**
Non-Current Borrowings/ Total Equity (B)/(F)	**0.42**	**-**

Notes:

**The above terms carry the meaning as per division II of Schedule III to the Companies Act, 2013 (as amended).*

***The corresponding post Issue capitalization data is not determinable at this stage pending the completion of the book building process and hence have not been furnished. To be updated upon finalization of the Issue Price.*

#Post September 30, 2024, pursuant to a board resolution dated October 15, 2024, 45,000,000 Equity Shares of face value of ₹ 10 each, were allotted to the Shareholders by way of a bonus issue of Equity Shares in the ratio of 5 (five) Equity Shares of face value of ₹ 10 each for every 1 (one) Equity Share held by the existing Shareholders. For further details, see, "Capital Structure" on page 80.

1. Current Borrowings include current lease liabilities.

2. Non-current Borrowings include non-current lease liabilities.

3. The above has been computed on the basis on amounts derived from the Restated Financial Information.

FINANCIAL INDEBTEDNESS

Our Company avails loans and financing facilities in the ordinary course of our business for meeting our working capital and business requirements. For details regarding the borrowing powers of our Board, see "*Our Management – Borrowing Powers*" on page 209.

We have obtained the necessary consents from the lenders of our Company as required under the relevant financing documentation for undertaking activities in relation to the Issue, *inter alia,* including effecting change in our capital structure, change in our shareholding pattern, change in our constitutional documents and change in the composition of our Board.

The details of the indebtedness of the Company as on November 14, 2024 is provided below:

(in ₹ million)

Particulars	Sanction Amount	Outstanding as on November 14, 2024
Secured (A= B+C)	**2,601.48**	**2,279.04**
Term Loans (including Vehicle Loans) (B)	391.48	358.65
Working capital facilities (C= D+E)	**2,210.00**	**1,920.39**
- Fund based (D)	1,810.00	1,818.71
- Non-Fund based (E)	400.00	101.68
Other Sanctions (F = G)	**600.00**	**235.18**
Fixed Deposit/Bank Guarantee/Standby Letter of Credit backed domestic gold loan and export gold loan (G)	600.00	235.18
Unsecured (H)		61.65
Total (A+F+H)		**2,474.19#**

 # Excluding the non-fund based facilities which comprises of bank guarantees amounting to ₹ 101.68 million.
**As certified by J. Kala & Associates, Chartered Accountants, our Statutory Auditors, pursuant to their certificate dated January 13, 2025.*

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 various financing documentation executed by our Company in relation to our indebtedness.

1. ***Interest:*** The interest rate for the unsecured borrowings availed by our Company typically ranges from nil to 6% per annum. While the interest rate for the secured working capital demand loan facilities typically ranges from 8.30% per annum to 8.75% per annum and the interest rate for the secured term loans typically ranges from 9.25% per annum to 9.60% per annum.

2. ***Penal interest***: The terms of certain of our borrowings prescribe penalties for non-compliance of certain obligations by us, *inter alia*, delay in the repayment of principal instalment, interest, charges or other monies due on the facility, non-submission of annual financial statements and other irregularities as specified in the terms of sanction or such facility documents. The default interest rate under such facility documents, typically ranges from nil to 4% per annum. Additional interest as specified by the lenders may be charged in case of continuation of the non-compliance beyond a certain period.

3. ***Validity/tenor:*** The working capital demand loan facilities availed by us generally have a tenor of 12 months and may be rolled over within the period specified in the respective facility documents. Further, the tenor of the secured term loans availed by our Company typically ranges from 72 months to 115 months.

4. ***Pre-payment penalty:*** We have the option to prepay the lenders, subject to payment of prepayment charges at such rate as may be stipulated by the lenders which typically ranges from nil to 4%. Further, some loans may be prepaid without any prepayment charges subject to fulfilment of conditions.

5. ***Security:*** In terms of the borrowings by the Company where security needs to be created, security is created, *inter alia,* by way of (i) hypothecation of entire current moveable assets, furniture and fixtures, plant and machinery (excluding vehicle); (ii) mortgage on certain properties of the Company; (iii) hypothecation of stocks & book debts; (iv) hypothecation on vehicles owned by the Company and (v) personal guarantees from the directors of our Company namely, Mr. Pankajkumar H Jagawat and Mr. Manojkumar N Jain. There may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

6. ***Repayment:*** The term loans availed by our Company are typically repayable in structured instalments, in accordance with the loan documentation, as applicable. The working capital facilities availed by us are typically repayable on demand in accordance with their respective sanction letters and loan documents.

7. ***Key covenants:***

   In terms of our borrowing arrangements, we are required to comply with various financial covenants, restrictive covenants and conditions restricting certain corporate actions, and we are required to take prior consent from the lender and/or intimate the respective lender before carrying out such actions, including, but not limited to the following:

   (a) Effectuating any change in the constitution or shareholding pattern of our Company;

   (b) Entering into any scheme of merger, amalgamation, de-merger, re-arrangement, reorganization, compromise or reconstruction by our Company or investing in third parties;

   (c) Effecting any change in the control or ownership or management of our Company;

   (d) Undertaking any new project or any expansion, diversification, modernizationor further capital expenditure except being funded by our Company's own resources;

   (e) Making any amendments in the constitutional documents of our Company; and

   (f) Creating mortgage, charge, lien or encumbrance over the Company's assets or any part thereof in favor of any financial institution, bank, company, firm or persons.

   This is an indicative list and there additional restrictive and covenants under the various borrowing arrangements entered into by our Company.

8. ***Events of default:*** In terms of the borrowing arrangements entered into by our Company, the occurrence of any of the following, *inter alia*, constitutes an event of default:

   (a) Default under any facility or loan document or arrangement or guarantee or security or other indebtedness or in payment of interest, other charges or instalment amount due or repayment of principal amounts;

   (b) Any change of ownership, control and/or management of the Company without prior consent of the lenders;

   (c) Material adverse change affecting the business or financial position of the Company;

   (d) Utilisation of the facilities or any part thereof for purposes other than as sanctioned by the lenders; and

   (e) Cessation to carry on our business or any material part of the business or gives notice of our intention to do so.

9. ***Consequences of occurrence of events of default:*** In terms of our borrowing arrangements, the following, among others, are the consequences of occurrence of events of default, whereby the lenders may, inter alia:

   (a) Declare that any amount outstanding under or in relation to the facility (whether principal, interest or other sum and whether or not then due) be immediately payable on demand within such time period as specified by the lender;

   (b) Impose penal interest over and above the contracted rate on the amount in default;

(c) Enforce any/all security provided to the lenders in terms of the facility documents including by invoking the guarantee(s) if any furnished;

(d) Initiate legal proceedings for recovery of their dues; and

(e) Exercise any other rights/remedies available to the lender under any regulations/law or the facility documents.

This is an indicative list and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by us.

For further details of financial and other covenants required to be complied with in relation to our borrowings, see "*Risk Factors – 31. We have incurred significant indebtedness which exposes us to various risks which may have an adverse effect on our business, results of operations and financial conditions. Conditions and restrictions imposed on us by the agreements governing our indebtedness could adversely affect our ability to operate our business.*" on page 49.

MANAGEMENT'S DISCUSSIONS AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion of our financial condition and results of operations together with our Restated Financial Information which have been included in this Draft Red Herring Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Restated Financial Information for the six months period ended September 30, 2024 and for the Fiscals 2024, 2023 and 2022 including the related notes and reports, included in this Draft Red Herring Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI (ICDR) Regulations 2018, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Restated Financial Information have been derived from our audited financial statements for the respective period and years. Accordingly, the degree to which our Restated Financial Information will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Ind AS, Companies Act, SEBI Regulations and other relevant accounting practices in India. Please see, "Risk Factors – 54. Significant differences exist between Ind AS and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which may affect investor's assessment of our financial condition" on page 58.

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 28 *and 19 respectively, and elsewhere in this Draft Red Herring Prospectus.*

Unless the context otherwise requires, in this section, references to "our Company", "the Company", "we", "us", or "our" refers to Shanti Gold International Limited.

Further, names of certain customers and suppliers have not been included in this Draft Red Herring Prospectus either because relevant consents for disclosure of their names were not available or in order to preserve confidentiality.

*Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus is derived from the report titled, "Industry Report on Indian Gems and Jewellery" dated January 4, 2025 ("**CARE Report**") prepared and issued by CARE, pursuant to an engagement letter dated November 5, 2024. The CARE Report is commissioned and paid for by our Company in connection with the Issue. The data included herein includes excerpts from the CARE Report and may have been re-ordered by us for the purposes of presentation. A copy of the CARE Report is available on the website of our Company at www.shantigold.in. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular Fiscal/ calendar year refers to such information for the relevant Fiscal/ calendar year.*

Our Fiscal Year ends on March 31 of each year. Accordingly, all references to a particular Fiscal year are to the 12 months ended March 31 of that year.

BUSINESS OVERVIEW

We are one of the leading manufacturers of high-quality 22kt CZ casting gold jewellery, in terms of installed production capacity, specializing in the design and production of all types of gold jewellery (*Source: CARE Report*). Our Company offers a wide range of high-quality, intricately designed pieces, including bangles, rings, necklaces, and complete jewellery sets across various price points ranging from jewellery for special occasions, such as weddings to festive and daily-wear jewellery. For a detailed overview of our business, see "*Our Business - Overview*" on page 175.

PRESENTATION OF FINANCIAL INFORMATION

The Restated Financial Information comprises the restated statement of assets and liabilities as at six months period ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022; the restated statement of profit and loss (including other comprehensive income); the restated statement of changes in equity; the restated statement of cash flow for the six months period ended September 30, 2024 and Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022, and the summary of significant accounting policies and other explanatory information prepared, in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI, as amended from time to time and included in "*Restated Financial Information*" on page 226.

The Restated Financial Information has been compiled from audited Ind AS financial statements of our Company as at and for the fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our results of operations and financial condition are affected by a number of important factors including:

Ability to expand our design portfolio for our product offering, retain existing customers and attract new customers

Our ability to expand our design portfolio for our product offering, retain existing customers, and attract new customers is a critical factor influencing our results of operations and financial condition. We recognize that customer satisfaction, loyalty, and continuous innovation are essential to maintaining and growing our market position. The following aspects play a pivotal role in this area:

(i) *Expansion of design portfolio of our product offering*: We are one of the leading manufacturers of high-quality 22kt CZ casting gold jewellery, in terms of installed production capacity, specializing in the design and production of all types of gold jewellery. (*Source: CARE Report*) We offer a wide range of high-quality, intricately designed pieces, including bangles, rings, necklaces, and complete jewellery sets across various price points ranging from jewellery for special occasions, such as weddings to festive and daily-wear jewellery. We have primarily focused on our ability to develop and manufacture a wide variety of jewellery designs that cater to the diverse tastes of our clients. Many of our pieces feature intricately studded gemstones in CZ casting gold, crafted by our team of designers by employing computer-aided design technology ("**CAD**"). As of November 15, 2024, we had a team of 80 CAD designers on our payroll, who develop over 400 designs per month on a regular basis. The breadth of the designs of our product offering ensures that we meet the needs of our clients, helping us foster long-standing relationships with jewellery businesses. Over the years, our Company has endeavoured to deliver quality services and products, earning the trust and loyalty of our customers. For further details, see "*Our Business – Overview – Customer network and operational overview*" on page 176. Our ability to introduce new designs for our product offering that align with current trends, consumer preferences, and market demands is key to expanding our customer base and enhancing our revenue streams.

(ii) *Retention of existing customers*: We have fostered long standing relationships with several jewellery businesses, including corporate jewellery brands, such as Joyalukkas India Limited, Lalithaa Jewellery Mart Limited, Alukkas Enterprises Private Limited, Vysyaraju Jewellers Private Limited and Shree Kalptaru Jewellers (I) Private Limited and numerous other esteemed clients. These relationships have been built on our ability to provide a wide range of designs for our product offering tailored to the needs of our clients by understanding market preferences. Our customer network spans 13 states and one union territory in India and four countries abroad. In the six months period ended September 30, 2024, Fiscal Years 2024, 2023 and 2022, we catered to 332, 372, 379, and 271 customers and our revenue from operations from the sale of jewellery and labour services was ₹ 5,059.00 million, ₹ 7,114.34 million, ₹ 6,794.04 million and ₹ 4,283.41 million, respectively, translating to average compounded annual growth rate of 28.88%.

During the six months period ended September 30, 2024 and Fiscal Years 2024, 2023 and 2022, the share of our top customers to our revenue from operations was as follows:

Customer concentration	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operations (₹ in million)	% of revenue from operations	Revenue from operations (₹ in million)	% of revenue from operations	Revenue from operations (₹ in million)	% of revenue from operations	Revenue from operations (₹ in million)	% of revenue from operations
Top 1	436.06	8.62	634.85	8.92	345.28	5.08	288.96	6.75
Top 5	1,466.13	28.99	1,717.40	24.15	1,432.90	21.09	1,159.15	27.08
Top 10	2,053.90	40.6	2,591.41	36.43	2,253.33	33.17	1,753.30	40.95

Retaining our existing customer base is one of the primary factors that is vital in ensuring revenue growth and driving long-term financial stability.

(iii) *Attracting new customers:* Given that during six months period ended September 30, 2024, Fiscals 2024, Fiscals 2023 and Fiscals 2022, we had significant presence in the state of Punjab, which contributed to ₹198.36 million, ₹324.94 million, ₹481.54 million and ₹557.24 million, respectively, representing 3.92%, 4.57%, 7.09% and 13.01%, respectively, of our revenue from operations, as part of our strategy, we are focused on expanding our footprint in North India, in states such as Haryana and Rajasthan. We believe we have the knowledge and understanding of the demand trends and customer preferences in Punjab, provides us with a foundation to increase our market share in the adjacent states. Further, we intend to expand our presence in global markets, including, the USA and the UAE. By participating in trade exhibitions in the USA and the UAE, we aim to significantly increase our brand visibility and recognition among international jewellery businesses, distributors, and consumers. For further details in relation to our strategies, see "*Our Business – Our Strategies*" on page 181. By implementing these strategies, we aim to reach new customers and expand our presence.

Cost of procuring raw materials and manufacturing of our products

The cost of procuring raw materials, along with the manufacturing of our products, is a significant factor that directly impacts our results of operations and financial condition. Our jewellery production is primarily dependent on raw materials, including gold bar, stones, alloy, diamond, and wax. These raw materials represent a substantial portion of our overall cost structure and have a direct impact on our profitability and cost management strategies.

Set forth below is a break-up of raw materials obtained from our suppliers in the corresponding periods:

(₹ in million, except %)

Raw material	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Purchase cost	% of total purchase	Purchase cost	% of total purchase	Purchase cost	Purchase cost	% of total purchase	Purchase cost
Gold Bar	4,528.65	98.96	6,646.73	98.16	6,031.47	98.24	4,188.70	97.40
Stones*	13.80	0.30	17.75	0.26	38.83	0.63	23.05	0.54
Alloy	0.35	0.01	0.45	0.01	0.35	0.01	0.42	0.01
Diamond	Nil	Nil	Nil	Nil	Nil	Nil	2.14	0.05
Wax	Nil	Nil	0.35	0.01	0.32	0.01	0.29	0.01

**Stones include pearls, beads, gemstones and CZ stones.*

Our business is significantly dependent on timely procurement, quality and price of our raw material, especially gold, for jewellery production. As a result, we are exposed to fluctuations in the price and availability of gold, both of which are influenced by regulatory factors such as import duties, global economic conditions, geopolitical factors, and fluctuations in demand and supply in the international markets. Please see, "*Risk Factors – 4. Our dependence on gold may expose us to market and demand fluctuations. Further, the non-availability or high cost of quality gold, may have an adverse effect on our business, results of operations, financial condition and prospects*" on page 31.

In addition to the raw material costs, the manufacturing process is also dependent on our manufacturing capabilities. Our manufacturing and processing operations are carried out using machines such as casting machines, steamers, induction melter, air compressors, *etc.*, and a significant portion of our production process relies on outsourced labour, particularly for the manual setting of stones. For information on risks associated with our manufacturing capabilities, please see, "*Risk Factors – 7. Our business is dependent on our manufacturing capabilities at our Andheri Manufacturing Facility. Unplanned slowdowns, unscheduled shutdowns or prolonged disruptions in our manufacturing operations and an inability to effectively utilize our production capacity could have an adverse effect on our business, results of operations, cash flows and financial condition.*" on page 32.

Working capital requirements

Our business requires a substantial amount of working capital. For details of our existing working capital as at September 30, 2024, March 31, 2024 and March 31, 2023 and March 31, 2022, see "*Objects of the Issue - Funding incremental working capital requirements of our Company - Basis of estimation of incremental working capital requirement*" on page 103. The working capital is primarily required to finance the purchase of raw materials to keep optimum level of finished products and to support trade receivables. Further, in order to scale operations and support the growing demand for products, our Company recognizes the need to augment the working capital. As of November 14, 2024, our fund based working capital facilities and non-fund based working capital facilities was ₹ 1,810 and ₹ 400.00 million, respectively. As we scale our business, additional working capital is required to support our growth and expand our market presence. As part of our strategy, we are planning to raise [●] through the proceeds of the Issue out of which ₹ 1,900.00 million will be utilised towards our working capital requirements. Further, we are planning to expand our operations by construction of and setting up of the Proposed Jaipur Facility, which will require significant working capital. For risks associated with our working capital requirements, see "*Risk Factors – 18. Our Company requires significant amounts of working capital for continued growth. Our inability to meet our working capital requirements, on commercially acceptable terms, may have an adverse impact on our business, financial condition and results of operations.*" on page 41.

Consumer spending and general economic and market conditions

Domestic demand is fueled by rising disposable incomes, urbanization, and a growing preference for lightweight, modern designs, especially among younger consumers. On the export front, markets like the U.S., UAE, and Hong Kong continue to drive growth. Trade agreements and government support for export-oriented policies further strengthen India's position in the global market. (*Source: CARE Report*)

While the sector holds immense potential, it faces challenges such as gold price volatility, dependency on imports, and increasing competition from synthetic diamonds. Fluctuations in international demand and compliance with stringent regulatory norms also pose risks. However, these hurdles are being addressed through policy interventions, innovation, and diversification. (*Source: CARE Report*)

Our business is significantly influenced by consumer spending patterns, general economic conditions, and broader market dynamics. Domestic and international demand for our products is driven by various factors, including rising disposable incomes, urbanization, and changing consumer preferences. For risks associated with market and demand fluctuations, see "*Risk Factors – 4. Our dependence on gold may expose us to market and demand fluctuations. Further, the non-availability or high cost of quality gold, may have an adverse effect on our business, results of operations, financial condition and prospects*." on page 31.

BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation and Measurement

1.1. The restated financial information of the Company comprise the restated statement of assets and liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the restated statement of profit and loss (including other comprehensive income), the restated statement of changes in equity, the restated statement of cash flow for the six months period ended September 30, 2024 and Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022 and the summary of significant accounting policies and other explanatory information prepared, in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI, as amended from time to time ("**Restated Financial Information**"), has been prepared by the management of the Company as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended issued by the Securities and Exchange Board of India, in pursuance of the Securities and Exchange Board of India Act, 1992, solely for the purpose of inclusion in the Draft Red Herring Prospectus, in connection the Issue. and have been prepared in accordance.

The Restated Financial Information of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III to the Act, as applicable to the financial statements and other relevant provisions of the Act.

Pursuant to the Companies (Indian Accounting Standard) Second Amendment Rules, 2015, the Company prepared its first set of statutory financial statements as per Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) for the period ended September 30, 2024 and consequently, April 1, 2021 is the transition date for preparation of such statutory financial statements. Up to the Fiscal March 31, 2022, the Company prepared its financial statements in accordance with accounting standards prescribed under Section 133 of the Companies Act, 2013 ("Indian GAAP").

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Company has presented an explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows (Refer to Note 27 forming part of financial statements)

This restated financial information were approved for issue by the Company's Board of Directors on December 19, 2024.

1.2. Process of preparation of Restated Financial Information:

The Restated Financial Information of the Company for the Period has been complied by the Company from:

1.2.1. Restated Financial Information as at and for the periods ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.

1.2.2. The Restated Financial Information has been prepared have been prepared in accordance with the Guidance Note on Combined and Carve Out Financial Statements and Guide to Reporting on Restated Financial Statements issued by the Institute of Chartered Accountants of India ('ICAI') ('Guidance Note') using the recognition and measurement principles of Indian Accounting Standards (‘Ind AS’).

Notes to the Restated Financial Information

(i) Basis of Preparation:

The accounting policies set out below have been applied consistently to the years presented in the Restated Financial Information. This Restated Financial Information has been prepared on a going concern basis.

(ii) Basis of Measurement:

The Restated Financial Information have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value or amortized cost method (refer accounting policy regarding financial instruments) or revalued amount.

(iii) Current and non-current classification: All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in Schedule III to the Act. Based on the above criteria, the Company has ascertained its accounting cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

(iv) Functional and presentation currency: The financial statements are presented in Indian Rupees (₹), which is also the Company’s functional currency. All amounts have been rounded off to the nearest Million, unless otherwise indicated.

(v) Basis of measurement: The financial statements have been prepared on the historical cost basis except for the following items:

Items	**Measurement basis**
Certain financial assets and liabilities	Fair value
Net defined benefit liability	Present value of defined benefit obligations.

Use of estimates and judgements

The preparation of these restated financial statements in conformity with the recognition and measurement principles of Ind AS requires, management to make judgements, estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the amounts recognized in the Restated Financial Information is included in the following notes:

- Impairment test of non-financial assets and financials assets
- Measurement of defined benefit obligations: key actuarial assumptions
- Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can

be used.

- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

Critical Judgements and Estimation In applying the Company's Accounting Policies

The estimates and judgements used in the preparation of the financial statements are based on historical experience and various other assumptions and factors (including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates and judgements are based on the facts and events, which existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

The estimates and underlying assumptions are reviewed on an ongoing basis, Revisions to accounting estimates include useful lives of Property, Plant and Equipment, Intangible Assets allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

The areas involving critical estimates and judgements are:

a. Amortization of Intangible Assets

b. Recognition of deferred tax assets for carried forward tax losses.

c. Estimation of Current tax expenses and payable

d. Revenue recognition

(vi) Measurement of fair value

A number of accounting policies and disclosures require measurement of fair value for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either –

- In the principal market for the asset or liability, or

- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to/ by the Company.

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

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

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

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

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

2.1 Summary of significant accounting policies

a) Revenue

In recognizing revenue, the Company applies Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. The Standard require apportioning revenue earned from contracts to individual promises, or performance obligations, on a relative stand-alone selling price basis, using a five-step model.

Revenue is recognized upon transfer of control of promised product or services to customer in an amount that reflect the consideration which the Company expects to receive in exchange for those product or services at the fair value of the consideration received or receivable, which is generally the transaction price, net of any taxes/duties and discounts.

Revenue from sale of products is recognized at the point of time upon transfer of control of promised goods to the customer in an amount that reflects the consideration the Company expects to receive in exchange for those goods i.e. when it is probable that the entity will receive the economic benefits associated with the transaction and the related revenue can be reliably measured.

Revenue is recognized at the fair value of the consideration received or receivable, which is generally the contracted price, net of any taxes/duties and discounts considering the impact of variable consideration.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Trade receivables

A receivable represents the Company’s right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

Use of significant judgements in revenue recognition: -

- The performance obligation is satisfied upon delivery of the goods.

- At the time of entering into the agreement / raising an invoice, performance obligations in the contract are identified. The Company delivers goods as per the terms & conditions of the contract. Contracts are of differing natures and sometimes have one specific performance obligation, and on other occasions have multiple performance obligations. Contract liability has been created towards unsatisfied or partially satisfied performance obligation.

- Contract fulfilment costs are expensed as incurred.

Interest income

Interest income on time deposits and inter-corporate loans is recognized using the effective interest method.

The ‘effective interest rate’ is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

Other income

In respect of other heads of income, the Company follows the practice of recognizing income on accrual basis.

b) Property, plant and equipment

Recognition and Measurement

Items of property, plant and equipment are measured at cost, net of recoverable taxes (wherever applicable), which includes capitalized borrowing costs less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, if any, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant, and equipment.
Any gain or loss from the disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

Subsequent Expenditure

Subsequent expenditures are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only if it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

All other repairs and maintenance are charged to the statement of profit and loss during the reporting year in which they are incurred.

Depreciation methods, estimated useful lives and residual values

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value over their useful life using straight line method and is recognized in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as under and the same are equal to lives specified as per schedule II of the Act.

Particulars	Useful lives (in years)
Tangible assets:	
Building	60 Years
Furniture and fixtures	8-10 years
Plant & Machinery	8-15 years
Office equipment	5 Years
Vehicle	8 Years
Computer & Server	3-6 years
Electrical Installment	10 years

Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale/discard from property, plant and equipment is provided for up to the date of sale, deduction or discard of property, plant and equipment as the case may be.

Depreciation method, useful lives and residual values are reviewed at each financial year-end, and changes, if any, are accounted for prospectively.

c) Other intangible assets

Other intangible assets

An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the Company where its cost can be reliably measured.

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortization and any accumulated impairment losses. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

Amortization

Amortization is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method and is included in depreciation and amortization expense in the statement of profit and loss.

The useful lives of intangible assets are as follows:

Intangible assets: Useful lives (in years)	
Trademark	10 Years
Software Licenses	5 years

Amortization method, useful lives and residual values are reviewed at each financial year-end, and changes, if any, are accounted for prospectively.

Losses arising from the retirement of, and gain or losses arising from disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognized as income or expense in the statement of profit and loss.

d) Investment Property

Recognition and Measurement

Land and Building held to earn rental or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes: or sale in the ordinary course of business is recognized as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

e) Capital Work in progress:

Cost of assets not ready for intended use, as on balance sheet date is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as other non-current assets.

f) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets or CGU's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are Companied together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Company of CGUs) on a pro rata basis.

After impairment, depreciation/amortization is provided on the revised carrying amount of the asset over its remaining useful life.

g) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

h) Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue, except for an item recognized at fair value through profit and loss. Transaction cost of financial assets carried at fair value through profit and loss is expensed in the statement of profit and loss.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at:

- amortized cost.

- Fair value through other comprehensive income (FVOCI), or

- Fair value through profit and loss (FVTPL)

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

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by-investment basis.

All financial assets not classified to be measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at amortized cost: These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses, if any. Interest income and impairment are recognized in the statement of profit and loss. Any gain or loss on derecognition is recognized in the statement of profit and loss.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognized in the statement of profit and loss.

Debts investments at FVOCI: These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On Derecognition gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Financial liabilities: classification, subsequent measurement & gain and loss

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of profit and loss. Any gain or loss on derecognition is also recognized in the statement of profit and loss.

iii. Offsetting

Financial assets and monetary liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

iv. Derecognition

Financial Assets

The Company derecognize a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enter into transactions whereby it transfers assets recognized on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company derecognize a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognize financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in the statement of profit and loss.

v. Impairment of financial instruments

The Company recognize loss allowances for expected credit losses on: -

(i) Financial assets measured at amortized cost; and

(ii) Financial assets measured at FVOCI- debt investments.

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer.
- a breach of contract such as a default or being past due for an agreed credit period.
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise.
- it is probable that the borrower will enter bankruptcy or another financial reorganization; or
- the disappearance of an active market for security because of financial difficulties.

Expected credit loss

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than the agreed credit period. The Company consider a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is past due and not recovered within the agreed credit period.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).
Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets disclosed in the Balance Sheet.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

i) Inventories

Inventories are valued as under:

a) Raw Material: Polished diamonds (including colour stone) are valued at lower cost or net realizable value.

b) Raw Material: Gold is valued at lower cost or net realizable value.

c) Finished goods: Jewellery is valued at lower cost or Net realizable value. The cost of material is determined on a FIFO basis. Cost includes cost of conversion and other costs incurred in bringing the inventory to their present location and condition less input credit availed.

d) Designs & Moulds: - Designs and Moulds is valued at lower cost or Net Realizable value. Cost Includes cost associated with creating and refining designs, Purchase cost, cost of conversion and other costs.

The Cost comprises all costs of purchases and other costs incurred in bringing the inventory to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on an item-by-item basis.

j) Employee Benefits

Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expenses off as the related services are provided. Benefits such as salaries, wages, and bonus etc. are recognized in the statement of profit and loss in the year in which the employee renders the related service. The liabilities are presented as current employee benefit obligation in the balance sheet.

Long term employee benefits

a) Defined contribution plan: Provident fund

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate as per the provisions of The Employees Provident Fund and Miscellaneous Provisions Act, 1952. These contributions are made to the fund administered and managed by the Government of India. The Company has no further obligations under the plan beyond its monthly contributions. Obligation for contribution to defined contribution plan are recognized as an employee benefit expense in statement of profit and loss in the period during which the related services are rendered by the employees.

b) Defined Benefit Plan: Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company provide for retirement benefits in the form of Gratuity, which provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment in an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. Benefits payable to eligible employees of the Company with respect to gratuity is accounted for on the basis of an actuarial valuation as at the balance sheet date.

The present value of such an obligation is determined by the projected unit credit method and adjusted for past service cost as at the balance sheet date. The resultant actuarial gain or loss on change in present value of the defined benefit obligation is recognized as an income or expense in the other comprehensive income. The Company's obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The Company's determine the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Actuarial gain and losses are recognized in the Other Comprehensive Income.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized in the statement of profit and loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

c) Other long-term benefits: Compensated absences

Benefits under the Company's compensated absences scheme constitute other employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation using the Projected Unit Credit Method. done by an independent actuary as at the balance sheet date. Actuarial gain and losses are recognized immediately in the Statement of Profit and Loss.

d) Income tax

Income tax comprises current and deferred tax. It is recognized in the statement of profit and loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction.

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be real.

e) Contingent Liability, Contingent Asset and Provisions

Contingent liability

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Provisions

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources, and a reliable estimate can be made of the amount of obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as a financial cost.

f) Cash and cash equivalents

Cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current financial liabilities in the balance sheet.

g) 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 period. The weighted average number of equity shares outstanding during the period are adjusted for events such as bonus issues, share split or of shares.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted into equity shares at the beginning of the period, unless they have been issued at a later date.

h) Leases Company/Entities as a lessee

The Company's lease asset classes primarily consist of leases for land and other assets The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(a) the contract involves the use of an identified asset.

(b) the Company has substantially all the economic benefits from use of the asset through the period of the lease and

(c) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight- line basis over the term of the lease.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

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

The Company/Entities as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16, *Property Plant and equipment* – The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37, *Provisions, Contingent Liabilities and Contingent Assets* – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company have evaluated the amendment, and the impact is not expected to be material.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in our accounting policies during Fiscal 2022, 2023 and 2024 and the six months ended September 30, 2024.

PRINCIPAL COMPONENTS OF STATEMENT OF PROFIT AND LOSS

Set forth below are the principal components of statement of profit and loss from our continuing operations:

Income

Our total income comprises of: (i) revenue from operations; and (ii) other income.

Revenue from Operations

Revenue from operations comprises of: (i) sale of products as set out under "*Our Business – Product portfolio*" on page 184; and (ii) sale of service, i.e., labour charge for making jewellery.

Other Income

Other income includes (i) interest income; (ii) rent; (iii) profit on sale of property, plant and equipment; (iv) dividend; (v) miscellaneous income; (vi) unwinding of discount on security deposits; and (vii) net gain on foreign currency transaction**.**

Expenses

Our expenses comprises of: (i) cost of materials consumed; (ii) changes in inventories of finished goods, work in progress and stock-in-trade; (iii) employee benefits expenses; (iv) finance costs; (v) depreciation and amortization expense; and (vi) other expenses.

Cost of Material Consumed

Cost of Material Consumed denote the sum of opening stock, purchases of raw materials and packing materials and direct expenses less closing stock of raw materials.

Changes in inventories of finished goods, work in progress and stock-in-trade

Changes in inventories of finished goods, work in progress and stock-in-trade denote the difference between opening and closing balance of Work-in-Progress Goods and Finished Goods.

Employee Benefits Expense

Employee benefits expenses include (i) salaries and allowances; (ii) director's remuneration; (iii) employer contribution to provident fund and other funds; (iv) provision for gratuity; and (v) staff welfare expenses.

Finance Costs

Finance cost includes (i) interest expense; and (ii) other borrowing cost.

Depreciation and Amortisation expenses

Depreciation and amortisation expenses include (i) depreciation on property, plant and equipment; (ii) depreciation on investment property; (iii) amortization of intangible assets; and (iv) depreciation on right-of-use-assets.

Other Expenses

Other expenses include: (i) auditor's remuneration; (ii) hall marking charges; (iii) insurance; (iv) electricity expenses; (v) printing & stationery; (vi) professional fees; (vii) rent, rates & taxes; (viii) repairs & maintenance; (ix) director sitting fees; (x) security charges; (xi) selling & distribution expenses; (xii) loss on sale of asset; (xiii) travelling expenses; (xiv) vehicle expenses; (xv) certification charges; (xvi) commission and brokerage; (xvii) donations; (xviii) CSR expenses; (xix) miscellaneous expenses.

Our Results of Operations

The following table sets forth selective financial data from our restated statement of profit & loss for six months ended September 30, 2024 and for the Fiscals 2024, fiscal 2023 and fiscal 2022, the components of which are also expressed as a percentage of revenue from operations for such periods:

(₹ in million, unless stated otherwise)

Particulars	Period ended September 30, 2024		Financial Year ended March 31, 2024		Financial Year ended March 31, 2023		Financial Year ended March 31, 2022	
	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations
Income:								
Revenue from operations	5,059.00	100.00%	7,114.34	100.00%	6794.04	100.00%	4283.41	100.00%
Other income	37.65	0.74%	36.04	0.51%	28.71	0.42%	17.93	0.42%
Total Income	**5,096.65**	**100.74%**	**7150.38**	**100.51%**	**6822.75**	**100.42%**	**4301.34**	**100.42%**
Expenses:								
Cost of Material Consumed	4,646.61	91.85%	6939.08	97.54%	6248.32	91.97%	4393.96	102.58%
Changes in inventories of	22.72	0.45%	(441.97)	(6.21)%	17.88	0.26%	(378.47)	(8.84)%

Particulars	Period ended September 30, 2024		Financial Year ended March 31, 2024		Financial Year ended March 31, 2023		Financial Year ended March 31, 2022	
	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations
finished goods, work in progress and stock-in-trade								
Employee benefit expenses	27.41	0.54%	49.85	0.70%	44.63	0.66%	39.03	0.91%
Finance Costs	87.48	1.73%	142.78	2.01%	121.27	1.78%	97.97	2.29%
Depreciation and amortization expenses	27.31	0.54%	33.52	0.47%	24.87	0.37%	25.04	0.58%
Other Expenses	37.98	0.75%	68.88	0.97%	56.22	0.83%	39.88	0.93%
Total Expenses	**4,849.51**	**95.86%**	**6792.14**	**95.47%**	**6513.19**	**95.87%**	**4217.41**	**98.46%**
Profit before exceptional and extraordinary items and tax	**247.14**	**4.89%**	**358.24**	**5.04%**	**309.56**	**4.56%**	**83.93**	**1.96%**
Exceptional items			-	-	-		-	
Profit before extraordinary items and tax	**247.14**	**4.89%**	**358.24**	**5.04%**	**309.56**	**4.56%**	**83.93**	**1.96%**
Extraordinary items			-		-		-	
Profit before tax	**247.14**	**4.89%**	**358.24**	**5.04%**	**309.56**	**4.56%**	**83.93**	**1.96%**
Tax expense:			-		-			
(1) Current tax	68.15	1.35%	97.38	1.37%	109.53	1.61%	33.65	0.79%
(2) Deferred tax	(3.49)	(0.07)%	(8.36)	(0.12)%	1.84	0.03%	17.27	0.40%
(3) Earlier Year Tax	-	-	0.54	0.01%	-	-	-	-
Profit / (Loss) from the period	**182.48**	**3.61%**	**268.68**	**3.78%**	**198.19**	**2.92%**	**33.01**	**0.77%**

FISCAL 2024 COMPARED WITH FISCAL 2023

(₹ in Million unless stated otherwise)

Particulars	Fiscal 2024	Fiscal 2023	Change in ₹ Million	Change in %
Income:				
Revenue from operations	7,114.34	6,794.04	320.30	4.71%
Other income	36.04	28.71	7.34	25.54%
Total Income	**7,150.38**	**6,822.75**	**327.64**	**4.80%**
Expenses:				
Cost of Material Consumed	6,939.08	6,248.32	690.77	11.06%

Particulars	Fiscal 2024	Fiscal 2023	Change in ₹ Million	Change in %
Changes in inventories of finished goods, work in progress and stock-in-trade	(441.97)	17.88	(459.84)	(2572.27)%
Employee benefit expenses	49.85	44.63	5.21	11.69%
Finance Costs	142.78	121.27	21.51	17.74%
Depreciation and amortization expenses	33.52	24.87	8.65	34.77%
Other Expenses	68.88	56.22	12.66	22.48%
Total Expenses	**6,792.14**	**6,513.19**	**278.96**	**4.28%**
Profit before exceptional and extraordinary items and tax	**358.24**	**309.56**	**48.68**	**15.73%**
Exceptional items	-	-	-	
Profit before extraordinary items and tax	**358.24**	**309.56**	**48.68**	**15.73%**
Extraordinary items	-	-	-	
Profit before tax	**358.24**	**309.56**	**48.68**	**15.73%**
Tax expense:	-	-	-	
(1) Current tax	97.38	109.53	(12.15)	(11.09)%
(2) Tax of Earlier Years	0.54	-	0.54	100.00%
(3) Deferred tax	(8.36)	1.84	(10.20)	(553.39)%
Profit / (Loss) from the period	**268.68**	**198.19**	**70.49**	**35.57%**

Total Income

Our total income has increased by 4.80% to ₹ 7,150.38 million in Fiscal 2024 from ₹ 6,822.75 million in Fiscal 2023 due to overall increase in revenue from operations of 4.71% and an increase of 25.54% in other income.

Revenue from Operations

Our revenue from operations has increased by 4.71% to ₹ 7,114.34 million in Fiscal 2024 from ₹ 6,794.04 million in Fiscal 2023. The increase in revenue from operations is majorly attributable to increase in sale of products from ₹ 6,760.55 million in Fiscal 2023 to ₹ 7,070.48 million in Fiscal 2024. This increase is mainly due to increase in sale prices of gold jewellery from Fiscal 2023 to Fiscal 2024.

Other Income

Our other income was ₹ 36.04 million in Fiscal 2024 as compared to ₹ 28.71 million in Fiscal 2023, which has increased by 25.54% primarily because of interest received amounting to ₹ 14.09 million and Rent received of ₹ 15.81 million in Fiscal 2024, set off by decrease in net gain on foreign currency transaction amounting to ₹ 5.16 million in Fiscal 2024.

Total Expenses

Our total expenses have increased by 4.28 % from ₹ 6,513.19 million in Fiscal 2023 to ₹ 6,792.14 million in Fiscal 2024. This increase was due to increase in cost of material consumed amounting to ₹ 690.77 million, employee benefit expenses of ₹ 5.21 million, finance costs of ₹ 21.51 million, depreciation and amortization expense of ₹ 8.65 million and increase in other expenses of ₹ 12.64 million offset by decrease in changes in inventories of finished goods, work in progress and stock-in-trade of ₹ 459.84 million.

Cost of Material Consumed

Cost of material consumed increased from ₹ 6,248.32 million in Fiscal 2023 to ₹ 6,939.08 million in Fiscal 2024, primarily because of increase in purchases of raw material and packing material amounting to ₹ 631.65 million and Direct Expenses amounting to ₹ 27.90 million in Fiscal 2024.

Changes in Inventories of Finished Goods, Work in Progress and Stock-in-Trade

Change in inventories of finished goods, work in progress and stock-in-trade decreased from ₹ 17.88 million in Fiscal

2023 to ₹ (441.97) million in Fiscal 2024, primarily because of accumulation of excess inventories of ₹ 461.66 million more than previous year at the close of Fiscal 2024.

Employee Benefit Expenses

Employee Benefit Expenses increased by 11.69 % from ₹44.63 million in Fiscal 2023 to ₹ 49.85 million in Fiscal 2024. This increase was primarily attributable to increase in salaries and allowances by ₹ 2.94 million and Director's Remuneration by ₹ 1.40 million.

Finance Cost

Finance cost has increased by 17.74 % from ₹ 121.27 million in Fiscal 2023 to ₹ 142.78 million in Fiscal 2024, majorly on account of increase in interest on loans amounting to ₹ 16.21 million and interest on lease liability amounting to ₹ 5.09 million.

Depreciation and Amortization Expenses

Depreciation and amortisation expenses increased by 34.77 % from ₹ 24.87 million in Fiscal 2023 to ₹ 33.52 million in Fiscal 2024, majorly on account of increase in depreciation on right of use assets amounting to ₹ 9.54 million.

Other Expenses

Other expenses increased by 22.48 % from ₹ 56.22 million in Fiscal 2023 to ₹ 68.88 million in Fiscal 2024. This was primarily due to increase in Travelling Expense by ₹ 3.41 million, Repairs and Maintenance by ₹ 3.12 million, Professional Fees by ₹ 3.05 million, Selling and Distribution Charges by ₹ 1.97 million in the Fiscal 2024, offset by decrease in Rent, Rates & Taxes amounting to ₹ 5.12 million in the Fiscal 2024.

Profit Before Tax

Profit before tax has increased by 15.73 % from ₹ 309.56 million in Fiscal 2023 to ₹ 358.24 million in Fiscal 2024.

Tax Expenses

Due to an increase in our profit before tax, our current tax expense decreased by (11.09%) from ₹ 109.53 million in Fiscal 2023 to ₹ 97.38 million in Fiscal 2024 and our deferred tax expense was ₹ 1.84 million in Fiscal 2023, as compared to ₹ (8.36) million in Fiscal 2024 and taxes of earlier years amounting to ₹ 0.54 million in Fiscal 2024.

Profit After Tax

For the various reasons discussed above, we recorded an increase of 35.57 % in profit after tax from ₹ 198.19 million in Fiscal 2023 to ₹ 268.68 million in Fiscal 2024.

FISCAL 2023 COMPARED WITH FISCAL 2022

(₹ in million unless stated otherwise)

Particulars	Fiscal 2023	Fiscal 2022	Change in ₹ Million	Change in %
Income:				
Revenue from operations	6,794.04	4,283.41	2,510.63	58.61%
Other income	28.71	17.93	10.78	60.08%
Total Income	**6,822.75**	**4,301.34**	**2,521.41**	**58.62%**
Expenses:				
Cost of Material Consumed	6,248.32	4,393.96	1,854.36	42.20%
Changes in inventories of finished goods, work in progress and stock-in-trade	17.88	(378.47)	396.35	104.72%
Employee benefit expenses	44.63	39.03	5.61	14.37%
Finance Costs	121.27	97.97	23.30	23.78%
Depreciation and amortization	24.87	25.04	(0.17)	(0.68)%

Particulars	Fiscal 2023	Fiscal 2022	Change in ₹ Million	Change in %
expenses				
Other Expenses	56.22	39.88	16.34	40.98%
Total Expenses	**6,513.19**	**4,217.41**	**2,295.78**	**54.44%**
Profit before exceptional and extraordinary items and tax	**309.56**	**83.93**	**225.63**	**268.83%**
Exceptional items	-	-	-	
Profit before extraordinary items and tax	**309.56**	**83.93**	**225.63**	**268.83%**
Extraordinary items				
Profit before tax	**309.56**	**83.93**	**225.63**	**268.83%**
Tax expense:				
(1) Current tax	109.53	33.65	75.88	225.53%
(2) Tax of Earlier Years	-	-	-	
(3) Deferred tax	1.84	17.27	(15.42)	(89.33)%
Profit / (Loss) from the period	**198.19**	**33.01**	**165.17**	**500.29%**

Total Income

Our total income has increased by 58.62 % from ₹ 4,301.34 million in Fiscal 2022 to ₹ 6,822.75 Million in Fiscal 2023 primarily due to an increase in revenue from operations by ₹ 2,510.63 million.

Revenue from Operations

Our revenue from operations has increased by 58.61 % to ₹ 6,794.04 million in Fiscal 2023 from ₹ 4,283.41 million in Fiscal 2022. The increase in revenue from operations is majorly attributable to increase in sale of products from ₹ 4,267.70 million in Fiscal 2022 to ₹ 6,760.55 million in Fiscal 2023. This increase is both due to increase in quantity of gold sold, influenced by increase in demand along with increase in sale prices of gold jewellery from Fiscal 2022 to Fiscal 2023.

Other Income

Our other income was ₹ 28.71 million in Fiscal 2023 as compared to ₹ 17.93 million in Fiscal 2022, which has increased by 60.11 % primarily because of interest received of ₹ 3.64 million and Net gain on foreign currency transaction amounting to ₹ 12.73 million in Fiscal 2023.

Total Expenses

Our total expenses have increased by 54.44 % from ₹ 4,217.41 million in Fiscal 2022 to ₹ 6,513.19 million in Fiscal 2023. This increase was due to increase in cost of material consumed of ₹ 1,854.36 million, change in inventories of finished goods, work in progress and stock-in-trade of ₹ 396.35 million, employee benefit expenses of ₹ 5.61 million, increase in finance costs of ₹ 23.30 million, ₹ 16.34 million increase in other expenses and decrease in depreciation and amortization expense amounting to ₹ 0.17 million in Fiscal 2023.

Cost of Material Consumed

Cost of material consumed increased from ₹ 4,393.96 million in Fiscal 2022 to ₹ 6,248.32 million in Fiscal 2023, primarily because of increase in purchase of raw material and packing material by ₹ 1,839.08 Million and Direct Expenses by ₹ 28.45 million in Fiscal 2023 as compared to Fiscal 2022.

Changes in Inventories of Finished Goods, Work in Progress and Stock-In-Trade

Change in inventories of finished goods, work in progress and stock-in-trade increased from ₹ (378.47) million in Fiscal 2022 to ₹ 17.88 million in Fiscal 2023, primarily because of increase in the opening inventories at the start of Fiscal 2023 as compared to Fiscal 2022.

Employee Benefit Expenses

Employee Benefit Expenses increased by 14.37 % from ₹ 39.03 million in Fiscal 2022 to ₹ 44.63 million in Fiscal 2023. This increase was primarily attributable to increase in salary and allowances by ₹ 2.30 million and director's remuneration by ₹ 2.80 million.

Finance Cost

Finance cost has increased by 23.78 % from ₹ 97.97 million in Fiscal 2022 to ₹ 121.27 million in Fiscal 2023, majorly on account of increase in interest on loan amounting to ₹ 22.81 million.

Depreciation and Amortization Expenses

Depreciation and amortisation expenses decreased by 0.68% from ₹ 25.04 million in Fiscal 2022 to ₹ 24.87 million in Fiscal 2023.

Other Expenses

Other expenses increased by 40.98 % from ₹ 39.88 million in Fiscal 2022 to ₹ 56.22 million in Fiscal 2023. This was primarily due to increase in travelling expense by ₹ 7.13 million, increase in Hallmarking charges by ₹ 3.16 million, increase in miscellaneous expenses by ₹ 3.08 million, Professional Fees by ₹ 2.65 million and Selling and Distribution expenses by ₹ 2.27 million in the Fiscal 2023

Profit before Tax

Profit before tax has significantly increased by 268.84 % from ₹ 83.93 million in Fiscal 2022 to ₹ 309.56 million in Fiscal 2023.

Tax Expenses

Due to an increase in our profit before tax, our current tax expense increased by 225.50 % from ₹ 33.65 million in Fiscal 2022 to ₹ 109.53 million in Fiscal 2023 and our deferred tax expense was ₹ 17.27 million in Fiscal 2022, as compared to ₹ 1.84 Million in Fiscal 2023.

Profit after Tax

For the various reasons discussed above, we recorded an increase of 500.35 % in profit after tax from ₹ 33.01 million in Fiscal 2022 to ₹ 198.19 million in Fiscal 2023.

Results of operations for the six months period ended September 30, 2024

Total Income

Our total income amounted to ₹ 5,096.65 million for the six months period ended September 30, 2024 which was on account of revenue from operations and other income as described below:

Revenue from operations

Our revenue from operations was ₹ 5,059.00 million which was 99.26 % of the total income for the six months period ended September 30, 2024.

Other income

Our other income amounted to ₹ 37.65 million representing 0.74 % of our total income for the six months period ended September 30, 2024.

Expenses

Our total expenses, excluding tax amounted to ₹ 4,849.51 million for the six months period ended September 30, 2024 representing 95.15 % of our total income.

Cost of material consumed

Our cost of material consumed was ₹ 4,646.61 million representing 91.17 % of the total income for the six months period ended September 30, 2024.

Changes in inventories of finished goods, work-in-progress and stock-in-trade

Changes in inventories of finished goods, work-in-progress and stock-in-trade was ₹ 22.72 million representing 0.45 % of our total income for the six months period ended September 30, 2024.

Employee benefits expenses

Our employee benefits expenses were ₹ 27.41 million representing 0.54 % of our total income for the six months period ended September 30, 2024.

Finance costs

Our finance costs were ₹ 87.48 million representing 1.72 % of our total income for the six months period ended September 30, 2024.

Depreciation and amortization

Our depreciation and amortization expenses was ₹ 27.31 million representing 0.54 % of our total income for the six months period ended September 30, 2024.

Other expenses

Our other expenses were ₹ 37.98 million representing 0.75 % of our total income for the six months period ended September 30, 2024.

Profit before tax

Our profit before tax was ₹ 247.14 million representing 4.85 % of our total income for the six months period ended September 30, 2024.

Tax expenses

Our tax expense for the six months period ended September 30, 2024 was ₹ 64.66 million representing 1.27 % of our total income for the six months period ended September 30, 2024. It was mainly on account of current tax of ₹ 68.15 million and deferred tax of ₹ (3.49) million.

Profit after tax

Due to the above-mentioned reasons, our profit after tax was ₹ 182.48 million representing 3.58 % of our total income for the six months period ended September 30, 2024.

NON-GAAP MEASURES

Net Asset Value per Equity Share, EBITDA, EBITDA Margin, Net Profit After Tax, Net Profit Margin, Return on Capital Employed, Debt to Equity Ratio, Net Worth, Return on Net Worth and Days Working Capital (together, "**Non-GAAP Measures**"), presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS, U.S. GAAP or any other GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS, U.S. GAAP or any other GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit for the years 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, IFRS, U.S. GAAP or any other GAAP. In addition, these Non-GAAP Measures are not standardized terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

LIQUIDITY AND CAPITAL RESOURCES

We have historically financed the expansion of our business and operations primarily through debt financing, owned funds and funds generated from our operations. From time to time, we may obtain loan facilities to finance our working capital requirements. Further, we believe that after taking into account the expected cash to be generated from our business and operations, the Net Proceeds from the Issue and the proceeds from our existing bank loans, we will have sufficient capital to meet our anticipated capital requirements for our working capital and capital expenditure requirements. For more details, see "*Objects of the Issue*" on page 92.

Cash Flow

The table below summaries our cash flows from our Restated Financial Information for the periods indicated:

(₹ In million)

Particulars	For the six months period ended September 30, 2024	For the Fiscals		
		2024	2023	2022
Net cash flow generated from/ (utilized in) operating activities (A)	(503.83)	(125.10)	(35.66)	(157.97)
Net cash flow generated from/ (utilized in) investing activities (B)	6.29	(50.75)	(44.77)	(26.00)
Net cash flow generated from/ (utilized in) financing activities (C)	533.70	196.27	91.93	182.08
Net (decrease)/ increase in cash & cash equivalents (A+B+C)	**36.16**	**20.42**	**11.50**	**(1.88)**
Cash and cash equivalents at the beginning of the year	34.56	14.14	2.64	4.52
Cash and cash equivalents at the end of the year	**70.72**	**34.56**	**14.14**	**2.64**

Cash flow from Operating Activities

For the six months ended September 30, 2024

Net cash flow utilized in our operating activities was ₹ 503.83 million for the six months period ended September 30, 2024. Our operating profit before working capital changes was ₹ 328.07 million during the six months period ended September 30, 2024, which was the result of the profit before tax for the period of ₹ 247.14 million adjusted primarily for depreciation and amortization of ₹ 27.31 million, interest and finance charges of ₹ 87.48 million, proceeds from interest income of ₹ (17.69) million and rental income amounting to ₹ 14.75 million. Our movements in working capital primarily consisted of a decrease in other current assets of ₹ 41.55 million, decrease in inventory of ₹ 0.05 million, increase in short term loans and advances of ₹0.25 million, increase in trade receivables of ₹ 746.56 million, increase in other bank balance of ₹ 53.77 million, increase in trade and other payables of ₹ 48.21 million, increase in other current liabilities of ₹ 4.65 million, and decrease in Long/Short term provisions of ₹ 62.78 million.

For the Fiscal 2024

Net cash flow utilized in our operating activities was ₹ 125.10 million for the Fiscal 2024. Our operating profit before working capital changes was ₹ 505.82 million in the Fiscal 2024, which was the result of the profit before tax for the period of ₹ 358.24 million adjusted primarily for depreciation and amortization of ₹ 33.52 million, interest and finance charges of ₹ 142.78 million, profit on sale of fixed assets of ₹ 1.42 million proceeds from interest income of ₹14.09 million and rental income amounting to ₹ 15.81 million. Our movements in working capital primarily consisted of a decrease in other current assets of ₹4.09 million, increase in inventory of ₹432.09 million, increase in Short loans and advances of ₹ 1.15 million, decrease in trade receivables of ₹ 240.93 million, increase in other bank balance of ₹ 296.30 Million, decrease in trade and other payables of ₹18.27 million, decrease in other current liabilities of ₹9.05 million, decrease in Long/Short term provisions of ₹ 17.02 million.

For the Fiscal 2023

Net cash flow utilized in our operating activities was ₹ 35.66 million for the Fiscal 2023. Our operating profit before working capital changes was ₹ 438.94 million in the Fiscal 2023, which was the result of the profit before tax for the period of ₹ 309.56 million adjusted primarily for depreciation and amortization of ₹ 24.87 million, interest and finance charges of ₹ 121.27 million, profit on sale of fixed assets of ₹ 1.46 million; proceeds from interest income of ₹ 3.64 million, and rental income of ₹ 10.62 million. Our movements in working capital primarily consisted of an decrease in other current asset of ₹ 60.39 million, increase in inventories of ₹ 3.47 million, decrease in Short term loans and advances of ₹ 1.43 million, increase in trade receivables of ₹ 324.78 million, increase in other bank balance of ₹ 53.81 million, decrease in trade and other payables of ₹ 13.82 million, decrease in other current liabilities of ₹ 2.39 million, and decrease in Short/Long Term provisions of ₹ 57.67 million.

For the Fiscal 2022

Net cash flow utilized in our operating activities was ₹157.97 million for the Fiscal 2022. Our operating profit before working capital changes was ₹192.17 million in the Fiscal 2022, which was the result of the profit before tax for the period of ₹ 83.93 million adjusted primarily for depreciation and amortization of ₹25.04 million, interest and finance charges of ₹ 97.97 million, proceeds from interest income of ₹0.42 million, proceeds from rental income of ₹ 14.04 million. Our movements in working capital primarily consisted of a decrease in other current assets of ₹ 134.85 million, increase in short term loans & advances of ₹ 0.63 million, increase in inventories of ₹ 386.65 million, decrease in trade receivables of ₹125.24 million, increase in other bank balance of ₹ 32.56 million, increase in trade and other payables of ₹ 21.10 million and decrease in other current liabilities of ₹27.83 million and decrease in Short/Long Term provisions of ₹ 149.59 million.

Cash flow from Investing Activities

For the six months ended September 30, 2024

Net cash flow generated in investing activities was ₹ 6.29 million for the Period ended September 30, 2024, This reflected the capital expenditure made towards addition in purchase of fixed assets for ₹ 49.55 million, addition to increase in construction of building CWIP amounting to ₹ 2.20 million. These payments were partially offset by proceeds from sale of fixed assets of ₹ 29.45 million, proceeds from interest income of ₹ 17.69 million and rent received during the year of ₹ 14.75 million, Security deposit given of ₹ 3.50 million and Fixed Deposit given of ₹ 0.36 million.

For the Fiscal 2024

Net cash flow utilized in investing activities was ₹ 50.75 million for the Fiscal 2024. This reflected the capital expenditure made towards addition in purchase of fixed assets of ₹ 84.98 million, addition to increase in investment in construction of building CWIP amounting to ₹ 18.91 million. These payments were partially offset by proceeds from sale of fixed assets of ₹ 1.13 million, proceeds from interest income of ₹ 14.09 million and rent received during the year of ₹ 15.81 million, Security deposit received of ₹19.90 Million and Fixed Deposit received of ₹ 2.21 million.

For the Fiscal 2023

Net cash flow utilized in investing activities was ₹ 44.77 million for the Fiscal 2023. This reflected the capital expenditure made towards addition in purchase of fixed assets ₹ 17.44 million, addition to increase in investment in construction of building CWIP amounting to ₹ 21.70 million, These payments were partially offset by proceeds from sale of fixed assets of ₹ 4.72 million, proceeds from interest income of ₹ 3.64 Million and rent received during the year of ₹ 10.62 million, Fixed Deposit given of ₹ 20.31 Million and Security Deposit given of ₹ 4.31 million.

For the Fiscal 2022

Net cash flow utilized in investing activities was ₹ 26.00 million for the fiscal 2022. this reflected the capital expenditure made towards addition in purchase of fixed assets of ₹ 3.54 million, addition to increase in investment in construction of building CWIP amounting to ₹ 37.44 million, these payments were partially offset by proceeds from sale of capital assets of ₹ 21.14 million, proceeds from interest income of ₹ 0.42 million and rent received during the year of ₹ 14.04 million, fixed deposit given of ₹ 0.84 million and security deposit given of ₹ 19.79 million.

Cash flow from Financing Activities

For the six months ended September 30, 2024

Net cash flow generated from financing activities was ₹ 533.70 million for the period ended september 30, 2024 consisting of repayment of long term borrowings of ₹ 39.21 million, interest and finance charges paid of ₹ 80.30 million, proceeds from short term borrowings of ₹ 669.88 million and principal payment of lease liabilities of ₹ 16.66 million.

For the Fiscal 2024

Net cash flow generated from financing activities was ₹ 196.27 million for the fiscal 2024 consisting of repayment of long term borrowings of ₹ 120.69 million, interest and finance charges paid of ₹ 135.39 million, proceeds from short term borrowings of ₹ 432.47 million, principal payment of lease liabilities of ₹ 21.02 million, proceeds from long term borrowings of ₹ 35.95 million, security deposit received of ₹ 4.95 million.

For the Fiscal 2023

Net cash flow generated from financing activities was ₹ 91.93 million for the fiscal 2023 consisting of repayment of long term borrowings of ₹ 122.33 million, interest and finance charges paid of ₹ 118.95 million, proceeds from short term borrowings of ₹ 179.16 million, principal payment of lease liabilities of ₹ 7.36 million, proceeds from long term borrowings of ₹ 159.57 million, security deposit received of ₹ 1.84 million.

For the Fiscal 2022

Net cash flow generated from financing activities was ₹ 182.08 million for the fiscal 2022 consisting of repayment of long term borrowings of ₹ 57.56 million, interest and finance charges paid of ₹ 95.49 million, proceeds from short term borrowings of ₹ 2.92 million, principal payment of lease liabilities of ₹ 6.26 million, proceeds from long term borrowings of ₹ 338.47 million.

Financial Indebtedness

As on November 14, 2024 the total outstanding borrowings of our Company was ₹ 2,474.19 million.

The details of the indebtedness of the Company as on November 14, 2024 is provided below:

(in ₹ lakhs)

Particulars	Sanction Amount	Outstanding as on November 14, 2024
Secured (A= B+C)	**2,601.48**	**2,279.04**
Term Loans (including Vehicle Loans) (B)	391.48	358.65
Working capital facilities (C= D+E)	**2,210.00**	**1,920.39**
- Fund based (D)	1,810.00	1,818.71
- Non-Fund based (E)	400.00	101.68
Other Sanctions (F = G)	**600.00**	**235.18**
Fixed Deposit/Bank Guarantee/Standby Letter of Credit backed domestic gold loan and export gold loan (G)	600.00	235.18
Unsecured (H)		61.65
Total (A+F+H)		**2,474.19#**

 # Excluding the non-fund based facilities which comprises of bank guarantees amounting to ₹ 101.68 million.
**As certified by J. Kala & Associates, Chartered Accountants, our Statutory Auditors, pursuant to their certificate dated January 13, 2025.*

In the event, any of our lenders declare an event of default, such current and any future defaults could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, any of which could adversely affect our business, results of operations and financial condition.

Contingent Liabilities and Commitments

The following table sets forth our contingent liabilities for the below indicated periods as per the Restated Financial Information:

(₹ In million)

Particulars	Six months ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Vat In Dispute	0.60	0.60	0.60	0.60
Gst In Dispute	16.93	16.93	14.02	0.00
Income Tax In Dispute	27.86	27.86	6.54	3.97
Guarantees	101.60	101.60	1.60	1.60

It is not practical for our Company to estimate the timings of cash outflow, if any in respect of above pending resolutions of the respective proceedings.

CAPITAL COMMITMENTS

As of September 30, 2024, we do not have and have not made any capital commitments that are to be met in the 5 years.

CAPITAL EXPENDITURE

In the six months period ended September 30, 2024 and in Fiscal 2024, 2023 and 2022, our capital expenditure towards additions to property, plant and equipment, right-of-use assets, capital work-in-progress, and other intangible assets were ₹ 435.93 million, ₹ 465.70 million, ₹ 265.66 million and ₹ 247.51 million, respectively. The following table sets forth our non-current assets for period / Fiscals indicated:

Particulars	Six months ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Property, plant and equipment	167.43	185.18	117.22	116.07
Right-of-use-assets	187.79	202.00	88.78	92.70
Capital work in progress	80.65	78.45	59.54	37.83
Other intangible assets	0.06	0.07	0.12	0.91
Total	**435.93**	**465.70**	**265.66**	**247.51**

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties. For further information, see "*Restated Financial Information – Note 33 – Related Party Transactions*" on page 265.

AUDITOR'S OBSERVATIONS

There have been no reservations, qualifications, matters of emphasis or adverse remarks (including Companies Auditor's Reports Order, 2020) in the Restated Financial Information of our Company for the three months ended June 30, 2024 and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the examination report thereon.

In addition, our Statutory Auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2020/ Companies (Auditor's Report) Order, 2016 (together, the "**CARO Report**") issued by the Central Government of India under Section 143(11) of the Companies Act, 2013 on the audited financial statements as at and for Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. Our Statutory Auditor have, for Fiscals 2024, 2023 and 2022, included remarks in connection with the CARO Report on the audited financial statements of our Company as at and for Fiscals 2024, 2023 and 2022.

<table>
<tr><th>Fiscal year</th><th>Observation</th></tr>
<tr><td>Fiscal 2024</td><td>(a) ₹According to the records made available to us, company has deposited the undisputed statutory dues including Provident fund, employee's state insurance, income-tax, wealth tax, duty of customs, cess, goods and service tax and any other statutory dues, if any with appropriate authorities which are outstanding as on the last day of the financial year concerned for a period of more than 6 months from the date, they became payable.
<table>
<tr><th>Name of Statute</th><th>Nature of Dues</th><th>Amount (in Rs.)</th><th>Remarks</th></tr>
<tr><td>Direct Tax</td><td>Income Tax - A.Y. 2022-23</td><td>16,88,100</td><td>Rectification filed</td></tr>
<tr><td>Direct Tax</td><td>Income Tax - A.Y. 2023-24</td><td>1,62,810</td><td>Rectification under process</td></tr>
<tr><td>Direct Tax</td><td>TDS - A.Y. 2024-25</td><td>20</td><td>Unpaid</td></tr>
<tr><td>Direct Tax</td><td>TDS - A.Y. 2022-23</td><td>420</td><td>Unpaid</td></tr>
<tr><td>Direct Tax</td><td>TDS - A.Y. 2021-22</td><td>80</td><td>Unpaid</td></tr>
<tr><td>Direct Tax</td><td>TDS - A.Y. 2020-21</td><td>160</td><td>Unpaid</td></tr>
<tr><td>Direct Tax</td><td>TDS - Prior to A.Y. 2020-</td><td>3,04,840</td><td>Proceed for</td></tr>
</table></td></tr>
</table>

Fiscal year	Observation

	21		justification report

(b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute Except for the following:

Name of Statute	***Nature of Demand***	***Amount (in Rs.)***	***Forum Where Dispute is Pending***
Indirect Tax	*VAT (Maharashtra) - F.Y. 2016-17*	*5,99,720*	*Joint Commissioner of Sales Tax, Mumbai*
Indirect Tax	*GST (Jaipur) - F.Y. 2017-2023*	*1,69,31,979*	*Additional Commissioner (AE), CGST, Jaipur*
Direct Tax	*Income Tax - A.Y. 2019-20 u/s 147*	*27,73,590*	*Commissioner of Income Tax (Appeals)*
Direct Tax	*Income Tax - A.Y. 2018-19 u/s 272A(1)(d)*	*20,000*	*Commissioner of Income Tax (Appeals)*
Direct Tax	*Income Tax - A.Y. 2021-22 u/s 270A*	*3,28,042*	*Commissioner of Income Tax (Appeals)*
Direct Tax	*Income Tax - A.Y. 2018-19*	*2,09,06,700*	*DCIT 7(3) u/s 154 of the IT Act, WRIT petition with Bombay High Court*

Fiscal 2023

(c) According to the information and explanations given to us, there are no dues of Sales tax, Service tax, duty of Excise, Value Added tax, Goods and Services tax, Provident Fund Employees' State Insurance, Income-tax, duty of Customs, Cess and other statutory dues, which have not been deposited by the Company on account of disputes, except for the following-

Statute/Nature of Demand	***Amount (in Rs.)***	***Forum Where Dispute is Pending***
Income Tax	*31,93,702*	*Commissioner of Income Tax (Appeals) - 49, Mumbai CIT(A), Faceless & the Assessing Officer*
Value Added Tax (VAT)	*5,99,720*	*Joint Commissioner of Sales Tax, Mumbai*
Goods & Service Tax (GST)	*1,40,23,621*	*Additional Commissioner (AE) CGST Jaipur*
Income Tax	*2,09,06,700*	*DCIT 7(3) u/s 154 of the IT Act; WRIT petition with Bombay High Court*

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of accounts, in the tax assessments under the Income Tax Act, 1961 as income during the year except one-

Sr. No.	***Prior Period Income***	***Amount (in Rs.)***	***Incurred for P.Y.***
1	*Interest on Fixed Deposits*	*45,029*	*2021-22*

Fiscal 2022

(e) According to the information and explanations given to us, there are no dues of Sales tax, Service tax, duty of Excise, Value Added tax, Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Customs, Cess and other statutory dues, which have not been deposited by the Company on account of disputes, except for the following:-

Statute/Nature of Demand	***Amount (in Rs.)***	***Forum Where Dispute is Pending***
Income Tax	*67,91,218*	*Commissioner of Income Tax (Appeals) - 49, Mumbai CIT(A), Faceless & Assessing Officer*
Value Added Tax (VAT)	*5,99,720*	*Joint Commissioner of Sales Tax,*

Fiscal year	Observation		
			Mumbai

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISKS

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks.

Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize Company's position with regard to interest income and interest expenses and manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instrument in its total portfolio.

Foreign Currency Risk

Currency risk is the risk that the fair value or future cash flows fluctuate because of changes in market prices of various currencies against the functional currency. However, the Company is currently not exposed to foreign currency risk.

Credit Risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forcasts on the basis of expected cash flows.

Commodity Price Risk

Fluctuations in global commodity prices directly affect the cost structure and consumer pricing (*Source: CARE Report*). Our Company is exposed to commodity price risk due to price fluctuations on account of gold prices. Please see "*Risk Factors* – 4. *Our dependence on gold may expose the Company to market and demand fluctuations. Further, the non-availability or high cost of quality gold, may have an adverse effect on our business, results of operations, financial condition and prospects*" on page 31.

For further information, see "*Restated Financial Information – Note-36: Financial Risk Management*" on page 267.

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.

EFFECT OF INFLATION

We are affected by inflation as it has an impact on the material cost, wages, etc. in line with changing inflation rates; we rework our margins so as to absorb the inflationary impact.

MATERIAL FRAUDS

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Fiscals and the six months ended September 30, 2024.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as disclosed in "*Risk Factors*" and "*Restated Financial Information*" on page 28 and 226, respectively, 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

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above under "*– Significant Factors Affecting our Results of Operations*" and the section "*Risk Factors*" on pages 280 and 28, respectively.

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 28, 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

Other than as described in chapter titled "*Risk Factors*" on page 28 and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

EXTENT TO WHICH MATERIAL INCREASES IN NET SALES OR REVENUE ARE DUE TO INCREASED SALES VOLUME, INTRODUCTION OF NEW PRODUCTS OR SERVICES OR INCREASED SALES PRICES

Our business has been affected and we expect that it will continue to be affected by the trends identified above and the uncertainties described in the section "*Risk Factors*" on page 28. Changes in revenue in the last three Fiscals are as described in "*-Fiscal 2024 compared with Fiscal 2023*" and "*-Fiscal 2023 compared with Fiscal 2022*" on pages 296 and 298 above.

COMPETITIVE CONDITIONS

We expect competition in our industry from existing and potential competitors to intensify. For further details on competitive conditions that we face across our various business segments, please see *"Our Business - Competition", "Industry Overview" and "Risk Factors – 42. We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures and our inability to compete effectively could have a material adverse effect on our operating margins, business growth and prospects, financial condition and results of operations and may lead to a lower market share"* on pages 188, 126 and 53.

SEASONALITY OF BUSINESS

Our business is subject to seasonal variations given festive and other occasions falling in different months and quarters of the Fiscal. For risks associated with the seasonality of our business, see "*Risk Factors – 5. 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"* on page 32.

SEGMENT REPORTING

Our Company's operations are primarily focused on a single product line, and the revenues and expenses are not allocated across distinct business segments. Accordingly, our Company does not report its financial results on the basis of segments as per the requirements of Ind AS.

NEW PRODUCTS OR BUSINESS SEGMENTS

Except as disclosed in "*Our Business*" on page 175 and products that we announce in the ordinary course of business, we have not announced or plan to announce any new products or business segments.

SIGNIFICANT DEPENDENCE ON A SINGLE OR FEW CUSTOMERS

The percentage of revenue from operations derived from our top customers is given below:

A significant portion of our revenue is derived from a limited number of clients. For associated risks, see "*Risk Factors – 1. We depend on the success of our relationships with our customers and we do have long term contracts with them. Any loss of one or more of our top customers, or the deterioration of their financial condition or prospects, or a reduction in their demand for our products, could adversely affect our business, results of operations, financial condition and cash flows*" on page 28.

During the six months period ended September 30, 2024 and Fiscal Years 2024, 2023 and 2022, the share of our top customers to our revenue was as follows:

Customer concentration	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operations (₹ in million)	% of revenue from operations	Revenue from operations (₹ in million)	% of revenue from operations	Revenue from operations (₹ in million)	% of revenue from operations	Revenue from operations (₹ in million)	% of revenue from operations
Top 1	436.06	8.62	634.85	8.92	345.28	5.08	288.96	6.75
Top 5	1,466.13	28.99	1,717.40	24.15	1,432.90	21.09	1,159.15	27.08
Top 10	2,053.90	40.6	2,591.41	36.43	2,253.33	33.17	1,753.30	40.95

As certified by J Kala & Associates, Chartered Accountants pursuant to their certificate dated January 13, 2025.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL PERIOD

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the business activities or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months, except as disclosed below:

Pursuant to resolutions passed by our Board at its meeting dated October 15, 2024 and the Shareholders at their extra-ordinary general meeting dated November 09, 2024, our Company has issued bonus shares in the proportion of 5:1 i.e. 5 Equity Shares of face value of ₹10 each for every 1 Equity Share of face value of ₹10 each held by the existing equity Shareholders of the Company.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by regulatory or statutory authorities including notices issued by such authorities; (iii) claims related to direct and indirect taxes; and (iv) any other outstanding litigation as determined to be material pursuant to the Materiality Policy in accordance with the SEBI ICDR Regulations in each case involving our Company, Promoters, and Directors ("**Relevant Parties**"). Further, except as disclosed in this section, there are no disciplinary actions including penalties imposed by the SEBI or the stock exchanges against the Promoters in the last five financial years including any outstanding action. Further, as on the date of this Draft Red Herring Prospectus, there are no findings/observations of any inspections by SEBI or any other regulator involving our Company which are material and which need to be disclosed or non-disclosure of which may have bearing on the investment decision.*

There are no outstanding litigation involving our Group Companies which would have a material impact on our Company.

Pursuant to the Materiality Policy adopted by our Board on November 18, 2024, for the purposes of (iv) above, any pending litigation involving the Relevant Parties, has been considered 'material' and accordingly disclosed in this Draft Red Herring Prospectus where:

(i) the claim/ dispute amount, to the extent quantifiable, exceeds ₹ 8.33 million, being the amount equivalent to 5% of the average of absolute value of profit or loss after tax, as per the Restated Financial Information of our Company for the last three Fiscals; or

(ii) where monetary liability is not quantifiable or does not exceed the threshold mentioned in point (i) above, the outcome of any such pending proceedings may have a material bearing on the business, operations, performance, prospects, financial position, or reputation of our Company; or

(iii) any claim/dispute involving the Relevant Parties where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed ₹ 8.33 million, being the amount equivalent to 5% of the average of absolute value of profit or loss after tax, as per the Restated Financial Information of our Company for the last three Fiscals.

Pre-litigation notices received by any of the Relevant Parties from third parties (excluding such notices issued by any statutory/ regulatory/ governmental/ taxation authorities or notices threatening criminal action) shall, unless otherwise decided by the Board, not be considered as litigation until such time that the Relevant Parties are impleaded as defendants or respondents in litigation proceedings before any judicial forum. Additionally, FIRs (whether cognizance has been taken or not) initiated against the Relevant Parties shall be disclosed.

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. Further in terms of the Materiality Policy, a creditor shall be considered "material", if the outstanding dues to such creditor is equal to or exceeds 5% of total outstanding dues (trade payables) of our Company based on the Restated Financial Information. Accordingly, any outstanding dues exceeding ₹4.64 million, which is 5% of the total trade payables of our Company as at September 30, 2024, have been considered as material outstanding dues for the purposes of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or medium enterprise ("**MSME**"), the disclosure will be based on information available with the Company regarding the status of the creditor as defined under Micro, Small and Medium Enterprises Development Act, 2006, as amended read with the rules and notifications thereunder.*

I. <u>Litigation involving our Company</u>

A. Litigation filed against our Company

a. Criminal proceedings

Nil

b. Outstanding actions by regulatory and statutory authorities

Nil

c. Material civil proceedings

Nil

d. Compounding applications filed by our Company

Our Company has, *suo moto*, on December 31, 2024, filed four compounding applications with the RoC under the Companies Act, seeking compounding of certain non-compliances by our Company in relation to delay in appointment within the prescribed timelines of: (a) Independent Directors on the Board pursuant to Section 149 of the Companies Act, which required at least one-third of our Directors as Independent Directors, (b) a woman Director pursuant to Section 149 of the Companies Act, which required at least one woman Director on our Board, (c) Independent Directors as members of the Audit Committee pursuant to Section 177(2) of the Companies Act, which required minimum members as three Directors with Independent Directors forming a majority, and (d) Independent Directors as members of the Nomination and Remuneration Committee pursuant to Section 178 of the Companies Act, which required three or more Non-Executive Directors of which not less than one-half were to be Independent Directors. Our Company has, *inter alia*, prayed that the aforesaid offences be condoned or compounded pursuant to Section 441 of the Companies Act, and penalty be adjudicated by the RoC pursuant to Section 454 of the Companies Act. These matters are currently pending before the RoC.

B. Litigation filed by our Company

a. Criminal proceedings

Nil

b. Material civil proceedings

Nil

C. Tax Proceedings involving our Company

Nature of Case	Number of cases	Amount involved *(in ₹ million)*
Direct Tax	8	27.86
Indirect Tax	2	17.53
Total	**10**	**45.39**

Material Tax Proceedings

1. Our Company received a show cause notice dated July 27, 2023 from the Office of Principal Commissioner, Central Goods and Service Tax & Central Excise Commissioner, Jaipur ("**CGST Commissionerate**") alleging that our Company had wrongly availed the input tax credit ("**ITC**") of ₹ 21.73 million for construction of building in respect of the Proposed Jaipur Facility and called upon our Company to show cause as to why (i) the ITC should not be disallowed to them and it should not be recovered from them, (ii) interest should not be demanded from the Company and (iii) penalty should not be levied under the provisions of the CGST Act and Rajasthan Goods and Services Act, 2017. Our Company, by way of a reply dated November 11, 2023, refuted the above allegations. By way of an order dated November 30, 2023 ("**Impugned Order**"), the Additional Commissioner, CGST Commissionerate, Jaipur, confirmed the demand of ₹ 21.73 million along with interest and levied a penalty of ₹4.35 million on our Company. Against the Impugned Order, our Company has filed an appeal, by way of Form GST APL-01, before the First Appellate Authority, Jaipur, praying for, *inter alia*, setting aside the Impugned Order and grant of a personal hearing. The matter is currently pending.

2. Our Company has received a show cause notice dated March 31, 2022 from Commissioner of Income Tax, Mumbai, alleging that a loan of ₹ 15.00 million was taken by our Company from M/s. Aneri Fincap Limited ("**Aneri**"), a paper/shell company which is engaged in providing bogus accommodation entries to various beneficiaries. Our Company was requested to show cause as to why a notice under Section 148 of the I.T. Act should not be issued to our Company. By way of a reply dated April 25, 2022, our Company furnished certain documents in support of the identity of the lender and genuineness of transaction, which, amongst others, included (i) certificate of registration dated October 4, 2018 issued by RBI to Aneri, (ii) loan confirmation letter issued by Aneri to our Company for the financial year 2017-18, and (iii) acknowledgment of statutory return of income filed by Aneri for assessment year 2018-19. Based on the documents furnished, our Company submitted that the loan of

₹ 15.00 million taken by our Company from Aneri was not bogus. By way of an order dated April 28, 2022 ("**Impugned Order**"), the Assessing Officer, issued a notice under Section 148 of the I.T. Act and disregarded the submissions made by our Company. Against the Impugned Order, our Company had filed a writ petition before the High Court of Bombay ("**High Court**") wherein our Compay, *inter alia,* submitted that the Impugned Order passed was arbitrary and without jurisdiction. Vide an order dated October 7, 2023, the High Court dismissed the writ petition on the grounds of jurisdictional defects.

Further, the Assessment Unit, Income Tax Department ("**IT Department**") had issued a show cause notice dated May 8, 2023 asking our Company to show cause as to why the loan of ₹ 15.00 million should not be disallowed. Our Company in its reply dated May 15, 2023 stated, *inter alia*, that it has furnished necessary confirmation letter from Aneri indicating the amount of loan to our Company was an actual transaction. Subsequently, by way of a show cause notice dated May 31, 2023, the IT Department alleged that the income determined includes income chargeable to ask under the I. T. Act and asked our Company to show cause as to why an order imposing penalty under the I.T. Act should not be passed.

By way of an order dated May 31, 2023, the IT Department passed an assessment order and added (i) the loan amount of ₹ 15.00 million to our Company's declared income, and (ii) commission paid of ₹ 0.75 million to the total income of the Company, and proposed to initiate penalty proceeding against our Company ("**Impugned Order 2**"). Subsequently, our Company has filed an appeal dated October 23, 2023 against the Impugned Order 2 before the Joint Commissioner (Appeals) on the grounds, *inter alia*, that (i) the proceeding initiated was bad in law and without jurisdiction, (ii) the assessing officer had erred in making addition of ₹ 15.00 million in respect of the loan transaction, and (iii) the assessing officer had erred in making addition of ₹ 0.75 million. The matter is currently pending.

II. <u>Litigation involving our Directors</u>

A. Litigation filed against our Directors

a. Criminal proceedings

A criminal revision application ("**Revision Application**") under section 397 of the Code of Criminal Procedure ("**CRPC**") dated April 18, 2022 was filed by Ketan Ramanlal Shah **("Applicant")** bearing application no. 364 of 2022 against Shashank Bhawarlal Jagawat, Pankajkumar Jagawat and six others **("Respondents")**, before the Sessions Court, Mumbai **("Court").** The Applicant has stated that a total of ₹ 6.10 million was paid by him in consideration for a property owned by Shashank Bhawarlal Jagawat and Pankajkumar Jagawat in which he was interested in setting up a laboratory for business. The Applicant has alleged that (i) the said property was residential in nature and not commercial, (ii) Shashank Bhawarlal Jagawat and Pankajkumar Jagawat had purchased the property in contravention of the provisions of the Prohibition of Benami Transactions Act, 1988, and (iii) they refused to repay the amount of ₹ 6.10 million to the Applicant. The Applicant had approached the Metropolitan Magistrate Court, Bandra, Mumbai ("**Magistrate**') with a prayer to issue directions for registration of an FIR under section 156(3) of the CRPC. However, the Magistrate by way of an order dated January 20, 2022 refused to grant such direction ("**Impugned Order**"). The Applicant has filed the Revision Application praying, *inter alia*, for quashing the Impugned Order and initiation of criminal proceedings and investigation under section 156(3) of the CRPC. The matter is currently pending.

b. Outstanding actions by regulatory and statutory authorities

Nil

c. Material civil proceedings

Nil

B. Litigation filed by our Directors

a. Criminal proceedings

Pankajkumar H. Jagawat ("**Complainant**") had filed a FIR (bearing no. 484/2019) dated October 28, 2019 against Sudhirkumar and Sudhirkumar ("**Accused**"), owners of M/s. Goodwin Jewellers, before the MIDC Police Station, Mumba, under Sections 406, 420 and 34 of the Indian Penal Code. The Complainant runs a business under the name Shanti Gold International LLP for manufacturing gold jewelry having various departments such as refining, casting, cast check etc. The Complainant participates in various exhibitions for showcasing the jewelry produced by him.

The Accused in one of these exhibitions held at Nesco Grounds, Goregoan East, Mumbai showed interest in purchasing jewellery from the Complainant. The Complainant after selling gold jewellery to the Accused alleged that the he had defrauded the Complainant of ₹ 32.53 million by selling inferior quality diamond jewellery to the Complainant, therefore misappropriated the said amount for his personal benefit and had committed a fraud. Since the fraud amount was more than ₹ 30 million, the case was transferred to the Economic Offenses Wing, Mumbai ("**EOW**"). By way of a final report dated May 17, 2024 filed by the EOW before Additional Chief Metropolitan Magistrate, Esplanade, Mumbai, the EOW has, *inter alia*, submitted that the Complainant has not provided substantial evidence supporting the allegations against the Accused, and the transactions between the Complainant and Accused were business related. The matter is currently pending.

b. Material civil proceedings

Nil.

C. Tax proceedings involving our Directors

Nature of Case	Number of cases	Amount involved *(in ₹ million)*
Direct Tax	3	0.33
Indirect Tax	0	0.00
Total	3	0.33

III. <u>Litigation involving our Promoters</u>

A. Litigation filed against our Promoters

a. Criminal proceedings

For details of criminal proceedings filed against our Promoters, see "- *Litigation filed against our Directors – Criminal proceedings*" on page 312.

b. Disciplinary actions including penalties imposed by SEBI or stock exchanges in the last five financial years including outstanding actions

Nil

c. Outstanding actions by regulatory and statutory authorities

Nil

d. Material civil proceedings

Nil

B. Litigation filed by our Promoters

a. Criminal proceedings

For details of criminal proceedings filed by our Promoter, Pankajkumar H. Jagawat, see "- *Litigation by our Directors – Criminal proceedings*" on page 312.

b. Material civil proceedings

Nil

C. Tax proceedings involving our Promoters

For details of taxation proceedings involving our Promoters, see "- *Tax proceedings involving our Directors*" on page 313.

IV. <u>Outstanding dues to creditors</u>

In accordance with the Materiality Policy, details of outstanding dues (trade payables) owed to MSME (as defined under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at September 30, 2024, are set out below:

Types of creditors	Number of creditors	Amount involved *(in ₹ million)*
Material creditors	4	58.93
Dues to micro and small enterprises (the "**Small-scale undertaking**")	17	9.24
Other creditors	87	24.68
Total	**108**	**92.85**

As certified by J. Kala & Associates, Chartered Accountants, our Statutory Auditors, by way of their certificate dated January 13, 2025.

Material Developments

Other than as stated in the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 279, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months from the date of the filing of the DRHP.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Disclosed below is a list of material approvals, licenses and registrations obtained by our Company to undertake its business. In view of such approvals, licenses and registrations, our Company can undertake the Issue and its business activities, as currently conducted, and disclosed in this Draft Red Herring Prospectus. Except as disclosed herein, we have obtained all material consents, licenses, permissions, registrations and approvals, from various governmental statutory and regulatory authorities, and no further material approvals are required for carrying on the present business activities and operations of our Company. In the event any of the approvals and licenses that are required for our business operations expire in the ordinary course, we make applications for their renewal from time to time. Additionally, unless otherwise stated herein, these approvals are valid as on the date of this Draft Red Herring Prospectus. For incorporation details of our Company, see "History and Certain Corporate Matters" on page 199.

We have also disclosed below (i) approvals or renewals applied for but not received; (ii) approvals expired and renewal to be applied for; and (iii) approvals which are required but not obtained or applied for. For details in connection with the regulatory and legal framework within which our Company operates, see "Key Regulations and Policies in India" on page 192. For Issue-related approvals, see "Other Regulatory and Statutory Disclosures" on page 318. For details of risk associated with not obtaining or delay in obtaining the requisite approvals, see "Risk Factors – 29. Any failure to obtain, renew and maintain requisite statutory and regulatory permits, licenses and approvals for our operations from time to time may adversely affect our business." on page 48.

I. Approvals in relation to the Issue

For details of approvals and authorisations obtained by our Company in relation to the Issue, see '*Other Regulatory and Statutory Disclosures*' on page 318.

II. Approvals in relation to incorporation of our Company

1. Certificate of incorporation dated November 1, 2013 issued to our Company by the RoC in the name and style of 'Shanti Gold International Limited'.

2. Our Company has been allotted the corporate identity number U74999MH2013PLC249748.

For details in relation to the incorporation of our Company, see '*History and Certain Other Corporate Matters'* on page 199.

III. Tax related approvals

1. Permanent Account Number being AATCS8748R issued by Income Tax Department under the Income Tax Act, 1961 ("**IT Act**").

2. Tax Deduction and Collection Account Number being MUMS79062E issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961.

3. Professional Tax Enrolment and Registration Certificates issued under the Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976.

4. Professional Tax Enrolment and Registration Certificates issued under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

5. Professional Tax Enrolment and Registration Certificates issued under the Telangana Tax on Profession, Trade, Calling and Employment Act, 1987.

6. Professional Tax Enrolment and Registration Certificates issued under the Andra Pradesh Tax on Professions, Trades, Callings and Employments Act, 1987.

7. Professional and Company Tax Assessment Certificates issued under the Chennai City Municipal Corporation Act, 1919.

8. Legal Entity Identifier code issued by Legal Entity Identifier India Limited.

9. Good and Services Tax registration issued by the Government of India under the Central Good and Services Tax

Act, 2017 in relation to certain of our office premises for our business operations in the following states:

Sr No.	State	GSTIN
1.	Tamil Nadu	33AATCS8748R1Z2
2.	Rajasthan	08AATCS8748R1ZV
3.	Telangana	36AATCS8748R1ZW
4.	Maharashtra	27AATCS8748R1ZV
5.	Andra Pradesh	37AATCS8748R1ZU
6.	Madya Pradesh	23AATCS8748R1Z3
7.	Karnataka	29AATCS8748R1ZR
8.	Gujarat	24AAACU9352J1Z4

IV. Foreign Trade related approvals

1. Importer- Exporter Code Number issued by Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India.

2. Membership Certificate issued by the Gem & Jewellery Export Promotion Council for Financial Year 2024-25.

V. Material approvals in relation to our Company's manufacturing activities

A. Material Approvals in relation to the business and operations

1. Membership Certificate issued by the All- India Gems and Jewellery Trade Federation.

2. Trade License bearing no. 871768620 issued by Assistant Commissioner, License Department, Brihanmumbai Municipal Corporation under the MMC Act, 1888.

3. Certificate of verification for weights or measures issued under Legal Metrology Act, 2009 and the Maharashtra Legal Metrology (Enforcement) Rules, 2011.

4. Factory License issued by Director, Industrial Safety and Health, Mumbai, under the Factories Act, 1948 for our Andheri Manufacturing Facility.

5. Consent to operate issued by Maharashtra Pollution Control Board for our Andheri Manufacturing Facility.

6. Fire Safety Compliance Certificate issued by Mumbai Fire Brigade, Brihanmumbai Municipal Corporation for our Andheri Manufacturing Facility.

7. No objection Certificate issued by Mumbai Fire Brigade, Brihanmumbai Municipal Corporation for our Andheri Manufacturing Facility.

8. Business Registration Number issued by the Department of Planning of Directorate of Economics and Statistics, Rajasthan for our Proposed Jaipur Facility.

9. Consent to establish issued by Rajasthan State Pollution Control Board for our Proposed Jaipur Facility.

10. No objection Certificate issued by Deputy Commissioner (Fire) Municipal Corporation Greater Jaipur for our Proposed Jaipur Facility.

B. Quality certifications

1. Certificate of registration for selling articles with hallmark issued by Bureau of Indian Standards for premises situated at 4th Floor, Shop No. 9, Property No. 934, Sri Purandara Bhavana, Dharmaraya Swamy, Bangalore Urban, Karnataka- 560002.

2. Certificate of registration for selling articles with hallmark issued by Bureau of Indian Standards for premises situated at 3rd Floor, 3-3-57/3-Part, M Rajeshwar Chambers, R P Road, Secunderabad, Hyderabad, Telangana- 500003.

3. Certificate of registration for selling articles with hallmark issued by Bureau of Indian Standards for premises situated at 124, Shop No.7, Third Floor, Aadinath Complex, N S C Bose Road, Sowcarpet, Chennai, Tamil

Nadu-600079.

4. Certificate of registration for selling articles with hallmark issued by Bureau of Indian Standards for premises situated at 5th floor, D wing, 32 Corporate Avenue, Off Mahakali Caves Road, Andheri (East), Mumbai Suburban, Maharashtra- 400093.

C. Material labour related approvals

1. Employee State Insurance Code issued under Employee State Insurance Act, 1948.

2. Employee Provident Fund code issued under the Employees' Provident Fund and Miscellaneous Act, 1952.

3. Organisation account number obtained under Maharashtra Labour Welfare Fund Act, 1953.

4. Principal Employer License under the Contract Labour (Regulation & Abolition) Act, 1970.

VI. Intellectual Property

For details in relation to our intellectual property, see "*Our Business–Intellectual properties*" on page 190 and for risks associated with our intellectual property, see "*Risk Factors– 41. Inability to obtain or protect our intellectual property rights may adversely affect our business.*" on page 53.

VII. Material approvals required and yet to be applied

Nil

VIII. Material approvals which have expired for which renewal applications have been made

Nil

IX. Material approvals which have expired and for which renewal applications are yet to be made

Nil

X. Material approvals that have been applied for but not yet received by our Company

Nil

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Corporate Approvals

1. Our Board of Directors has authorised the Issue by a resolution passed in their meeting held on November 18, 2024.

2. Our Shareholders have approved and authorised the Issue by way of a special resolution passed at their extraordinary general meeting held on November 30, 2024.

3. This Draft Red Herring Prospectus was approved by our Board through its resolution in its meeting dated January 13, 2025.

In-principle Listing Approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by the SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of the Promoter Group and the persons in control of our Company have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

Our Company, Promoter or Directors have neither been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters and fraudulent borrowers issued by the RBI.

Our Company or our Promoter, members of the Promoter Group or Directors are not declared as 'Fraudulent Borrowers' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 1, 2016 and the SEBI ICDR Regulations.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, and the members of the Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent in force and as applicable as on the date of this Draft Red Herring Prospectus.

Directors associated with the Securities Market

None of our Directors are, in any manner, associated with the securities market and there is no outstanding action initiated by SEBI against any of our Directors in the five years preceding the date of this Draft Red Herring Prospectus.

Eligibility for the Issue

Our Company is eligible for the Issue in accordance with the eligibility criteria provided under Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

(a) Our Company has had net tangible assets of at least ₹30.00 million, calculated on a restated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets;

(b) Our Company has an average operating profit of at least ₹150.00 million, calculated on a restated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;

(c) Our Company has a net worth of at least ₹10.00 million in each of the preceding three full years (of 12 months each), calculated on a restated basis; and

(d) Our Company has not changed its name in the last one year preceding the date of filing of this Draft Red Herring Prospectus.

Our Company's restated net tangible assets, monetary assets, monetary assets as a percentage of net tangible assets, operating profit and net worth, derived from the Restated Financial Information included in this Draft Red Herring Prospectus, as at and for the Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022 is set forth below:

(*in ₹ million, unless otherwise stated*)

Particulars	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
Net tangible assets, as restated (1)	966.62	697.93	499.22
Monetary assets, as restated (2)	433.02	136.20	66.59
Monetary assets as a percentage of Net tangible assets (in %), as restated	44.80%	19.52%	13.34%
Operating Profit, as restated (3)	464.97	402.12	163.97
Net Worth, as restated (4)	966.69	698.05	500.13

(1) Net tangible assets' means the sum of all net assets of the Company, excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38, deferred tax assets and liabilities as defined in Ind AS 12 and right of use assets as defined in Ind AS 116 issued by Institute of Chartered Accountants of India.

(2) Monetary assets' is the aggregate of cash on hand and balance with banks (including other bank balances and committed bank deposits included in other non-current financial assets).

(3) 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 Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

(4)' Operating Profit' means restated profit before tax excluding finance costs, other income and exceptional items.

The average of operating profit for Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022 of our Company was ₹ 343.69 million. For further details, see "*Other Financial Information*" on page 274.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that thenumber of Allottees under the Issue shall be not less than 1,000, failing which, the entire application money willbe refunded forthwith.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable.

The status of compliance of our Company with the conditions as specified under Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

a. Neither our Company nor the Promoters, members of the Promoter Group, or the Directors are debarred from accessing the capital markets by the SEBI.

b. None of the Promoters or the Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.

c. None of the Promoters or the Directors has been declared a Fugitive Economic Offender (in accordance with Section 12 of the Fugitive Economic Offenders Act, 2018).

d. 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 Draft Red Herring Prospectus.

e. None of our Company, our Promoters or Directors is a Wilful Defaulter or Fraudulent Borrower.

f. Our Company has entered into tripartite agreements dated March 30, 2019 and July 25, 2024 with CDSL and NSDL, respectively, for dematerialization of the Equity Shares.

g. The Equity Shares of our Company held by the Promoters are in the dematerialised form.

h. All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus;

i. There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance.

j. Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively, and

k. Our Company has appointed [●] as the Designated Stock Exchange

DISCLAIMER CLAUSE OF THE SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO 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 THIS DRAFT RED HERRING PROSPECTUS. THE BRLM, CHOICE CAPITAL ADVISORS PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. 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 IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BRLM IS EXPECTED TOEXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLM HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JANUARY 13, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A)OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL ANDDISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE ISSUE. SEBI FURTHER RESERVES THE RIGHT TOTAKE UP, AT ANY POINT OF TIME, WITH THE BRLM, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All applicable legal requirements pertaining to the Issue will be complied with at the time of filing the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All applicable legal requirements pertaining to the Issue will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act, 2013.

Disclaimer from our Company, the Directors, and the BRLM

Our Company, the Directors, and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring 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, www.shantigold.in, would be doing so at his or her own risk.

The BRLM accepts no responsibility, save to the limited extent as provided in the Issue Agreement and as will be provided for in the Underwriting Agreement to be entered into among the Underwriters, and our Company.

All information shall be made available by our Company and the BRLM 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, at Bidding Centers or elsewhere.

Bidders who Bid in the Issue will be required to confirm and will be deemed to have represented to our Company, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, Underwriters 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 the Equity Shares.

The BRLM and its associates and their respective affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and its respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

Any dispute arising out of the Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, India only.

The Issue is being made in India to persons resident in India (including Indian nationals resident in India who arecompetent to contract under the Indian Contract Act, 1872, HUFs, companies, other corporate bodies and societiesregistered under the applicable laws in India and authorised to invest in shares, Mutual Funds registered with theSEBI, VCFs, AIFs, public financial institutions as specified under Section 2(72) of the Companies Act, scheduledcommercial banks, state industrial development corporation, permitted national investment funds, NBFC-SIs, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pensionfunds, National Investment Fund, permitted insurance companies and pension funds, insurance funds set up and managed by the army, navy or air force and insurance funds set up and managed by the Department of Posts, Government of India) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase theEquity Shares.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to, offer to sell or purchase the Equity Shares in the Issue in any jurisdiction, including India. Invitations to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Invitations to subscribe to or purchase the Equity Shares in the Issue will be made only pursuant to the Red Herring Prospectus for the Issue. **No person outside India is eligible to Bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.**

No action has been or will be taken to permit a public offering in any jurisdiction where action would be requiredfor that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this DraftRed Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in 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 in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such 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 suchjurisdiction, except

in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder 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.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to their filing with the RoC.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to their filing with the RoC.

Listing

The Equity Shares issued through the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/Issue Closing Date or such period as may be prescribed by SEBI.

If our Company does not allot Equity Shares pursuant to the Issue within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the prescribed rate in accordance with applicable law.

Consents

Consents in writing of (a) our Directors, our Company Secretary and Compliance Officer, the Statutory Auditors, CARE, independent chartered engineer, the legal counsel appointed for the Issue, the bankers to our Company, the BRLM and Registrar to the Issue, to act in their respective capacities, have been obtained; and (b) the Syndicate Members, Monitoring Agency, and Bankers to the Issue/Escrow Bank, Public Issue Bank, Sponsor Bank(s) and Refund Bank to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC, as required under Sections 26 and 32 of the Companies Act, 2013. Further, such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Experts to the Issue

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

Our Company has received the written consent dated January 13, 2025 from our Statutory Auditors holding a valid peer review certificate from ICAI to include their name as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated December 19, 2024 on our Restated Financial Information; (ii) their report dated January 13, 2025 on the statement of possible special tax benefits available to the Company and its shareholders in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" herein shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Our Company has received written consent dated January 7, 2025 from Sharjeel Aslam Faiz, independent chartered engineer to include their name as required under section 26 of the Companies Act, 2013 read with the SEBI ICDR

Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an independent chartered engineer with respect to the certificates issued by them and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues by our Company during the last five years and performance vis-à-vis objects – our Company

Our Company has not undertaken any public or rights issue during the five years immediately preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed Promoter of our Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any listed subsidiaries and promoters.

Underwriting commission, brokerage and selling commission paid on previous issues of the Equity Shares in the last five years

Since this is the initial public issue of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the last five years preceding the date of this Draft Red Herring Prospectus.

Capital issue by our Company, listed Group Company, subsidiaries and associates during the previous three years

Our Company does not have any subsidiaries or associates. Except for Utssav CZ Gold Jewels Limited, one of our Group Companies, which undertook an initial public offer of its equity shares, the details of which are set out in the section titled "*Group Companies*" on page 222, none of our other Group Companies are listed. For details in relation to the capital issuances by our Company since incorporation, see "*Capital Structure*" at page 80.

Exemption under securities laws

Our Company has not applied to SEBI for any exemption from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

Past price Information of past issues handled by the BRLM

Price information of past issues handled Choice Capital Advisors Private Limited (during the current Fiscal and two Fiscals preceding the current financial year):

Sr. No.	Issue name	Issue size (₹ in 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
MAINBOARD IPO								
1.	Vishnu Prakash R Punglia	308.88	99.00	September 5, 2023	165.00	66.57% (-0.71%)	106.87% (3.54%)	79.29% (14.32%)
SME IPO								
1.	Ramdevbaba Solvent Limited	50.27	85.00	April 23, 2024	112.00	14.53% (1.03%)	10.24% (9.67%)	37.77% (11.12%)
2.	RNFI Services Limited	70.81	105.00	July 29, 2024	199.50	50.24% (0.73%)	34.38% (-2.64%)	January 25, 2025*

3.	Esprit Stones Limited	50.35	87.00	August 2, 2024	93.15	26.79% (2.10%)	9.95% (-1.54%)	January 29, 2025*
4.	Utssav CZ Gold Jewels Limited	69.50	110.00	August 7, 2024	110.05	77.00% (3.49%)	89.68% (-1.24%)	February 03, 2025*

** Denotes the 180th calendar day from listing post which +/- % change in closing price, [+/- % change in closing benchmark] will be determined.*

Source: Price Information www.bseindia.com & www.nseindia.com, Issue Information from respective Prospectus.

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Cr.)	No. of IPOs trading at discount- 30th calendar days from listing			No. of IPOs trading at Premium- 30th calendar days from listing			No. of IPOs trading at discount- 180th calendar days from listing			No. of IPOs trading at Premium- 180th calendar days from listing		
			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%
2023-24	1	308.88	-	-	-	1	-	-	-	-	-	1	-	-
2024-25	4	240.93	-	-	-	2	1	1	-	-	-	-	1	-

Track record of past issues handled by the BRLM

For details regarding the track record of the BRLM, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, see the website of the BRLM mentioned below:

BRLM	Website
Choice Capital Advisors Private Limited	www.choiceindia.com/merchant-investment-banking

For further details in relation to the BRLM, see "*General Information – Book Running Lead Manager*" on page 73.

Stock Market Data of Equity Shares

This being an initial public offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of investor grievances

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges or any such period as prescribed under the applicable laws, to enable the investors to approach the Registrar to the Issue for redressal of their grievances. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

Bidders can 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 refund orders or non-receipt of funds by electronic mode, etc. For all Issue-related queries and for redressal of complaints, Bidders may also write to the BRLM, in the manner provided below. Our Company, the BRLM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the applicable provisions of the SEBI ICDR Regulations.

All Issue related grievances, other than of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary, with whom the Bid cum Application Form was submitted giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, address of Bidder, number of the Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application 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. For Issue-related grievances, investors may contact the BRLM, details of which are given in "*General Information – Book Running Lead Manager*" on page 73.

The Registrar to the Issue shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Issue.

All Issue-related grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or first bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two 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 two Working Days from the Bid / Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM, in its sole discretion, may identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. In terms of SEBI Master Circular, has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures.

In terms of SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, and subject to applicable law, any ASBA Bidder whose Bid 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 three 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. Further, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, 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.

The following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid 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 Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid 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 Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the post-Issue BRLM shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Disposal of investor grievances by our Company

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 10 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.

Our Company has also constituted a Stakeholders' Relationship Committee to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer, and issue of duplicate shares. For details of our Stakeholders' Relationship Committee, see "*Our Management - Stakeholders' Relationship Committee*" on page 213.

Our Company has also appointed Vrushti Parag Shah, Company Secretary of our Company, as the compliance officer for the Issue. For details, "*General Information- Company Secretary and Compliance Officer*" on page 72.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of this Draft Red Herring Prospectus.

Other confirmations

No person connected with the Issue, except for fees or commission for services rendered in relation to the Issue, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.

There are no findings or observations pursuant to any inspections by SEBI, RBI, or any other regulatory authority in India which are material and are required to be disclosed, or the non-disclosure of which may have a bearing on the investment decision of prospective investors in the Issue.

SECTION VII: OFFER INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and Allotted pursuant to this Issue shall be subject to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI ICDR Regulations, the SEBI Listing Regulations, our Memorandum of Association and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, the 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, transfer of securities 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 maybe prescribed by the SEBI, the GoI, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue.

The Issue

The Issue comprises of a Fresh Issue by our Company.

Expenses for the Issue shall be borne our Company in the manner specified in the section entitled "*Objects of the Issue - Issue related expenses*" on page 107.

Ranking of Equity Shares

The Equity Shares being offered and Allotted in the Issue will be subject to the provisions of the Companies Act,2013, the SEBI ICDR Regulations, the SCRA, the SCRR, the Memorandum of Association and Articles of Association and will rank *pari passu* in all respects with the existing Equity Shares of our Company, including inrespect of voting rights, dividends and other corporate benefits, if any, declared by our Company after the date ofAllotment. For more information, see "*Description of Equity Shares and Terms of Articles of Association*" on page 359.

Mode of Payment of Dividend

Our Company shall pay dividend, if declared, to our Shareholders, as per the provisions of the Companies Act, 2013, the SEBI Listing Regulations, the Memorandum of Association and Articles of Association, and any guidelines or directives that may be issued by the Government of India in this respect. Any dividends declared after the date of Allotment in this Issue will be payable to the Allottees, for the entire year, in accordance with applicable law. For more information, see "*Dividend Policy*" and "*Description of Equity Shares and Terms of Articles of Association*" on pages 225 and 359, respectively.

Face Value, Issue Price and Price Band

The face value of each Equity Share is ₹10 and the Issue Price is ₹ [●] per Equity Share. The Floor Price of the Equity Shares is ₹ [●] and the Cap Price of the Equity Shares is ₹ [●], being the Price Band. The Anchor Investor Issue Price is ₹ [●] per Equity Share. The Issue Price and the Anchor Investor Issue Price shall be determined byour Company, in consultation with the BRLM, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

The Price Band and the minimum Bid Lot will be decided by our Company, in consultation with the BRLM, andshall be published at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of [●], a widely circulated English national daily newspaper, all editions of [●], a widely circulated Hindi national daily newspaper and [●] edition of [●], a widely circulated Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located) and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid-cum-Application Forms available on the respective websites of the Stock Exchanges.

At any given point of time there shall be only one denomination for the Equity Shares.

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 Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, the equity Shareholders will have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation, subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to foreign exchange regulations and other applicable laws; and
- 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 our Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see "*Description of Equity Shares and Terms of Articles of Association*" on page 359.

Market Lot and Trading Lot and Allotment of Equity Shares in dematerialised form

In terms of Section 29 of the Companies Act, 2013, and the SEBI ICDR Regulations, the Equity Shares shall beAllotted only in dematerialized form. As per the SEBI ICDR Regulations and the SEBI Listing Regulations, thetrading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, the following tripartite agreements had been entered into amongst the Company, the respective Depositories and theRegistrar to the Issue:

- Agreement dated July 25, 2024 amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated March 30, 2019 amongst CDSL, our Company and the Registrar to the Issue.

Since trading of our Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment in the Issue will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares. For the method of Basis of Allotment, see "*Issue Procedure*" on page 338.

Joint Holders

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Mumbai, India will have sole and exclusive jurisdiction in relation to this Issue.

Period of operation of subscription list

See "– *Bid/Issue Period*" on page 329.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest, to the exclusion of all other persons, unless the nomination is modified or cancelled in the prescribed manner. 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 or alienation of Equity Share(s) by the holder of such Equity Share(s). A nomination may be cancelled or modified by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form. Fresh nomination can be made only on the prescribed form available on request at our Registered and Corporate Office or at the registrar and transfer agents of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, will, on the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our 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 90 days, the Board may thereafter withhold payment of all dividend, interests, bonuses or other monies 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 form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participant.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Bid/Issue Period

BID/ ISSUE OPENS ON	[●] (1)
BID/ ISSUE CLOSES ON	**[●]** (2)(3)

(1) *Our Company, in consultation with the BRLM, may consider participation by Anchor Investors. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.*

(2) *Our Company, in consultation with the BRLM may, consider closing the Bid/Issue Period for QIBs one day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

(3) *UPI mandate end time and date shall be at 5.00 p.m. on Bid/ Issue Closing Date.*

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Bid/ Issue Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

** In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date for cancelled/withdrawn/deleted ASBA Forms, the Bidder shall be compensated by the intermediary responsible for causing such delay in unblocking at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher in accordance with applicable law. For (i) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder 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,; (ii) any blocking of amounts more than the Bid Amount, the Bidder 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; (iii) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the SCSB responsible for causing such delay in unblocking, in accordance with applicable law. The Bidders shall be compensated in the manner specified in the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, in case of delays in resolving investor grievances in relation to blocking/ unblocking of funds, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable. The BRLM shall, in its sole discretion, identify and fix liability on such intermediary or entity responsible for such delay in unblocking.*

** The processing fees for applications made by the UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Master Circular.*

This above timetable in respect of the Issue is indicative in nature and does not constitute any obligation or liability on our Company or the BRLM.

While 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 three Working Days of the Bid/ Issue Closing Date or such period as may be prescribed by the SEBI, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, in consultation with the BRLM, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. 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.

In terms of the UPI Circulars, in relation to the Issue, the Book Running Lead Manager will be required to submitreports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listingprocedure within three Working Days from the Bid/ Issue Closing Date or such other time as prescribed by SEBI,identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notificationsfrom SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the issue procedure is subject to change to any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/ Issue Period (except the Bid/ Issue Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. Indian Standard Time ("**IST**")
Bid/ Issue Closing Date*	
Submission of Bids	**Electronic Applications** i. Online ASBA through 3-in-1 accounts – Only between 10.00 a.m. and 5.00 p.m. IST. Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹0.5million – Onlybetween 10.00 a.m. and 4.00 p.m. IST. i. Syndicate Non-Retail, Non-Individual Applications – Only between 10.00 a.m. and 3.00 p.m. IST **Physical Applications** i. Bank ASBA – Only between 10.00 a.m. and 1.00 p.m. IST. Syndicate Non-Retail, Non-Individual Applications of QIBs and NIIs where Bid Amount is more than ₹0.5 million – Only between 10.00 a.m. and 12.00 p.m. IST and Syndicate members shall transfer such applications to banks before 1 p.m. IST.
Modification/ Revision/cancellation of Bids	
Modification of Bids by QIBs and Non-Institutional Bidders Categories and modification/ cancellation of Bids byRetail Individual Bidders##	Only between 10.00 a.m. and 5.00 p.m. IST

Upward Revision of Bids by QIBs and Non-Institutional Investors categories##	Only between 10.00 a.m. on the Bid/Issue Opening Date and up to 4.00 p.m. IST
Upward or downward Revision of Bidsor cancellation of Bids by RIIs	Only between 10.00 a.m. on the Bid/Issue Opening Date and up to 5.00 p.m. IST

#UPI mandate end time and date shall be at 5:00 pm on the Bid/ Issue Closing Date.
##QIBs and Non-Institutional Bidders can neither revise their Bids downwards nor cancel/withdraw their Bids.

On the Bid/ Issue Closing Date, the Bids shall be uploaded until:

(i) 4:00 p.m. IST for Bids by QIBs and Non-Institutional Investors; and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by UPI Bidders.

On the Bid/ Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors after taking into account the total number of Bids received up to closureof timings for acceptance of Bid cum Application Forms as stated herein and as reported by the BRLM and as reported by the BRLM to the Stock Exchanges.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue ClosingDate by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis, as per the format prescribed in the SEBI Master Circular.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amountis not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/ Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Issue Closing Date, and are advised to submit their Bids no later than prescribed time on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Issue Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only during Working Days, during the Bid/ Issue Period.

Investors may please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period till 5.00 pm on the Bid/Issue Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Our Company, in consultation with the Book Running Lead Manager, reserve the right to revise the Price Band during the Bid/ Issue Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly, but the Floor Price shall not be less than the Face Value of the Equity Shares. In all circumstances, the Cap Price shall be less than or equal to 120% of the Floor Price. Provided that, the Cap Price of the Price Band shall be at least 105% of the Floor Price.

In case of any revision to the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum

of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice and at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks ("SCSBs"), other Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/ Offer Period till 5.00 pm on the Bid/ Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Minimum Subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Issue, and (ii) a subscription in the Issue as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within sixty (60) days from the date of Bid Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being issued under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law. If there is a delay beyond two Working Days, our Company and every Director of our Company who is an officer in default, to the extent applicable, shall pay interest at the rate of 15% per annum, in accordance with the UPI Circulars and the SEBI ICDR Regulations.

Undersubscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories at the discretion of our Company, in consultation with the Book Running Lead Manager, and the Designated Stock Exchange.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000 failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangement for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Issue.

Restriction, if any, on transfer and transmission of Equity Shares and on their consolidation or splitting

Except for lock-in of the pre-Issue capital of our Company, lock-in of the Promoter's Contribution and the Anchor Investor lock-in in the Issue as detailed in "*Capital Structure*" on page 80, and except as provided in our Articles of Association as detailed in "*Description of Equity Shares and Terms of Articles of Association*" on page 359, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/ splitting. Further, there are no restrictions on transmission of any shares/debentures of our Company and on their consolidation or splitting, except as provided in our Articles of Association.

Withdrawal of the Issue

Our Company, in consultation with the Book Running Lead Manager, reserve the right not to proceed with the Issue, at any time after the Bid/Issue Opening Date but before the 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 days of the withdrawal or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The Book Running Lead Manager through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Bank(s), in case of UPI Bidders, to unblock the bank accounts of the ASBA Bidders (other than Anchor Investors) within one Working Day from the date of receipt of such notification and also inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre- Issue advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company, in consultation with the Book Running Lead Manager, withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that they will proceed with a public offering of the Equity Shares, our

Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges. Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days of the Bid/ Issue Closing Date or such other time period as prescribed under Applicable Law, and (ii) the final RoC approval of the Prospectus after it is filed and/or submitted with the RoC.

ISSUE STRUCTURE

The Issue is being made through the Book Building Process. The Issue is of up to 18,096,000 Equity Shares for cash at a price of ₹10 per Equity Share aggregating up to ₹ [●] million.

The Issue will constitute [●] % of the post-Issue paid-up Equity Share capital of our Company.

The Issue is being made through Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations.

Particulars	QIBs (1)	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for Allotment/ allocation^(2)	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIBs and Retail Individual Investors.	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIBs and Non-Institutional Investors
Percentage of Issue Size Available for Allotment or allocation	Not more than 50% of the Issue size shall be available for allocation to QIBs. 5% of Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs.	Not less than 15% of the Issue or the Issue less allocation to QIB Bidders and Retail Individual Investors will be available for allocation. One-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size exceeding ₹0.20 million and up to ₹1.00 million and two- thirds of the Non- Institutional Portion will be available for allocation to Bidders with an application size of more than ₹1.00 million and under-subscription in either of these two subcategories of the Non-Institutional Portion may be allocated to Bidders in the other subcategory of the Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.	Not less than 35% of the Issue or the Net Issue less allocation to QIBs and Non-Institutional Investors
Basis of Allotment/allocation if respective category is oversubscribed^	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above (c) up to 60% of the QIB Portion of up to [●] Equity Shares may be allocated on a	The Equity Shares available for allocation to Non- Institutional Investors under the Non-Institutional Portion, shall be subject to the following: (a) One-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size exceeding ₹0.20 million and up to ₹1.00 million; and (b) Two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹1.00 million provided that the unsubscribed portion in either of the	Allotment to each Retail Individual Investor shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares shall be allocated on a proportionate basis. See "*Issue Procedure*" on page 338.

Particulars	QIBs (1)	Non-Institutional Investors	Retail Individual Investors
	discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	aforementioned sub- categories may be allocated to applicants in the other sub- category of Non-Institutional Investors. The Allotment to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability in the Non-Institutional Portion, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in the SEBI ICDR Regulations.	
Mode of Bidding*	Through ASBA process only except for Anchor Investors	Through ASBA process only (Including the UPI Mechanism for an application size of up to ₹0.50 million).	Through ASBA process only (including the UPI Mechanism)
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹0.20 million	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹0.20 million	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Issue size (excluding Anchor Investor portion), subject to applicable limits to each bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Issue size (excluding the QIB Portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹0.20 million
Mode of Allotment	Compulsorily in dematerialised form		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	[●] Equity Shares of face value of ₹ 10 each and in multiples of one Equity Share for QIBs and RIBs. The allotment to NIBs shall not be less than the minimum non-institutional application size (i.e., ₹ 0.20 million).		
Trading Lot	One Equity Share		
Who can Apply(3)	Public financial institutions specified in Section 2(72) of the Companies Act, 2013, FPIs registered with SEBI (other than individuals, corporate bodies and family offices), scheduled commercial banks, mutual funds registered with SEBI, venture capital funds registered with the SEBI, AIFs, multilateral and bilateral development financial institutions, state industrial development corporations, NBFC-SI, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a	Resident Indian individuals, HUFs (in the name of Karta), companies, corporate bodies, Eligible NRIs, scientific institutions, societies and trusts family offices and FPIs who are individuals, corporate bodies and family offices which are re-categorized as category II FPI (as defined in the SEBI FPI Regulations) and registered with SEBI	Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs

Particulars	QIBs [(1)]	Non-Institutional Investors	Retail Individual Investors
	minimum corpus of ₹250.00 million, pension funds with a minimum corpus of ₹250.00 million, the National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India, insurance funds set up and managed by the army, navy, or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India		
Terms of Payment	***In case of Anchor Investors:*** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[(4)]. ***In case of all other Bidders:*** Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidders, or by the Sponsor Bank(s) through the UPI Mechanism (other than Anchor Investors) that is specified in the Bid cum Application Form at the time of the submission of the Bid cum Application Form.		

^Assuming full subscription in the Issue

**SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors viz. Retail, QIB, NII and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked*

[(1)] Subject to valid Bids being received at or above the Issue Price, our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50.00 million per Anchor Investor, and (iii) in case of allocation above ₹2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500.00 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof will be permitted, subject to minimum allotment of ₹50.00 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹100.00 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors, which price shall be determined by the Company, in consultation with the BRLM.

[(2)] This Issue is being made in accordance with Rule 19(2)(b) of the SCRR, through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Issue will be available for allocation to QIBs on a proportionate basis, provided that the Anchor Investor Portion may be allocated on a discretionary basis. Further, not less than 15% of the Issue will be available for allocation to Non-Institutional Investors, of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size exceeding ₹0.20 million and up to ₹1.00 million and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹1.00 million and under- subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Further, not less than 35% of the Issue will be available for allocation to Retail Individual Investors in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Under-subscription, if any, in any category, except the QIB Portion, would be met with spill-over from any other category or categories, as applicable, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, subject to valid Bids being received at or above the Issue Price and in accordance with applicable laws. Under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

[(3)] In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

[(4)]Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. Bidders will be required to confirm and will be deemed to have

represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that theyare eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares, pursuant to the Issue.

ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 issued by SEBI 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 which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders 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 Bidders/Applicants; (v)issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds;(xi) Designated Date;(xii) interest in case of delay in Allotment or refund; and (xiii) disposal of applications and electronic registration of Bids.
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*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, circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and any subsequent circulars or notifications issued by SEBI in this regard, 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 UPI Bidders applying through Designated Intermediaries was made effective along with the 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 UPI Bidders through Designated Intermediaries (other than SCSBs), issued by SEBI, 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 timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). The applicability of UPI Phase II was extended from time to time. Thereafter, pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**") was implemented by SEBI, voluntarily for all public issues opening on or after September 1,2023 and has been made mandatory for all public issues opening on or after December 1, 2023. Accordingly, the Issue will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time. Additionally, SEBI vide its 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, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**UPI Streamlining Circular**") has instituted certain mechanisms towards the streamlining of applications made through the UPI Mechanism as well as redressal of investor grievances. The UPI Streamlining Circular came into force for initial public offers 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 the UPI Streamlining Circular are deemed to form part of this Draft Red Herring Prospectus.*

Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application size are up to ₹0.50 million shall use the UPI Mechanism and provide their UPI ID in the Bid-cum-Application Form for bidding through Syndicate, sub- syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. 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 shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

SEBI vide its circular no. SEBI/HO/CFD/CFD-TPD-1/P/CIR/2024/5 dated May 24, 2024 ("AV Circular") has introduced the disclosure of audio-visual presentation of disclosures made in offer documents. Pursuant to the AV Circular, investors are advised not to rely on any other document, content or information provided in respect to the *public issue on the internet/online websites/social media platforms/micro-blogging platforms by finfluencers. Further, investors are advised to rely only on the information contained in the offer documents and Price Band advertisement for making investment decision.*

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead manager 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 two Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. The Book Running Lead Manager shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Investors shall be entitled to compensation in the manner specified in the SEBI Master Circular, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Bidders 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 the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

Book Building Procedure

The Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations through the Book Building Process in accordancewith Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Issue shall be availablefor allocation to QIBs on a proportionate basis, provided that our Company, in consultation with the BRLM, mayallocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. In case of under-subscription or non- allocation in the Anchor Investor Portion, the remaining Equity Shares will be added back to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not lessthan 15% of the Issue shall be available for allocation to Non-Institutional Investors of which one-third of theNon-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹1.00 million and under-subscription in either of these two sub- categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-InstitutionalPortion. Further, not less than 35% of the Issue shall be available for allocation to Retail Individual Investorsin accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, subject to receipt of valid Bids received at or above the Issue Price.Under-subscription, if any, in the QIB Portion, will not be allowed to be met with spill-over from any other category or a combination of categories. In case of an undersubscription in the Issue, the allocation of the EquityShares will be in accordance with the procedure specified in the section *"Terms of the Issue – Minimum Subscription"* on page 332.

In accordance with Rule 19(2)(b) of the SCRR, the Issue will constitute at least [●] % of the post Issue paid-up Equity Share capital of our Company.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerializedform. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, and UPI ID (for UPI Bidders Bidding through the UPI Mechanism),as applicable, shall be treated as incomplete and will be liable to be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Issue, subject to applicable law.

Phased implementation of UPI Mechanism

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares.Pursuant to the SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 ("**Previous UPI Circulars**") and the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanismof blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing fromsix 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 andthe Previous 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 RII 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 was applicable from July 1, 2019 and the continuation of this phase was extended until March 31, 2020 vide SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019. Under this phase, submission of the ASBA Form by UPI Bidders through Designated Intermediaries (other than SCSBs)to SCSBs for blocking of funds was discontinued and is replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase. Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, this phase was extended till further notice.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1,2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs offering facility of making application in public issues shall also provide 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 instructionsof the UPI Bidders using the UPI.

Pursuant to the UPI Circulars, 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 Circulars 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 submitdetails of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessfulBidders to be unblocked no later than one Working 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 relevantsecurities law.

NPCI vide circular reference no. NPCI/UPI/OC No. 127/ 2021-22 dated December 09, 2021, *inter alia*, has enhanced the per transaction limit in UPI from more than ₹200,000 million to ₹500,000 million for UPI based ASBA in initial public offerings.

For further details, please refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM**.**

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders shall provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

(i) a syndicate member;

(ii) a stockbroker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);

(iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity); or

(iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

Electronic registration of Bids

(a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Buildingon a regular basis before the closure of the Issue.

(b) On the Bid/ Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in this Draft Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges platform are considered for allocation/Allotment. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange platform during the Bid/Issue Period till 5.00 pm on the Bid/ Issue Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

(d) QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

(e) The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/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.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centers and at our Registered Office. Electronic copy of the Bid cum Application Forms will also be available for download on the websites ofthe NSE (www.nseindia.com) and the BSE (www.bseindia.com) at least one day prior to the Bid/Issue Opening Date. UPI Bidders may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI. Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

The Anchor Investor Application Forms will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Issue. UPI Bidders shall Bid in the Issue through UPI Mechanism for submitting their bids to Designated Intermediariesand are allowed to use ASBA Process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors are not permitted to participate in this Issue through the ASBA process.

Bidders (other than Anchor Investors and UPI Bidders) must provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in theBid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected.

UPI Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shallbe required to bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. UPI Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centers only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic ASBA Forms) and ASBA Forms notbearing such specified stamp maybe liable for rejection. UPI Bidders using UPI Mechanism, will be required to submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIIs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the

SCSBs. Bidders, using the ASBA process to participate in the Issue, must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked therein. In order to ensure timely information to investors SCSBs are required to send SMS alertsto investors intimating them about the Bid Amounts blocked/unblocked.

Since the Issue is made under Phase III, (on a mandatory basis) ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIIs (other than UPI Bidders) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) UPI Bidders may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in1 type accounts), provided by certain brokers.

(iii) QIBs and NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

(iv) The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, UPI Bidders andEligible NRIs applying on a non-repatriation basis	[●]
Eligible NRIs, FPIs and registered bilateral and multilateral development financial institutions applying on a repatriation basis	[●]
Anchor Investors	[●]

* *Excluding electronic Bid cum Application Forms*

Notes:

Electronic Bid cum Application forms and the Abridged Prospectus will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).

The Anchor Investor Application Forms shall be available at the offices of the BRLM.

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. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms (except Bid cumApplication Forms submitted by UPI Bidders) to the respective SCSB, where the Bidder has a bank account andshall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). Pursuant to NSE circular dated July22, 2022 with reference no. 23/2022 and BSE circular dated July 22, 2022 with reference no. 20220722-30, has mandated that Trading Members, Syndicate Members, RTA and Depository Participants shall submit Syndicate ASBA bids above ₹0.5 million and NII & QIB bids above ₹0.2 million through SCSBs only.

For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) ona continuous basis to enable the Sponsor Bank(s) to initiate a UPI Mandate Request to such UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders,who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), 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 complaintsto the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Issue shall provide the audit trail to the BRLM for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in the UPI Circulars.

Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, ona real time basis through API integration 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 Biddetails already uploaded.

In accordance with BSE Circular No: 20220803-40 and NSE Circular No: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Issue Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders 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 Sponsor Bank(s) 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(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) 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 Bank(s) on a continuous basis.

The Sponsor Banks and the issuer banks shall provide the audit trail to the Book Running Lead Manager for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alertsas specified in circulars prescribed by SEBI, from time to time.

The processing fees for applications made by the UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such SCSBs provide a written confirmation in compliance with the SEBI RTA Master Circular,in a format prescribed by SEBI or applicable law.

Pursuant to NSE circular dated August 3, 2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

(a) Cut-off time for acceptance of UPI Mandate shall be up to 5:00 pm on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrar to the issue and depository participants shall continue till further notice.

(b) There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued.

(c) Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 5:00 pm on the initial public offer closure day.

(d) Exchanges shall display bid details of only successful ASBA blocked applications i.e. Application with latest status as RC 100 – Block Request Accepted by Investor/ Client.

Participation by Promoters and members of the Promoter Group of the Company, the BRLM, associatesand affiliates of the BRLM and the Syndicate Members

The BRLM and the Syndicate Members shall not be allowed to purchase/subscribe to the Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the respective associatesand affiliates of the BRLM and the Syndicate Members may purchase/subscribe to the Equity Shares in the Issue in the QIB Portion or in the Non-Institutional Portion, as may be applicable to such Bidders, where the allocationis on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLM and Syndicate Members, shallbe treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the BRLM or any associate of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities which are associate of the BRLM or FPIs other than individuals, corporate bodies andfamily offices sponsored by the entities which are associates of the BRLM) can apply in the Issue under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an "associate of the Book Running Lead Manager" if: (i) eitherof them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the votingrights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLM.

Further, the Promoters and members of the Promoter Group shall not participate by applying for Equity Shares inthe Issue. Furthermore, persons related to the Promoters and the Promoter Group shall not apply in the Issue under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholders' agreement or voting agreement entered into with any of the Promoters or members of the Promoter Group of our Company, veto rights or a right to appoint any nomineedirector on our Board, shall be deemed to be a person related to a Promoter or member of the Promoter Group ofour Company.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme concerned for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in caseof index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than10% of any company's paid-up share capital carrying voting rights**.**

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs applying on a repatriation basis should authorise their respective SCSBs or confirmor accept the UPI Mandate Request (in case of UPI Bidders) to block their Non-Resident External Accounts ("**NRE Account**") (including UPI ID, if activated), or Foreign Currency Non-Resident Accounts ("**FCNR Account**"), and Eligible NRIs bidding on a non-repatriation basis by using Resident Forms should authorise theirrespective SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their Non- Resident Ordinary ("**NRO**") accounts for the full Bid amount, at the time of submission of the Bid cum 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 Bid cum Application Form.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour). Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by a NRI or an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment.

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, Eligible NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Issue, provided the UPI facility is enabled for their NRE/NRO accounts.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up Equity Share capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and Overseas Citizen of India ("**OCI**") put together shall not exceed 10% of the total paid-up Equity Share capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. Our Company has by way of a special resolution dated November 30, 2024, increased the aforesaid aggregate ceiling of 10% to 24%.

For details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 357.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder/applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Bidder/applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/applications by HUFs will be considered at par with Bids/applications from individuals**.**

Bids by FPIs

In terms of the FEMA, FEMA Rules and SEBI FPI Regulations, investment in the Equity Shares by a single FPI or an investor group (whichmeans multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital ona fully diluted basis. Further, in terms of the applicable FEMA Rules the total holding by each FPI or an investor group cannot exceed 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis, as applicable and the aggregate holdings of all the FPIs, including any other direct and indirect foreign investments in our Company, shall not exceed the sectoral cap.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves theright to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to usethe Bid cum Application Form for Non-Residents ([●] in colour).

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions specified underthe FEMA Rules and as specified by the Government of India from time to time.

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the capital of an Indian company is subject to certain limits, i.e. the individual holding of an FPI (including its investor group) is restricted to below 10% of the total paid-up share capital of the company. 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 or10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subjectto 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% under automatic route). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

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, only if it complies with the following conditions:

(a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;

(b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;

(c) such offshore derivative instruments are issued after compliance with the 'know your client' normsas specified by SEBI; and

(d) 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 (a) to (d)); including the conditions to deal in overseas direct instruments 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.

Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with theOperational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitateimplementation of SEBI FPI Regulations (such structure referred to as "**MIM Structure**"), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Participation of FPIs in the Issue shall be subject to the FEMA Rules.

There is no reservation for Eligible NRI Bidders, AIFs and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

Bids by SEBI registered Alternative Investment Funds and Venture Capital Funds

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, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up.

Category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus 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. The holding in any company by any individual VCF registered with SEBI should not exceed 25% of the corpus of the VCF. AVCF can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, whichincludes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations).

Participation of AIFs and VCFs shall be subject to the FEMA Rules.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the BRLM shall not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids 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 Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reservethe right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids 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 is required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLM reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking RegulationAct, 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 thebank's own paid-up share capital and reserves, 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 may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI, provided that 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. The bank is required to submit a time-bound action plan for disposal of such shares 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. Bids by banking companies s should not exceed the investment limits prescribed for them under the applicable laws.

Bids by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing no. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013, dated September 13, 2012 and January 2, 2013, respectively, issued by the 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 Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, the Company, in consultation with BRLM, reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 ("**IRDA Investment Regulations**") based on the investments in the equity sharesof a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA 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.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certifiedcopy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s) and such other approvals as may be required by the NBFC – SI, must be attached to the Bid-cum Application Form. Failing this, our Company, in consultation with the BRLM reserves the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for NBFC – SI shall be prescribed by RBI from time to time.

Bids under power of attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹250 million, 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 must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLM, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLM, may deem fit.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, with minimum corpus of ₹250 million, subject to applicable laws, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM reserves the right to reject any Bid, without assigning any reason therefore.

Bids by Anchor Investors

In accordance with the SEBI Regulations, the key terms for participation by Anchor Investors are provided below:

1) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the Book Running Lead Manager.

2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100 million.

3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date.

5) Our Company, in consultation with the Book Running Lead Manager will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100 million; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor; and (c) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum allotment of ₹50 million per Anchor Investor.

6) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation will be made available in the public domain by the Book Running Lead Manager before the Bid/ Issue Opening Date, through intimation to the Stock Exchanges.

7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-In Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price and the difference amount shall not be refunded to the Anchor Investors.

9) Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in the following manner: there shall be a lock-in of 90 days on 50% of the Equity Shares Allotted to each of the Anchor Investors from the date of Allotment, and a lock-in of 30 days on the remaining 50% of the Equity Shares Allotted to each of the Anchor Investors from the date of Allotment.

10) Neither (a) the Book Running Lead Manager or any associate of the Book Running Lead Manager (other than mutual funds sponsored by entities which are associate of the Book Running Lead Manager or insurance companies promoted by entities which are associate of the Book Running Lead Manager or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the Book Running Lead Manager or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the Book Running Lead Manager) nor (b) the Promoter, Promoter Group or any person related to the Promoter or members of the Promoter Group shall apply under the Anchor Investors category.

11) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, please read the General Information Document.

The above information is given for the benefit of the Bidders. Bidders are advised to make their independent investigations and ensure that any single Bid 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 and as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus andthe Prospectus when filed.

In accordance with RBI regulations, OCBs cannot participate in the Issue.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding 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 BRLM are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the 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 Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] editions of [●], an English national daily newspaper and [●] editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located), each with wide circulation. 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 the SEBI ICDR Regulations.

Allotment Advertisement

Our Company, the Book Running Lead Manager and the Registrar to the Issue shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in: (i) [●] editions of [●], a widely circulated English national daily newspaper; (ii) [●] editions of [●], a widely circulated Hindi national daily newspaper; and (iii) [●] editions of [●] a widely circulated Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located).

The allotment advertisement shall be uploaded on the websites of our Company, the BRLM and the Registrar to the Issue, before 9:00 p.m. IST, on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from all the Stock Exchanges is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, then the allotment advertisement shall be uploaded on the websites of our Company, the BRLM and the Registrar to the Issue, following the receipt of final listing and trading approval from all the Stock Exchanges.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company and the Underwriters, prior to the filing of the Red Herring Prospectus or the Prospectus with the RoC, as applicable, and in accordance with the nature of underwriting which is determined in accordance with Regulation 40(3) of SEBI ICDR Regulations, will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue.

(b) The Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the sizeof their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs can revise their Bid(s) during the Bid/ Issue Period and withdraw their Bid(s) until Bid/ Issue Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

***Do's*:**

(a) Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

(b) Ensure that you have Bid within the Price Band

(c) Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than UPI Bidders) in the Bid cum Application Form (with maximum length of 45 characters. Further, UPI Bidders must mention their UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;

(d) UPI Bidders through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;

(e) UPI Bidders Bidding using the UPI Mechanism in the Issue shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;

(f) Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

(g) Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialized form only;

(h) Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;

(i) In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form;

(j) If the first Bidder is not the ASBA Account holder (or the UPI-linked bank account holder, as the case may be), ensure that the Bid cum Application Form is signed by the ASBA Account holder (or the UPI- linked bank account holder, as the case may be);

(k) All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

(l) Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) inwhich the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as thefirst holder of the beneficiary account held in joint names;

(m) Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or by specifying the application number for all your Bid options as proof of registration of the Bid cum Application Form from the concerned Designated Intermediary;

(n) Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;

(o) Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bidwas placed and obtain a revised acknowledgment;

(p) Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) 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, and (iii) any other category of Bidders, including without limitation, multilateral/ bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders 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;

(q) Ensure that the Demographic Details are updated, true and correct in all respects;

(r) Ensure that thumb impressions and signatures other than in the languages specified in the EighthSchedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

(s) Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding System of the Stock Exchanges;

(t) Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents, including a copy of the power of attorney, are submitted;

(u) Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

(v) Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA Account under the ASBA process. UPI Bidders, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank(s) prior to 5:00 pm of the Bid / Issue Closing Date;

(w) Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum 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 Bids are liable to be rejected;

(x) Ensure that you have correctly signed the authorization /undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank(s), as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned inthe Bid cum Application Form at the time of submission of the Bid;

(y) UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, the UPI Bidder shall be deemed to have verified the attachment containing the application details of the UPI Bidders in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank(s) to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his/her ASBA Account;

(z) FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids 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 Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

(aa) UPI Bidders should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;

(bb) UPI Bidders, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalentto the revised Bid Amount in his/her account and subsequent debit of funds in case of allotment in a timelymanner.

(cc) Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLM; and

(ee) Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the

Bid cum Application Form and the Red Herring Prospectus. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned on the website of the SEBI,is liable to be rejected.

The Bid cum 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, 2019is liable to be rejected.

Don'ts:

(a) Do not Bid for lower than the minimum Bid size;

(b) Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;

(c) Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;

(d) Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or bystock invest;

(e) Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediaryonly;

(f) Anchor Investors should not Bid through the ASBA process;

(g) Do not submit the Bid cum Application Forms to any non-SCSB bank or to our Company or at a locationother than the Bidding Centers;

(h) Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

(i) Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);

(j) Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issuesize 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 underthe terms of this Draft Red Herring Prospectus;

(k) Do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date (for online applications) and after 12:00 p.m. on the Bid/ Offer Closing Date (for physical applications);

(l) If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Issue Closing Date;

(m) Do not Bid for a Bid Amount exceeding ₹500,000 (for Bids by UPI Bidders);

(n) Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Investors) and ₹500,000 for Bids by Eligible Employees Bidding in the Employee Reservation Portion;

(o) Do not submit the General Index Register (GIR) number instead of the PAN;

(p) Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or providedetails for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;

(q) Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

(r) Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders, in the UPI-linked bank account where funds for making the Bid are available;

(s) Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or theBid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;

(t) Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

(u) 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 Bids submitted by UPI Bidders;

(v) Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

(w) Do not Bid 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);

(x) Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

(y) Do not submit more than one Bid cum Application Form per ASBA Account;

(z) Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

(aa) Do not submit a Bid cum Application Form with third party UPI ID or using a third-party bank account (in case of Bids submitted by UPI Bidders);

(bb) Do not Bid if you are an OCB; and

(cc) Do not Bid for Equity Shares in excess of what is specified for each category.

For helpline details of the Book Running Lead Manager, see "*General Information*" on page 71.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for technical rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by UPI Bidders using third-party bank accounts or using a third-party linked bank account UPI ID (subject to availability of information regarding third-party account from Sponsor Bank(s));

6. Anchor Investors should submit Anchor Investor Application Form only to the Book Running Lead Managers;

7. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;

8. ASBA Form by the UPI Bidders using third party bank accounts or using third party linked bank account UPI IDs;

9. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

10. Bids submitted without the signature of the First Bidder or Sole Bidder;

11. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

12. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for

credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

13. GIR number furnished instead of PAN;

14. Bids by RIBs with Bid Amount of a value of more than ₹200,000;

15. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

16. Bids accompanied by stock invest, money order, postal order, or cash; and

17. Bids uploaded by QIBs and by Non-Institutional Bidders after 4.00 pm on the Bid/Offer Closing Date and Bids by RIBs uploaded after 5.00 p.m. on the Bid/Offer Closing Date, unless extended by the Stock Exchanges. On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received RIBs, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

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 of Company Secretary and Compliance Officer, see “*General Information*” on page 71.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated in accordance with applicable law.

Further, Bidders shall be entitled to compensation in the manner specified in the SEBI Master Circular (to the extent applicable) in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. The BRLM shall be the nodal entity for any issues arising out of public issuance process.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and the BRLM shall continue to coordinate with intermediaries involved in the said process.

For details of grounds for technical rejections of a Bid cum Application Form, see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the BRLM and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares through the Issue except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Issue to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the Retail Individual Investors, Non-Institutional Investors and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis.

The Allotment to each Non-Institutional Investor shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis, which shall be subject to the following, and in accordance with the SEBI ICDR Regulations: (i) one-third of the Non-Institutional Portion will be available for allocation to Bidders with a Bid size of more than ₹ 200,000 and up to ₹ 1,000,000, and (ii) two-thirds of the Non-Institutional Portion will be available for allocation to

Bidders with a Bid size of more than ₹ 1,000,000, provided that under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion.

The allocation to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLM, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Issue through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT). For Anchor Investors, the payment instruments for payment into the Escrow Accounts should be drawn in favour of:

(a) In case of resident Anchor Investors: "[●]";

(b) In case of non-resident Anchor Investors: "[●]".

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established asan arrangement between our Company, the Syndicate, the Bankers to the Issue and theRegistrar to the Issue to facilitate collection of Bid Amounts from Anchor Investors.

Undertakings by our Company

Our Company undertakes the following:

(a) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;

(b) if Allotment is not made, refunds are not made to the Bidders or listing and trading approvals are not obtained within the prescribed time period under applicable law, the entire subscription amount receivedwill be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond theprescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;

(c) That all steps will be taken for completion of the necessary formalities for listing and commencement oftrading at all the Stock Exchanges where the Equity Shares are proposed to be listed within three Working Days of the Bid/ Issue Closing Date or such other timeline as may be prescribed by SEBI;

(d) That funds required for making refunds to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Company;

(e) That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the unsuccessful Bidder within four Working Days from the Bid/ Issue Closing Date, or such time period as specified by SEBI, giving details of the bank where the refunds shallbe credited along with the amount and the expected date of electronic credit of refund;

(f) The decisions with respect to the Price Band and the Minimum Bid lot as applicable, revision of Price Band, Issue Price, will be taken by our Company, in consultation with the BRLM.

(g) that if our Company does not proceed with the Issue after the Bid/Issue Closing Date but prior to Allotment, the reason thereof shall be given by our Company 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 would be published. The Stock Exchanges shall be informed promptly;

(h) that if our Company, in consultation with the BRLM withdraw the Issue after the Bid/ Issue Closing Date,our Company shall be required to file a fresh DRHP with SEBI, in the event our Company subsequently decides to proceed with the Issue;

(i) Except for Equity Shares that may be allotted pursuant to the Pre – IPO Placement, no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/ unblocked in the ASBA Accounts on accountof non-listing, under-subscription etc.; and

(j) That adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Biddersand Anchor Investor Application Forms from Anchor Investor.

Utilisation of Issue Proceeds

Our Board certifies that:

(a) details of all monies utilised out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

(b) details of all unutilised monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the CompaniesAct, 2013 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, 2013 for fraud involving an amount of at least ₹1.00 million or one per cent of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months 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 ₹1.00 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 ₹5.00 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government of India has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases.

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly, Department of Industrial Policy and Promotion) ("**DPIIT**") issued the Consolidated FDI Policy Circular of 2020, ("**Consolidated FDI Policy**") which, with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations,(ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country , will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future FDI 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 Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. These investment restrictions shall also apply to subscribers of offshore derivative instruments.

As per the Consolidated FDI Policy, read with FEMA Rules, 100% foreign direct investment is permitted under the automatic route in the sector in which our Company operates, however, investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Bid/Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in the Issue.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see "*Issue Procedure – Bids by Eligible NRIs*" and "*Issue Procedure – Bids by FPIs*" on pages 344 and 345, respectively.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in 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 in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such 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.

The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations, seek independent legal advice about its liability to participate in the Issue and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. The main provisions of the Articles of Association of our Company are detailed below.

No material clause of the Articles of Association having bearing on the Issue or the disclosures required in this Draft Red Herring Prospectus has been omitted. As on the date of this Draft Red Herring Prospectus, the provisions of the Articles of Association of our Company are in compliance with the Companies Act and applicable securities laws.

THE COMPANIES ACT, 2013
(COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION*
OF
SHANTI GOLD INTERNATIONAL LIMITED**
(Incorporated under the Companies Act, 1956)

PART A GENERAL

1. (i) In these Regulations: -

(a) "**Articles**" means these articles of association of the Company or as altered from time to time.

(b) "**Board**" means the board of directors of the Company at the relevant time.

(c) "**Control**" shall have the meaning ascribed to the term under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.

(d) "**Company**" shall mean SHANTI GOLD INTERNATIONAL LIMITED;

(e) "**Companies Act**" or "**Act**" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable;

(f) "**Equity Shares**" **or** "**Equity Share**" means an equity share of the Company of face value of Rs. 10 (Rupees ten) each;

(g) "**Equity Share Capital**" means the par value of all the Equity Shares issued by the Company.

(h) "**INR**" or "**Rupees**" or "**Rs.**" shall mean Indian rupees, being the lawful currency of India;

(i) "**Person**" means any natural person, trust, firm, company, Governmental Authority, joint venture, association, partnership, society or other entity (whether or not having separate legal personality);

(j) **"Rules**" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

(k) "**Securities**" shall mean shares in the Share Capital, whether equity or preference, and shall include other securities and instruments convertible into Equity Shares;

(l) **"Seal**" means the Common Seal of the Company

(m) "**Share Capital**" shall mean the total issued and paid-up share capital of the Company;

**The new set of Articles of Association adopted by Special Resolution passed by the Members of the Company at their 11th Annual General Meeting held on September 27, 2024. These Articles have been adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof.*

***Incorporated as Shanti Gold International Limited under Part IX of the Companies Act, 1956 (No. 1 of 1956) on November 01, 2013.*

(n) "**Transfer**" includes any sale, exchange, assignment, gift, bequest, disposition, mortgage, charge, pledge, encumbrance, grant of security interest or other arrangement by which possession, legal title or beneficial ownership passes from one Person to another, or to the same Person in a different capacity, whether or not voluntary and whether or not for value, and any agreement to effect any of the foregoing; and **"Transferred", "Transferring" "Transferor", "Transferee"** and similar words have corresponding meanings;

(ii) In these Articles, unless there is something in the subject or context inconsistent therewith:

(a) Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

(b) Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be.

2. The Regulations contained in Table F of the first schedule to the Act or any statutory modification thereof shall apply to the Company, in so far, they are not repugnant to or inconsistent with any of the regulation contained hereinafter.

3. SHARE CAPITAL

(i) The Authorised Share Capital of the Company is as mentioned in Clause V of the Memorandum of Association of the Company with the power to increase or reduce or re-classify such capital from time to time in accordance with the Articles and the legislative provisions for the time being in force in this regard and with the power also to divide the shares in the capital for the time being into Equity Share Capital and Preference Share Capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions, in accordance with the provisions of the Act and these Articles.

(ii) Subject to the provisions of Section 55 of the Act, any preference shares may be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.

(iii) Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of 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 subject to the compliance with Section 53 of the Act, at a discount (subject to compliance with the provisions of the Act) and at such time as they may from time to time think fit, and with the approval of the Company in a General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board deems fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold or transferred or for any services rendered by the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any Person or Persons without the approval of the Company in the General Meeting.

(iv) The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:

(a) 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

(b) Preference Share Capital

(v) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or sub-division, consolidation or renewal as the case may be within such other period as the conditions of issue shall provide –

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 such charges as may be fixed by the Board for each certificate after the first.

(vi) Every certificate shall be under the Seal, if any, and shall specify the shares to which it relates and the amount paid-up thereon, shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary.

Provided that in case the company has a common seal, it shall be affixed in the presence of the persons required to sign the certificate.

(vii) 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. Any Member of the Company shall have the right to sub-divide, split or consolidate the total number of shares held by them in any manner and to request the Company to provide certificate(s) evidencing such sub-division, split or consolidation.

(viii) A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.

(ix) 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 or in case of sub-division or consolidation of shares, 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 Board deems adequate, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board which shall not exceed the amount as may be permitted under applicable law, provided that no fees shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. The Company shall not charge any fee for registration of transfer of shares and debentures, for sub-division and consolidation of share and debenture certificates and for sub-division, of letters of allotment and split, consolidation, renewal and Pucca Transfer Receipts into denominations corresponding to the market units of trading, for issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised, for registration of any Power of Attorney, Probates letters of administration or similar other documents. Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Companies Act, 2013 or rules made under Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable thereof in this behalf or any Statutory modification or re-enactment thereof, for the time being in force.

(x) The Company will not charge any fees exceeding those which may be agreed upon with the stock exchange:

(a) For Issue of new certificate in replacement of those that are torn, defaced, lost or destroyed;

(b) For sub-division and consolidation of share and debenture certificates and for sub-division of Letters of Allotment and split, consolidation, renewal and Pucca Transfer Receipts into denominations other than those fixed for the market units of trading.

(xi) 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.

(xii) (a) 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.

(b) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.

(c) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid up shares or partly in the one way and partly in the other.

(xiii) (a) 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 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 such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.

(b) To every such separate meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply.

(xiv) 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.

(xv) Subject to the provisions of the Act, the Board shall have the power to issue or re- issue preference shares of one or more classes which are liable to be redeemed, or converted to Equity Shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.

4. FURTHER ISSUE OF SHARES

(i) Where at any time, it is proposed to increase the subscribed capital of the Company by the issue of further shares then such shares shall be offered in accordance with Section 62 of the Act and the Rules made thereunder in the following manner:

a. to persons who, at the date of the offer, are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (1) to (3) below:

(1) the aforesaid offer shall be made by a notice specifying the number of Equity Shares offered and limiting a time not being less than fifteen (15) days or such lesser number of days as may be prescribed and not exceeding thirty (30) days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined;

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three (3) days before the opening of the issue;

(2) the aforesaid offer shall be deemed to include a right exercisable by the person concerned to renounce the Equity Shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (1) above shall contain a statement of this right;

(3) after the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Equity Shares offered, the Board of Directors may dispose them of in such manner which is not disadvantageous to the Shareholders and the Company.

b. to employees under any scheme of employees' stock option subject to a special resolution passed by the Company and subject to the Act and the Rules made thereunder and such other conditions as may be prescribed under applicable law; or

c. to any person(s), if it is authorized by a special resolution, whether or not those persons include the persons referred to in sub-clause (a) or clause (b) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to compliance with the applicable conditions of Chapter III of the Act and any other conditions as may be prescribed under the Act and the Rules made thereunder.

d. Nothing in sub-clause (3) of sub-article (a) shall be deemed:

i. To extend the time within which the offer should be accepted; or

ii. To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares compromised in the renunciation.

(ii) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company;

Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in general meeting.

(iii) Notwithstanding anything contained in sub-clause (ii) above, where any debentures have been issued or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion.

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty (60) days from the date of communication of such order, appeal to the National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

(iv) In determining the terms and conditions of conversion under sub-clause (iii) above, the government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.

(v) Where the government has, by an order made under sub-clause (iii), directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the National Company Law Tribunal under sub- clause (iii) above or where such appeal has been dismissed, the Memorandum of the Company shall, where such order has the effect of increasing the authorized share capital of the Company, be altered and the authorized share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

(vi) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.

(vii) Subject to the provisions of Section 61 of the Act, the Company in a General Meeting may, from time to time, alter its Memorandum for all or any of the following purposes:

(a) To consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) To convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid up shares of any denomination;

(c) To sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum, so that in the sub-division, the proportion between the amount paid and the amount, if any unpaid, on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and

(d) To cancel any shares which at the date of the passing of the resolution, have not been taken or agreed to be taken by any persons and diminish the amount of its share capital by the amount of the shares so cancelled. Cancellation of shares in pursuance of this sub-clause shall not be deemed to be a reduction of the capital of the Company within the meaning of the Act.

5. DEMATERIALIZATION OF SHARES

(i) Notwithstanding anything contained in these articles, the Company shall be entitled to dematerialize its shares and to offer shares in a dematerialized form pursuant to the Depositories Act, 1996.

(ii) Notwithstanding anything contained in these articles, and subject to the provisions of law for the time being in force, the Company shall on a request made by a beneficial owner, re-materialize the shares, which are in dematerialized form.

(iii) Every person subscribing to the shares offered by the Company shall have the option to receive share certificates or to hold the shares with a depository. Such a person who is the beneficial owner of the shares can at any time opt out of a depository, if permitted by the law, in respect of any shares in the manner provided by the Depositories Act, 1996 and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of shares. If a person opts to hold his shares with a depository, the Company shall intimate such depository the details of allotment of the share, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the share.

(iv) All shares held by a depository shall be dematerialized and shall be in a fungible form.

(v) (a) Notwithstanding anything to the contrary contained in the Act or these articles, a depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of shares on behalf of the beneficial owners.

(b) Save as otherwise provided in 4(v)(a) above, the depository as the registered owner of the shares shall not have any voting rights or any other rights in respect of shares held by it.

(c) Every person holding shares of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be the owner of such shares and shall also be deemed to be the member of the Company. The beneficial owner of the shares shall be entitled to all the liabilities in respect of his shares which are held by a depository.

(vi) Notwithstanding anything in the Act or these articles to the contrary, where shares are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or disks or any other mode as prescribed by law from time to time.

(vii) Notwithstanding anything in the Act or these articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

(viii) Nothing contained in the Act or these articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

(ix) The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Act and the Depositories Act, 1996, containing details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by law(s) including any form of electronic media.

(x) The Company shall have the power to keep in any state or country outside India a branch register resident in that state or country.

6. TRANSFER OF SHARES

(i) The Company shall Transfer Securities only in a dematerialized form.

(ii) The Company shall use a common form of transfer. The instrument of transfer shall be in writing and all provisions of the Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied within respect of all transfer of shares and the registration thereof.

(iii) The instrument of transfer of any Securities in the Company shall be executed by or on behalf of both the transferor and transferee shall be in writing.

(iv) The transferor shall be deemed to remain a holder of the Security until the name of the transferee is entered in the Register of Members in respect thereof.

(v) The Company, the transferor and the transferee of the Securities shall comply with the requirements under the applicable laws.

(vi) The Board may, subject to the right of appeal conferred by the Act decline to register –

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the Company has a lien.

The Company shall within 30 days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.

Provided that registration of a transfer shall not be refused on the ground that the transferor being either alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has a lien on shares.

(vii) In case of shares held in physical form, the Board may decline to recognize any instrument of transfer unless –

(a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and if no such certificate is in existence, then the letter of allotment of the shares and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;

(c) the instrument of transfer is in respect of only one class of shares; and

(d) Application for the registration of the transfer of a Share may be made either by the transferor or by the transferee provided that where such application is made by the transferor, no registration shall, in the case of a partly paid Share be affected unless the Company gives notice of the application to the transferee in the manner prescribed under the Act, and subject to the provisions of these Articles, the Company shall, unless objection is made by the transferee, within 2 (two) weeks from the date of receipt of the notice, enter in the register the name of the transferee on the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee.

(viii) On giving of previous notice of at least seven days or such lesser period in accordance with the Act and Rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

(ix) The provisions of these Articles relating to transfer of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

7. LIEN

(i) (a) 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 member, 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.

(ii) 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 for any money owing to the Company.

(iii) Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.

(iv) The Company shall have a first and paramount lien upon all shares (not being a fully paid shares) registered in the name of the members and all dividends payable on such shares, subject to Section 123 of the Act and Regulations 9 to 12 of Table 'F' shall apply accordingly.

(v) Fully paid shares shall be free from all lien and in the case of partly paid shares, the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

(vi) 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 -

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) 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 to the person entitled thereto by reason of his death or insolvency or otherwise.

(vii) (a) To give effect to any such sale, the Board may authorize 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 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.

(d) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

(viii) (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.

(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.

(ix) 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 recognize 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.

(x) The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities including debentures of the Company.

8. CALL ON SHARES

(i) (a) The Board may, from time to time, make calls upon the members in respect of any money unpaid on the 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 the Board shall not give right or option to any other person except with the sanction of the Company in General Meeting.

Provided further that no call shall exceed one-fourth of the nominal value of the Share or be payable at less than 1 (one) month from the date fixed for the payment of the last preceding call.

(b) 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.

(c) 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.

(d) A call may be revoked or postponed at the discretion of the Board.

(ii) A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

(iii) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

(iv) (a) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof ("**the due date**"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

(b) The Board shall be at liberty to waive payment of any such interest wholly or in part.

(v) (a) 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 regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(b) In case of non-payment of such sum, all the relevant provisions of these regulations 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.

(vi) 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.

(vii) All calls shall be made on a uniform basis on all shares falling under the same class.

Explanation: Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

(viii) 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 any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.

(ix) If any member fails to pay any call due from him on the day appointed for payment thereof or any such extension thereof, he/she shall be liable to pay interest on the same from the day appointed for payment thereof to the time of actual payment at such rate as shall from time to time be fixed by Board of Directors but nothing in this Article render it compulsory for the Board of Directors to demand or recover any interest from any such member.

(x) The Board may, if it thinks fit, subject to the provisions of Section 50 of the Act, 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 beyond the sums actually called for; and 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 provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced. The Member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable. The directors may at any time repay the amount so advanced.

(xi) The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities including debentures of the Company.

(xii) Save as aforesaid, Regulations 13 to 18 of Table 'F' shall apply.

9. TRANSMISSION OF SHARES

(i) (a) 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 recognized by the Company as having any title to his interest in the shares.

(b) 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.

(ii) (a) 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 –

a. to be registered himself as holder of the share; or

b. to make such transfer of the share as the deceased or insolvent member could have made.

(b) 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.

(c) 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.

(iii) (a) 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.

(b) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(c) All the limitations, restrictions and provisions of these regulations 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.

(iv) 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.

(v) 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.

10. FORFEITURE OF SHARES

(i) If a member fails to pay any call, or instalment 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 instalment remains unpaid, serve a notice on him requiring the payment of such part of the call or instalment or other money as is unpaid, together with any interest which may have accrued thereon. Upon failure to comply with the terms of the notice, the Company reserves the right to forfeit such shares.

(ii) The notice aforesaid shall:

(a) 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

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

(iii) 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.

(iv) (a) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(b) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

(v) (a) 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.

(b) 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.

(vi) (a) 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;

(b) 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.

(c) The transferee shall thereupon be registered as the holder of the share; and

(d) 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.

(vii) The provisions of these regulations as to forfeiture shall apply in the case of non- payment 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.

(viii) Where a dividend has been declared by the Company but has not been paid or claimed within thirty days from the date of the declaration to any shareholder entitled to the payment of the dividend, the Company shall, within 7 (seven) days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called the unpaid dividend account ("**Unpaid Dividend Account**").

(ix) Any money transferred to the "Unpaid Dividend Account" of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer shall be transferred by the Company along with interest accrued, if any, thereon to the Investor Education and Protection Fund established under sub-section (1) of Section 125 of the Act.

(x) No unclaimed or unpaid dividend shall be forfeited by the Board before it becomes barred by law.

(xi) The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

(xii) Save as aforesaid, Regulations 28 to 34 of Table 'F' shall apply.

11. ALTERATION OF CAPITAL

(i) The Company may, with the approval of shareholders by ordinary resolution, from time to time, increase, consolidate, divide, sub-divide, cancel or reduce its Share Capital.

(ii) Subject to the provisions of the Act, the Company may, by ordinary resolution—

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and re-convert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum so however, that in the sub- division the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived; or;

(d) 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 and diminish the amount of Share Capital by the amount of the Shares so cancelled. A cancellation of Shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.

(iii) Where shares are converted into stock—

(a) 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:

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.

(b) 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.

(c) 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.

(iv) The Company may, by resolution as prescribed in the Act, reduce in any manner and with, and subject to, any incident authorized and consent required by law —

(a) its share capital;

(b) any capital redemption reserve account;

(c) any share premium account; or

(d) any other reserve in the nature of share capital.

(v) The Company may as per the applicable provisions of the Act, issue shares under preferential basis and private placement.

12. CAPITALIZATION OF PROFITS

(i) (a) The Company in general meeting may, upon the recommendation of the Board, resolve —

a. that it is desirable to capitalize 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

b. that such sum be accordingly set free for distribution in the manner specified in clause (b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (c), either in or towards —

a. paying up any amounts for the time being unpaid on any shares held by such members respectively;

b. 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;

c. partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii);

(c) A securities premium account and a capital redemption reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

(d) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.

(ii) (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

a. 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

b. generally, do all acts and things required to give effect thereto.

(b) The Board shall have power—

a. 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

b. 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.

(iii) Any agreement made under such authority shall be effective and binding on such members.

13. BOARD OF DIRECTORS

(i) The first Directors of the Company shall be:

1) Mr. Pankajkumar H Jagawat

2) Mr. Manojkumar N Jain

3) Mr. Mukesh Shantilal Jain

The Board of Directors shall consist of such number of directors, as may be required or permitted under applicable law including the Act.

(ii) In the event that any notice or proceedings have been filed against any Non-Executive Director of the Company, the same will be covered as part of Directors and Officers Liability Insurance.

(iii) Subject to applicable provisions of the Act, the remuneration of the Directors of the Company, including fees payable to the Directors in attending meetings of the Board or Committees of the Board, shall be determined by the Board of the Company, from time to time.

(iv) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(v) The remuneration payable to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting.

(vi) 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—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or

(b) in connection with the business of the Company.

If authorized by the Board, the Directors may also be remunerated for any extra services done by them outside their ordinary duties as Directors, subject to the applicable provisions of the Act.

(vii) 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 shall from time to time by resolution determine.

(viii) Subject to provisions of the Act and Article 13, 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 directors and additional directors together shall not at any time exceed maximum strength fixed for the Board by the Articles.

(ix) Save as aforesaid Regulations 62 to 75 of Table ‘F’ shall apply.

(x) Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, 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, who 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 by him.

(xi) Subject to Article 13 (i) and (ii), the Board of Directors shall have power to appoint Additional Directors in accordance with the provisions of Section 161(1) of the Act and the Additional Directors so appointed shall hold office until the conclusion of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier.

(xii) (a) 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.

(b) The director so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.

(xiv) (a) Subject to the provisions of the Companies Act, 2013andnotwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement

(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.

(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.

(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.

14. POWERS OF BOARD

(i) (a) 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 statue 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.

(b) The Board may, from time to time and at its discretion, subject to the provisions of Sections 73, 179, 180, and 185 of the Act, raise or borrow and secure the payment of any sum or sums of money for the purpose of the Company. Any such money be raised or the payment or repayment thereof may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit by promissory notes or by opening loan or current accounts or by receiving deposits and advances at interest with or without security or otherwise and in particular by the issue of bonds, perpetual or redeemable debentures 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 or by mortgaging or charging or pledging any lands, buildings, machinery, plant, goods or other property and securities of the Company or by other means as the Board deems expedient. The Board of Directors shall not except with the consent of the Company by way of a special resolution, borrow moneys where 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) exceeds the aggregate of paid up capital of the Company, its free reserves and securities premium.

(c) Subject to the Act and these Articles, the Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and in particular by the issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage, or other tangible security on the undertaking of the whole or any part of the Company (both present and future) but shall not create a charge on its capital for the time being or issue debentures with the right to conversion into or allotment of shares without the sanction of the Company by a special resolution in the General Meeting.

15. PROCEEDINGS OF THE BOARD

(i) (a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(b) The Chairperson or any one director with the previous consent of the Chairperson, may or the secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.

(c) The quorum for a Board meeting shall be as provided in the Act.

(d) 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.

(ii) (a) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(b) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

(iii) 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.

(iv) (a) The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence the Board may elect a Chairperson of its meeting and determine the period for which he is to hold office.

(b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

(v) (a) The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit.

(b) 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.

(c) 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.

(vi) (a) A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.

(b) If no such Chairperson is elected, or if at any meeting the Chairperson 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 Chairperson of the meeting.

(vii) (a) A committee may meet and adjourn as it thinks fit.

(b) 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 Chairperson shall have a second or casting vote.

(viii) 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 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.

(ix) 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.

Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

16. BORROWING POWER

Subject to the provisions of the Section 73 and 179 of the Act, and without prejudice to the powers conferred by other Article or Articles, the Board or Directors may, from time to time and at their discretion, to borrow or secure the payment of any sum or/and sums of money, for purpose of the Company, either from any Director or member or elsewhere, on security or otherwise and may secure the repayment or payments of any sum or sums, in such manner and upon such terms and condition, in all respects as they think fit, and particular, by the creation of any mortgage, hypothecation or charge on the undertaking or the whole or part of the property, present or future, or the uncalled capital, of the Company or by the issue of debentures or debentures stock of the Company, both present and future, including its uncalled capital, for the time being, and the Directors or any of them may guarantee the whole, or any part of the loans or debts, raised or incurred, by or on behalf of the Company, or any interest payable thereon, and shall be entitled to receive such payments as consideration for the giving of such guarantee, as may be determined, by the Directors, with power to indemnify the guarantors, from or against liability under their guarantee by means of a mortgage or charge on the undertaking of the Company, or any of its property, or assets or otherwise.

17. CHIEF EXECUTIVE OFFICER/MANAGER/SECRETARY/CHIEF FINANCIAL OFFICER

(i) Subject to the provisions of the Act—

(a) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think 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.

(b) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

(c) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

(ii) Manager or Secretary may be appointed in accordance with Regulations 77 and 78 of Table ‘F’.

18. MANAGING DIRECTOR

(i) (a) Subject to the provisions of Sections 196, 197, and 203 and Schedule V of the Act, the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors of the Company and may, from time to time (subject to the provisions of any contract between him or them and the Company), remove or dismiss him or them from office and appoint another or others in his place or their places. The Managing Director shall exercise such powers as may be delegated to him by the Board subject to its overall control and supervision. The Managing Director shall report all material actions undertaken, or proposed to be undertaken, by him in the exercise of powers delegated to him to the Board of Directors at their meetings.

(b) Subject to the provisions of Act and Rules and Schedule of the Act, a Managing Director shall, in addition to the remuneration payable to him as a Director of the Company under the Articles, receive such additional remunerations as may, from time to time, be sanctioned by the Company.

(c) Subject to the provisions of the Act, in particular to the prohibitions and restrictions contained in the Act thereof, the Board may, from time to time, entrust to and confer upon a Managing Director for the time being such of the powers exercisable under these presents by the Board as it may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as it thinks fit, and the Board may confer such powers, either collaterally with, or to the exclusion of, and in substitution for any of the powers of the Board in that behalf and may, from time to time, revoke, withdraw, alter or vary all or any of such powers.

19. THE COMMON SEAL

The Board of Directors may select a seal for the Company. The Board shall provide for the safe custody of the Seal. The Seal of the Company shall not be affixed to any instrument except by authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf, and except in the presence of at least one Director or manager or any of the secretary or such other person as the Board may appoint for such purpose; and the Director or manager or the secretary or other person as aforesaid shall sign every instrument to which the Seal of the Company is so affixed in his presence. However, the share certificates shall be sealed and signed in accordance with Rule 5 of the Companies (Share Capital and Debentures) Rules, 2014.

20. DIVIDENDS AND RESERVE

(i) The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

(ii) 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.

(iii) (a) 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, thinks fit.

(b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

(iv) (a) 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.

(b) No amount paid or credited as paid on a share in advance of calls shall while carrying interest be treated for the purpose of this Article as paid on the share, including to confer a right to dividend or to participate in profits.

(c) 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.

(v) (a) 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.

(b) The Board may retain dividends payable upon shares in respect of which any person is, entitled to become a member, until such person shall become a member in respect of such shares.

(vi) (a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post 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.

(b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

(c) Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.

(vii) 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.

Notice of any dividend, whether interim or otherwise, that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

(viii) No dividend shall bear interest against the Company

(a) 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.

(b) The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company. Where the Company has declared a dividend but which has not been paid or claimed within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the 30 (thirty) day period, transfer the total amount of dividend which remains so unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called " Unpaid Dividend A/c ____".

(c) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under the Act. No unclaimed or unpaid dividend shall be forfeited by the Board. All unpaid and unclaimed dividends shall be dealt with in accordance with the provisions of Sections 124 and 125 of the Act and rules made thereunder.

(d) Further, there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

21. ACCOUNTS

(i) (a) 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.

(b) 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 authorized by the Board. or by the company in general meeting.

22. FINANCIAL STATEMENTS

The Directors shall lay before each Annual General Meeting, Financial Statement for the financial year of the Company audited by a qualified chartered accountant under the provisions of the Act.

23. AUDIT

(i) The first auditors of the Company shall be appointed by the Board within 30 (thirty) days after its incorporation who shall hold office till the conclusion of the first Annual General Meeting.

(ii) The Directors may fill up any casual vacancy in the office of the auditors.

(iii) The remuneration of the auditors shall be fixed by the Company in General Meeting or by Board if authorised by shareholders of the Company.

24. WINDING UP

(i) 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 the members, in specie or in kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(ii) 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 member or different classes of members.

(iii) The liquidator may with the like sanction, vest the whole or any part of such assets in trustees upon such trust for the benefits of the contributors as the liquidator, with the like sanction, shall think fit but so that no member shall be compelled to accept any share or such other securities whereon there is any liability.

25. SECRECY

Every Director, Chairman, Managing Director, Manager, Auditor Member of the Committee, Officer, Servant Agent, Accountant or other persons employed in the business of the Company shall observe strict secrecy in respect of all transactions of the company.

26. INDEMNITY & INSURANCE

(i) Subject to the provisions of Section 197 of the Act, every officer or agent for the time being of Company shall be indemnified out of the assets of the Company, to pay all costs, losses and expenses (including travelling expenses) which such 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 or against any bonafide 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 in connection with any application under Section 463 of the Act in which relief is granted to him by the Court.

(ii) 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.

27. GENERAL POWER

Wherever in the Act, 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 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.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, will be attached to the copy of the Red Herring Prospectus which will be filed with the RoC, and will also be available at the following weblink: www.shantigold.in. Physical copies of the above-mentioned documents referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.

Material contracts to the Issue

1. Issue Agreement dated January 13, 2025 entered into between our Company and the Book Running Lead Manager.

2. Registrar Agreement dated December 19, 2024 entered into between our Company and the Registrar to the Issue.

3. Cash Escrow and Sponsor Bank Agreement dated [●] amongst our Company, the Registrar to the Issue, the Book Running Lead Manager and Bankers to the Issue.

4. Syndicate Agreement dated [●] amongst our Company, the Book Running Lead Manager, the Registrar to the Issue and Syndicate Members.

5. Monitoring Agency Agreement dated [●] entered into between our Company and the Monitoring Agency.

6. Underwriting Agreement dated [●] amongst our Company and the Underwriters.

Material Documents

1. Certified copies of the Memorandum of Association and the Articles of Association, as amended until date.

2. Certificate of incorporation dated November 1, 2013 in the name of "*Shanti Gold International Limited*" issued by the RoC.

3. Certificate of commencement of business dated November 22, 2013 issued to our Company by the RoC.

4. Resolution of our Board dated November 18, 2024 authorising the Issue and other related matters, and the resolution of the Shareholders dated November 30, 2024 approving the Issue.

5. Resolution dated January 13, 2025 passed by the Board approving this Draft Red Herring Prospectus and certain other related matters.

6. Resolution of the Audit Committee dated January 13, 2025, approving the KPIs.

7. Certificate dated January 13, 2025 from M/s. J. Kala & Associates, Chartered Accountants, our Statutory Auditors, certifying the KPIs of our Company.

8. Non-compete agreement dated January 06, 2025 entered between Uzuri Jewels Private Limited and our Company.

9. Non-compete agreement dated January 06, 2025 entered between Utssav CZ Gold Jewels Limited and our Company.

10. Resolutions dated July 27, 2023 and July 31, 2023, each passed by the Board and Shareholders, respectively, approving the terms of appointment and remuneration of our Managing Director and Whole-Time Director.

11. Written consent dated January 13, 2025 from M/s J. Kala & Associates, Chartered Accountants, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated December 19, 2024 on our Restated Financial Information; and (ii) their report dated January 13, 2025 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined

under the U.S. Securities Act.

12. The examination report dated December 19, 2024 of our Statutory Auditor on the Restated Financial Information, included in this Draft Red Herring Prospectus.

13. The statement of possible special tax benefits dated January 13, 2025 from our Statutory Auditors.

14. Certificates dated January 13, 2025, respectively, issued by M/s J. Kala & Associates, Chartered Accountants, with respect to the (a) key performance indicators of the Company; (b) average cost of acquisition of shares by the promoters and weighted average price at which equity shares of the Company were acquired; and (c) Basis for Issue Price; (d) Working capital requirements.

15. Certificates dated January 13, 2025, respectively, issued by M/s J. Kala & Associates, Chartered Accountants, with respect to the capital expenditure to be incurred by our Company.

16. Certificate relating to utilization of loans for the purposes for which loans were sanctioned dated January 13, 2025 issued by M/s J. Kala & Associates, Chartered Accountants;

17. Certificate relating to capacity of manufacturing facilities and utilization of capacities dated January 7, 2025 issued by Sharjeel Aslam Faiz, independent chartered engineer;

18. Engagement letter dated November 5, 2024 entered into between the Company and CARE

19. Report titled "*Industry Report on Indian Gems and Jewellery*" dated January 4, 2025 prepared and issued by CARE and commissioned by our Company for the purposes of the Issue.

20. Consent letter dated January 07, 2025 from CARE with respect to CARE Report.

21. Consents of the BRLM, the Registrar to the Issue, the Syndicate Members, Bankers to the Company, Escrow Collection Bank(s), Public Issue Account Bank(s), Refund Bank(s) and Sponsor Bank(s), Underwriter(s), Monitoring Agency, the legal counsel to the Issue, our Promoters, our Directors, the Company Secretary and Compliance Officer and Chief Financial Officer, to act in their respective capacities.

22. Copies of annual reports of our Company for Fiscal 2024, Fiscal 2023 and Fiscal 2022.

23. Tripartite agreement dated July 25, 2024, among our Company, NSDL and the Registrar to the Issue.

24. Tripartite agreement dated March 30, 2019, among our Company, CDSL and the Registrar to the Issue.

25. Due diligence certificate dated January 13, 2025 addressed to SEBI from the Book Running Lead Manager.

26. In-principle listing approvals dated [●] and [●] from BSE and NSE, respectively.

27. SEBI final observation letter, bearing reference number [●] dated [●].

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 (SCRA), the Securities Contracts (Regulation) Rules, 1957 (SCRR) and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Pankajkumar H Jagawat
(Chairman and Managing Director)

Date: January 13, 2025

Place: Mumbai

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 (SCRA), the Securities Contracts (Regulation) Rules, 1957 (SCRR) and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Manojkumar N Jain
(Whole-time Director)

Date: January 13, 2025

Place: Mumbai

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 (SCRA), the Securities Contracts (Regulation) Rules, 1957 (SCRR) and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Shashank Bhawarlal Jagawat
(Non-Executive Director)

Date: January 13, 2025

Place: Mumbai

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 (SCRA), the Securities Contracts (Regulation) Rules, 1957 (SCRR) and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Yash Mahansaria
(Independent Director)

Date: January 13, 2025

Place: Rajasthan

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 (SCRA), the Securities Contracts (Regulation) Rules, 1957 (SCRR) and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Bhavika Yash Ghuntla
(Independent Director)

Date: January 13, 2025

Place: Mumbai

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 (SCRA), the Securities Contracts (Regulation) Rules, 1957 (SCRR) and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Purvi Pathik Shah
(Independent Director)

Date: January 13, 2025

Place: Ahmedabad

DECLARATION

I hereby declare and certify that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government of India or the guidelines or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 (SCRA), the Securities Contracts (Regulation) Rules, 1957 (SCRR) and the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

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Shriram Kannan Iyengar
(Chief Financial Officer)

Date: January 13, 2025

Place: Mumbai