

KEYNOTE

Ref # Buyback/GIL/Let-SEBI&SE/Sp(02)

October 18, 2021

The Manager

BSE Limited

Department of Corporate Services,
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

Dear Sir,

**Reg: Proposed Buy-Back of equity shares by Goldiam International Limited
(the “Company”)**

We are pleased to inform you that we have been appointed to act as the Manager to the proposed Buy-Back of equity shares to be undertaken by the Company.

The Board of Directors of Goldiam International Limited in their meeting held on September 13, 2021 approved the proposal of Buy-Back of upto 3,80,000 fully paid-up equity shares of ₹10/- each at a price of ₹1200/- (One Thousand Two Hundred Only) per equity share for a total consideration not exceeding ₹45,60,00,000/- (Rupees Forty-Five Crores Sixty Lakhs Only) from the equity shareholders of the Company as on the Record Date, on a proportionate basis through the “Tender Offer” route, subject to approval from the shareholders. A Special Resolution approving the Buy-Back of equity shares was passed through Postal Ballot, results of which were declared on October 13, 2021.

In terms of Regulation 7 of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018, a public announcement dated October 14, 2021 (“**Public Announcement**”) pertaining to the Buyback was released for publication by the Company on October 18, 2021 in the following newspapers:

Publication	Language	Edition
Financial Express	English	All
Financial Express	Gujarati	Ahmedabad Edition
Jansatta	Hindi	All
Mumbai Lakshdeep	Marathi	Mumbai Edition

In this regard we are enclosing herewith the following:

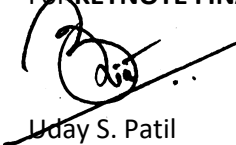
- Copy of the public announcement as published in the newspapers
- Copy of the Special Resolution passed through Postal Ballot on October 13, 2021.

We request you to kindly take the above on record.

Thanking you and assuring you of our best co-operation at all times.

Yours sincerely,

For **KEYNOTE FINANCIAL SERVICES LIMITED**



Uday S. Patil

Director – Investment Banking

Keynote Financial Services Limited

(Formerly known as Keynote Corporate Services Limited)

The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai 400028

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CIN – L67120MH1993PLC072407



Goldiam International Ltd

MANUFACTURERS & EXPORTERS OF DIAMONDS & JEWELLERY

CIN:L36912MH1986PLC041203

Registered office: Gems & Jewellery Complex, MIDC, SEEPZ, Andheri (East), Mumbai - 400 096.

Tele. No. 022-28291893/ 28290396/ 28292397; Fax: 022-28292885 Website: www.goldiam.com ; Email: investorrelations@goldiam.com

Contact Person: Mr. Pankaj Parkhiya, Company Secretary & Compliance Officer

FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS/BENEFICIAL OWNERS OF EQUITY SHARES OF GOLDIAM INTERNATIONAL LIMITED FOR BUYBACK OF EQUITY SHARES THROUGH TENDER OFFER UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED.

This Public Announcement (the "PA") is being made in accordance with Securities and Exchange Board of India ("SEBI") Circular CIR/CFD/POLICYCELL/1/2015/dated April 13, 2015 read with Circular CFD/DCR2/P/2016/131 dated December 9, 2016, including any further amendments thereof, pursuant to the Regulation 7(i) along with other applicable provisions of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 as amended, for the time being in force including any statutory modifications and amendments from time to time ("SEBI Buyback Regulations"/ "Buyback Regulations") and contains the disclosures as specified in Schedule II to the SEBI Buyback Regulations read with Schedule I of the SEBI Buyback Regulations.

OFFER FOR BUYBACK OF UP TO 3,80,000 (THREE LAKHS EIGHTY THOUSAND ONLY) FULLY PAID-UP EQUITY SHARES OF THE COMPANY OF FACE VALUE OF ₹10/- (RUPEES TEN ONLY) EACH ("EQUITY SHARES") AT A PRICE OF ₹1200/- (RUPEES ONE THOUSAND TWO HUNDRED ONLY) PER FULLY PAID-UP EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER PROCESS USING THE STOCK EXCHANGE MECHANISM.

Certain figures in this Public Announcement, including financial information, have been subject to rounding off adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

1. DETAILS OF THE BUYBACK OFFER AND BUYBACK PRICE.

1.1. The Board of Directors (the "Board", which expression includes any committee constituted by the Board to exercise the powers, including the powers conferred by the resolution) of Goldiam International Limited (the "Company") at its meeting held on September 13, 2021 ("Board Meeting") approved the proposal of Buyback up to 3,80,000 (Three Lakhs Eighty Thousand) fully-paid-up Equity Shares of face value ₹10/- each, at a price of ₹1200/- per equity share ("Buyback Price") for an amount not exceeding ₹45,60,00,000/- (Rupees Forty-Five Crores Sixty Lakhs Only) ("Buyback Size") (excluding Transaction Costs such as securities transaction tax, GST, stamp duty, filing fees, advisors' fees, brokerage, public announcement expenses, printing and dispatch expenses, applicable taxes and other incidental and related expenses (hereinafter referred to as "Transaction Costs") from the equity shareholders of the Company as on October 27, 2021 ("Record Date") ("Eligible Shareholders") (for further details on the Record Date, refer to paragraph 12 of this Public Announcement), on a proportionate basis through the "Tender Offer" route in accordance with the provisions of the Companies Act, 2013 ("Companies Act" or "the Act") and the Companies (Share Capital and Debentures) Rules, 2014 (the "Share Capital Rules"), the Companies (Management and Administration) Rules, 2014 (the "Management Rules") and in compliance with the Buyback Regulations ("Buyback Offer" or "Buyback") and, subject to approval of the Equity Shareholders of the Company. The Board of Directors at their meeting approved the Postal Ballot Notice dated September 13, 2021 ("Postal Ballot Notice"), to seek the approval of the Shareholders of the Company for the Buyback, through a Special Resolution, on a proportionate basis (subject to the reservation for small shareholders), through the tender offer process pursuant to Articles of Association of the Company and in accordance with Sections 68, 69, 70 and 110 and all other applicable provisions, if any, of the Companies Act, the Share Capital Rules, the Management Rules, and the Buyback Regulations. The Buyback is subject to receipt of any approvals of lenders, statutory, regulatory, or governmental authorities as may be required under applicable laws, including the Reserve Bank of India (RBI), the SEBI, and the Stock Exchanges on which the Equity Shares of the Company are listed, namely, National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") (hereinafter together referred to as the "Stock Exchanges").

1.2. The results of the Postal Ballot Resolution were announced on October 13, 2021 ("Shareholders' Approval"). The Shareholders of the Company approved the "Buyback" of up to 3,80,000 (Three Lakhs Eighty Thousand) fully-paid-up Equity Shares of face value ₹10/- each, from the equity shareholders of the Company as on the Record Date, on a proportionate basis through the "Tender Offer" route at a price of ₹1200/- (One Thousand Two Hundred Only) per share, payable in cash, for an amount not exceeding ₹45,60,00,000/- (Rupees Forty-Five Crores Sixty Lakhs Only) which excludes Transaction Costs.

1.3. The Buyback is in accordance with Article 23A of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and 110 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Management and Administration) Rules, 2014, including any amendments, statutory modifications or re-enactments thereof, for the time being in force and in compliance with the Buyback Regulations.

1.4. In accordance with the provisions of the Companies Act, 2013, the Buyback Size is ₹45,60,00,000/- (Rupees Forty-Five Crores Sixty Lakhs Only) excluding Transaction Cost, representing 19.35% and 10.05% of the aggregate fully paid-up share capital and free reserves as per audited standalone financial statements and audited consolidated financial statements of the Company for the financial year ended March 31, 2021, respectively (the last audited financial statement available as on the date of Board Meeting approving the Buyback) and is within the statutory limit of 25% of the fully paid-up equity share capital and free reserves as per the last audited financial statement of the Company. Further, under the Companies Act, the number of equity share that can be bought back in any financial year cannot exceed 25% of the total paid-up equity share capital of the Company in that financial year. Since the Company proposes to Buyback up to 3,80,000 equity shares representing 1.71% of the total paid up equity share capital of the Company, the same is within the aforesaid 25% limit.

1.5. The buyback price is ₹1200/- per equity share. The Buyback Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average market prices of the Equity Shares on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") where the Equity Shares are listed, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per Share.

1.6. A copy of this Public Announcement will be available on the Company's website (www.goldiam.com) and is expected to be available on the website of SEBI (www.sebi.gov.in) during the period of the Buyback and on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).

2. OBJECTIVE OF THE BUYBACK

2.1. The Buyback is being undertaken by the Company to return surplus funds to its equity shareholders which are over and above its ordinary capital requirements and in excess of any current investment plans, in an expedient, effective and cost-efficient manner.

The Buyback is undertaken for the following reasons:

- i. The Company believes that the strong future and outlook of its business activities, is not accurately reflected in the prevailing market price, thereby giving an opportunity for buyback to create long-term value for its shareholders.
ii. The Buyback would help in improving financial ratios like earnings per share and return on equity, by reducing the equity base of the Company, and thereby, enhancing the overall return to shareholders.
iii. The Buyback gives the Eligible equity shareholders the choice to either (A) participate in the buy-back and receive cash in lieu of Equity Shares accepted under the buy-back or (B) not to participate in the buy-back and enjoy a resultant increase in their percentage shareholding in the Company post the buy-back, without additional investment.

3. MAXIMUM NUMBER OF SHARES THAT THE COMPANY PROPOSES TO BUYBACK:

3.1. The Company proposes to buyback up to 3,80,000 (Three Lakhs Eighty Thousand) fully paid up Equity Shares of face value ₹10/- (Rupees Ten) each of the Company.

4. BUYBACK PRICE OF EQUITY SHARES AND THE BASIS OF ARRIVING AT THE BUYBACK PRICE:

4.1. The Equity Shares of the Company are proposed to be bought back at a price of ₹1,200/- (Rupees One Thousand Two Hundred Only) per share ("Offer Price"). The Buyback Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average market prices of the Equity Shares on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") i.e. the stock exchanges where the Equity Shares are listed, the networth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per Share.

The Buyback Price represents:

- i) Premium of 109.93% & 109.02% over the volume weighted average market price of the Equity Shares of NSE and BSE, respectively, during the three months preceding August 30, 2021, being the date of intimation to Stock Exchange for the Board Meeting to consider the proposal of the Buyback.
ii) Premium of 76.55% and 76.91% over the closing price of the Equity Share on NSE and BSE, respectively, as on August 27, 2021, being the last trading date prior to the Company's intimation to the Stock Exchanges of the date of the Meeting of the Board of Directors wherein proposal of the Buyback was considered.

4.2. The Company confirms that as required under Section 68(2)(d) of the Act, the ratio of the aggregate of secured and unsecured debts owed by the Company per Equity Share capital and free reserves after the Buyback shall be less than or equal to 2:1 based on last audited standalone and consolidated financial statements of the Company.

5. MAXIMUM AMOUNT REQUIRED UNDER THE BUYBACK & ITS PERCENTAGE OF THE TOTAL PAID-UP CAPITAL AND FREE RESERVES AND THE SOURCES OF FUNDS FROM WHICH THE BUYBACK WOULD BE FINANCED:

5.1. The maximum amount required for Buyback will not exceed ₹45,60,00,000/- (Rupees Forty five crore sixty lakhs only) excluding Transaction Costs. The said amount works out to 19.35% and 10.05% of the aggregate fully paid-up share capital and free reserves as per audited standalone financial statements and audited consolidated financial statements of the Company as on March 31, 2021 respectively, which is within the prescribed limit of 25%.

5.2. The funds for the implementation of the proposed Buyback will be sourced out of the free reserves of the Company (including securities premium account) or such other source as may be permitted by the SEBI Buyback Regulations or the Companies Act and no funds will be borrowed from Banks and Financial Institutions for the Buyback.

5.3. The Company shall transfer from its free reserves, a sum equal to the nominal value of the Equity shares so bought back to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited financial statements.

5.4. The funds borrowed, if any, from banks and financial institutions will not be used for purpose of the Buyback.

METHOD TO BE ADOPTED FOR BUYBACK

6.1. The Buyback shall be on a proportionate basis, through the "Tender Offer" route, as prescribed under the Buyback Regulations, to the extent permissible, and the "Mechanism for acquisition of shares through Stock Exchanges" as prescribed under the SEBI Circulars. The Buyback will be implemented in accordance with the Act read with the rules framed thereunder, the Buyback Regulations and on such terms and conditions as may be deemed fit by the Company.
6.2. As required under the Buyback Regulations, the Company has announced a Record Date to determine the names of the Members holding Equity Shares of the Company who will be eligible to participate in the Buyback ("Eligible Equity Shareholder(s)"). Consequently to the approval of the Buyback, Eligible Shareholders will receive a Letter of Offer along with a Tender/Offer Form indicating their entitlement.

7. THE AGGREGATE SHAREHOLDING OF THE PROMOTER / PROMOTER GROUP AND PERSONS WHO ARE IN CONTROL OF THE COMPANY, THE DIRECTORS OF COMPANIES WHICH ARE PART OF THE PROMOTER AND PROMOTER GROUP AS ON THE DATE OF THIS PUBLIC ANNOUNCEMENT ARE AS FOLLOWS:

7.1. The aggregate shareholding of the Promoter and Promoter Group and persons who are in control of the Company as on the date of Board Meeting i.e., September 13, 2021:

Table with 4 columns: Sr. no, Name of Shareholder, No. of Shares held, Percentage (%). Includes shareholders like Rashesh Manhar Bhansali, Anmol Rashesh Bhansali, Shobhnaben Manharikumar Bhansali, Ami Rashesh Bhansali, Tulsi Gupta.

7.2. The aggregate shareholding of the directors of companies, which are part of the Promoter and Promoter Group as on the date of Board Meeting i.e., September 13, 2021: Not Applicable

7.3. None of the directors and key managerial personnel of the Company hold any equity shares in the Company as on the date of Board Meeting i.e., September 13, 2021, except for the following:

Table with 4 columns: Sr. no, Name of Director or Key Managerial Personnel, Category, No. of Equity Shares held, Percentage of Shareholding (%). Includes Rashesh Manhar Bhansali, Anmol Rashesh Bhansali, Ajay M. Khatkhatwa, Darshana Feldu.

7.4. The Promoter, Promoter Group and Directors and Key Managerial Personnel of the Company have not purchased or sold any shares of the Company as on the date of Board meeting, during a period of six months preceding the date

of the Board Meeting i.e., September 13, 2021, at which the Buyback was proposed and from the date of the Board Meeting till the date of this Public Announcement.

8. INTENTION OF THE PROMOTERS AND PROMOTERS GROUP OF THE COMPANY TO TENDER EQUITY SHARES FOR BUY-BACK:

8.1. In terms of the Buyback Regulations, under the Tender Offer route, the Promoter and Promoter Group of the Company have the option to participate in the Buyback. In this regard, the Promoters and Promoter Group of the Company, have expressed their intention vide their letters dated September 13, 2021 to participate in the Buyback and the details of maximum shares to be tendered is as given below:

Table with 3 columns: Sr. no, Name of Shareholder, No. of Shares held, Number of equity shares intended to be tendered upto. Includes Rashesh Manhar Bhansali, Anmol Rashesh Bhansali, Shobhnaben Manharikumar Bhansali.

The date and price of the acquisition and other details of the equity shares held by the Promoters /Promoter Group Members who are intending to tender their shares are as follows:

Large table with 7 columns: Date of Transaction, Nature of Transaction, Number of Equity Shares, Price (₹ per Share), Face Value per share (₹), Issue/ Acquisition/ (Sale) Price (₹), Consideration (Cash, other than cash etc.). Includes transactions for Rashesh Manhar Bhansali.

Table with 7 columns: Date of Transaction, Nature of Transaction, Number of Equity Shares, Price (₹ per Share), Face Value per share (₹), Issue/ Acquisition/ (Sale) Price (₹), Consideration (Cash, other than cash etc.). Contains the remainder of the transaction table.

