



## MOKSH ORNAMENTS LIMITED

Our Company was originally incorporated as “Moksh Ornaments Private Limited” under the provision of the Companies Act, 1956 vide certificate of incorporation dated July 19, 2012, Issued by the Registrar of Companies, Mumbai, Maharashtra. Our Company, upon incorporation, took over businesses carried on by our promoters, Mr. Amrit Jawanmalji Shah and Mr. Jawanmal Moolchand Shah as a sole proprietor of M/s. Jineshwar Gold and M/s. Padmavati Jewels respectively. Subsequently, our Company was converted into the public limited Company pursuant to special resolution passed at the Extra-Ordinary General Meeting of the members held on August 30, 2017 and consequently name was changed to “Moksh Ornaments Limited” vide fresh certificate of incorporation dated September 07, 2017 issued by Registrar of Companies, Mumbai, Maharashtra. For details see ‘**General Information**’ on page 49 of this Draft Letter of Offer.

**Corporate Identification Number:** L36996MH2012PLC233562

**Registered Office:** B-405/1 & B-405/2, 4th Floor, 99, Mulji Jetha Building, Glitz Mall, Vithalwadi, Kalbadevi Road, Mumbai - 400 002

**Contact No:** +91 022-40041473 | **Contact Person:** Ms. Charmy Harish Variya, Company Secretary and Compliance Officer;

**Email-ID:** [cs@mokshornaments.com](mailto:cs@mokshornaments.com); [jineshwar101@gmail.com](mailto:jineshwar101@gmail.com) | **Website:** [www.mokshornaments.com](http://www.mokshornaments.com)

**PROMOTERS OF OUR COMPANY: MR. AMRIT JAWANMALJI SHAH AND MR. JAWANMAL MOOLCHAND SHAH  
FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF MOKSH ORNAMENTS LIMITED**

**(“OUR COMPANY” OR “ISSUER”) ONLY**

**ISSUE OF UPTO [•]\* FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 2/- EACH (“RIGHTS EQUITY SHARES”) OF MOKSH ORNAMENTS LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [•]- EACH INCLUDING A SHARE PREMIUM OF ₹ [•] PER RIGHTS EQUITY SHARE (“ISSUE PRICE”) FOR AN AGGREGATING UPTO ₹ 4900.00 LAKHS ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [•] ([•]) RIGHTS EQUITY SHARES FOR EVERY [•] ([•]) EQUITY SHARE HELD BY SUCH ELIGIBLE EQUITY SHAREHOLDERS AS ON THE RECORD DATE, [•], 2024, (“ISSUE”). THE ISSUE PRICE IS [•] ([•]) TIME THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, KINDLY REFER TO THE SECTION TITLED ‘TERMS OF THE ISSUE’ BEGINNING ON 167 OF THIS DRAFT LETTER OF OFFER (the “DLOF”).**

*\*Assuming full subscription*

### WILFUL DEFAULTERS AND/ OR FRAUDULENT BORROWERS

Neither our Company nor any of our Promoters or any of Directors are or have been categorized as Wilful Defaulter or Fraudulent Borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on Wilful Defaulter(s) or Fraudulent Borrower(s) issued by the Reserve Bank of India.

### GENERAL RISK

Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk with such 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 this Issue including the risks involved. The Rights 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 Letter of Offer. Investors are advised to refer section titled ‘**Risk Factors**’ beginning on page 27 of this Draft Letter of Offer before investing in the Issue.

### ISSUER’S ABSOLUTE RESPONSIBILITY

Our Company has made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer 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 Letter of Offer 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 Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

### LISTING

The existing Equity Shares are listed on the National Stock Exchange of India Limited (“NSE”) (the “Stock Exchange”). Our Company has received ‘in-principle’ approval from NSE for listing the Rights Equity Shares to be issued pursuant to this Issue vide their letters dated [•]. Our Company will also make applications to the Stock Exchange to obtain their trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is NSE.

### LEAD MANAGER TO THE ISSUE



*Let's Grow Together™*

**KUNVARJI FINSTOCK PRIVATE LIMITED**

**Registered Office:** B-Wing, Siddhivinayak Towers, Nr. DAV School,

Next to Kataria House, Off SG Highway, Makarba, Ahmedabad – 380051

**Corporate Office:** 1208-20, 12th Floor, Summit Business Bay, Opp. PVR

Cinema, Near W.E. Highway, Metro Station, Andheri(E), Mumbai - 400093

**CIN:** U65910GJ1986PTC008979

**Contact Person:** Mr. Prasann Bhatt/Mr. Jiten Patel

**Tel No.:** +91 79 6666 9000/+91 022 6985 0000

**Email ID:** [mb@kunvarji.com](mailto:mb@kunvarji.com)

**Investor Grievance Email:** [MB.investorgrievances@kunvarji.com](mailto:MB.investorgrievances@kunvarji.com)

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

**SEBI Registration No.:** INM000012564

### REGISTRAR TO THE ISSUE



**BIGSHARE SERVICES PRIVATE LIMITED**

**Address:** Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai-400093

**Contact Person:** Mr. Jibu John

**Tel No.:** 022-62638200/22

**Email:** [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com)

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

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

**SEBI Registration No:** INR000001385

### ISSUE PROGRAMME

ISSUE OPENS ON

LAST DATE FOR ON MARKET  
RENUNCIATIONS\*

ISSUE CLOSSES ON\*\*

[•]

[•]

[•]

*\*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.*

*\*\*Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*



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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective Applicant only and is not exhaustive.*

*Draft Letter of Offer uses the definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, or policies shall be to such legislation, act, regulation, rules, guidelines, or policies as amended, supplemented, or re-enacted 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 this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to ‘the Company’, ‘we’, ‘our’, ‘Our Company’, ‘us’ or similar terms are to Moksh Ornaments Limited as the context requires, and references to ‘you’ are to the Eligible Shareholders and/ or prospective Investors in this Rights Issue of Equity Shares.*

*The words and expressions used in this Draft Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in section titled ‘Statement of Tax Benefits’, ‘Industry Overview’, ‘Financial Information’, ‘Outstanding Litigations, Defaults, and Material Developments’ and ‘Terms of the Issue’ beginning from page 64, 69, 97, 152 and 167 respectively, shall have the meaning given to such terms in such sections.*

### GENERAL / COMPANY RELATED TERMS

Term	Description
Moksh Ornaments Limited/Moksh/MOL/ the Company / Our Company	Moksh Ornaments Limited, a public limited Company incorporated under the provisions of the Companies Act, 1956, as amended from time to time having its Registered Office situated at B-405/1 & B-405/2, 4th Floor, 99, Mulji Jetha Building, Glitz Mall, Vithalwadi, Kalbadevi Road, Mumbai - 400 002, Maharashtra, India.
We/ us/ our / Our Company	Unless the context otherwise indicates or implies, refers to Moksh Ornaments Limited together.
Term	Description
AoA/ Articles of Association	The Articles of Association of Moksh Ornaments Limited, as amended from time to time;
Audit Committee	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (LODR) Regulations;
Audited Financial Statements	The audited Financial statements of our Company prepared in accordance with Accounting Standards for the Financial Year ending March 31, 2023, March 31, 2022, and March 31, 2021;
Auditors/ Statutory Auditors/ Peer Review Auditor	The statutory auditor of our Company, being, M/s. S.D. Jain & CO., Chartered Accountants;



Term	Description
Board of Directors/ Board	The Board of Directors of Moksh Ornaments Limited, including all duly constituted Committees thereof;
Chairperson	The Chairperson of our Company, being Mr. Amrit Jawanmalji Shah;
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Mr. Amrit Jawanmalji Shah;
Companies Act	The Companies Act, 2013 and rules issued thereunder, as amended;
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, being Ms. Charmy Harish Variya;
Directors	The director(s) on the Board of our Company, unless otherwise specified;
DP ID	Depository Participant Identification, is a unique 8-digit code assigned to a Depository Participant (DP) by the Depository;
Eligible Shareholder(s)	Eligible holder(s) of the Equity Shares of Moksh Ornaments Limited as on the Record Date;
Equity Shares	Equity Share of the Company having Face Value of ₹ 2/- (Rupee Two Only), unless otherwise specified;
Financial Information	Collectively, the Restated Financial Statements and Unaudited Financial Results along with the notes and accounting policies and limited review report, unless otherwise Specified in context thereof;
Independent Director	Independent directors on the Board and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI (LODR) Regulations. For details of the Independent Directors, please refer to section titled ' <b>Our Management</b> ' beginning on page 88;
ISIN of our Company	International Securities Identification Number being INE514Y01020;
Key Management Personnel/ KMP	Key management 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;
Limited Reviewed Financial Information/ Limited Reviewed Financial Statements	The limited reviewed unaudited financial statements for the Six Months periods ended September 30, 2023, prepared in accordance with the Companies Act and SEBI Listing Regulations. For details, see " <b>Financial Statements</b> " on page 97 of this Draft Letter of Offer.
Materiality Policy	A policy adopted by our Company for identification of material litigation(s) for the purpose of disclosure of the same in this Draft Letter of Offer.
Memorandum of Association/MOA	The Memorandum of Association of Moksh Ornaments Limited, as amended from time to time;
Nomination and Remuneration Committee	The committee of the Board of directors reconstituted as our Company's Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI (LODR) Regulations;
Non-executive Director(s)	Non-Executive Director of our Company, unless otherwise specified;
Promoters	The promoters of our Company, namely Mr. Amrit Jawanmalji Shah and Mr. Jawanmal Moolchand shah;
Promoter Group	The promoter group of our Company as determined in terms of Regulation 2(1)(pp)of the SEBI ICDR Regulations;
Registered Office	The registered office of our Company located at B-405/1& B - 405/2, 4th Floor, 99, Mulji Jetha Building, Glitz Mall, Vithalwadi, Kalbadevi Road, Mumbai - 400 002, Maharashtra, India;
Registrar of Companies/ RoC	Registrar of Companies, Mumbai, Maharashtra, situated at 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra
Restated Financial Statements	The Restated financial statements of our Company for the year period ended on March 31, 2023, March 31, 2022 and March 31, 2021, which comprises the



Term	Description
	balance sheet as at March 31, 2023, March 31, 2022 and March 31, 2021, the statement of profit and loss, including other comprehensive income, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information thereto prepared in accordance with Ind AS and restated by Company in accordance with 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 the Institute of Chartered Accountants of India, each as amended;
Rights Issue Committee	The committee of our Board constituted for purposes of the Issue and incidental matters thereof.
Shareholders	The equity shareholders of our Company, from time to time, unless otherwise specified in the context thereof;
Stakeholders' Relationship Committee	The committee of the Board of Directors constituted as our Company's Stakeholders' Relationship Committee in accordance with Section 178 of the Companies Act, 2013 read with Regulation 20 of SEBI LODR Regulations 2015.
Unaudited Financial Results	The Unaudited Financial Results for the six months period ended September 30, 2023 prepared in accordance with the Ind AS 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules and other accounting principles generally accepted in India, the Companies Act and SEBI Listing Regulations. For details, see ' <i>Financial Information</i> ' on page 97 of this Draft Letter of Offer;

## GENERAL ISSUE RELATED TERMS

Term	Description
Abridged Letter of Offer	Abridged Letter of Offer to be sent to the Eligible Shareholders with respect to the Issue in accordance with the provisions of the SEBI (ICDR) Regulations and the Companies Act;
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement;
Allot/ Allotted	Allotment/ Allotted
Allotment Account	Unless the context requires, the allotment of Rights Equity Shares pursuant to this Issue;
Allotment Account Bank(s)	The account opened with the Banker to the Issue, into which the Application Money lying to the credit of the escrow account(s) and application amounts by ASBA blocked in the ASBA Account, with respect to successful Investors will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act;
Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, [•];
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to this Issue;
Allotment Date / Date of Allotment	Date on which the Allotment is made pursuant to this Issue;
Allottee(s)	Persons to whom Rights Equity Shares are issued pursuant to the Issue;
Applicant(s)/ Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to this Issue in terms of the Draft Letter of Offer/Letter of Offer, including an ASBA Investor;



Term	Description
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price;
Application Form/ Common Application Form (CAF)	Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Investor to make an application for the Allotment of Equity Shares in the Issue;
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price;
Application Supported by Blocked amount or ASBA	Application (whether physical or electronic) used by ASBA Investors to make an application authorizing the SCSB to block the Application Money in the ASBA Account maintained with such SCSB;
ASBA Account	A bank account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Shareholders, as the case may be;
ASBA Applicant /ASBA Investor	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including Renounees) shall make an application for an Issue only through ASBA facility;
ASBA Bid	Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations;
ASBA Circulars	Collectively, the SEBI circulars bearing reference numbers 'SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009', 'CIR/CFD/DIL/1/2011 dated April 29, 2011', and 'SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020', SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.;
Bankers to the Issue Agreement	Agreement dated [•] entered into by and amongst our Company, the Lead Manager and the Registrar to the Issue, and the Bankers to the Issue for collection of the Application Money from applicants/Investors, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Investors and providing such other facilities and services as specified in the agreement;
Bankers to the Issue/ Refund Bank	Collectively, the Escrow Collection Bank and the Refund Bank to the Issue, in this case is [•];
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in the Issue, and is described in the section titled ' <i>Terms of the Issue</i> ' beginning on page 167;
Common Application Form / Composite Application Form / CAF	The application form used by Investors to make an application for Allotment under the Issue;
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchange, a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> updated from time to time or at such other website(s) as may be prescribed by the SEBI from time to time;



Term	Description
Demographic Details	Details of Investors including the Investor's address, name of the Investor's father/ husband, investor status, occupation and bank account details, where applicable;
Designated Branches	SCSB Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , updated from time to time, or at such other website as may be prescribed by SEBI from time to time;
Designated Exchange	Stock National Stock Exchange of India Limited
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996;
Draft Letter of Offer/ DLoF	This Draft Letter of Offer dated February 9, 2024, filed with NSE in accordance with the SEBI (ICDR) Regulations, for their observations and in-principle approval;
Eligible Shareholders	Equity Existing Equity Shareholders as on the Record Date i.e. [•]. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders;
Escrow Account(s)	One or more no-lien and non-interest bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors updated from time to time or at such other website(s) as may be prescribed by the SEBI from time to time;
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an Issue and with whom Escrow Account(s) will be opened, in this case being [•];
Issue/ Rights Issue	Issue of up to [•] Equity Shares of our Company for cash at a price of ₹ [•]/- (Rupee [•] Only) per Rights Equity share, including a share premium of ₹ [•] per Rights Equity Share, for an amount up to ₹ 4900.00 Lakhs on a rights basis to the Eligible Shareholders of our Company in the ratio of [•] ([•]) Rights Equity Shares for every [•] ([•]) Equity Share held by the Eligible Equity Shareholders of our Company on the Record Date i.e. [•];
IEPF	Investor Education and Protection Fund
Issue Agreement	Issue agreement dated June 30, 2023 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue;
Issue Closing Date	[•]
Issue Material	Collectively, this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Common Application Form (CAF)/ Application Form and Rights Entitlement Letter and any other material relating to the Issue;
Issue Opening Date	[•]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/ Investors can submit their Applications, in accordance with the SEBI (ICDR) Regulations;
Issue Price	₹ [•]/- (Rupee [•] Only) per Rights Equity Share;
Issue Proceeds	The proceeds of the Issue that are available to our Company;
Issue Size	Amount up to ₹ 4900.00 Lakhs* (*Assuming full subscription)
Lead Manager to the Issue	Kunvarji Finstock Private Limited;





Term	Description
Letter of Offer/ LoF	The Final Letter of Offer dated [•], filed with the National Stock Exchange of India Limited after incorporating the observations received from the NSE on the Draft Letter of Offer, including any addenda or corrigenda thereto;
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchange in terms of the SEBI Listing Regulations;
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application;
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please refer to the section titled ' <i>Objects of the Issue</i> ' beginning on page 59;
Non-Institutional Investors/ NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI (ICDR) Regulations;
Offer Documents	The Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer including any notices, corrigendum thereto;
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws;
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before [•];
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations;
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being [•] Day, [•] Date;
Refund through electronic transfer of Funds	Refunds through NECS, Direct Credit, RTGS, NEFT or ASBA process, as applicable;
Registrar to the Issue/Registrar/RTA	Bigshare Services Private Limited
Registrar Agreement	Agreement dated August 22, 2023 entered into between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue;
Renouncees	Any person(s) who has/have acquired the Rights Entitlements from the Eligible Equity Shareholders on renunciation either through On Market Renunciation or through Off Market Renunciation in accordance with the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the Companies Act and any other applicable law;
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. [•]. Such period shall close on [•] in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date i.e. [•];



Term		Description
Retail Investors/ RIIs	Individual	An individual Investor who has applied for Rights Equity Shares for an amount not more than ₹ 2,00,000 (including an HUF applying through karta in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations;
Rights Entitlement (s)/ REs		<p>The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being [<math>\bullet</math>] ([<math>\bullet</math>]) Rights Equity Shares for every [<math>\bullet</math>] ([<math>\bullet</math>]) Equity Share held by an Eligible Equity Shareholder;</p> <p>The Rights Entitlements with a separate ISIN '[<math>\bullet</math>]' will be credited to your demat account before the date of opening of the Issue, against the Equity Shares held by the Equity Shareholders as on the Record Date, pursuant to the provisions of the SEBI (ICDR) Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date;</p>
Rights Entitlement Letter		Letter including details of Rights Entitlements of the Eligible Shareholders;
Rights Equity Shares		Equity Shares of our Company to be Allotted pursuant to this Issue, on fully Paid-up basis on Allotment;
SEBI Rights Issue Circulars		Collectively, SEBI ICDR Master Circular, SEBI circulars bearing reference number 'SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020', 'SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020', 'SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020', 'SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020' 'SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021' and 'SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022';
Self-Certified Syndicate Banks/ SCSB(s)		The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time;
Stock Exchange		Stock exchange where the Equity Shares of our Company are presently listed, being NSE
Transfer Date		The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange;
Wilful Defaulter/ Fraudulent Borrower		A Company or person, as the case may be, categorized as a wilful defaulter or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, including any company whose director or promoter is categorized as such;
Working Day(s)		In terms of Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, Working day means all days on which commercial banks in Gujarat are open for business. Further, in respect of Issue Period, working day means all days, excluding



Term	Description
	Saturdays, Sundays, and public holidays, on which commercial banks in Ahmedabad are open for business. Furthermore, the time period between the Issue Closing Date and the listing of the Rights Equity Shares on the Stock Exchange, “Working Day” means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI;

## BUSINESS AND INDUSTRY RELATED TERMS

Term	Description
BIS	Bureau of Indian Standards
CPI	Consumer Price Index
DPIIT	Department for Promotion of Industry and Internal Trade
IGJS	International Gems and Jewellery Show
GDP	Gross Domestic Product
GJC	All India Gem and Jewellery Domestic Council
GJEPC	Gems and Jewellery Export promotion Council
GJIF	Gems and Jewellery India International Fair
IIDGR	Institute of Diamond Grading and Research
ICEX	The Indian Commodity Exchange
Kt.	karat
WGC	WGC World Gold Council
IJS	India International Jewellery Show
DIPP	Department of Industrial Policy and Promotion
MSME	Micro, Small and Medium Enterprises
CFCs	common facility centres
One Million	Ten Lakhs;
One Billion	Ten Thousand Lakhs;
One Trillion	One Crore Lakhs;
Sq. ft.	Square Foot;
USA	United States of America;
USD	United States Dollar;
WEO	World Economic Outlook;

## ABBREVIATIONS

Term	Description
₹/Rs. /Rupees /INR	Indian Rupees, the official currency of the Republic of India;
AGM	Annual General Meeting;
AIF	Alternative Investment Fund as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
AS	Accounting Standards issued by the Institute of Chartered Accountants of India;
AY	Assessment Year;
CAF	Common Application Form;
CDSL	Central Depository Services (India) Limited;
CFO	Chief Financial Officer;
CIN	Corporate Identification Number;
CIT	Commissioner of Income Tax;
CLRA	Contract Labour (Regulation and Abolition) Act, 1970;
Companies Act, 2013	Companies Act, 2013 along with rules made thereunder;



Term	Description
Companies Act, 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections);
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;
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;
Depositories Act	The Depositories Act, 1996;
DP/ Depository Participant	Depository Participant as defined under the Depositories Act;
DIN	Director Identification Number;
DP	Depository Participant;
DP-ID	Depository Participant's Identification;
DR	Depository Receipts;
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation, and amortization expense, as presented in the statement of profit and loss;
EGM	Extraordinary General Meeting;
EPS	Earning per Equity Share;
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA;
FDI	Foreign Direct Investment;
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder;
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019;
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws;
FIPB	Foreign Investment Promotion Board;
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FPI Regulations;
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI;
FY	Period of 12 months ended March 31 of that particular year, unless otherwise stated;
GAAP	Generally Accepted Accounting Principles;
GDP	Gross Domestic Product;
GoI/ Government	The Government of India;
GST	Goods and Services Tax;
HUF	Hindu Undivided Family;
ICAI	The Institute of Chartered Accountants of India;
ICSI	The Institute of Company Secretaries of India;
IFRS	International Financial Reporting Standards;
IGST	Integrated Goods and Services Tax
Income Tax Act/ IT Act	The Income Tax Act, 1961 and amendments thereto;



Term	Description
Ind AS	Indian accounting standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended;
IT	Information Technology;
MCA	The Ministry of Corporate Affairs, GoI;
MN / Mn	Million;
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996;
N.A. or NA	Not Applicable;
NAV	Net Asset Value;
NEFT	National Electronic Fund Transfer;
Net Worth	Aggregate of Equity Share capital and other equity
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect;
NR/ Non-Resident	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI;
NRE	Non-Resident External Account;
NRI	Non-Resident Indian;
NSDL	National Securities Depository Limited;
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Body;
P.A.	Per annum;
P/E Ratio	Price/Earnings Ratio;
PAN	Permanent Account Number;
PAT	Profit After Tax;
RBI	Reserve Bank of India;
RBI Act	Reserve Bank of India Act, 1934;
RoNW	Return on Net Worth;
SCORES	SEBI Complaints Redress System;
SCRA	Securities Contracts (Regulation) Act, 1956;
SCRR	Securities Contracts (Regulation) Rules, 1957;
SEBI	Securities and Exchange Board of India;
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 FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019;
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto;
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto;
Securities Act	United States Securities Act of 1933, as amended;
STT	Securities Transaction Tax;
Trade Mark Act	Trade Marks Act, 1999 and the rules thereunder, including subsequent amendments thereto;



<b>Term</b>	<b>Description</b>
TDS	Tax deducted at source;
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be;
W.E.F	With effect from



## NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter ("*Issue Material(s)*") and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Draft Letter of Offer, Letter of Offer the Abridged Letter of Offer or CAFs i.e. Application Form may come are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis, in accordance with the SEBI ICDR Regulations, to the Eligible Equity Shareholders and Issue Materials will be sent electronically through email and physical dispatch through registered post/speed post/courier only to the Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, the Letter of Offer will be provided, through email and registered post/speed post/courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Lead Manager, and the Stock Exchange.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer has been filed with NSE ("*Stock Exchange*") for observations. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction.

Receipt of the Issue Materials will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer, and, under such circumstances, Issue Materials must be treated as sent for information purpose only and should not be acted upon for subscription to Rights Entitlement and Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of Issue Materials should not, in connection with this Issue of the Rights Equity Shares or Rights Entitlements, distribute or send the same in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If Issue Material is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares, or the Rights Entitlements referred to in the Issue Material.

Any person who makes an application to acquire Rights Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his/ her jurisdiction. Our Company, the Registrar to the Issue, the Lead Manager to the Issue or any other person acting on behalf of us reserve the Rights to treat any Application Form as invalid where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Neither the delivery of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer, Letter of Offer and the Abridged Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.



**THE CONTENTS OF THIS DRAFT LETTER OF OFFER, LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, NEITHER OUR COMPANY NOR THE LEAD MANAGER IS MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.**

## **NO OFFER IN THE UNITED STATES**

The Rights Entitlement and the Rights Equity Shares of our Company have not been and will not be registered under the United States Securities Act of 1933, as amended (the “US Securities Act”), or any U.S. State Securities Laws and may not be offered, sold, resold, or otherwise transferred within the United States of America or the territories or possessions thereof, except in a transaction exempt from the registration requirements of the Securities Act.

The Rights Entitlements and Rights Equity Shares referred to in this Draft Letter of Offer are being offered in India, but not in the United States. The offering to which the Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said Equity Shares or rights. Accordingly, the Issue Materials should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Equity Shares and wishing to hold such Equity Shares in registered form must provide an address for registration of the Equity Shares in India. Our Company is making the Rights Equity Shares to Eligible Shareholders of our Company on the Record Date and issue materials will be dispatched only to Equity Shareholders who have an Indian address. Any person who acquires rights and the Rights Equity Shares will be deemed to have declared, represented, warranted, and agreed, that:

- It is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made,
- It does not have a registered address (and is not otherwise located) in the United States,
- It is authorized to acquire the rights and the Equity Shares in compliance with all applicable laws and regulations.
- Our Company believes that Application Form (CAF) is incomplete or acceptance of such Application Form (CAF) may infringe applicable legal or regulatory requirements; and
- Our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

**Our Company reserves the rights to treat as invalid any Application form which:**

- Does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations;





- Appears to our Company or its agents to have been executed in or dispatched from the United States;
- Where a registered Indian address is not provided; or
- Where our Company believes that Application Form is incomplete, or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (the “US SEC”), any state securities commission in the United States or any other U.S regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Equity Shares or the accuracy or adequacy of this Draft Letter of Offer, Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants / Investors. Our Company and the 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 Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

**THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM LEAD MANAGER OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.**



## CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND USE OF CURRENCY OF PRESENTATION

### CERTAIN CONVENTIONS

Unless otherwise specified or the context otherwise requires, all references to “India” contained in this Draft Letter of Offer are to the Republic of India and the “Government” or “GoI” or the “Central Government” or the “State Government” are to the Government of India, Central or State, as applicable.

Unless otherwise specified or the context otherwise requires, all references here into the “US” or “U.S.” or the “United States” are to the United States of America and its territories and possessions.

Unless otherwise specified, all references in this Draft Letter of Offer are in Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer.

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to the/our “Company”, “we”, “our”, “us” or similar terms are to Moksh Ornaments Limited or, as the context requires, and references to “you” are to the Equity Shareholders and/ or prospective Investors in the Equity Shares.

### FINANCIAL DATA

Unless stated otherwise, the financial data in this Draft Letter of Offer is derived from Unaudited Financial Results along with Limited Review Report for the six months period ended September 30, 2023 and Restated Financial Statement for the financial year ended March 31, 2023, March 31, 2022, and March 31, 2021. For further details, please refer to the section titled ‘*Financial Information*’ beginning on page 97. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Government of India has adopted the Indian accounting standards (“**Ind AS**”), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board (“**IFRS**”) and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the “**Ind AS Rules**”).

Unless stated otherwise, the financial data in this Draft Letter of Offer is derived from the Restated Financial Statement of our Company for the Financial Year ended March 2023, March 2022 and March 2021 and Limited Reviewed Financials for the six months period ended September 30, 2023 which have been prepared in accordance with Ind AS, as prescribed under Section 133 of Companies Act, 2013 and other the relevant provisions of the Companies Act, 2013. Our Company publishes its financial statements in Indian Rupees.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Letter For further information, see ‘*Financial Information*’ beginning on page 97 of this Draft Letter of Offer. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in



this Draft Letter of Offer should accordingly be limited. For further information, see ‘*Financial Information*’ on page 97 of this Draft Letter of Offer

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Draft Letter of Offer, (i) the sum or percentage change of certain 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. Any such discrepancies are due to rounding off.

## CURRENCY OF PRESENTATION

All references in this Draft Letter of Offer to “Rupees”, “Rs.”, “₹”, “Indian Rupees” and “INR” are to Rupees, the official currency of the Republic of India.

All references to “U.S. \$”, “U.S. Dollar” “USD” or “\$” are to United States Dollars, the official currency of the United States of America.

### Exchange Rates:

This Draft Letter of Offer contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Indian Rupee, are as follows.

Currency	Exchange Rate as on			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	83.06	82.22	75.81	73.50

Source: <https://www.rbi.org.in/scripts/ReferenceRateArchive.aspx>

### Please Note:

In this Draft Letter of Offer, our Company has presented certain numerical information. All figures have been expressed in “Lakhs”. The amounts derived from Restated financial statements included herein are represented in “Lakhs”, as presented in the Restated Financial Statements:

## INDUSTRY AND MARKET DATA

Unless stated otherwise, industry and market data used in this Draft Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

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 their accuracy and completeness are not guaranteed and their reliability cannot be assured.

Although we believe the industry and market data used in this Draft Letter of Offer is reliable, it has not been independently verified by us. Industry data used in this Draft Letter of Offer has not been independently verified by our Company or the Lead Manager, or any of their affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also



not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled '**Risk Factors**' beginning on page 27. Accordingly, investment decisions should not be based solely on such information.

The Lead Manager has not independently verified this data, and the Lead Manager do not make any representation regarding the accuracy of such data. Similarly, while our Company believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and accordingly, neither our Company nor the Lead Managers can assure the prospective investors as to their accuracy.

The extent to which the market and industry data used in this Draft Letter of Offer is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted and methodologies and assumptions may vary widely among different industry sources.



## FORWARD LOOKING STATEMENTS

Our Company has included statements in this Draft Letter of Offer which contain words or phrases such as 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'expected to', 'future', 'intend', 'is likely', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'will continue', 'would', or other words or phrases of similar import. Similarly, statements that describe our objectives, strategies, plans or goals are also forward looking statements. However, these are not the exclusive means of identifying forward looking statements. Forward-looking statements are not guarantees of performance and are based on certain assumptions, future expectations, describe plans and strategies, contain projections of results of operations or of financial condition or state other forward-looking information. All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements.

These forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause our actual results, performances and achievements to differ materially from any of the forward looking statements include, among others:

Further, actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions 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 its industry and incidents of any natural calamities and/or acts of violence.

Important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- Uncertainty of the continuing impact of the COVID-19 pandemic on our business and operations;
- The largely unorganized structure of the market can affect the systematic functioning of the Company.
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various business plans;
- Geo political tensions and impact of war is seen in fluctuating raw materials prices like gold and silver.
- Decline in demand of jewellery, fluctuations in income and sales being subject to seasonal requirements;
- Also currency rate fluctuations due to this global scenario can impact business.
- There is an increased global outlook of rising interest rates and inflation which can adversely impact wider economy.
- General economic and business conditions Globally, in India and in the markets in which we operate and in the local, regional, and national economies;
- Inability to comply conditions and restrictions on our operations, additional financing and capital structure under agreements governing our indebtedness;
- Changes in laws and regulations relating to the sectors and industry in which we operate;
- Our ability to manage our operating costs and impact on the financial results
- Our ability to Successfully implement our business strategies and expansion plans;
- Changes in general, political, social and economic conditions in India and elsewhere;
- Fluctuations in the exchange rate between the Indian rupee and foreign currencies;

For a further discussion of factors that could cause the actual results to differ, please refer to the section titled '**Risk Factors**', '**Business Overview (Our Business)**' and '**Management's Discussion and Analysis of Financial Position and Results of Operations**' beginning on page 27, 78 and 143 respectively. By their nature, certain market risk disclosures are only estimates and could materially be different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance. Our Company or advisors does not 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 SEBI and Stock Exchanges requirements, our Company shall ensure that Investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.



## SECTION II – SUMMARY OF THE DRAFT LETTER OF OFFER

*The following is a general summary of certain disclosures included in this Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to prospective Investors. This summary should be read in conjunction with and is qualified by, the more detailed information appearing in this Draft Letter of Offer, including the sections titled ‘Risk Factors’, ‘Objects of the Issue’, ‘Business Overview’ and ‘Outstanding Litigations, Defaults and Material Developments’ beginning on page 27, 59, 78 and 152 respectively.*

### SUMMARY OF THE PRIMARY BUSINESS

Our Company is in the business of manufacture and wholesale of jewellery. The jewelleryes are manufactured on job work basis at Kolkata and Mumbai. We primarily sell gold jewellery and our product profile includes Bangles, Chain, and Mangalsutra. Our focus is on developing new designs that meet customer’s requirements as well as cater to their tastes and specifications. We get our products designed by third party designers. We endeavour to maintain the quality of our products, follow strict procedures to ensure control quality, timely delivery and competitive prices. We offer regular designs and guarantee our esteemed customers for the time bound delivery of the products. We procure the required gold from various banks and local markets. We are located in jewellery hub of Mumbai which give us an added advantage in terms of procurement. For further details, please refer to the section titled ‘**Business Overview**’ on page no. 78.

### SUMMARY OF THE INDUSTRY IN WHICH OUR COMPANY OPERATES

India, the world’s second-largest consumer of gold jewellery, has experienced rapid change over the last few years due to evolving demographics. Over the long term, gold jewellery demand in India will be driven by developments in economic growth, income growth and wealth distribution, as well as the rate of urbanisation. India has a significant Gems and Jewellery sector and is one of the largest in the world contributing 29 per cent to the global jewellery consumption. The sector is home to more than 300,000 gems and jewellery players. Its market size will grow by US\$ 103.06 billion during 2019-2023. India is one of the largest exporters of gems and jewellery and the industry is considered to play a vital role in the Indian economy as it contributes a major chunk to the total foreign reserves of the country. Growth in exports is mainly due to revived import demand in the export market of the US and fulfilment of orders received by numerous Indian exhibitors during the Virtual Buyer-Seller Meets (VBSMs) conducted by GJEPC.

India’s gems and jewellery exports reached US\$ 39.14 billion in 2021-22, a 54.13% rise from the previous year. The Indian Gems and Jewellery Market stood at USD78. 50 billion in FY2021. In October 2022, India’s gems and jewellery exports was at US\$ 1.48 billion. The Government of India is aiming at US\$ 70 billion in jewellery export in the next five years (until 2025), up from US\$ 35 billion in 2020. India ranks first among the top exporters in cut & polished diamonds, and second in gold jewellery, silver jewellery and lab-grown diamonds. Cumulative FDI inflows in diamond and gold ornaments stood at US\$ 1,213.05 million from April 2000 to March 2022. India’s gold demand stood at 797.30 tonnes in 2021 and is expected to be in a range of 800-850 tonnes by 2022. The Indian Gems and Jewellery Market expected to grow with a CAGR of 8.34% in the forecast years, FY2023-FY2027, to achieve a market value of USD119. 80 billion by FY2027. For further details, please refer to the section titled ‘**Industry Overview**’ at page 69.

### OUR PROMOTER AND PROMOTER GROUP

As on the date of this Draft Letter of Offer, the Promoters of our Company are Mr. Amrit Jawanmalji Shah and Mr. Jawanmal Moolchand Shah are individually referred to as “Promoter”.

Ms. Sangeeta Amritlal Shah, Amrit Jawanmal Shah HUF, Jawanmal Moolchand Shah HUF, Mr. Purvesh Amrit Shah, Mrs. Harshita Amrit Shah and Mr. Vimla Jawanmalji Shah are the Promoter Group of our Company and are referred to as “Promoter Group”.



## OBJECTS OF THE ISSUE

The Net Proceeds of the Issue by our Company is set forth in the following table:

(₹ in Lakhs)

Particulars	Amount
To meet Working Capital Requirements	[•]
Funding Expenditure for General Corporate Purposes*	[•]
Issue related expenses	[•]
<b>Total Net Proceeds**</b>	<b>[•]</b>

\* The amount to be utilized for General corporate purposes will not exceed 25.00% (Twenty-Five Percent) of the Gross Proceeds.

\*\*Assuming full subscription in the Issue and subject to the finalisation of the basis of Allotment and the allotment of the Rights Equity Shares.

For further details, please refer to the section titled 'Objects of the Issue' beginning on page 59.

## INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTERS & PROMOTER GROUP IN THE ISSUE

The Promoters and Promoters Group of our Company through its letters dated June 02, 2023, have confirmed that they intend to subscribe in part or to the full extent of its Rights Entitlement in this Issue and to the extent of unsubscribed portion (if any) of this Issue. The Promoter and Promoter Group may renounce their Rights Entitlement in favour of any third party.

Any such subscription for Right Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding in the Company. The allotment of Equity Shares of the Company subscribed by the Promoter and other members of the Promoter Group in this Issue shall be eligible for exemption from open offer requirements in terms of Regulation 10(4)(a) and 10(4)(b) of the SEBI (SAST) Regulations. The Issue shall not result in a change of control of the management of our Company in accordance with the provisions of SEBI (SAST) Regulations. Our Company is in compliance with Regulation 38 of the SEBI (LODR) Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

## SUMMARY OF RESTATED FINANCIAL INFORMATION

The following table sets forth the summary of financial information derived from the Unaudited Financial Results for the six months period ended September 30, 2023 and the Restated Financial Statements for the Financial Year ended March 31, 2023, March 31, 2022 and March 31, 2021 derived from the Restated Financial Statements are as follows:

(₹ in Lakhs)

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	1,073.20	1,073.20	1,073.20	1,073.20
Net Worth <sup>1</sup>	5,433.38	5,092.28	4,466.06	4,015.22
Total Income	25,924.37	44,720.45	32,491.61	33,987.62
Profit / (loss) after tax	180.74	626.22	504.47	554.76
Basic and diluted EPS (in ₹)	0.34	1.17	0.94	5.17
Net asset value per Equity Share (in ₹)	10.13	9.49	8.32	37.41
Total borrowings <sup>2</sup>	5,184.85	2,755.33	378.20	3,553.74



**Notes:**

<sup>1</sup>Equity Share Capital and Other Equity

<sup>2</sup>consists of long term and short term borrowing.

\*During the year 2021-22, Split of 1 Equity Share of the Company having a face value of Rs. 10 each be subdivided into 5 Equity shares of Face Value of Rs. 2/- each.

For further details, please refer to the section titled '**Financial Information**' beginning on page 96.

**SUMMARY OF OUTSTANDING LITIGATIONS**

Name of Entity	Civil Proceedings	Criminal Proceedings	Tax Proceedings	Actions by Regulatory Authority	Amount Involved* (₹)
<b>COMPANY</b>					
By the Company	-	-	-	-	-
Against the Company	-	-	Yes	Income Tax	35,670/-
<b>PROMOTER</b>					
By the Company	-	-	-	-	-
Against the Company	-	-	-	-	-
<b>GROUP COMPANIES/ENTITIES</b>					
By the Company	-	-	-	-	-
Against the Company	-	-	-	-	-
<b>DIRECTORS OTHER THAN PROMOTERS</b>					
By the Company	-	-	-	-	-
Against the Company	-	-	-	-	-

\*To the extent quantifiable

For further details, please refer to the section titled '**Outstanding Litigations, Defaults and Material Developments**' beginning on page 152.

**RISK FACTORS**

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares, material litigations which impact the business of the Company and other economic factors, please refer to the section titled '**Risk Factors**' beginning on page 27.

**CONTINGENT LIABILITIES**

For details of the contingent liabilities, as reported in the Financial Statements, please refer to the section titled '**Financial Information**' beginning on page 97.

**RELATED PARTY TRANSACTIONS**

For details of the related party transactions, as reported in the Financial Statements, please refer to the section titled '**Financial Information**' beginning on page 97.

**ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR**

Our Company has not issued any Equity Shares for consideration other than cash during the last 1 (One) year immediately preceding the date of filing this Draft Letter of Offer.



## **SPLIT OR CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR**

Our Company has not carried out any corporate action to split or consolidate its Equity Shares in during the last 1 (One) year immediately preceding the date of filing this Draft Letter of Offer.

## **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

Our Company has not submitted any application to SEBI for exemption from complying with any provisions of Securities laws, as on the date of this Draft Letter of Offer.



## SECTION III – RISK FACTORS

*An investment in our Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Draft Letter of Offer, including in ‘Business Overview’, ‘Industry Overview’, ‘Management’s Discussion and Analysis of Financial Condition and Results of Operations’ and ‘Financial Information’ beginning on page 78, 69, 143 and 97 respectively in this Draft Letter of Offer, before making an investment in our Equity Shares.*

*The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations, and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition, and results of operations could suffer, the trading price and the value of your investment in, our Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision with respect to this Issue, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial, and legal advisors about the consequences of an investment in our Equity Shares and its impact on you. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Issue.*

*This Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Letter of Offer. Any potential investor in, and purchaser of, the Equity Shares should pay particular attention to the fact that our Company is an Indian company and is subject to a legal and regulatory environment which, in some respects, may be different from that which prevails in other countries.*

*Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to “we”, “us”, “our” refers to our Company.*

### INTERNAL RISK FACTORS

- 1. Our Company doesn’t own the premises where its registered and corporate office is situated and leave & license agreement have been executed for the same. Any termination or dispute in relation to these lease/ rental agreement may have an adverse effect on our business operations and results thereof.***

Our Company operates solely from the registered office premises situated at Mumbai admeasuring 18.37 sq. mtrs. (Approximately). Our registered and corporate office is located on leased premises. Our Company has been occupying such premises taken on Leave and License Agreement basis from one of our Promoter Jawanmal M. Shah and Director Sangeeta A. Shah (being the joint owners of the property) w.e.f September 01, 2017 and is valid upto November 30, 2024 on a payment of license fees. These agreement may be terminated in accordance with their respective terms, and any termination or non - renewal of such leases could adversely affect our operations. In addition, these leases generally have annual escalation clauses for rent payments. There can be no assurance that we will be able to retain or renew such leases on same or similar terms, or that we will find alternate locations for the existing offices on terms favorable to us, or at all. Failure to identify suitable premises for relocation of existing properties, if required, or in relation to new or proposed properties we may purchase, in time or at all, may have an adverse effect on our production and supply chain, the pace of our projected growth as well as our business and results of operations.



2. **Summary of all outstanding litigations and other matters disclosed in the section titled ‘Outstanding Litigations and Material Developments’ in a tabular format along with amount involved, where quantifiable. Issuer shall also separately highlight any criminal, regulatory or taxation matters which may have any material adverse effect on the Issuer.**

A Summary of material outstanding legal proceedings involving our Company, Promoter, Promoter Group, Directors as on date of this Draft Letter of Offer, including the approximate amount involved to the extent ascertainable, is set out below:

	(₹ in Lakhs)	
Name of the Cases	Number of cases	Total amount involved
<b>Against our Company</b>		
Tax	1	35,670/-*
Civil	NIL	NIL
Criminal	NIL	NIL
Action taken by Statutory or Regulatory Proceedings	NIL	NIL
<b>Against our directors</b>		
Tax	NIL	NIL
Civil	NIL	NIL
Criminal	NIL	NIL
Action taken by Statutory or Regulatory Proceedings	NIL	NIL
<b>By our directors</b>		
Tax	NIL	NIL
Civil	NIL	NIL
Criminal	NIL	NIL
Action taken by Statutory or Regulatory Proceedings	NIL	NIL

\* Accrued Interest of ₹ 5696/-.

The amounts claimed in these proceedings have been disclosed to the extent ascertainable. We can give no assurance that these legal proceedings will be decided in Company’s/Promoter/ Director favour. We may incur significant expenses and management time in such legal proceedings. Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, results of operations, financial condition and prospects. If the courts or tribunals rule against our Company, Promoter, Promoter Group and/or our Directors, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

For further details, please refer section titled ‘*Outstanding Litigation and Material Developments*’ beginning on page 152.

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

Our success depends on our ability to identify, originate and define product and market trends, both on a pan India, international and more local level, as well as to anticipate, gauge and react to rapidly changing consumer demands in a timely manner. Our products must also appeal to a broad range of customers whose preferences may vary significantly across regions and cannot be predicted with certainty. We cannot assure you that the demand for our products with end-consumers will continue to grow or that we will be able to continue to develop appealing styles or meet rapidly changing consumer demands in the future. If we misjudge the market for our jewellery products or fail to anticipate a shift in consumer preferences, we may be faced with a reduction in revenues.



Our sales have historically exhibited certain seasonal fluctuations, reflecting higher sales volumes and profit margins during festival periods and other specific occasions such as Diwali, New Year, Akshay Trithiya, Dussehra, Dhanteras, Diwali and Christmas, Valentine's Day and during wedding seasons which occurs in the third and fourth quarter of the fiscal year. Any slowdown in demand for jewellery during peak seasons or failure by us to accurately anticipate and prepare for such seasonal fluctuations could have a material adverse effect on our business, financial condition and results of operations.

**4. *We may have not complied with some of the provisions of the Companies Act, 2013 and the SEBI LODR regulations and other relevant rules and regulations. This may have a negative impact on our business and operations.***

Our Company endeavors to comply with all such obligations/reporting requirements, there may be non-disclosures/delayed/erroneous disclosures and/or any other violations which might have been committed by us, and the same may result into Stock Exchanges and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and Rules and Regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

Our company is listed entity and it is required to comply with the Company's Act, 2013, SEBI LODR regulations and all other applicable rules and regulations. The financial statements for the year ended 2023, were not signed by Company Secretary as required under Companies Act and / or SEBI Regulations. Also, the CFO details mentioned in financial 2022-23 is incorrect. Further, there were error w.r.t classification of entries in cash flow statement for year ended 2023.

Certain discourses w.r.t financial results are not in compliance with Companies Act, 2013 and SEBI LODR regulations. Any such non-compliances in complying with such obligations and reporting requirements in the future may render us liable to penalties / adverse regulatory action.

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

We believe that the experience of our Promoter and senior management has been critical to our success and business growth over the years. Their in-depth knowledge of the market and the business operations have ensured our growth in the business.

As a result, any loss of the services of our Promoter or any senior management could materially and adversely affect our business, financial condition and results of operations. The replacement of senior management may not be straightforward or achievable in a timely manner as they have years of knowledge and experience in this business, and we may be required to wait in definitely to fill positions until we find suitable candidates. Furthermore, attracting, hiring and retaining experienced and qualified senior management with years of experience in this business sector could require increasing compensation and benefits payable to such personnel, which could affect our operational costs and accordingly, our financial condition and results of operations. Our success is also dependent on our ability to attract, hire, train and retain experienced and skilled sales personnel, including sales personnel who speak local languages in the various regions in which we operate along with adequate and proper knowledge of the product. In the gems & jewellery industry, the level and quality of sales personnel and customer service are key competitive factors and an inability to recruit, train and retain suitably qualified and skilled sales personnel who maintain consistency in our standards of customer service and overall operations could adversely impact our reputation, business prospects and results of operations. We could encounter



challenges in identifying, training and retaining sales personnel as the Indian jewellery industry is expected to experience significant growth in future years.

**6. *The Promoters and Promoter Group will continue to exercise control post completion of the Issue and will have considerable influence over the outcome of matters.***

Upon completion of this Issue, our Promoters and Promoter Group will continue to own a majority of our Equity Shares. As a result, our Promoters will have the ability to exercise significant influence over all matters requiring shareholders' approval. Our Promoters will also be in a position to influence any shareholder action or approval requiring a majority vote, except where they may be required by applicable law to abstain from voting. This control could also 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 obtaining control of our Company even if it is in the best interests of our Company. The interests of our Promoters could conflict with the interests of our other equity shareholders, and the Promoters could make decisions that materially and adversely affect your investment in the Equity Shares.

**7. *Our ability to retain the clients is heavily dependent upon various factors including our reputation and our ability to maintain a high level of service quality including our satisfactory performance for the customers. Any failure by us to retain or attract customers may impact its business and revenues.***

We believe our strong product reputation has helped us to attract and retain our customers. As a result, our reputation and perception of our products are critical to our business. Although, we believe that we as well as our customers have a dedicated and talented team that comprise of experienced personnel in our field of business. Our business heavily relies on our reputation as well as the quality and popularity of the service provided by us and our visibility and perception amongst customers. It is important that we retain the trust placed by our customers. We must also continue to attract more and increase the number of our customers at a consistent rate.

We attempt to retain our position by maintaining quality and by our ability to improve and add value to the performance of our customers in their respective areas. This requires constant upgradation of the methodology and technologies are adequately equipped. Further, we rely on a variety of advertising efforts tailored to target the customers. Failure to maintain and enhance our reputation or any actual or perceived reasons leading to reduction of benefits from our customers or any negative publicity against us may affect the retention of customers. Any failure by us to retain or attract customers may adversely impact our business and revenues.

**8. *Our dependency on job workers for the performance of our operation may adversely affect our business.***

We are totally dependent on the job worker for the performance of our operation. We have not entered into written arrangements with any of these job workers, and there can be no assurance that these job workers will continue to be associated with us on reasonable terms, or at all. Although we work closely with these job workers, we do not exercise control over them, and our arrangements with these job workers could involve various risks, including potential interruptions to their operations for factor beyond their or our control, any significant adverse changes in their financial or business conditions, as well as low levels of output or efficiency.

**9. *Our industry is labour intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees.***

We believe that our industry faces competitive pressures in recruiting and retaining skilled and unskilled labour. Our industry being labour intensive is highly dependent on labour force for carrying out its



manufacturing operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. Our Company has taken efforts to maintain a lower attrition among the labourers by facilitating them with various in-house facilities and benefits to our employees.

**10. *We may be unable to maintain or establish arrangements with contract manufacturers and suppliers through whom we manufacture our products and procure raw materials, and may experience other disruptions or quality control risks in the operations of such parties.***

We manufacture our products through our network of contract manufacturers and procure raw materials through suppliers. We control the manufacturing process and the ultimate risk of the raw materials lies with us. However, our arrangements with these contract manufacturers and suppliers could involve various risks, including potential interruption to their operations for factors beyond their or our control, any significant adverse changes in their financial or business condition, as well as low levels of output, quality or efficiency. Any disruption in the operations of these contract manufacturers or suppliers could have an adverse impact on our financial condition and results of operations.

In addition, while we exercise significant influence over the entire manufacturing process and undertake a number of quality control procedures to ensure we are selling only quality jewellery to our customers, including having all of our jewellery Bureau of Indian Standards (“BIS”), hallmarked and conducting sample tests on each new batch of products we receive from our contract manufacturers, there is no assurance that our quality control measures will be effective. If we receive negative publicity about the quality of our jewellery or our contract manufacturers receive negative publicity, our reputation, business and results of operations could be adversely affected.

**11. *If we are unable to continue to develop innovative, fashionable and popular designs, demand for our jewellery may decrease.***

Our success depends largely on our ability to anticipate, gauge and respond to the changing consumer preferences and trends in a timely manner, while preserving and strengthening the perception and authenticity of our products. We must therefore continue to develop innovative and trend-setting jewellery designs that are different from our competitors. Market acceptance of new designs and products is subject to uncertainty and we cannot assure you that our efforts will be successful. The inability of new designs to gain market acceptance could adversely affect our business and financial condition.

**12. *Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.***

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may result in write-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

*Theft, employee negligence or similar incidents*



Our operations may be subject to incidents of theft or damage to inventory in transit, and otherwise. Our industry typically encounters some inventory loss on account of employee theft, shop lifting, robbery, vendor fraud and general administrative error. Till date we have not reported any instances of theft or fraud in the past and we have set up various state of the art security measures at every possible place, 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.

**13. *Inventories form a substantial part of our current assets and net worth. Failure to manage our inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity.***

Our total inventory was ₹ 4,362.99 Lakhs against the total sales of ₹ 44,659.20 Lakhs for the Year ended on March 31, 2023 and ₹ 1,521.99 Lakhs against the total sales of ₹ 32,402.57 Lakhs for the year ended on March 31, 2022. We need inventory of jewellery of antique and running designs for our business. Our results of operations are dependent on our ability to effectively manage our inventory. We must be able to accurately estimate customer demand and supply requirements and manufacture new Jewellery to effectively manage our inventory. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of Jewellery or an accumulation of excess inventory. Further, if we fail to sell the inventory, manufactured by us, we may incur loss pertaining to the labour charges of such unsold materials and will also result in blockage of working capital thereby incurring loss of interest, which would have an adverse impact on our income as well as cash flows.

**14. *We are subject to government regulation and if we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business and results of operations may be adversely affected.***

Our business is subject to applicable government regulations and legislations and we require certain statutory and regulatory approvals, licenses, registrations and permissions for operating our business. These permits, licenses and approvals may also be tied to numerous conditions and terms, obtaining some of which may be time consuming and may incur high cost. We cannot assure you that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, which may lead to cancellation, revocation or suspension of relevant permits, licenses, registrations and approvals. There is no assurance in the future that the permits, licenses, registrations and approvals applied for or held by us will be issued, approved or renewed in a prompt manner, or at all, under applicable laws. Further, applications for approvals, licenses, registrations and permissions for operating our business need to be made within certain timeframes and are often subject to the discretion of relevant authorities. If we are unable to make applications or renew or obtain necessary permits, licenses and approvals on acceptable terms, in a timely manner, at a reasonable cost, or at all or in the event we fail to comply with the terms and conditions therein, it could materially and adversely affect our financial condition and results of operations, including cancellation, revocation or suspension of relevant permits, licenses, registrations and approvals and the imposition of penalties by relevant authorities.

**15. *We may not be successful in implementing our business strategies. The success of our business depends substantially on our ability to implement our business strategies effectively or at all.***

Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.





**16. We do not register our jewellery designs under the Designs Act, 2000 and we may lose income if our designs are duplicated by competitors.**

We develop designs for most of our jewellery products which we manufacture based on the designs which are developed by us. We select the jewellery designs from the designs made by our designing team which are largely based on the market trends. Due to the competitive nature of the jewellery markets in which we operate, innovative designs remain the key differentiators, which therefore possesses short life span. As a result of jewellery designs which are modified and changed on a frequent basis, we do not register these designs under the Designs Act, 2000. Our designs are therefore not protected under the Designs Act, 2000 and if competitors copy our designs it could lead to loss of income, which could adversely affect our reputation and our results of operations. Even though, we have passing off right, this could lead to lengthy litigation which could materially result in loss of reputation and our results of operations.

**17. We have not been able to locate certain records of the educational qualifications and professional experience of certain of our Directors/promoters and have relied on declarations/undertakings furnished by such individuals for certain details of their profiles, as disclosed in the section “Our Management”.**

We do not have all the documents evidencing the biographies of our Directors, Promoters as disclosed in “Our Management” section of this draft letter of offer. We and the Lead Manager (LM) were not able to verify details pertaining to the following:

- Educational qualifications of our Promoters/Directors Amrit J. Shah, Jawanmal M. Shah, & Sangeeta A. Shah, Nirali Shah, Mitwa Shah, Hardik Makwana and;
- Certain aspects of the professional experience of our Promoters, Amrit J. Shah and Jawanmal M. Shah.

Accordingly, reliance has been placed on declarations/undertakings furnished by these Promoters/Director to the LM to disclose details of their educational qualifications and professional experience in this draft letter of offer. We and the LM have been unable to independently verify such information prior to its inclusion in this draft letter of offer.

**18. Orders placed by customers may be delayed, modified, cancelled or not fully paid for, which may have an adverse effect on our business, financial condition and thereby on our results of operations.**

We may encounter predicaments in executing the orders placed by our customer or executing it on a timely basis. Moreover, there are factors which may be beyond our control or in the control of our customers, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions, which may result in the postponement of executing or delivering of the necessary product(s) or cause its cancellation. Further, even though we execute orders as placed by our customers, the order could be cancelled or there could be any changes in delivery of the products. Accordingly, it is difficult to predict with certainty if, when and to what extent the delivery of the orders placed will be made. Failure to deliver our orders on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our revenue, cost of operation and thereby our business functioning.

**19. We have not registered the trademarks used by us for our business and our inability to obtain or maintain these registrations may adversely affect our competitive business position. Our inability to protect or use our intellectual property rights may adversely affect our business.**

We have not applied for the registration of our logo . The registration of any trademark is a time consuming process, and there can be no assurance that any such registration will be granted as and



when applied. In the absence of such registration, competitors or other companies may challenge the validity or scope of our intellectual property. These trademarks are integral to our business, and the loss of any of these intellectual property rights could have a material adverse effect on our business. Further, if any of our unregistered trademarks are registered in favour of a third party, we may not be able to claim ownership or make use of such trademarks and consequently, we may be unable to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities. Our inability to obtain or maintain these registrations may adversely affect our competitive business position. This may affect our brand value and consequently our business.

- 20. Our Company had negative cash flow during recent fiscal years; details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.**

Particulars	(₹ in Lakhs)			
	Sep 2023	2023	2022	2021
Net Cash from (used in) Operating activities	(2,032.39)	(1,948.51)	2,661.55	(128.33)
Net Cash from (used in) Investing activities	-	(21.85)	771.53	2935.04
Net Cash from (used in) Financing activities	2,429.52	2,159.72	(3,322.27)	(2,805.77)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flow, it may adversely affect our business and financial operations.

For further details please refer to the section titled '*Financial Information*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on page 97 and 143 respectively of this Draft Letter of Offer.

- 21. In the past, there have been instances of delayed or erroneous filing of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 1956 and Companies Act, 2013 to RoC by our Company.**

In the past, there have been certain instances of delay and/or non-filing of statutory forms as per the reporting requirements under the Companies Act, 1956 and Companies Act, 2013 with the RoC, which have been subsequently filed by payment of an additional fee as specified by RoC by our Company. The occurrence of instances of delayed or erroneous filings in future may impact our results of operations and financial position.

- 22. Our business is working capital requirements. If we are unable to generate sufficient cash flows to allow us to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our results of operations.**

Our business requires significant amount of working capital including fund requirement for payment for bulk purchases of various raw materials and product. Hence, major portion of our working capital is utilized towards debtors and inventory. The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables. However, if our management fails to manage our inventory or misjudges expected clients demand or shortage of materials/ products or an accumulation of excess inventory or accurately evaluate the credit worthiness of our clients, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased



working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

For Further details regarding working capital requirement, please refer to the Chapter “*Objects of the Issue*” on page 59 of this Draft Letter of Offer.

**23. *Our business is partly dependent on factors affecting consumer spending habit that are out of our control.***

Jewellery purchases are discretionary and are often considered as luxury purchase. Consequently, our business is sensitive to a number of factors that influence consumer spending habit which includes general economic conditions, consumer confidence in future economic conditions, recession and fears of recession, consumer debt and unstable consumer income, conditions in the housing market, interest rates and inflation. Any fall in demand or a decline in the consumer spending habit could adversely affect our business, financial condition and results of operations.

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

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

**25. *If we are unable to collect our receivables from our clients, our results of operations and cash flows could be adversely affected.***

Recovery of our receivables and timely collection of client balances depends on our ability to complete our commitments and bill and collect our contracted revenues. If we are unable to meet our requirements, we might experience delays in collection of and/or be unable to collect our client balances, and if this occurs, our results of operations and cash flows could be adversely affected. In addition, if we experience an increase in the time to bill and collect for our services, our cash flows could be adversely affected.

We may be subject to working capital shortages due to delays or defaults in payments by clients. If clients defaults in their payments in due time to which we have devoted significant resources it could have a material adverse effect on our business, financial condition and results of operations and could cause the price of our Equity Shares to decline.

**26. *Any fluctuation in price and supply of gold and silver, which is a major raw material for the manufacture of our products, could adversely impact our income. Gold and silver is the primary raw materials for our products.***

Price of gold and silver is volatile in nature and is linked to the international commodity indices such as Rogers International Commodity Index. Although we source gold and silver wherein we sell our products on an unfixed basis, any increase in the prices of gold and silver shall result in the consequent increase in the price of our products. Such increase in price of our products may adversely affect their demand. However, particularly sharp increases and volatility in commodity costs usually result in a time lag before increased commodity costs are fully reflected in retail prices. Further, any increase in commodity cost is



likely to impact demand for our products during high price periods. There is no certainty that such price increase will be sustainable and downward pressure on gross margins and income may occur.

**27. *We are dependent upon third parties for supply of our raw material and any disruption in their supply could disrupt our business and adversely affect our financial results.***

Gold bar is the primary raw material used in the manufacturing process, contributes significantly to our total raw material cost. We do not enter into any long-term agreements with our suppliers and our arrangements with them are generally on short term basis. Hence, there is no assurance that in future also we will be able to source such raw material at commercially acceptable prices, or at all. This could affect our ability to fulfil our supply commitments or to fulfil them in an economic manner, which will have an adverse effect on our business, financial condition and results of operations.

**28. *Potential conflict of interest of the directors of the Issuer if involved with one or more ventures which are in the same line of activity or business as that of the Issuer.***

The main business object / activities of firm permit it to undertake similar business to that of our business, which may create a potential conflict of interest and which in turn, may have an implication on our operations and profits. Conflicts of interests may arise in allocating business opportunities between Our Company in circumstances where our respective interests diverge.

**29. *Interests of the directors or key management personnel of the Issuer, other than reimbursement of expenses incurred or normal remuneration or benefits. Any portion of the issue proceeds that is proposed to be paid by the Issuer to the directors or key managerial personnel of the Issuer.***

Certain of our Directors and Key Management Personnel may be regarded as interested to the extent of, among other things, remuneration, sitting fee, commission, performance bonus, long term incentives, and other perquisites.

**30. *Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.***

Modernization and technology up-gradation is essential to provide better products. Although we strive to keep our technology in line with the latest standards, we may be required to implement new technology or upgrade the existing employed by us. Further, the costs in upgrading our technology could be significant which could substantially affect our finances and operations.

**31. *Our Company has entered into certain related party transactions in the past and may continue to do so in the future.***

Our Company has entered into certain transactions with our related parties including Directors and their relatives. While we believe that all such transactions have been conducted on the arm's length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties.

Furthermore, it is likely that we may enter into related party transactions in the future. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition. For details, please refer 'section titled '***Financial Information***' on Page 97.



**32. *Our ability to pay dividends will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors.***

The amount of our future dividend payments, if any, will depend upon various factors such as our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors. There can be no assurance that we shall have distributable funds or that we will declare dividends in the future. Additionally, the terms of any financing which we may seek in future, may contain restrictive covenants which may also affect some of the rights of our shareholders, including the payment of the dividend.

**33. *Our insurance coverage may not be sufficient or adequate in protecting us against all or certain operating hazards and from all or certain losses and this may have an adverse impact on the financial conditions of the business.***

As on the date, our Company has availed of Jewellers Comprehensive Protection insurance coverage Policy insurance coverage amounting to Rs. 10.00 Lakhs from Bajaj Allianz General Insurance Company Limited. We believe that the insurance coverage taken by us will protect our products/ business and from any damages or losses that we may suffer in the future. Further, our insurance coverage would be reasonably adequate to cover the normal risks associated with the operation of our businesses. However, 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. 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. To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, 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, financial performance and cash flows could be adversely affected.

**34. *We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

**35. *Our future funds requirements, in the form of fresh issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

**36. *We have not identified any alternate source of financing the 'Objects of the Issue'. If we fail to mobilize resources as per our plans, our growth plans may be affected.***



We have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue which may delay in the implementation schedule and could adversely affect our growth plans. For further details of object of Issue and schedule of implementation please refer to the chapter titled “Objects of the Issue” on page 59 of this Draft Letter of Offer.

**37. *The price of the Equity Shares may be highly volatile after the Issue.***

The price of the Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors including volatility in the Indian and global securities market, our operations and performance, performance of our competitors and perception in the market about investments in the our industry, adverse media reports on us or the industry, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India’s economic liberalization and deregulation policies and significant developments in India’s fiscal and environmental regulations. There can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

**38. *As the Equity Shares of our Company are listed on the Stock Exchange, our Company is subject to certain obligations and reporting requirements under the SEBI (LODR) Regulations and comply with other SEBI Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.***

The Equity Shares of our Company are listed on Stock Exchanges, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI (LODR) Regulations, to the extent applicable, and have to adhere to and comply with other applicable Regulations framed by SEBI. Our Company endeavors to comply with all such obligations and reporting requirements, any non-compliance which might have been committed by us, may result into Stock Exchange and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and the rules and regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

**39. *Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control.***

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or another independent agency. Furthermore, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control.

**40. *We could face customer complaints or negative publicity with respect to our products or the industry in which we operate could adversely affect our business, financial condition and results of operations.***

Our business is dependent on the trust our customers have in the quality of our merchandize. Any negative publicity regarding our Company, our products or the jewellery industry generally could adversely affect our reputation and our results of operations. Customer preferences could be affected by a variety of issues including non-acceptance of diamonds from specific regions, non-promotion of jewellery by the fashion industry, and a decrease in the perceived value and customer satisfaction of the jewellery compared to its price.



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

**41. *The future operating results are difficult to predict and may fluctuate or adversely vary from the past performance.***

The company's operating results may fluctuate or adversely vary from past performances in the future due to a number of factors, many of which are beyond the company's control. The results of operations during any financial year or from period to period may differ from one another or from the expected results operation. Its business, results of operations and financial condition may be adversely affected by, inter alia, a decrease in the growth and demand for the jewellery offer by the company or decrease in the demand gold and silver, and any strategic alliances which may subsequently become a liability or non-profitable. Due to various reasons including the above, the future performance may fluctuate or adversely vary from our past performances and may not be predictable.

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

We have neither commissioned an industry report nor sought consent from the quoted website source for the disclosures which need to be made in the chapter titled "Industry Overview" of this Draft Letter of Offer.

We have made disclosures in the said chapter on the basis of the relevant industry-related data available online for which relevant consents have not been obtained. We have not independently verified such data.

Further, the industry data mentioned in this Draft Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry-related disclosure in this Draft Letter of Offer in this context.

## **ISSUE SPECIFIC RISKS**

**43. *SEBI has recently, by way of circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021, October 01, 2021 and May 19, 2022 streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Draft Letter of Offer.***

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021, October 01, 2021 and May 19, 2022, and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, please refer the section titled '*Terms of the Issue*' beginning on page 167.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights



Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

**44. *Our company will not distribute the draft letter of offer, letter of offer and application form to certain overseas Shareholders who have not provided an address in India for service of documents.***

Our Company will dispatch the Letter of Offer, the Abridged Letter of Offer, Rights Entitlement Letter and Application Form (*the “Offering Materials/ Issue Materials”*) to such Shareholders who have provided an address in India for the service of documents. The Offering Materials will not be distributed to addresses outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e-mail. Presently, there is a lack of clarity under the Companies Act, 2013, and the rules thereunder, with respect to the distribution of Offering Materials to retail individual shareholders in overseas jurisdictions where such distribution may be prohibited under applicable laws of such jurisdictions.

**45. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.***

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renounees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renounees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renounee will not be able to apply in this Issue with respect to such Rights Entitlements.

**46. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.***

Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Rights Equity Shares to the Applicant’s demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation, cash flows or financial condition, or other events affecting the Applicant’s decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the Rights to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price for the Equity Shares





at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

**47. *Any further issuance of Equity Shares by Our Company or sales of Equity Shares by any significant shareholders may adversely affect the trading price of the Equity Shares.***

Any future issuance of Equity Shares by our Company could dilute the investor's shareholding. Any such future issuance of Equity Shares or sales of Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares, and could impact our ability to raise capital through an offering of securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. It is pertinent to note that pursuant to the Finance Bill, 2017, it has been proposed, that with effect from April 1, 2017, this exemption would only be available if the original acquisition of equity shares was chargeable to STT. The Central Government is expected to, however notify the transactions which would be exempt from the application of this new amendment. Any gain realized on the sale of equity shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to applicable short-term capital gains tax in India. Capital gains arising from the sale of the equity shares will be exempt from taxation in India in cases where the exemption is provided under a treaty between India and the country of which the seller is resident, subject to the availability of certain documents. 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. For more details, please refer to '*Statement of Tax Benefits*' beginning on page 65 of this Draft Letter of Offer.

**49. *There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.***

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchanges until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

**50. *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.

**51. *In the event there is any delay in the completion of the Issue, there would be a corresponding delay in the completion of the objects / schedule of implementation of this Issue which would in turn affect our revenues and results of operations.***

The funds that we receive would be utilized for the Objects of the Issue as has been stated in the section titled '**Objects of the Issue**' beginning on page 59. The proposed schedule of implementation of the objects of the Issue is based on our management's estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, we may have to revise our business, development and working capital plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.

**52. *Investors will be subject to market risks until the Issue Shares credited to their demat accounts are listed and permitted to trade.***

Investors can start trading the Issue Shares allotted to them only after they are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchange, investors will be subject to market risk from the date they pay for the Issue Shares to the date when trading approval is granted for them. Further, we cannot assure you that the Issue Shares allocated to an Investor will be credited to the Investor's demat account or that trading in the Equity Shares will commence in a timely manner.

**53. *Investors will not have the option of getting the Allotment of Rights Equity Shares in physical form and the Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form ("Physical Shareholders") may lapse in case they fail to furnish the details of their demat account to the Registrar.***

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of the Equity Shares and except the pending transfers). For details, refer the section titled '*Terms of the Issue – Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*' on page 192 of this Draft of Letter of Offer.

**54. *The entitlement of Equity Shares to be allotted to investors applying for Allotment in physical form, will be kept in abeyance.***

Investors will not have the option of getting the allotment of Equity Shares in physical form. The Equity Shares Allotted to the Applicants who do not have demat accounts or who have not specified their demat details, will be kept in abeyance till receipt of the details of the demat account of such Applicants. This further means that they will have no voting rights in respect of the Equity Shares. For details, see "*Terms*



of the Issue – Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form” on page 192 of the Draft Letter of Offer.

- 55. *The Eligible Equity Shareholders holding Equity Shares in physical form will have no voting rights in respect of Equity Shares until they provide details of their demat account and Equity Shares are transferred to such demat account from the demat suspense account thereafter.***

The Equity Shares will be credited to a demat suspense account to be opened by our Company, in case of Allotment in respect of resident Eligible Equity Shareholders holding Equity Shares in physical form and who have not provided the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date. Such Eligible Equity Shareholders are required to send, amongst others, details of their demat accounts to our Company or the Registrar to enable our Company to transfer, after verification of the details of such demat account by the Registrar, the Equity Shares from the demat suspense account to the demat accounts of such Eligible Equity Shareholders. Unless and until such Eligible Equity Shareholders provide details of their demat account and the Equity Shares are transferred from demat suspense account to such demat accounts thereafter, they will have no voting rights in respect of Equity Shares. For details, see “Terms of the Issue” on page 167 of this Draft Letter of Offer.

- 56. *The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form (“Physical Shareholder”) may lapse in case they fail to furnish the details of their demat account to the Registrar.***

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020 and May 6, 2020, read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021, and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see “Terms of the Issue” on page 167 of this Draft Letter of Offer. In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only.

## **EXTERNAL RISK FACTORS**

- 57. *Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may have to incur costs or may be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

- 58. *Taxes and other levies imposed by the Government of India or other State Governments and any other statutory authorities, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.***

Taxes and other levies imposed by the Central or State Governments and any other statutory authorities in India that affect our industry include Custom duties (including anti-dumping duties, etc.) on imports of products, Goods and Service Tax and Direct Taxes.



These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

**59. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

**60. *Global economic, geo political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and geo political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

**61. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

**62. *The extent and reliability of Indian Infrastructure could adversely affect the Company's results of operations and financial condition.***

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt the Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt the Company's business operations, which could have an adverse effect on its results of operations and financial condition.



**63. *Natural calamities could have a negative impact on the Indian economy and cause the Company's business to suffer.***

Our Country in the past has experienced natural calamities such as earthquakes, tsunami, floods etc. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

**64. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks in India, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect the Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

**65. *The outbreak of Novel Coronavirus, or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations.***

The outbreak, or threatened outbreak, of any severe epidemic caused due to viruses (particularly the Novel Coronavirus) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our customers and suppliers, which could adversely affect our business, financial condition, and results of operations. The outbreak of Novel Coronavirus has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. There is currently substantial medical uncertainty regarding Novel Coronavirus and no government-certified treatment or vaccine is available. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of Novel Coronavirus remain uncertain and could be severe. Our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts. If any of our employees were suspected of contracting Novel Coronavirus or any other epidemic disease, this could require us to quarantine some or all these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

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



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

Further in case the lockdown is extended, it could result in muted economic growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company.

***66. An outbreak of other infectious or virulent diseases, if uncontrolled, may have an adverse effect on our operations.***

An outbreak of other infectious or virulent diseases, such as severe acute respiratory syndrome, the H1N1 virus, avian influenza (bird flu), the Zika virus or the Ebola virus, if uncontrolled, may have a material adverse effect on the economies of certain countries and our operations. If any of our employees or the employees of our suppliers and/or customers are infected with such diseases or if a significant portion of our workforce refuses to work for fear of contracting an infectious disease, our Company, our suppliers and/or our customers may be required to shut down operations for a period of time, and this could adversely affect our business, results of operations and financial condition.



## SECTION IV – INTRODUCTION

### THE ISSUE

This Issue has been authorised by way of a resolution passed by our Board of Directors on April 21, 2023 in pursuance of Section 62 and other applicable provisions of the Companies Act, 2013. The terms of the Issue including the Record Date and Rights Entitlement Ratio have been determined by Board of Directors/Rights Issue Committee at its meeting held on [•].

The following is a summary of the Issue, which should be read in conjunction with, and is qualified in its entirety by, more detailed information in section titled '*Terms of the Issue*' beginning on page 167.

<b>Equity Shares Outstanding Prior to The Issue</b>	5,36,60,055 Equity Shares
<b>Rights Equity Shares Offered In The Issue</b>	Up to [•] Rights Equity Shares
<b>Equity Shares outstanding after the Issue (Assuming full subscription for and allotment of the Rights Entitlement)</b>	[•] Equity Shares
<b>Rights Entitlement for Equity Shares</b>	[•] Rights Equity Shares for every [•] Equity Shares held on the Record Date
<b>Record Date</b>	[•]
<b>Face Value Per Equity Share</b>	₹ 2/- each
<b>Fractional Entitlement</b>	<p>The Right Shares are being offered on a rights basis to existing Eligible Shareholders in the ratio of [•] ([•]) Right Equity Shares for every [•] ([•]) Equity Shares held as on the Record Date.</p> <p>As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Shareholders is less than [•] ([•]) Equity Shares or is not in the multiple of [•] ([•]) Equity Shares, the fractional entitlements of such Eligible Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Security if they apply for additional Right Shares over and above their Rights Entitlements, if any, subject to availability of Right Shares in this Issue post allocation towards Rights Entitlements applied for.</p>
<b>Issue Price Per Equity Share</b>	₹ [•]/- each Share (including a premium of ₹ [•] per Rights Equity Share)
<b>Issue Size</b>	Up to [•] Fully Paid Equity Shares of Face Value of ₹ 2/- each for cash at a price of ₹ [•]/- per Rights Equity Share upto an amount of ₹ 4900.00 Lakhs
<b>Terms of The Issue</b>	Please refer to the section titled ' <i>Terms of the Issue</i> ' beginning on page 167
<b>Use of Issue Proceeds</b>	Please refer to the section titled ' <i>Objects of the Issue</i> ' beginning on page 59
<b>Security Code/ Scrip Details</b>	<b>ISIN:</b> INE514Y01020 <b>NSE Scrip ID:</b> MOKSH <b>ISIN for Rights Entitlements:</b> [•]



For details in relation fractional entitlements, see "Terms of the Issue-Fractional Entitlements" beginning on page 179 of this Draft Letter of Offer.

## TERMS OF PAYMENT

Amount payable per rights equity share	Face value	Premium	Total
On Application	2/-	[•]	[•]
<b>Total</b>	<b>2/-</b>	<b>[•]</b>	<b>[•]</b>

## ISSUE SCHEDULE

<b>Issue Opening Date</b>	[•]
<b>Last date for On Market Renunciation of Rights*</b>	[•]
<b>Issue Closing Date**</b>	[•]

*\*Eligible Equity Shareholders are requested to ensure that renunciation through off- market transfer is completed in such manner that the Rights Entitlement are credited to the demat account of the Renouncees on or prior to the Issue Closing Date*

*\*\*The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.*





## GENERAL INFORMATION

Our Company was originally incorporated as “Moksh Ornaments Private Limited” under the provision of the Companies Act, 1956 vide certificate of incorporation dated July 19, 2012, Issued by the Registrar of Companies, Mumbai, Maharashtra. Our Company, upon incorporation, took over businesses carried on by our promoters, Mr. Amrit Jawanmalji Shah and Mr. Jawanmal Moolchand Shah as a sole proprietor of M/s. Jineshwar Gold and M/s. Padmavati Jewels respectively. Subsequently, our Company was converted into public limited company pursuant to special resolution passed at the Extra-Ordinary General Meeting of our company held on August 30, 2017 pursuant conversion of the company the name of our Company was changed to “Moksh Ornaments Limited”. A fresh certificate of incorporation dated September 07, 2017 was issued by the Registrar of Companies, Mumbai. The Equity Shares of our company has listed on SME Platform of NSE, i.e., NSE Emerge on January 03, 2018 bearing Scrip Symbol ‘MOKSH’ and ISIN ‘INE514Y01020’. Thereafter, the equity shares of our company migrated to the Main Board of NSE w.e.f May 21, 2021.

## REGISTERED AND CORPORATE OFFICE OF OUR COMPANY

Moksh Ornaments Limited	
<b>Registered Office Address</b>	B-405/1 B-405/2, 4th floor, 99 Mulji Jetha Building, Kalbadevi Road, Vitthalwadi, Kalbadevi, Mumbai – 400002
<b>Contact No.</b>	+91- 9220335111
<b>Email</b>	<a href="mailto:cs@mokshornaments.com">cs@mokshornaments.com</a>
<b>Website</b>	<a href="http://www.mokshornaments.com">www.mokshornaments.com</a>
<b>CIN</b>	L36996MH2012PLC233562
<b>Registration Number</b>	233562

## REGISTRAR OF COMPANIES

The Registrar of Companies, Mumbai, Maharashtra	
<b>Address</b>	100, Everest, Marine Drive, Mumbai – 400 002, Maharashtra, India
<b>Contact No.</b>	022 – 2281 2627 / 2202 0295 / 2284 6954
<b>Email</b>	<a href="mailto:roc.mumbai@mca.gov.in">roc.mumbai@mca.gov.in</a>

## CHANGES IN OUR REGISTERED OFFICE

The registered office of our Company is situated as follow:

From	Address	To	Effective From	Reason For Change
701, 18/22, Champagali, 7th Floor, Zaveri Bazaar, Mumbai – 400002, Maharashtra	B-405 / 1&B - 405/2, 4th Floor, 99, Mulji Jetha Building, Glitz Mall, Vithalwadi, Kalbadevi Road, Mumbai - 400 002		26.04.2018	Convenient for business operation

## BOARD OF DIRECTORS OF OUR COMPANY

Name	Age	Designation	DIN	Address
Mr. Amrit Jawanmalji Shah	51	Managing Director & CFO	05301251	505, Kamal Darshan Tower, Chvda Gally, Lalbaug, Mumbai – 400 012, Maharashtra, India
Mr. Jawanmal Moolchand Shah	80	Whole-Time Director	05301300	505, Kamal Darshan Tower, Chvda Gally, Lalbaug, Mumbai – 400 012, Maharashtra, India



Name	Age	Designation	DIN	Address
Ms. Sangeeta Amritlal Shah	50	Non Executive Director	– 05301330	505, Kamal Darshan Tower, Chvda Gally, Lalbaug, Mumbai – 400 012, Maharashtra, India
Ms. Nirali Haresh Shah	31	Non-Executive Independent Director	07666165	B -201, Dilbahar Chs, East Cross Lane, Near Hi- Life Mall, Santacruz (West) Mumbai - 400 054, Maharashtra, India
Ms. Mitwa Nayan Shah	27	Non-Executive Independent Director	08869161	561/17, Shankar Chs, Sector- 5, Charkop, Kandivali (West) Mumbai – 400 067, Maharashtra, India
Mr. Hardik Pravinbhai Makwana	28	Non-Executive Independent Director	09103236	Room No 4, Subhadra Ganpat Shinde Chawl, Ambawadi, Dahisar (East), Mumbai – 400 068, Maharashtra, India

For further details of our Board of Directors, please refer to the section '*Our Management*' beginning on page 88.

### COMPANY SECRETARY AND COMPLIANCE OFFICER

Charmy Harish Variya	
Address	B-405/1 B-405/2 4th floor, 99 Mulji Jetha Building, Kalbadevi Road, Vitthalwadi, Kalbadevi, Mumbai – 400002
Tel No.	+91-9022332284
Email	<a href="mailto:cs@mokshornaments.com">cs@mokshornaments.com</a>
Website	<a href="http://www.mokshornaments.com">www.mokshornaments.com</a>

### CHIEF FINANCIAL OFFICER

Amrit Jawanmal Shah	
Address	B-405/1 B-405/2 4th floor, 99 Mulji Jetha Building, Kalbadevi Road, Vitthalwadi, Kalbadevi, Mumbai – 400002
Tel No.	+91-9220335111
Email	<a href="mailto:jineshwar101@gmail.com">jineshwar101@gmail.com</a>
Website	<a href="http://www.mokshornaments.com">www.mokshornaments.com</a>

### LEAD MANAGER TO THE ISSUE

Kunvarji Finstock Private Limited	
Registered Office	B-Wing, Siddhivinayak Towers, Nr. DAV School, Next to Kataria House, Off S.G. Highway, Makarba, Ahmedabad – 380051
Corporate Office	1208-20, 12th Floor, Summit Business Bay, Opp. PVR Cinema, Near Western Express Highway – Metro Station, Andheri(E), Mumbai – 400093
Tel No	+91 022 6985 0000   +91 79 6666 9000
Email	<a href="mailto:mb@kunvarji.com">mb@kunvarji.com</a>
Website	<a href="https://kunvarji.com/merchant-banking/">https://kunvarji.com/merchant-banking/</a>
Investor Grievance E-mail	<a href="mailto:MB.investorgrievances@kunvarji.com">MB.investorgrievances@kunvarji.com</a>
Contact Person	Mr. Prasann Bhatt / Mr. Jiten Patel
SEBI Registration Number	INM000012564



## REGISTRAR TO THE ISSUE

### Bigshare Services Private Limited

Address	Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093
Contact Person	Mr. Jibu John
Tel No.	022-62638200/22
Email	<a href="mailto:rightsissue@bigshareonline.com">rightsissue@bigshareonline.com</a>
Investor Grievance E-mail	<a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a>
Website	<a href="http://www.bigshareonline.com">www.bigshareonline.com</a>
SEBI Registration Number	INR000001385

## BANKER TO THE ISSUE/ REFUND BANK

[•]

Address	[•]
Tel No	[•]
Email	[•]
Website	[•]
Contact Person	[•]
SEBI Registration No.	[•]

## BANKERS OF OUR COMPANY

### Bharat Co-Operative Bank Ltd.

Address	PAREL BRANCH: Ground Floor, Royale Imperia, Plot no 105,Chamar, Baug Road, Parel, Mumbai - 400012
Tel No.	022-2470 7442
Email	<a href="mailto:pritika.poojari@bharatbank.co.in">pritika.poojari@bharatbank.co.in</a>
Website	<a href="http://www.bharatbank.com">www.bharatbank.com</a>
Contact Person	Pritika Poojari

### State Bank of India

Address	Shop No.3, Ground Floor, Dev Auram, 100 FT Road, Ahmedabad – 380015
Tel No.	+91-9512021085
Email	<a href="mailto:mitul.rathod@icicibank.com">mitul.rathod@icicibank.com</a>
Website	<a href="http://www.icicibank.com">www.icicibank.com</a>
Contact Person	Mr. Mitul Rathod

### Saraswat Co-Operative Bank Ltd.

Address	PAREL BRANCH: Unit No.01 & 02, Ground Floor, The Kollage, Next to Regency Hotel, CTS No.329A, Or. N.S. Phadke Marg, Andheri (East), Mumbai -400069
Tel No.	022-4234 9966
Email	<a href="mailto:shrishti.jain@saraswatbank.com">shrishti.jain@saraswatbank.com</a>
Website	<a href="http://www.saraswatbank.com">www.saraswatbank.com</a>
Contact Person	Shrishti Jain



## LEGAL ADVISOR TO THE ISSUE

### **B. T. Gadhavi & Associates**

**Address** 401,4th Floor, Sachet-1, B/H Om Complex, B/S City Center,  
Swastik Cross Road, Ahmedabad – 380009

**Contact Person** B. T. Gadhavi

**Tel No.** + 91 9687275908

**Email** [btgadhavi78@gmail.com](mailto:btgadhavi78@gmail.com)

## STATUTORY AUDITOR OF OUR COMPANY

### **M/s. S.D. Jain & Co., Chartered Accountants**

**Address** 320, Hammersmith Ind Premises, Narayan Pathare Marg, Off. Sitladevi Temple  
road, Mahim (West), Mumbai – 400 016 Maharashtra

**Tel No.** +91-9322242663

**Email** [shantilal@ngjain.com](mailto:shantilal@ngjain.com)

**Contact Person** Mr. Shantilal Jain

**Membership No.** 110218

**Firm Registration No.** 121521W

**Peer Review No.** 016016

## INTER – SE ALLOCATION OF RESPONSIBILITIES

Kunvarji Finstock Private Limited, being the sole Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence, a statement of inter se allocation of responsibilities is not required.

## GRIEVANCES RELATING TO ISSUE RELATED MATTER

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer of our Company for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked. ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please refer to the section titled '*Terms of the Issue*' beginning on page 167.

## EXPERT

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

Our Company has received a written consent dated June 26, 2023 from our Statutory Auditors, M/s. S.D. Jain & CO., Chartered Accountants, to include their name in this Draft Letter of Offer and as an 'expert', as defined under applicable laws, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of the Restated Financial Statements and the Statement of Special Tax Benefits dated June 27, 2023, included in this Draft Letter of Offer and such consent has not been withdrawn as of the date of this Draft Letter of Offer.



## SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

## ISSUE SCHEDULE

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

<b>Last Date for credit of Rights Entitlements</b>	[•]
<b>Issue Opening Date</b>	[•]
<b>Last Date for On Market Renunciation of Rights Entitlements<sup>#</sup></b>	[•]
<b>Issue Closing Date*</b>	[•]
<b>Finalization of Basis of Allotment (on or about)</b>	[•]
<b>Date of Allotment (on or about)</b>	[•]
<b>Date of credit (on or about)</b>	[•]
<b>Date of listing (on or about)</b>	[•]

<sup>#</sup>Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date;

\*Our Board or a duly authorized committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

The above schedule is indicative and does not constitute any obligation on our Company.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date or who have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Offer not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., [•], to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (One) day before the Issue Closing Date, i.e., [•].

Investors are advised to ensure that the Applications Forms are submitted on or before the Issue Closing Date. Our Company, the Lead Manager or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the applications are submitted well in advance before the Issue Closing Date. For details on submitting Application Forms, please refer to the section titled '**Terms of the Issue**' beginning on page 167 of this Draft Letter of Offer.

The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Shareholders on the website of the Registrar to the Issue at [www.bigshareonline.com](http://www.bigshareonline.com) after keying in their respective details along with other security control measures implemented there at. For further details, please refer to the paragraph titled see 'Credit of Rights Entitlements in demat accounts of Eligible Shareholders' under the section titled '**Terms of the Issue**' beginning on page 167 of this Draft Letter of Offer.

Please note that if no Application is made by the Eligible Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements



were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under this Issue.

#### **CREDIT RATING**

As this proposed Issue is of Rights Equity Shares, the appointment of a credit rating agency is not required.

#### **DEBENTURE TRUSTEE**

As this proposed Issue is of Rights Equity Shares, the appointment of debenture trustee is not required.

#### **MONITORING AGENCY**

Since the Issue Size does not exceed ₹ 10,000 Lakhs, there is no requirement to appoint a monitoring agency in relation to the Issue in terms of SEBI (ICDR) Regulation.

#### **APPRAISING ENTITY**

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution or any other independent agency.

#### **COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchanges.

#### **UNDERWRITING**

This Issue is not underwritten, and our Company has not entered into any underwriting arrangement.

#### **FILING**

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 w.e.f. September 28, 2020, has amended Regulation 3 (b) of the SEBI (ICDR) Regulations as per which the threshold of the rights Issue Size under Regulation 3 of the SEBI (ICDR) Regulations has been increased from ₹ 10 Crores to ₹ 50 Crores.

Since the size of this Issue falls below this threshold, this Draft Letter of Offer will be filed with the Stock Exchanges and not with SEBI. However, the Draft Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchanges.

#### **MINIMUM SUBSCRIPTION**

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020, our Company is not required to achieve minimum subscription for the Rights Issue in case of the following reason:

1. Objects of the issue being other than capital expenditure for a project.
2. Our Promoter and Promoter Group have confirmed that they will subscribe to their right entitlement and will not renounce rights except to the extent of renunciation within the promoter group.



The objects of the Issue are meeting the Working Capital Requirements and General Corporate Purpose, and do not involve financing of capital expenditure for a project.

Our Promoter and Promoter Group have confirmed that they may renounce their Rights Entitlement in favour of third parties.

In this event Promoter and Promoter Group decided to renounce its Right Entitlement in favour of third parties, the minimum subscription criteria provided under Regulation 86 (1) of the SEBI ICDR Regulations might apply to this Issue. In accordance with Regulation 86 of the SEBI ICDR Regulations, if our Company does not receive minimum subscription of at least 90% of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date in accordance with the SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. If there is a delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rate as prescribed under the applicable laws.



## CAPITAL STRUCTURE

The capital structure of our Company and related information as on date of this Draft Letter of Offer, prior to and after the proposed Issue, is set forth below:

(₹ in Lakhs, except data relating to shares)

Particular	Aggregate Nominal Value	Aggregate Value at Issue Price
<b>Authorized Equity Share capital</b>		
25,00,00,000 Equity Shares of face value of ₹ 2 each	5000.00	NA
<b>Issued, subscribed and paid-up Equity Share capital before this Issue</b>		
5,36,60,055 Equity Shares of face value of ₹ 2 each	1073.20	NA
<b>Present Issue in terms of this Draft Letter of Offer</b>		
[•] Equity Shares of face value of ₹ 2 each	[•]	[•]
<b>Issued, subscribed and paid-up Equity Share capital after the Issue</b>		
(b) [•] Fully Paid Equity Shares of face value of ₹ 2 each	[•]	[•]
<b>Subscribed and paid-up Equity Share capital After the Issue</b>		
[•] Fully Paid Equity Shares of face value of ₹ 2 each		[•]
<b>Securities Premium account</b>		
Before the Issue		[•]
After the Issue		[•]

**Notes:**

- (a) The present Issue has been authorized by our Board of Directors pursuant to the resolution passed in their meeting conducted on April 21, 2023.
- (b) Assuming full subscription for allotment of Rights Equity Shares;
- (c) Subject to finalization of Basis of Allotment, Allotment and deduction of Issue expenses;

### NOTES TO THE CAPITAL STRUCTURE

#### 1. Intention and participation by the promoter and promoter group

The Promoters and Promoters Group of our Company through its letters dated June 02, 2023, have confirmed that they intend to subscribe in part or to the full extent of its Rights Entitlement in this Issue and to the extent of unsubscribed portion (if any) of this Issue. The Promoter and Promoter Group may renounce their Rights Entitlement in favour of any third party.

Further, the Promoters and certain members of our Promoter Group may also apply for additional Equity Shares along with their Rights Entitlement and/or renunciation subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations. Such subscriptions of Equity Shares over and above its Rights Entitlement, if allotted, may result in an increase in their percentage shareholding above its current percentage shareholding. Any acquisition of additional Equity Shares shall not result in change of control of the management of the Company in accordance with provisions of the SEBI (SAST) Regulations and shall be exempted subject to fulfillment of the conditions of Regulation 10 of the SEBI (SAST) Regulations. The Promoters acknowledge and undertake that their





investment would be restricted to ensure that the public shareholding in the Company after this Issue does not fall below the permissible minimum level as specified in the listing conditions or Regulation 38 of SEBI (LODR) Regulations.

In case this Issue remains unsubscribed, the Board of Directors may dispose of such unsubscribed portion in the best interest of the Company and in compliance with the applicable laws.

No person connected with this Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an application in this Issue, except for fees or commission for services rendered in relation to the Issue;

## **2. Shareholding Pattern of our company:**

The shareholding pattern of our Company as on December 31, 2023 is as follows:

- a) The details of the shareholding pattern of our Company as on December 31, 2023 can be accessed on the website of exchange at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=MOKSH&tabIndex=equity>
- b) The statement showing the holding of Equity Shares of persons belonging to the category "Promoter and Promoters Group" December 31, 2023 can be accessed on the website of exchange at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=MOKSH&tabIndex=equity>
- c) The statement showing holding of securities of persons belonging to the category "Public", including equity shareholders holding more than 1% of the total number of Equity Shares, as well as details of shares which remain unclaimed may be accessed on the website of the exchange at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=MOKSH&tabIndex=equity> & <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=MOKSH&tabIndex=equity>.

3. The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer;
4. At any given time, there shall be only one denomination of the Equity Shares. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
5. As on the date of this Draft Letter of Offer, our Company has not issued any special voting Rights Equity Shares and there are no outstanding Equity Shares having special voting rights;
6. The Ex-rights price arrived in accordance with the formula prescribed Regulation 10(4)(b) of the SEBI (SAST) Regulations, in connection with the Issue is ₹ [•]/- (Rupees [•] Only);
7. As on the date of this Draft Letter of Offer, there are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares.
8. As on the date of this Draft Letter of Offer, our Company does not have a stock option scheme.
9. **Details of Equity Shares held by the promoter and promoter group including the details of lock-in, pledge of and encumbrance on such Equity Shares**

None of the Equity Shares held by the members of the Promoter and Promoter Group of the Company are locked-in, pledged and encumbered. The shareholding details are available on NSE:



<https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=MOKSH&tabIndex=equity>

**10. Details of Equity Shares acquired by the promoter and promoter group in the last one year prior to the filing of this Letter of Offer**

None of our Promoters or members of Promoter Group acquired any Equity Share of the Company in the last one year prior to the filing of the Letter of Offer



## SECTION V – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

Our Company proposes to utilize the Net Proceeds towards the following objects:

1. To meet Working Capital Requirement; and
2. General Corporate Purposes

(Collectively, referred to herein as the “Objects”).

We intend to utilize the gross proceeds raised through the Issue (the “Issue Proceeds”) after deducting the Issue related expense (“Net Proceeds”) for the abovementioned Objects.

The main object clause of the Memorandum of Association (MOA) of our Company and the objects incidental and ancillary to the main objects enables us to undertake the activities for which the funds are being raised through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

### ISSUE PROCEEDS

The details of Issue Proceeds are set forth in the following table:

	(₹ in Lakhs)
Particulars	Amount
Gross Proceeds from the Issue*	4900.00 <sup>#</sup>
Less: Estimated Issue related Expenses	[•]
<b>Net Proceeds from the Issue</b>	<b>[•]</b>

<sup>#</sup>Assuming full subscription in the Issue and subject to the finalisation of the basis of Allotment and the allotment of the Rights Equity Shares.

\*The Issue Size upto ₹ 4900.00 Lakhs. If there is any reduction in the amount on account of or at the time of finalisation of Issue Price and Rights Entitlements Ratio, the same will be adjusted against General Corporate Purpose.

### REQUIREMENTS OF FUNDS

The intended use of the Net Proceeds of the Issue by our Company is set forth in the following table:

	(₹ in Lakhs)
Particulars	Amount
To meet Working Capital Requirements	[•]
Funding Expenditure for General Corporate Purposes*	[•]
Issue related expenses	[•]
<b>Total</b>	<b>[•]</b>

\*Assuming full subscription in the Issue and subject to the finalisation of the basis of Allotment and the allotment of the Rights Equity Shares.



## PROPOSED SCHEDULE OF IMPLEMENTATION AND UTILIZATION OF ISSUE PROCEEDS

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

(₹ in Lakhs)

Particulars	Amount Proposed to be Funded from Net Proceeds	Estimated Deployment of Net Proceeds FY 24-25
To meet Working Capital Requirements	[•]	[•]
Funding Expenditure for General Corporate Purposes <sup>#</sup>	[•]	[•]
<b>Total Net Proceeds**</b>	[•]	[•]

<sup>#</sup>The amount to be utilized for General corporate purposes will not exceed 25.00% (Twenty-Five Percent) of the Gross Proceeds;

\*Assuming full subscription in the Issue and subject to the finalisation of the basis of Allotment and the allotment of the Rights Equity Shares.

The fund requirements, proposed deployment of funds and the intended use of the Net Proceeds set out above is based on our current business plan, internal management estimates and have not been appraised by any bank or financial institution or independent agency. Our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our Board. In case the Net Proceeds are not completely utilised in a scheduled financial year due to any reason, the same would be utilised (in part or full) in the next financial year as may be determined by our Company, in accordance with applicable law.

As per the requirement of Our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy and external factors such as market conditions, competitive environment, interest or exchange rate fluctuations, taxes and duties, working capital margin 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, if the actual utilisation towards meeting incremental working capital requirements is lower than the proposed deployment, the balance will be used towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds from the Issue in accordance with applicable law.

In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects as per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent financial years towards the aforementioned objects.

For further details, please refer the section titled '**Risk factors - The deployment of the Net Proceeds from the Issue is based on management estimates and have not been independently appraised by any bank or financial institution and is not subject to any monitoring by any independent agency and our Company's management will have flexibility in utilizing the Net Proceeds from the Issue**' on page no. 27.

## MEANS OF FINANCE

Our Company proposes to meet the entire requirement of funds for the objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% (Seventy-Five Percent) of the stated means of finance for the aforesaid object, excluding the amount to be raised from the Issue.



The fund requirement and deployment are based on our management estimates and has not been appraised by any bank or financial institution or any other independent agencies. The fund requirement above is based on our *current* business plan and our Company may have to rise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management.

## DETAILS OF THE OBJECTS OF THE ISSUE

The details in relation to objects of the Issue are set forth herein below:

### 1. To meet Working Capital Requirements

We are in the business of manufacture and wholesale of jewellery. The jewelleryes are manufactured on job work basis. We primarily sell gold jewellery and our product profile includes bangles, chain, and mangalsutra. Our focus is on developing new designs that meet customer's requirements as well as cater to their tastes and specifications. We get our products designed by third party designers. We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals. We operate in a highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, our fund requirements may also change.

Details of Company's working capital and the source of funding, on the basis of Audited Restated Financial Statements of our Company as at March 31, 2023, March 31, 2022 and for the projected period March 31, 2024 is as set out in the table below:

Particulars	(₹ in Lakhs)			
	31.03.2022 Audited	31.03.2023 Audited	31.03.2024 Estimated	31.03.2025 Estimated
<b>Current Assets</b>				
Inventories	1,521.99	4,362.99	5,101.00	5,678.00
Trade Receivables	3,052.63	2,901.33	5,617.00	5,712.00
Cash and Cash Equivalents	121.14	310.49	164.00	197.00
Bank Balance other than Cash and Cash Equivalents	151.57	212.01	212.00	212.00
Loans and Advances	-	-	-	-
Other Financial Assets	-	-	-	-
Current Tax Assets (Net)	-	-	-	-
Other Current Assets	61.02	123.42	128.00	133.00
<b>Total Current Assets (A)</b>	<b>4,908.35</b>	<b>7,910.24</b>	<b>11,222.00</b>	<b>11,932.00</b>
<b>Current Liabilities</b>				
Short Term Borrowings (Current Maturities of Long Term Debt)	-	-	141.00	-
Trade Payables	10.01	2.80	14.00	15.00
Short Term Provisions	-	-	245.00	280.00
Other Current Liabilities	77.35	79.78	25.00	34.00
<b>Total Current Liabilities (B)</b>	<b>87.36</b>	<b>82.58</b>	<b>425.00</b>	<b>329.00</b>
<b>Working Capital Requirements (A-B)</b>	<b>4820.99</b>	<b>7,827.66</b>	<b>10,797.00</b>	<b>11,603.00</b>



Particulars	31.03.2022	31.03.2023	31.03.2024	31.03.2025
	Audited	Audited	Estimated	Estimated
<b>Proceeds from the Issue</b>	-	-	-	3,675.00
<b>Working Capital Limit from Bank</b>	15.16	2,466.15	5,000.00	5,000.00
<b>Internal Accruals</b>	4,805.83	5,361.51	5,797.00	5,519.00

**Assumption, Holding level and Justification for Working Capital:**

Particular	Assumption
Inventory	Our projected inventory holding period for FY 2023-24 is about 39 days, slightly more than the previous year's 36 days. This is because we anticipate higher sales revenue and thus higher inventory levels. However, we are confident that we can keep our inventory close to the same level of daily consumption, despite the increased capacity and sales.
Trade Receivables	We expect to give our clients more flexible payment terms in the fiscal year 2023-24, so we have projected Trade Receivable days of 42 days. For the fiscal year 2022-23, our Trade Receivable days are 24 days of revenue from operations, based on normal payment terms.
Trade payables	Our trade payables days were approximately 1 day in FY 2022-23, and we expect them to remain the same in FY 2023-24.

**2. General Corporate Purpose**

In terms of Regulation 62(2) of the SEBI ICDR Regulations, the extent of the Issue Proceeds proposed to be used for General Corporate Purposes shall not in the aggregate exceed 25% of the Gross Proceeds of the Issue. Such utilization towards general corporate purposes shall be to drive our business growth, including, amongst other things including but not limited funding our growth opportunities, strengthening marketing capabilities and brand building exercises, and strategic initiatives and any other purpose as permitted by applicable laws; subject to meeting regulatory requirements and obtaining necessary approvals/ consents, as applicable.

Our management will have flexibility in utilizing any amounts for General Corporate Purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount available under this head and the business requirements of our Company, from time to time.

General corporate purposes may include, but are not restricted to, the following:

- strategic initiatives;
- funding growth opportunities;
- strengthening marketing capabilities and brand building exercises;
- meeting ongoing general corporate contingencies;
- meeting fund requirements of our Company, in the ordinary course of its business;
- meeting expenses incurred in the ordinary course of business; and
- any other purpose, as may be approved by the Board, subject to applicable law.

**3. Expenses for the Issue**

The Issue related expenses consist of fees payable to the Lead Manager, Legal Counsel, Regulatory fees, processing fee to the SCSBs, Registrars to the Issue, printing and stationery expenses, advertising expenses and all other incidental and miscellaneous expenses for listing the Rights Equity Shares on the Stock Exchange. Our Company will need approximately ₹ [•]/- Lakhs towards these expenses, a break-up of the same is as follows:



The break-down of the estimated Issue expenses is disclosed below:

Activity	Estimated Expense (₹ in lakhs)	% of Total Estimated Issue Expenses	% of Total Issue Size
Fees of the Lead Manager	[•]	[•]	[•]
Registrar to the Issue	[•]	[•]	[•]
Legal Advisors	[•]	[•]	[•]
Advertising and marketing expenses	[•]	[•]	[•]
Regulators including stock exchanges	[•]	[•]	[•]
Printing and distribution of issue stationary	[•]	[•]	[•]
Others, if any (to be specified)	[•]	[•]	[•]
<b>Total estimated Issue expenses*</b>	[•]	[•]	[•]

\*Subject to finalization of Basis of Allotment and actual Allotment. Above mentioned fees are excluding Taxes.

In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds from the Issue.

#### APPRAISAL OF THE OBJECTS

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

#### STRATEGIC AND/OR FINANCIAL PARTNERS

There are no strategic and financial partners to the objects of the issue.

#### SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

Our Company proposes to deploy the entire Net Proceeds towards the Objects as described herein during Fiscal 2024-25.

The funds deployment described herein is based on management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the funds requirements described herein.

#### BRIDGE FINANCING FACILITIES

Our Company have not raised or availed any bridge financing facilities for meeting the expenses as stated under the Objects of the Issue as on the date of this Draft Letter of Offer.



## **INTERIM USE OF FUNDS**

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013.

Our Company confirms that, pending utilisation of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products, providing loans to or for acquiring shares.

## **MONITORING OF UTILIZATION OF FUNDS**

As the size of the Rights Issue does not exceed ₹ 10,000 Lakhs, in terms of the SEBI Regulations, our Company is no requirement for the appointment of a monitoring agency for this Issue. However, as per SEBI (LODR) Regulation, the Board of Directors and Audit Committee of the Company would be monitoring the utilization of the proceeds of the Issue. Our Company will disclose the utilization of the Issue Proceeds, including interim use, under a separate head in our balance sheet along with the relevant details, for all such Issue Proceeds that have not been utilized. Our Company will indicate investments, if any, of unutilized Issue Proceeds in the Financial Statements of the Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchange.

We will also on an annual basis, prepare a statement of the funds which have been utilized for purposes other than those stated in this Draft Letter of Offer, if any, and place it before the Audit Committee and the Board. Such disclosure will be made only until all the Issue Proceeds have been utilized in full. The statement shall be certified by our Statutory Auditor. Further, in accordance with Regulation 32 of the SEBI (LODR) Regulation, Our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue Proceeds. In accordance with Regulation 32 of the SEBI (LODR) Regulation, the Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement on material deviations, if any, in the utilization of the Issue Proceeds from the objects of the Issue as stated above.

## **VARIATION IN OBJECTS**

In accordance with applicable provisions of the Companies Act, 2013 and applicable rules, except in circumstances of business exigencies, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and applicable rules.

## **KEY INDUSTRY REGULATIONS FOR THE OBJECTS OF THE ISSUE**

No additional provisions of any acts, regulations, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

## **OTHER CONFIRMATIONS**

No part of the proceeds of the Issue will be paid by our Company to our Promoter, our Promoter Group, our Directors or our Key Managerial Personnel, except in the normal course of its business.

Our Promoter, our Promoter Group and our Directors do not have any interest in the objects of the Issue, and there are no material existing or anticipated transactions in relation to utilization of the Net Proceeds with our Promoter, Promoter Group, Directors or Key Managerial Personnel or Senior Management Personnel.





## STATEMENT OF TAX BENEFITS



CA. Shantilal Jain  
B. Com. F.C.A.

**S. D. JAIN & CO**  
CHARTERED ACCOUNTANTS

320, Hammersmith Ind. Premises Co-op. Soc. Ltd., Naryan Pathare Marg, Off Sitladevi Temple Road, Mahim (West),  
Mumbai - 400 016 Tel.: 9322242663

### STATEMENT OF SPECIAL TAX BENEFITS

#### The Board of Directors

#### Moksh Ornaments Limited

B-405 / 1&B - 405/2, 4th Floor, 99,  
Mulji Jetha Building, Glitz Mall, Vithalwadi,  
Kalbadevi Road, Mumbai - 400 002

**Re: Proposed rights issue of equity shares of face value of ₹2 each (the "Equity Shares" and such offering, the "Issue") of Moksh Ornaments Limited (the "Company") pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI Regulations") and the Companies Act, 2013, as amended (the 'Act')**

Dear Sirs,

We M/s. S D JAIN & CO., Chartered Accountants, the statutory auditors of the Company hereby report that the enclosed Statement prepared by Moksh Ornaments Limited (the "Company") states the possible special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 and Income tax Rules, 1962 including amendments made by Finance Act, 2022 (hereinafter referred to as "Income Tax Laws"), the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations there under, Foreign Trade Policy, presently in force in India under the respective tax laws of their country as on the signing date, for inclusion in the Draft Letter of Offer and the Letter of Offer for the proposed rights issue of the Company to the existing shareholders. These benefits are dependent on the Company or the shareholders of the Company fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company or the shareholders of the Company to derive the special tax benefits is dependent upon fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the shareholders of the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

Further, the preparation of the enclosed Statement and its contents was the responsibility of the management of the Company. We were informed that this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed offer.



Email : shantilal@ngjain.com

We have 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 ('ICAI'). The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Reviews of Historical Financial information and Other Assurance and Related Services Engagements.

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

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

The contents of the enclosed Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. 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 law 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 shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

We will not be liable to any other person in respect of this Statement.

This statement is solely for your information and not intended for general circulation or publication and is not to be reproduced or used for any other purpose without our prior written consent, other than for inclusion of extracts of this statement in the Draft Letter of Offer and Letter of Offer and submission of this statement to the Securities and Exchange Board of India, the stock exchanges where the Equity Shares of the Company are proposed to be listed, in connection with the proposed Issue, as the case may be.

**For M/s. S D JAIN & CO.**  
**Chartered Accountants**  
**Firm Registration Number:**

  
**Shantilal D Jain**  
**Proprietor**

**ICAI Membership Number:**  
**UDIN: 23110218BGWUUF4223**



**Place: Mumbai**  
**Date: 27.06.2023**

## Annexure- I

### ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO MOKSH ORNAMENTS LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS

#### I. UNDER THE INCOME TAX LAWS

##### 1. Special tax benefits available to the Company

There are no special tax benefits available to the Company.

##### 2. Special tax benefits available to the shareholders

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

#### Notes:

- a. The above Statement sets out the provisions of law in a summarized manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- b. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
- c. The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year 2023-24.
- d. 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/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- e. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.



## Annexure- II

### STATEMENT OF INDIRECT TAX BENEFITS AVAILABLE TO MOKSH ORNAMENTS LIMITED (THE “COMPANY”) AND ITS SHAREHOLDERS

#### II. The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 (“GST Act”), the Customs Act, 1962 (“Customs Act”) and the Customs Tariff Act, 1975 (“Tariff Act”) (collectively referred to as “Indirect Tax Laws”)

##### 1. Special tax benefits available to the Company under the Indirect Tax Laws

There are no special tax benefits available to the Company.

##### 2. Special tax benefits available to the shareholders under the Indirect Tax Laws

There are no special indirect tax benefits applicable in the hands of shareholders for investing in the shares of the Company.

#### Notes:

- a. The above statement is based upon the provisions of the specified Indirect Tax Laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
- b. The above statement covers only above-mentioned tax laws benefits and does not cover any direct tax law benefits or benefit under any other law.
- c. 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.
- d. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.





## SECTION VI – ABOUT OUR COMPANY

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### INDUSTRY OVERVIEW

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

*Before deciding to invest in the Equity Shares, prospective investors should read this entire Draft Letter of Offer, including the information in the sections ‘**Risk Factors**’ on page 27. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section titled ‘**Risk Factors**’ on page 27. Accordingly, investors should not place undue reliance on information.*

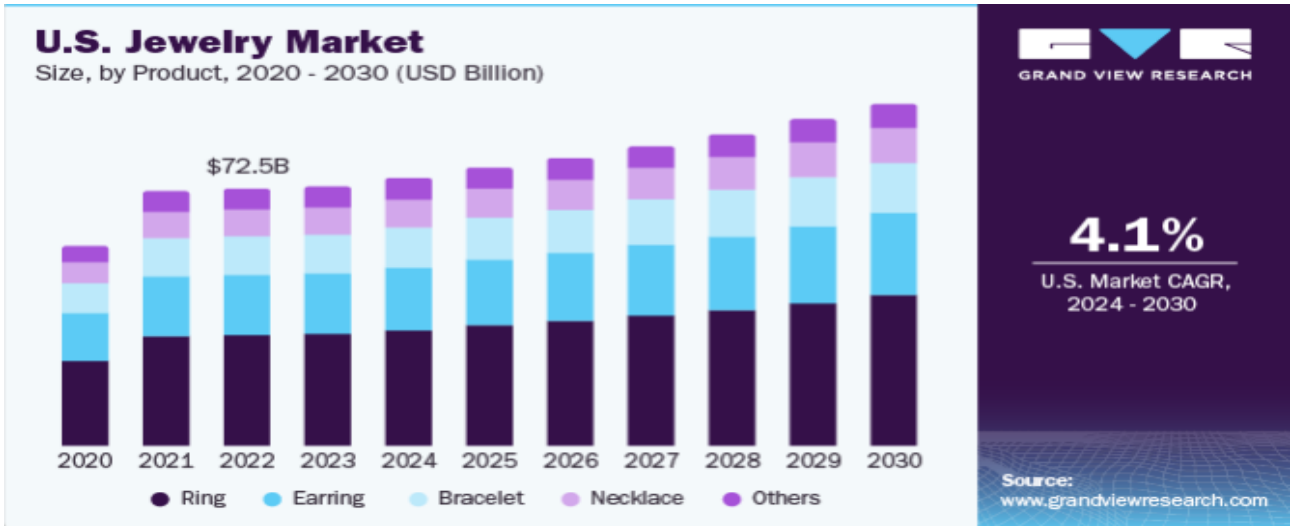
### GLOBAL ECONOMIC OUTLOOK

The global economy remains in a precarious state amid the protracted effects of the overlapping negative shocks of the pandemic, the Russian Federation’s invasion of Ukraine, and the sharp tightening of monetary policy to contain high inflation. The resilience that global economic activity exhibited earlier this year is expected to fade. Global growth is projected to slow significantly in the second half of this year, with weakness continuing in 2024.

After growing 3.1 percent last year, the global economy is set to slow substantially in 2023, to 2.1 percent, amid continued monetary policy tightening to rein in high inflation, before a tepid recovery in 2024, to 2.4 percent. Tight global financial conditions and subdued external demand are expected to weigh on growth across emerging market and developing economies (EMDEs). Growth is projected to diverge across EMDE regions this year and next. It is expected to pick up in 2023 in East Asia and Pacific (EAP) and Europe and Central Asia (ECA), as China’s reopening spurs a recovery and as growth prospects in several large economies improve.

The combination of slow growth, tightening financial conditions, and heavy indebtedness is likely to weaken investment and trigger corporate defaults. Further negative shocks—such as higher inflation, even tighter policy, financial stress, deeper weakness in major economies, or rising geopolitical tensions—could push the global economy into recession. In the near term, urgent global efforts are needed to mitigate the risks of global recession and debt distress in EMDEs.

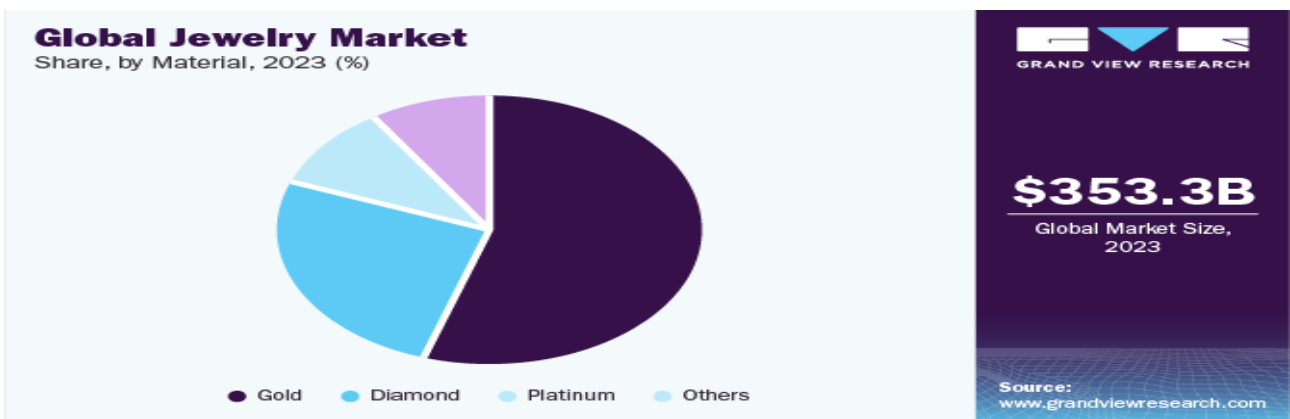
The global jewelry market size was valued at USD 353.26 billion in 2023 and is expected to grow at a compound annual growth rate (CAGR) of 4.7% from 2024 to 2030. Increasing disposable income and innovative jewelry designs offered by manufacturers are expected to drive product demand. Changing lifestyles and perceptions of jewelry as a status symbol are expected to boost the growth of this market.



A vast client base makes it possible for manufacturers to cater to a large market and earn profits. The introduction of new designs and emerging fashion trends are attracting customers and manufacturers are leveraging this frequent change in fashion to design unique products to attract customers. Additionally, rising awareness about the authenticity of the metals and gems used in the jewelry pieces is driving the market. Manufacturers are not only adhering to authenticity and quality standards but also educating consumers through advertising campaigns. The jewelry market is also expected to witness significant growth via the online channel as major players are focusing on using their websites to announce product launches, sales, and other relevant information. However, rising e-commerce frauds and a lack of knowledge about the hallmarks on jewelry are expected to hinder market growth.

In terms of value, the market is segmented into five categories, namely necklaces, rings, earrings, bracelets, and others. Rings emerged as the largest segment in 2023, accounting for a revenue share of 33.8%. This segment is likely to retain its pole position throughout the forecast period to claim a market share of 34.5% by 2030.

The rising sales of rings worldwide are principally driven by the increasing demand for wedding rings, coupled with the growing preference for corporate dressing. A key trend that has been gripping the market in recent years is the rising sale of rings within the male consumer segment. This can be attributed to improvements in men’s jewelry designs and rising fashion awareness among men around the world.



The market for gold jewelry held the largest market share as the material is the most popular metal used in the making of all sorts of jewelry across the world. The segment was valued at USD 185.83 billion in 2022 and is expected to exhibit a CAGR of 4.9% during the forecast period to maintain its leading position during the forecast period.

Asia Pacific jewelry market accounted for a share of 59.9% of the global revenue in 2023. This whopping market share is mainly attributed to the high demand for jewelry from densely populated countries in the region including India and China, where gold is consumed on large scale. Jewelry market in China is anticipated to grow at a CAGR of 5.1% from 2024 to 2030, owing to the increasing spending power of the country's population.



(Source: <https://www.astrid-online.it/static/upload/gep-/gep-june-2023.pdf> & <https://www.grandviewresearch.com/industry-analysis/jewelry-market> & <https://www.grandviewresearch.com/industry-analysis/jewelry-market#:~:text=The%20global%20jewelry%20market%20size,expected%20to%20drive%20product%20demand.>)

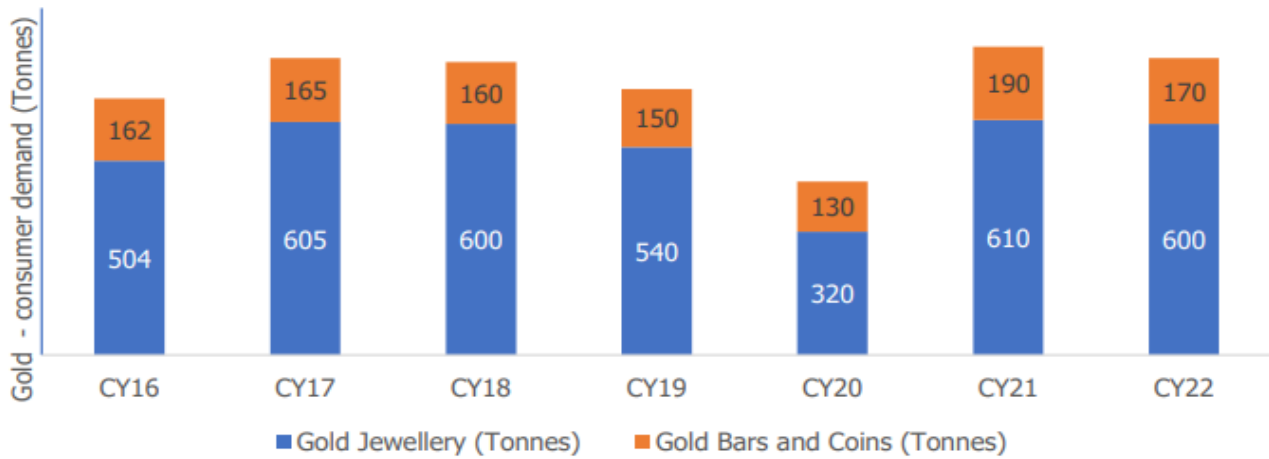
## INDIAN ECONOMIC OUTLOOK

India, the third-largest economy in the world in Purchasing Power Parity (PPP) terms and the fifth-largest in market exchange rates, has reinforced the country's belief in its economic resilience as it has withstood the internal and external challenges alike such as of mitigating external imbalances caused by the Russian-Ukraine conflict without losing growth momentum in the process. The Indian economy appears to have moved on addressing the challenges posed by the pandemic, staging a full recovery, ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in Financial Year (FY) 2023-24.

India's recovery from the pandemic was relatively quick, and growth in the upcoming year will be supported by solid domestic demand and a pickup in capital investment. Incipient signs of a new private sector capital formation cycle are visible and more importantly, compensating for the private sector's caution in capital expenditure, the government raised capital expenditure substantially.

### Gold Jewellery

The Indian jewellery market is traditionally dominated by gold jewellery. Gold jewellery purchases in India are not only limited to consumption, as is the case with fashion jewellery, but they do 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 and trust concerns, as well as other elements that influence jewellery purchases have all contributed to gold jewelry's significance.



Source: CareEdge Research, Industry Sources

Apart from gold jewellery, the other type of jewellery which is gaining traction is the studded ornaments segment. The key factor contributing to the growth of this segment is the younger population's preference for diamond studded gold jewellery, typically made with 14 or 18 carat gold rather than heavy 22 carat gold. India is one of the leading cutting and polishing centre for diamonds with support from government policies. India is deemed as hub for this industry because of low cost and availability of highly skilled labour. Due to its potential for growth and value addition, the government considers this segment as a focus area for exports. The industry has become highly sophisticated over the years with the use of hi-technology in different processes, especially, in planning, inclusion plotting, and laser sawing. Grading of polished diamonds, is an established practice – the 4Cs of cut, clarity, colour and carat are being the standard measure for assigning grade.

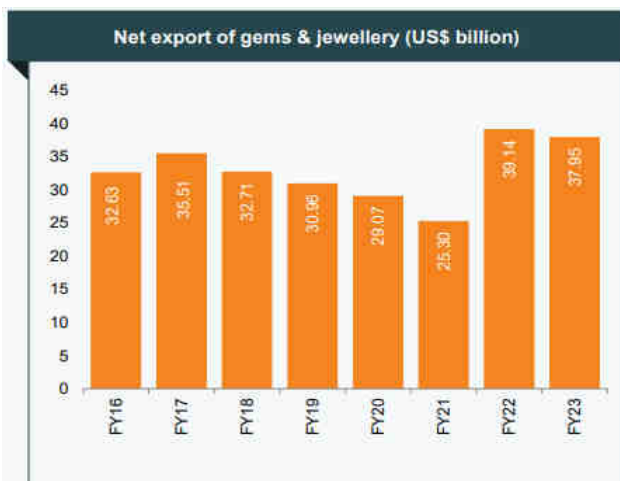
(Source: [https://loksabhadocs.nic.in/Refinput/New\\_Reference\\_Notes/English/13022023\\_150309\\_102120474.pdf](https://loksabhadocs.nic.in/Refinput/New_Reference_Notes/English/13022023_150309_102120474.pdf))

## MARKET SIZE

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

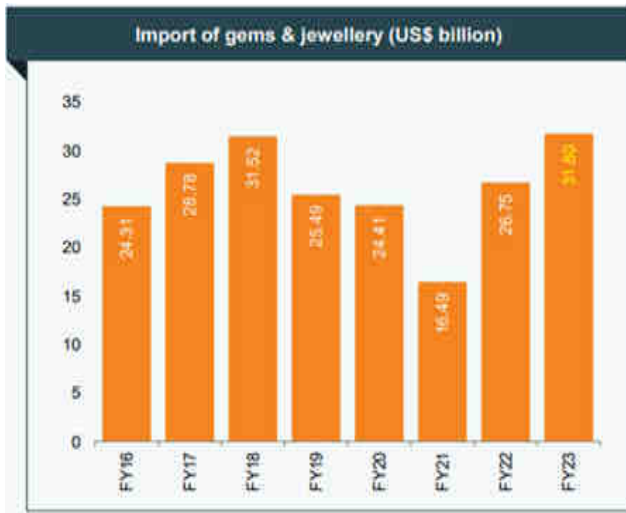
India's gems and jewellery exports reached US\$ 39.14 billion in 2021-22, a 54.13% rise from the previous year. From April-December 2022, India's gems and jewellery exports were at US\$ 28.6 billion, a 6.28% rise compared to the previous year's period. While the export during April-March 2023 stood at US\$ 37.95 billion.

### Net export and import of gems & jewellery:



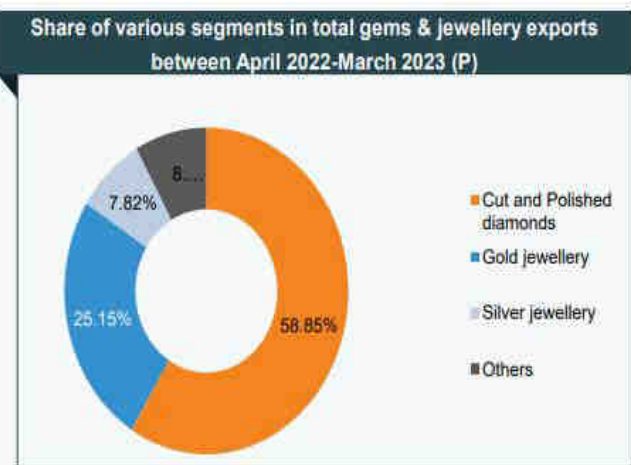
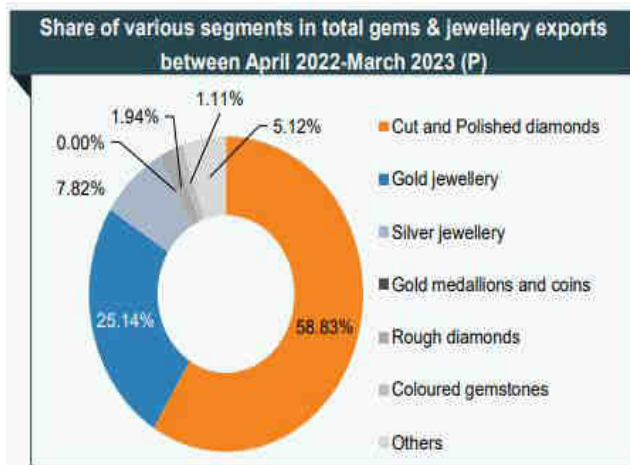
- From April-December 2022, India's gems and jewellery exports were at US\$ 28.6 billion, a 6.28% rise compared to the previous year's period. While the export during April-March 2023 stood at US\$ 37.95 billion.
- During April-November 2022, the gem and jewellery exports to the UAE, Belgium, Singapore, Thailand, and Switzerland have shown a rise.





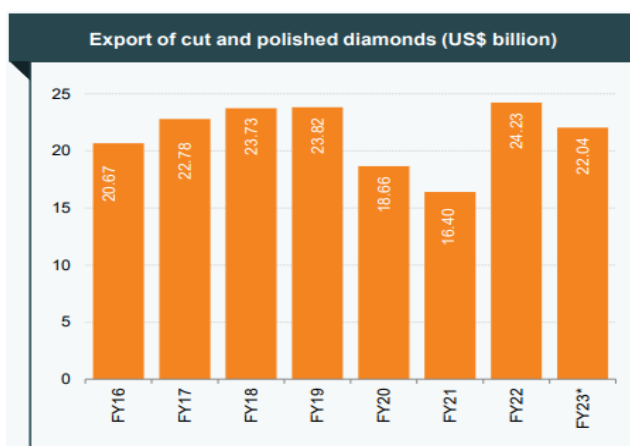
- Between April-February 2023, India’s gems and jewellery imports stood at US\$ 31.8 billion.
- In December 2022, India’s gems and jewellery imports were at US\$ 2.27 billion, a 18.69% decline as compared to the same period, the previous year.

### Share of various segments of gems & jewellery in total exports:



- Indian exports of gems & jewellery comprises various items such as cut and polished diamonds, silver and gold jewellery, gold medallions and coins, rough diamonds, coloured gemstones and others.
- In FY23, cut and polished diamonds accounted for the highest share of exports (58.83%), followed by gold jewellery (25.14%) and silver jewellery (7.82%).
- Gold jewellery accounted for the second-highest share (25.14%) and silver jewellery accounted for 7.82% in FY23.
- Rough diamonds accounted for 1.94% of the total gems & jewellery exports in FY23.

### Export and import of top jewellery segments:





- In FY23\*, exports of cut and polished diamonds stood at US\$ 25.04 billion.
- In March 2023, India's cut and polished diamond exports stood at US\$ 1.60 billion.
- In FY22, the exports of gold jewellery stood at US\$ 9.12 billion whereas the imports of gold jewellery stood at US\$ 272.99 million.
- From April 2022-March 2023, the provisional exports of gold jewellery stood at US\$ 9.42 billion.

## KEY CHALLENGES FOR JEWELLERY IN INDIA

- **Shortage of skilled labor:**

One of the key challenges for the industry to scale up their operations is the scarcity of trained people. 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, 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 new 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, as a result of the changing trend, demand for certain types of products begin to decline and eventually ceases. The manufacturer's money is blocked in the older designs and this results in a pile-up of unsold stock.

- **Dependency on imports for raw materials:**

The availability of raw materials is crucial to the gems and jewellery business. In India, a large 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 market.

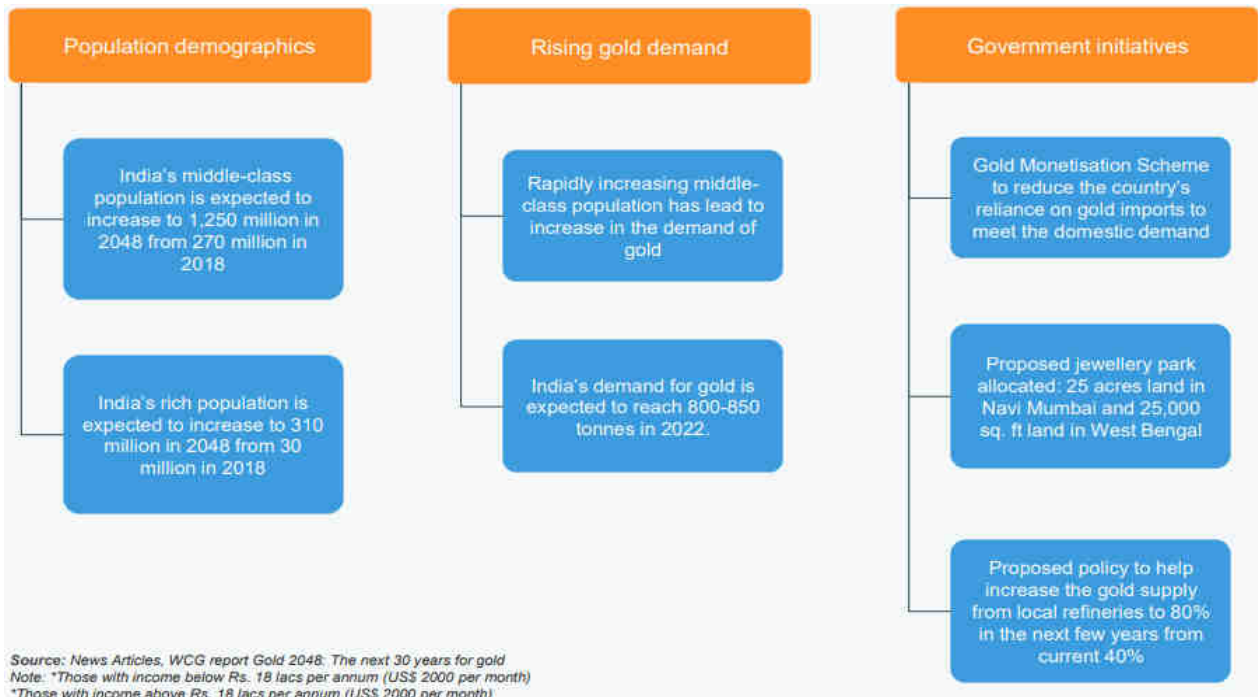
India is a net importer of raw gold and meets over 90% of its gold requirement through imports. The total gold imported (in value terms) by India was Rs. 3,441 billion in FY22 and Rs. 2,258 billion in 9M FY23. Gold is imported from Switzerland, South Africa, the United Arab Emirates, and Australia, among other countries. Raw pearls, precious and semi-precious stones, and other items are imported from Belgium, the United Kingdom, and Hong Kong.

Rough diamonds account for more than half of all G&J imports (66%). The total rough diamond imports i-April 2022 - January 2023 stands at Rs 1,118 billion in value terms and 1064.82 lakhs carats in volume terms. India imports rough diamonds primarily from Belgium, the United Kingdom, Israel, and the United Arab Emirates.

- **Impact of global slow-down**

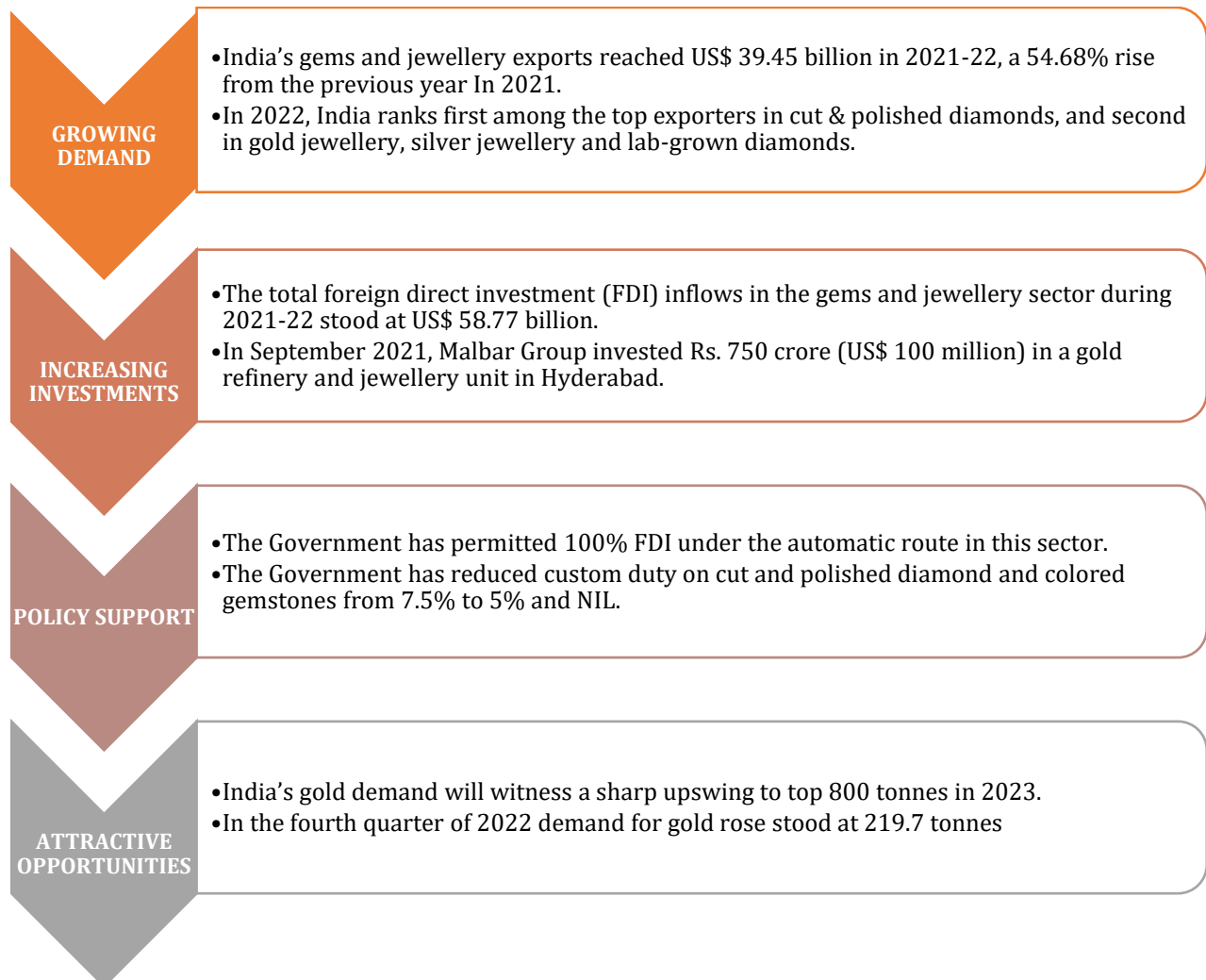
The United States, Hong Kong, UAE and Belgium are key export Destinations for Indian G&J industry. The United States accounted for about 37% to total exports of gems and jewellery in FY22. Persistent high inflation rates and slowdown in these economies will have an adverse impact on the gems and jewellery exports from India.

## GROWTH DRIVERS OF GEMS & JEWELLERY SECTOR IN INDIA:



(Source: [https://www.ibef.org/download/1690789781\\_Gems-and-Jewellery-May-2023.pdf](https://www.ibef.org/download/1690789781_Gems-and-Jewellery-May-2023.pdf))

## ADVANTAGE





## INVESTMENTS/DEVELOPMENTS

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

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

- In February 2022, GJPEC organized a four-day Internal Jewellery Show Signature 2022, where 850 exhibitors had participated and there were more than 400 international visitors, buyers, and delegations from the US, UAE, Egypt, Nepal, Uzbekistan, and Bangladesh.
- In September 2021, Malabar Group invested Rs. 750 crore (US\$ 100 million) in a gold refinery and jewellery unit in Hyderabad.
- In May 2021, GJPEC and Embassy of India, Morocco, co-hosted the 'India Global Connect' to better understand the present business climate in the gems and jewellery sector and seek trade prospects for manufacturers, exporters and importers from both countries.
- The GJPEC will organise its first International Gems and Jewellery Show (IGJS) outside the country, in Dubai, from August 14-16, 2021. It will also hold a five-day physical exhibition—India International Jewellery show (IIJS-2021)—in Bengaluru from September 15-19, 2021, in a first such event outside Mumbai. GJPEC sources said that >250 buyers have registered and >95 stalls have been booked for Dubai IGJS 2021. There will be 150 booths having products such as plain gold, gold-studded jewellery, diamond-studded jewellery, silver jewellery, loose diamonds and gemstones.
- In June 2021, Tanishq launched antimicrobial jewellery in certain markets as a pilot project. Currently, the range is available in stores across Chennai and Lucknow, with further launches planned in Kolkata and Hyderabad followed by other key markets. Antimicrobial jewellery is being offered in categories such as chains and rings, which feature special-coated layers that self-disinfect the surface and impede any further microbial growth.
- In June 2021, the World Gold Council and Gem and Jewellery Export Promotion Council signed an agreement to promote gold jewellery in India. Under the agreement terms, both partners will jointly fund a multi-media marketing campaign that would aim to increase awareness, relevance and adoption of gold jewellery amongst Indian consumers, especially in millennials and Gen Z.
- In April 2021, Malabar Gold & Diamonds announced to invest Rs. 1,600 crore (US\$ 214 million) in FY22 to launch 56 stores, of which 40 would be in India and 16 across global markets. In India, stores will be opened in Tamil Nadu, Telangana, Andhra Pradesh, Karnataka, Maharashtra, Delhi, West Bengal, Uttar Pradesh, Odisha and Kerala. In July 2021, the company announced hiring of >5,000 staff, across its retail operations, brand headquarters and regional offices in the country.
- In March 2021, Joyalukkas collaborated with IBM Global Business Services to design, develop and deploy a new cloud-native e-commerce platform across 11 countries including India, the UAE, the US, the UK, Singapore, Malaysia, Bahrain, Qatar, Saudi Arabia, Kuwait and Oman.
- In February 2021, Reliance expanded its e-commerce arm, Jio Mart, to jewellery with silver coins of 5gm and 10 gm, and gold coins of 1gm, 5gm and 10gm.
- Reliance's in-house jewellery brand, Reliance Jewels, which has 93 flagship showrooms and 110 shop-in-shops in 105 cities in the country, will fulfil the orders for the new segment.



## GOVERNMENT INITIATIVES

- In the Union Budget 2023-24, the government proposed to increase the import duty on silver dore, bars, and articles to 10% to align them with that of gold and platinum.
- India has signed an FTA with the UAE which will further boost exports and is expected to reach the target of US\$ 52 billion.
- The Government has reduced custom duty on cut and polished diamond and colored gemstones from 7.5% to 5% and NIL.
- Revised SEZ Act is also expected to boost exports of gems and jewellery.
- In September 2021, Ms. Anupriya Patel, Minister of State for Commerce and Industry said that reforms such as the revamped gold monetisation scheme, reduction in import duty of gold, hallmarking and others would help the industry grow. The market export target is US\$ 43.75 billion for 2021.
- The government has reduced import duty for Gold & Silver (from 12.5% to 7.5%) and Platinum & Palladium (from 12.5% to 10%) to bring down the prices of precious metals in the local market.
- Indian Government made hallmarking mandatory for Gold Jewellery and Artefacts. A period of one year is provided for implementation i.e. till January 2021..
- In December 2020, All India Gem and Jewellery Domestic Council (GJC) welcomed the decision to make hallmarking compulsory from June 2021 in a phased manner; urged the government to examine the key concerns of the industry for smooth implementation of the initiative.
- Hallmarking of gold jewellery is set to begin from June 15, 2021. In view of the COVID-19 pandemic, the government accepted request of stakeholders to provide jewellers some more time to prepare for implementation and resolve issues. Earlier, the date of implementation was June 01, 2021.
- In December 2020, the Finance Ministry notified that the amendment under Prevention of Money Laundering Act (PMLA), notifying dealers in precious metals and stones, will maintain records of cash transactions worth Rs. 10 lakh (US\$ 13.61 thousand) or more cumulatively with a single customer.

## ROAD AHEAD

In the coming years, growth in the gems and jewellery sector would largely be contributed by the development of large retailers/brands. Established brands are guiding the organised market and are opening opportunities to grow. Increasing penetration of organised players provides variety in terms of products and designs. Online sales are expected to account for 1–2% of the fine jewellery segment by 2021–22. Also, the relaxation of restrictions on gold import is likely to provide a fillip to the industry.

The improvement in availability along with the reintroduction of low-cost gold metal loans and likely stabilisation of gold prices at lower levels is also expected to drive volume growth for jewellers over the short to medium term. India has 450 organised jewellery manufacturers, importers & exporters and is the hub for jewellery manufacturing. These players have benefited greatly due to the increasing liberal policies by the government. The demand for jewellery is expected to be significantly supported by the recent positive developments in the industry. India's gems and jewellery industry is expected to reach US\$ 100 billion by 2027.



## BUSINESS OVERVIEW

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk.*

*For a discussion of certain risks in connection with investment in the Equity Shares, you should read the section titled ‘Risk Factors’ beginning on page 27, for a discussion of the risks and uncertainties related to those statements, as well as ‘Financial Information’ and ‘Management’s Discussion and Analysis of Financial Condition and Results of Operations’ beginning on page 97 and 143 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.*

## OUR BUSINESS

We are in the business of manufacture and wholesale of jewellery and head quartered at Mumbai, Maharashtra. The jewelleryes are manufactured on job work basis at Kolkata and Mumbai. We primarily sell gold jewellery and our product profile includes bangles, chain, and mangalsutra. Our focus is on developing new designs that meet customer’s requirements as well as cater to their tastes and specifications. We get our products designed by third party designers.

We endeavor to maintain the quality of our products, follow strict procedures to ensure control quality, timely delivery and competitive prices. We offer regular designs and guarantee our esteemed customers for the time bound delivery of the products. Our customers get the jewellery hallmarked from BIS recognized Assaying and Hallmarking Centre. We only assist in dispatching the products to the Assaying and Hallmarking Centre for certification. The BIS hallmark, a mark of conformity widely accepted by the consumer bestows the additional confidence to the consumer on the purity of our gold jewellery.

Our Company, upon incorporation, took over businesses carried on by our promoters, Mr. Amrit Jawanmalji Shah and Jawanmal Moolchand Shah as a sole proprietor of M/s Jineshwar Gold and M/s. Padmavati Jewels respectively. Our Promoters, Mr. Jawanmal Moolchand Shah and Mr. Amrit Jawanmalji Shah has around 40 years and 20 years of experience respectively in jewellery industry. Some of our major customers include Nakshatra Jewellery, P.N. Gadgil & Sons, Ranka Jewellers, N. Gadgil Jewellers Private Limited, etc.

We procure the required gold from various banks and local markets. We are located in jewellery hub of Mumbai which give us an added advantage in terms of procurement.

Our company has contributed its bit by carving designs of gold jewellery and specialist in various types of gold bangles, a brand that offers a tantalizing blend of modern and traditional jewellery. Born into family of jewellers, our Promoter and Director, Mr. Amrit Jawanmalji Shah took his legacy across India conquering new markets and adapting modern technologies for creating exquisite prices of jewellery.

We always give importance to quality parameters; we live by the quality and believe in providing quality in everything that we do. Every product manufactured by us undergoes strict quality endurance test where quality parameter is fully met. The jewellery is crafted with perfection, precision and meticulous attention to detail which makes every piece special. Right from its inception the Company has been guided by only one principle and that is we must offer the customer the best because they deserve the best.



## BUSINESS OF THE COMPANY

Our products are manufactured on job work basis from third parties located at Kolkata and Mumbai based on the of management estimation, order received from our customers, past consumption and future estimation. We get the jewellery designed from third party designers. The sample of such designed jewellery are shown to the customers and on approval of the designs, we get the approved designed products manufactured in desired quantities from the third parties. Our production is done on a purity of 22 karat and 18 karat of jewellery.

The raw material used for manufacturing of our products is gold, which we procure from bank and domestic market and the requisite raw materials are provided by us to the job workers who meet the quality standards set by our Company.

Our product includes bangles, Chain and mangalsutra. There is no written agreement in connection with these manufacturing arrangements. We follow a procurement policy aimed at de-risking the business from gold price fluctuations by sourcing gold for our business operations under the gold loan schemes from our suppliers. Under such arrangements, the price of gold purchased is not fixed on procurement, but rather within the applicable credit period, on the basis of prevailing gold rates on sale to customers, thereby minimizing any risk to us relating to gold price fluctuations between the time of our procuring the raw material and selling the finished product to our customers.

## MAIN OBJECTS OF OUR COMPANY

To take over the running business of M/s Jineshwar Gold, proprietary concern of Shri Amrit Jawanmal Shah and M/s. Padmavati Jewels, proprietary concern of Jawanmal Mulchand Jain along with all its assets and liabilities and the firm stand dissolved and to carry on the business of manufacturers, importers, exporters, buyers, sellers, dealers, distributors, wholesalers, retailers, commission agent, traders, assemblers, designers, sewers, cutters, polishers and job workers of all categories of diamonds, rough diamonds, pearls, emeralds, rubies, gems, jewelry, platinum ornaments, gold ornaments, silver utensils, cut and uncut diamonds, including industrial grades, precious stones, semi-precious stones, precious metals, stainless steel and other metals jewelry, studded jewelry ornaments, watches and such other valuable articles therefrom.

To do business and carry on the activities of manufacturing, cleaning, sawing, cutting, polishing processing, assorting and of buying, selling importing, exporting, supplying distributing, disposing and dealing as agents and retailers in cut and uncut diamonds, industrial diamonds, Board, cut and uncut precious and semi-precious stones and pearls and to act as recognized Export house and Trading house and to represent foreign companies and to provide them consultation for Indian Market.

## CHANGES IN MEMORANDUM OF ASSOCIATION

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars	Date of Meeting	Type of Meeting
1.	Split/Sub-division of 1 (One) Equity Share of the Company having a face value of Rs. 10/-(Rupees Ten only) each be sub-divided into 5 (Five) Equity shares of Face Value of Rs. 2/- (Rupee Two only) each and the Authorized Share Capital of the Company of Rs. 11,00,00,000/- (Rupees Eleven Crores) divided into 1,10,00,000 (One Crore Ten Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each would be subdivided into and shall comprise of 5,50,00,000 (Five	05.07.2021	Shareholders Meeting – Postal Ballot



Sr. No.	Particulars	Date of Meeting	Type of Meeting
	Crore Fifty Lakh) Equity Shares of Rs. 2/- each aggregating to Rs. 11,00,00,000/- (Rupees Eleven Crores).		
2.	The authorized share capital of ₹ 11,00,00,000 divided into 5,50,00,000 equity shares of ₹ 2 each was increased to ₹ 50,00,00,000 divided into 25,00,00,000 equity shares of ₹ 2 each.	29.09.2021	Shareholders Meeting

## OUR COMPETITIVE STRENGTHS

### 1. *Cordial relationship with our customers*

We believe our major customers have contributed significantly in the growth of our business. Our key customers include Nakshatra Jewellery, Chandukaka Saraf & Sons, P.N. Gadgil Jewellers Pvt. Ltd., Neelkanth Jewellers, Ranka Jewellers etc. We provide the products to our customers at their doorsteps. We have cordial relationship with our customers which have enabled us to understand and cater to diverse design requirements of such customers and to develop new design for these customers.

### 2. *Experience of our Promoters*

We believe that our experienced promoters have significantly contributed to the growth of our business operations. Our promoters, Mr. Jawanmal Moolchand Shah and Mr. Amrit Jawanmalji Shah have been in the business of jewellery for around 40 years and 20 years respectively. We believe our management team has established good reputation for our Company with our customers and has been instrumental in our growth by being able to rapidly respond to market opportunities, customer demands and competitive environment and bring innovations to our business, marketing and strategy.

### 3. *Customer Satisfaction*

We believe in making mutually beneficial relationship with our customers by providing them optimum quality jewellery pieces at highly affordable market prices. In a zest to attain maximum customer satisfaction, we assure accurate and timely delivery of these jewellery, at the customer's end.

### 4. *Quality of our products*

Our strength lies in understanding the requirement of the customer and our execution capabilities. This has enabled us to get repeat orders from our existing customers and attract new customers. We believe that the intricacies of our designs and quality of our products finish enable us to get better margins on our products.

### 5. *Wide range of product offerings targeted at a diverse set of customers*

Our products span jewellery for special occasions, such as weddings, to daily-wear jewellery, and our product portfolio also caters to a wide range of price points.

## OUR BUSINESS STRATEGIES

### *Innovation in Designing*

Our Company intends to strengthen its product development effort by creating customer/ product-range/ market specific teams, helping them focus and create innovative and acceptable designs that will help to increase the sales.

### *Continue to focus on our existing customers*

We believe that we have established ourselves in the domestic market and have developed a marketing network with major retail chains during the past few years. We intend to continue to cater to our existing customers comprising of retail chains and to capitalize on our credentials to add new customers in the domestic market.



### ***Enhancing Operating Effectiveness and Efficiency***

Our Company aims to continue to improve our operational effectiveness and efficiencies to achieve cost reductions including overheads. We believe that this can be done through continuous business process review and timely corrective measures in case of diversion and technology upgradation.

## **OUR KEY PRODUCTS**

Our product profile includes traditional, contemporary and combination designs across jewellery lines, for special occasions such as weddings and festivals to daily wear jewellery for all ages, genders and across various price points. We have a dedicated design team, focused on developing new products and designs that meet customers' requirements. We also customised jewellery for individual needs.

### **Our Product Range Includes:**

- 1. Gold Bangles**
- 2. Vertical Mala**
- 3. Mangalsutra**
- 4. Gold Chain**

### **BANGLE COLLECTION**



### **VERTICAL MALA COLLECTION**



**CHAIN**

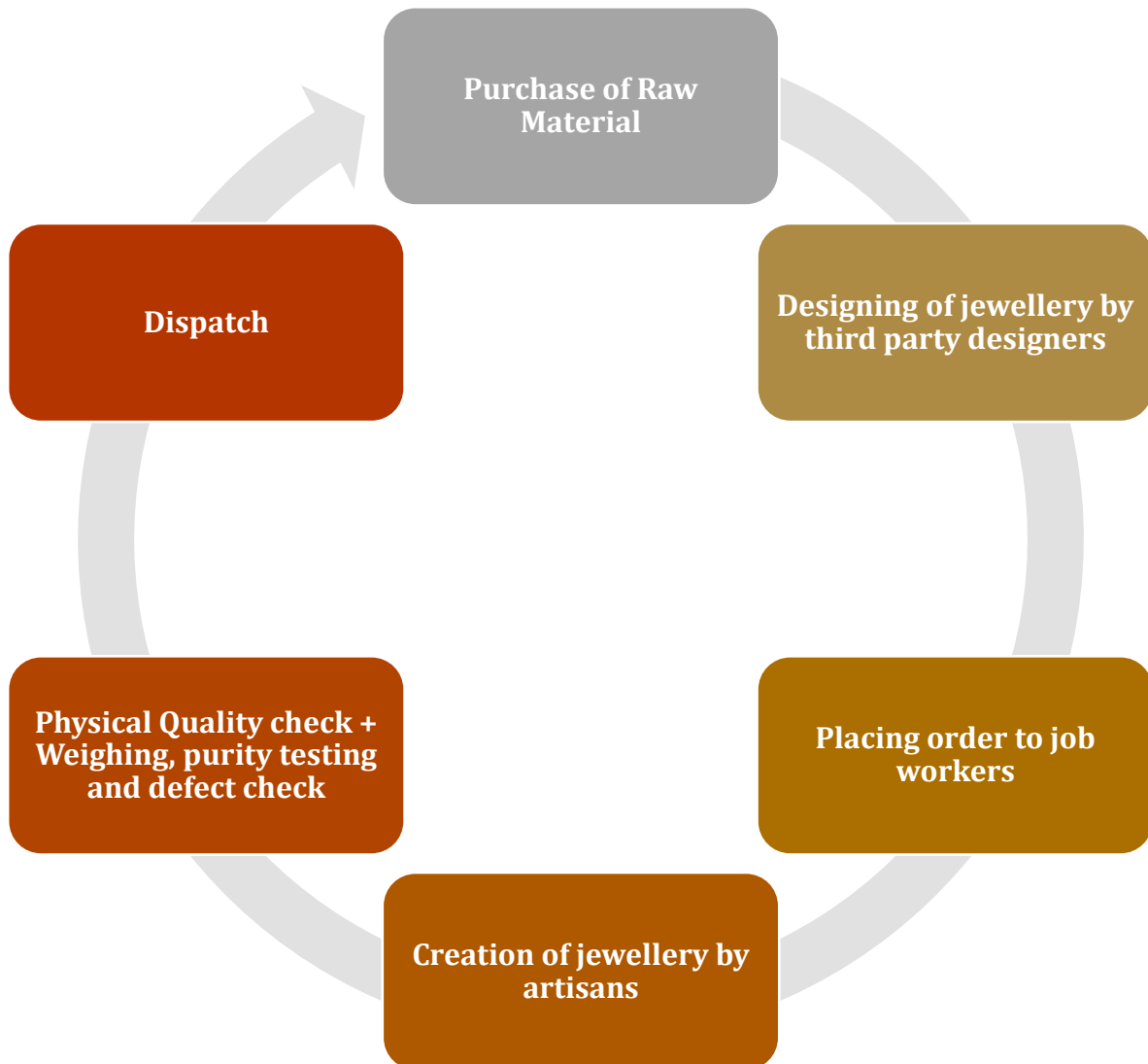


**MANGALSUTRA**

## OUR BUSINESS OPERATIONS

Our products are manufactured on job work basis from third parties located at Kolkata and Mumbai based on the basis of management estimation, order received from our customers, past consumption and future estimation. The jewellerys are designed by third party designers. The raw material used for manufacturing our products is gold, which we procure from bank and domestic market and the requisite raw materials are provided by us to the job workers who meet the quality standards set by our Company. Our product includes bangles, Chain and mangalsutra. There is no written agreements in connection with these manufacturing arrangements.

## PROCESS FLOW



- **Purchase of Raw Material:**

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



- **Designing of jewellery by third party designers:**

The designing and production of the ornaments is done based upon the customers' preference and style. Once we receive the order from the customer, we send the details to designer for creations of new design according to the market trend and demand.

- **Placing order to job workers:**

Post designing the details of designs are shared with the job workers and the order is placed accordingly.

- **Creation of jewellery by artisans:**

The raw material (gold Bar) is purchased and given to artisan for creation of gold jewellery.

- **Physical Quality check and Weighing, purity testing and defect check:**

The raw gold procured through the various routes is checked for purity. The jewellery is created by the artisan, the quality check, weight checking etc. is done for further removal of defect. If any defect is found it is returned back to the artisan.

- **Dispatch:**

After that, if the jewellery passes the QC stage, then it is dispatched to the customer along with the invoice and its order details.

## **MANUFACTURING PROCESS**

We do not carry any manufacturing operations from our own premises. We get the items produced by third party producers based on our requirements and designs, preferences of the customers.

## **RAW MATERIAL**

Our raw material comprises of gold bar. The raw materials are procured from various banks and domestic market. Generally, we procure raw materials based on the basis of management estimation based on order received, past consumption and future estimation.

## **MARKETING STRATEGY**

Our primary factors considered in marketing is creating our customer's confidence by providing them quality products as per their needs and requirement, offering reasonable pricing for our products, timely and reliable delivery of our products together with the level and quality of customer service. We maintain an ongoing relationship with our existing customers. We believe that our success lies in the strength of our relationship with our existing customers.

## **CUSTOMERS**

We believe in making mutually beneficial relationship with our customers by providing them optimum quality jewellery pieces at highly affordable market prices. In a zest to attain maximum customer satisfaction, we assure accurate and timely delivery of these jewellerys, at the customer's end.



## COMPETITION

Jewellery industry is highly competitive industry. Competition in this industry is based mainly on the quality, design, availability and pricing. We continuously take measure to reduce our procurement, production and distribution costs and improve our operational efficiencies. We face competition from both the organized and unorganized sector in the business of gold jewellery. However, we believe our true competition is with the unorganized sector.

We operate in a highly competitive market and there are large numbers of players in organized sector as well as in unorganized sector. We believe the quality of the product and the design are the important factor to face the competition.

## UTILITIES & INFRASTRUCTURE FACILITIES

### *Infrastructure Facilities*

Our registered office is located at B-405/1, B-405/2, 4th floor, 99, Mulji Jetha Bldg, Kalbadevi Road, Vitthalwadi, Kalbadevi, Mumbai, Maharashtra and is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

### *Power*

Our Company has made adequate arrangements for its power requirements. The requirement of power for our operations is met through the state electricity board.

### *Water*

Water is required only for drinking and sanitary purposes and adequate water sources are available. The requirements are fully met at the existing premises.

## CAPACITY AND UTILISATION CAPACITY OF OUR COMPANY

### **Collaborations**

We do not have any collaborations currently.

### **Insurance**

As on date of this Draft Letter of Offer, our Company purchased comprehensive insurance in order to manage the risk of losses from potentially harmful events, including. The Company will work towards taking insurance coverage to such amounts that will be sufficient to cover all normal risks associated with its operations and is in accordance with the industry standard.

Type of Policy	Insurance Provider	Policy Tenure and Expiry Date	Place of Coverage	Coverage	Sum Insured (₹ in lakhs)	Premium (₹)
Jewellers Comprehensive Protection Policy Sookshma	Bajaj Allianz General Insurance	1 year Period From:	Shop no. B/405/1 4th Floor Mulji Jetha	Stock In Premises, Custody Of The Insured And Specified Persons, Stock In Transit,	60,00,000	1,47,738



Udyam Suraksha	Company Limited	18.10.2022 to 17.10.2023	Buildi Mall Kalbadevi Road Vithalwadi, Mumbai, Maharashtra	Glitz	Standard Fire And Special Perils Cover For Building, Fixture, Fittings And Contents Excluding Stock And Stock In Trade, Burglary And Robbery Cover For Furniture, Fixture, Fittings And Contents Excluding Stock And Stock In Trade, Money In Transit
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## Human Resources

The Company's Human Resources philosophy is to establish and build a strong performance and competency driven culture with greater sense of accountability and responsibility. The Company has taken pragmatic steps for strengthening organizational competency through involvement and development of employees as well as installing effective systems for improving the productivity, equality and accountability at functional levels. With the changing and turbulent business scenario, the Company's basic focus is to upgrade the skill and knowledge level of the existing human assets to the required level by providing appropriate leadership at all levels motivating them to face the hard facts of business, inculcating the attitude for speed of action and taking responsibilities. In order to keep the employee's skill, knowledge and business facilities updated, ongoing in house and external training is provided to the employees at all levels. The effort to rationalize and streamline the workforce is a continuous process. As on this date, our Company had a workforce of 10 (Ten), which may increase further as the Company's business is in expansion.

Details	Total
Management	3
Accounts	2
Administration	1
Design	1
Other Employees	1
Sales	2
<b>Total</b>	<b>10</b>

## Competition

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



## Health Safety and Environment

We are committed to complying with applicable health, safety and environmental regulations and other requirements in our operations. To help ensure effective implementation of our safety policies and practices, at the beginning of each project we identify potential material hazards, evaluate all material risks and institute, implement and monitor appropriate risk mitigation measures. We endeavour to minimize accidents at our project sites. Our Company equips labourers with safety equipment and material that covers them from the risk of potential health hazards. Project heads are principally responsible for ensuring that safety standards are met at project sites.

## OPPORTUNITIES

- Due to changing habits of the consumers more and more consumers are shifting their traditional consumption habits to refined oil.
- Growing demand for skilled professionals in various sectors
- Partnerships with private organizations to provide skilling opportunities
- Expansion into new geographies

## THREATS

- Competition from established players in the market
- Economic slowdown and reduced government spending on skill development
- Regulatory changes impacting the industry

## OUR STRENGTHS

- Loyal and renowned customer base
- Huge market having unabsorbed demand
- Strong past record for skill development initiatives
- Experienced trainers and subject matter experts
- Presence across multiple states in India

## BUSINESS STRATEGIES

- I. Diversify the product portfolio:** To increase the revenue and customer base, we can expand our product portfolio by including more varieties of oils, agro commodities, and metals. This will also help us to mitigate the risks associated with fluctuations in the demand for a particular product.
- II. Explore new markets:** We can identify new markets for our existing products or explore new geographies to expand our business. We can leverage technology to analyze the demand for our products in various regions and identify the most lucrative markets.
- III. Optimize the supply chain:** Improving the efficiency of our supply chain can help us to reduce costs and improve the quality of our products. We can achieve this by streamlining our logistics, implementing better inventory management systems, and building strong relationships with our suppliers.
- IV. Enhance our online presence:** Building a strong online presence can help us to attract more customers and increase our brand awareness. We can invest in building a user-friendly website, create social media accounts, and launch digital marketing campaigns to target potential customers.



- V. Collaborate with government agencies:** As we are engaged in skill development projects of government, we can explore more collaboration opportunities with the government agencies to increase our reach and impact. This will also help us to access more resources and funding to scale up our projects.
- VI. Foster partnerships with local communities:** Building partnerships with local communities can help us to build goodwill and trust among our stakeholders. We can involve them in our projects, hire them for our operations, and create social impact through our CSR activities.
- VII. Focus on sustainability:** As the demand for sustainable products is increasing, we can differentiate ourselves by focusing on sustainability. We can implement eco-friendly practices in our operations, source products from sustainable sources, and educate our stakeholders about the importance of sustainability.
- VIII. Invest in technology:** Adopting new technologies can help us to improve our operations, reduce costs, and enhance the quality of our products. We can explore opportunities to implement automation, data analytics, and blockchain in our supply chain and operations.

## MARKETING AND SALES ARRANGEMENT

The company can adopt a multi-pronged approach to market its services. It can leverage digital marketing channels like social media and search engines to reach out to the target audience. The company can also participate in industry events and job fairs to showcase its services and establish partnerships with potential clients. Additionally, the company can establish partnerships with private organizations to provide skilling opportunities and reach out to the untapped market.

## DETAILS OF PROPERTIES IN WHICH COMPANY IS WORKING

Details of the Deed / Agreement	Particulars of the property	Consideration/ License Fee/Rent	Tenure	Usage
Leave and License Agreement dated of commencement: 01.12.2021 at Mumbai	Shop No: B/405/1, 4 <sup>th</sup> Floor Building, Glitz Mall Premises Co-Op. Society Ltd, Vithalwadi, Champa Galli Cross Lane, Mumbai-400002, Road: 99	Rs. 70,000 Per Month	36 Months	Non-Residential purposes for Registered Office
Leave and License Agreement dated of commencement: 01.12.2021 at Mumbai	Shop No: B/405/2, 4 <sup>th</sup> Floor Building, Glitz Mall Premises Co-Op. Society Ltd, Vithalwadi, Champa Galli Cross Lane Mumbai-400002,	Rs. 70,000 Per Month	36 Months	Non-Residential purposes for Registered Office

## Intellectual Property

As on the date of this Draft Letter of offer, our company does not hold any intellectual property.



## OUR MANAGEMENT

### BOARD OF DIRECTORS

Our Articles of Association provide that our Board shall consist of minimum 3 (Three) Directors and not more than 15 (Fifteen) Directors, unless otherwise determined by our Company in a General Meeting. As on date of this Draft Letter of Offer, our Company currently has 6 (Six) directors on its Board. The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act and SEBI (LODR) Regulations.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Letter of Offer:

Name, Designation, Address, Occupation, Term, Nationality, Date of Birth and DIN	Age	Other Directorships
<b>MR. AMRIT JAWANMALJI SHAH</b> <b>Designation:</b> Managing Director <b>DIN:</b> 05301251 <b>Date of Birth:</b> 22.09.1972 <b>Occupation :</b> Business <b>Address:</b> 505, Kamal Darshan Tower, Chvda Gally, Lalbaug, Mumbai – 400 012, Maharashtra, India <b>Nationality:</b> Indian <b>Original Date of Appointment:</b> 19.07.2012 <b>Term:</b> From 31.08.2023 to 30.08.2028	51	• NIL
<b>MR. JAWANMAL MOOLCHAND SHAH</b> <b>Designation:</b> Whole-Time Director <b>DIN:</b> 05301300 <b>Date of Birth:</b> 15.06.1943 <b>Occupation :</b> Business <b>Address:</b> 505, Kamal Darshan Tower, Chvda Gally, Lalbaug, Mumbai – 400 012, Maharashtra, India <b>Nationality:</b> Indian <b>Original Date of Appointment:</b> 19.07.2012 <b>Term:</b> From 31.08.2023 to 30.08.2028	80	• NIL
<b>MS. SANGEETA AMRITLAL SHAH</b> <b>Designation:</b> Non – Executive Director <b>DIN:</b> 05301330 <b>Date of Birth:</b> 27.04.1973 <b>Occupation :</b> Business <b>Address:</b> 505, Kamal Darshan Tower, Chvda Gally, Lalbaug, Mumbai – 400 012, Maharashtra, India <b>Nationality:</b> Indian <b>Original Date of Appointment:</b> 19.07.2012 <b>Term:</b> Retire by rotation	50	• NIL
<b>MS. NIRALI DISHANT SHAH</b> <b>Designation:</b> Non-Executive Independent Director <b>DIN:</b> 07666165 <b>Date of Birth:</b> 26.02.1992 <b>Occupation :</b> Business <b>Address:</b> B -201, Dilbahar Chs, East Cross Lane, Near Hi- Life Mall, Santacruz (West) Mumbai - 400 054, Maharashtra, India	31	• NIL





Name, Designation, Address, Occupation, Term, Nationality, Date of Birth and DIN	Age	Other Directorships
<b>Nationality:</b> Indian <b>Original Date of Appointment:</b> 29.09.2018 <b>Term:</b> From 31.08.2023 to 30.08.2028		
<b>MS. MITWA NAYAN SHAH</b> <b>Designation:</b> Non-Executive Independent Director <b>DIN:</b> 08869161 <b>Date of Birth:</b> 04.03.1996 <b>Occupation :</b> Service <b>Address:</b> 561/17, Shankar Chs, Sector- 5, Charkop, Kandivali (West) Mumbai – 400 067, Maharashtra, India <b>Nationality:</b> Indian <b>Original Date of Appointment:</b> 10.09.2020 <b>Term:</b> From 10.09.2020 to 09.09.2025	27	• NIL
<b>MR. HARDIK PRAVINBHAI MAKWANA</b> <b>Designation:</b> Non-Executive Independent Director <b>DIN:</b> 09103236 <b>Date of Birth:</b> 25.09.1995 <b>Occupation :</b> Service <b>Address:</b> Room No 4, Subhadra Ganpat Shinde Chawl, Ambawadi, Dahisar (East), Mumbai – 400 068, Maharashtra, India <b>Nationality:</b> Indian <b>Original Date of Appointment:</b> 16.03.2021 <b>Term:</b> From 16.03.2021 to 15.03.2026	28	• GAJAKARNA TRADING PRIVATE LIMITED • V R FILMS & STUDIOS LIMITED

## BRIEF DETAILS OF OUR DIRECTORS

### 1. MR. AMRIT JAWANMALJI SHAH

Mr. Amrit J. Shah aged 51 years, is the Promoter and Managing Director of our Company. He holds a degree in Bachelors of Commerce from the University of Mumbai. He has more than 20 years of experience in the business of gold and gold ornaments. He is entrusted with the responsibility of looking after the overall management and operations, planning and implementation of the strategies of our Company. He has been on the board of our Company since its inception and has been re-appointed as a Managing Director since July 19, 2012.

### 2. MR. JAWANMAL MOOLCHAND SHAH

Mr. Jawanmal M. Shah aged 80 years, is the Promoter and Whole-Time Director of our Company. He has completed his Bachelor of Commerce from the University of Mumbai. He has more than 30 years of experience in the business of gold and gold ornaments. He has been on the board of our Company since inception and has been designated as Whole-Time Director w.e.f. July 19, 2012.

### 3. MS. SANGEETA AMRITLAL SHAH

Ms. Sangeeta Amritlal Shah aged 50 years, is the Non-Executive Director of our Company. She holds a Bachelor's degree in Commerce from the University of Mumbai. She has been on the board of our Company since inception and has been appointed as Non-Executive Director w.e.f. July 19, 2012.

### 4. NIRALI DISHANT SHAH

Ms. Nirali Dishant Shah aged 31 years, is a Non-Executive Independent Director of our Company. She holds a degree of Bachelor in Commerce from Mumbai University. She is an Associate Member of the Institute of



Companies Secretaries of India (ICSI). She has professional experience of around 8 years in the field of Legal, Secretarial compliances and business laws. She has been on the board of our Company since August 21, 2018.

#### **5. MITWA NAYAN SHAH**

Ms. Mitwa Nayan Shah aged 27 years, is a Non-Executive Independent Director of our Company. She holds a Bachelor's Degree in Commerce from University of Mumbai. She has professional experience of around 2 years in the field of Legal, Secretarial compliances, business laws and also has experience of more than 2 years in the field of Business Operation. She has been on the board of our Company since September 10, 2020.

#### **6. HARDIK PRAVINBHAI MAKWANA**

Mr. Hardik Pravinbhai Makwana aged 27 years is a Non-Executive Independent Director of our Company. He holds a Bachelor's Degree in Commerce from University of Mumbai. He has professional experience of around 1 years in the field of Accounts, Finance and Taxation and also has experience of more than 2 years in the field of Legal, Secretarial compliances, business laws. He has been on the board of our Company since March 16, 2021.

#### **Confirmations**

- 1) Neither Company nor our Directors are declared as fugitive economic offenders as defined in Regulation 2(1) (p) of the SEBI ICDR Regulations and have not been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- 2) None of the Directors of our Company have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Draft Letter of Offer, during the term of his/ her directorship in such company.
- 3) None of our Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.
- 4) None of our Directors have been debarred from accessing capital markets by the Securities and Exchange Board of India. Additionally, none of our Directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.
- 5) None of our Directors have been identified as a wilful defaulter or fraudulent borrower, as defined in the SEBI Regulations and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation are pending against them.
- 6) Our Company has not entered into any service contracts with our Directors, which provide for benefits upon termination of their directorship.
- 7) There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors were selected as a Director.

#### **RELATIONSHIP BETWEEN DIRECTORS**

None of the Directors are related to each other as per the provisions of the Companies Act, 2013 except Mr. Amrit Jawanmalji Shah is the son of Mr. Jawanmal Moolchand Shah and Mrs. Sangeeta Amritlal Shah is a wife of Mr. Amrit Shah.



## PAST DIRECTORSHIPS IN SUSPENDED COMPANIES

None of our Directors are, or were a director of any listed company, whose shares have been, or were suspended from being traded on any of the stock exchanges during the term of their directorships in such companies during the last 5 (Five) years preceding the date of this Draft Letter of Offer.

## PAST DIRECTORSHIPS IN DELISTED COMPANIES

None of our directors are or were 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 during the last 10 (Ten) years preceding the date of this Draft Letter of Offer.

## SENIOR MANAGEMENT AND KEY MANAGERIAL PERSONNEL

Set forth below are the details of our senior management and key managerial personnel: -

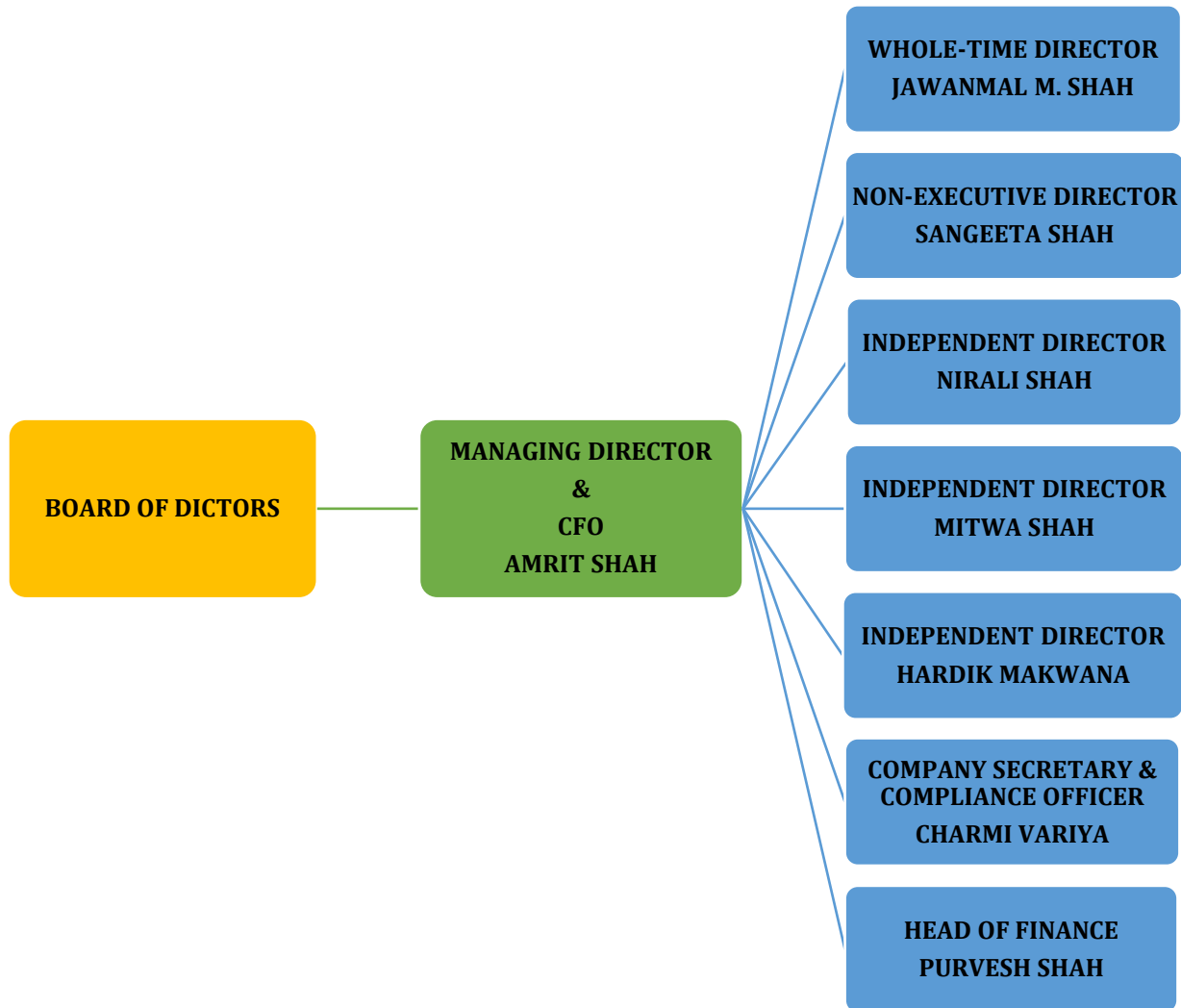
<b>Name</b>	<b>Designation</b>	<b>Associated with Company since</b>
Mr. Amrit Jawanmalji Shah	Managing Director	Since Incorporation
Mr. Jawanmal Moolchand Shah	Whole Time Director	Since Incorporation

<b>Name</b>	<b>Designation</b>	<b>Associated with Company since</b>
Mr. Amrit Jawanmalji Shah	Chief Financial Officer	December 23, 2022
Ms. Charmy Harish Variya	Company Secretary & Compliance Officer	August 01, 2017



## MANAGEMENT ORGANIZATIONAL STRUCTURE



## COMMITTEES OF OUR BOARD

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting.

We have a Board constituted the Board Committees in compliance with the Companies Act. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

1. Audit Committee
2. Nomination Remuneration Committee
3. Stakeholders Relationship Committee

Details of each of these committees are as follows:

### 1. Audit Committee

The Company has constituted a qualified and independent Audit Committee comprising of 2/3 members as independent directors in accordance with Regulation 18 of the Securities and Exchange Board of India



(Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

The Committee is empowered with the role and powers as prescribed under Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

The Committee also acts in terms of reference and directions of the Board from time to time. The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company. The CFO, Internal Auditors and Statutory Auditors are also invited to the meetings, as required, to brief the Committee wherever required. The Company Secretary acts as the secretary of the Committee.

<b>Name</b>	<b>Designation</b>	<b>Position in Committee</b>
Ms. Mitwa Nayan Shah	Independent Director	Chairman
Ms. Nirali Haresh Shah	Independent Director	Member
Mr. Amrit Jawanmal Shah	Managing Director	Member

The Role of Audit Committee, together with its powers, are as follows:

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - 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;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;(g)modified opinion(s) in the draft audit report;
- Reviewing with the management, the quarterly financial statements before submission to the board for approval;
- 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 utilised for purposes other than those stated in the offer document/prospectus / notice and the report submitted by the monitoring agency monitoring the utilization proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties; Scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and Internal Auditors, adequacy of the internal control systems;



- 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;
- Discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference.

## 2. Nomination Remuneration Committee

The Committee is empowered with the role and powers as prescribed under Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 178 of the Companies Act, 2013 and in the Nomination & Remuneration Policy of the Company.

The Committee also acts in terms of reference and directions of the Board from time to time.

The Nomination and Remuneration Committee reviews the profiles & experience, performance appraisals and recommends, the remuneration package payable to Executive Director(s), Key Managerial Personnel and other senior executives in the top-level management of the Company and others of their appointment to and acts in terms of reference of the Board from time to time.

Name	Designation	Position in Committee
Ms. Nirali Haresh Shah	Independent Director	Chairperson
Ms. Mitwa Shah	Independent Director	Member
Mrs. Sangeeta Amritlal Shah	Non-Executive Director	Member

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- 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 of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- To recommend to the Board all remuneration, in whatever form, payable to senior management.



### 3. Stakeholders Relationship Committee

The Stakeholders' Relationship Committee is constituted in accordance with the provisions of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

Name	Designation	Position in Committee
Mrs. Sangeeta Amritlal Shah	Non-Executive Director	Chairperson
Mr. Amrit J Shah	Managing Director	Member
Ms. Mitwa Nayan Shah	Independent Director	Member

The necessary quorum was present at all the meetings.

The Stakeholders' Relationship Committee is empowered to oversee the redressal of investors' complaints pertaining to share transfer, non-receipt of annual reports, dividend payments, issue of duplicate share certificate, transmission of shares and other miscellaneous complaints. In accordance with Regulation 6 of the SEBI (LODR) Regulations, 2015, the Board has authorized the Company's Registrar and Transfer Agent (RTA) Bigshare Services Private Limited to approve the share transfers/ transmissions and to comply with other formalities in relation thereto in coordination with the Compliance Officer of the Company.

### OUR KEY MANAGERIAL PERSONNEL

Below are the Details of our other Key Managerial Personnel as on date of filing of this Draft Letter of Offer:

#### 1. Mr. Amrit Jawanmalji Shah (Chief Financial Officer)

Mr. Amrit J. Shah aged 51 years, is the Promoter, Chairman and Managing Director of our Company. He holds a degree in Bachelors of Commerce from the University of Mumbai. He has more than 20 years of experience in the business of gold and gold ornaments. He is entrusted with the responsibility of looking after the overall management and operations, planning and implementation of the strategies of our Company. He has been on the board of our Company since its inception and has been re-appointed as a Managing Director since July 19, 2012.

#### 2. Ms. Charmy Harish Variya (Company Secretary and Compliance Officer)

Ms. Charmy Varia, aged 32 years is a dynamic professional. She is the Company Secretary of our Company. She obtained bachelor degree of commerce from Mumbai University and Profession as Company Secretary. She has experience of Legal and Secretarial Compliances. She is having more than 3 years of experience in Legal, Secretarial Compliances and Business Laws activities. As a Company Secretary of our Company with corporate acumen she brings value addition to our Company She has been on the Board of our Company Since August, 2017.

### Status of Employment of our Key Managerial Personnel

All our Key Managerial Personnel are permanent employees of our Company.

### Nature of any family relationship between any of the Key Managerial Personnel

None of the aforementioned KMP's are related to each other

### Retirement and Termination Benefits

Other than the statutory benefits that the Key Managerial Personnel are entitled to, upon their retirement, the Key Managerial Personnel of our Company have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.



### **Bonus or Profit Sharing Plan for our Key Managerial Personnel**

As on the date of this Letter of offer our Company does not have any performance linked bonus or profit sharing plan with any of our key managerial personnel.

### **Employees Stock Option Scheme**

Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Scheme as on the date of filing of this Draft Letter of offer.

### **DIVIDEND POLICY**

The declaration and payment of dividends 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 applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited, net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities.

In last 3 financial years, our Company has declared Interim Dividend of Rs 0.10/- Per Share to the shareholders of the Company for the Financial Year ended March 31, 2021-22.





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## SECTION VII – FINANCIAL INFORMATION

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### RESTATED FINANCIAL STATEMENTS

<b>Particulars</b>	<b>Page No.</b>
Unaudited Consolidated Financial Results along with Limited Review Report Results for the six months period ended September 30, 2023	99
Restated Financial Statements as at Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021	104
Statement of Accounting Ratios	139
Statement of Capitalization	140



CA. Shantilal Jain  
B. Com. F.C.A.

**S. D. JAIN & CO**  
**CHARTERED ACCOUNTANTS**

320, Hammersmith Ind. Premises Co-op. Soc. Ltd., Naryan Pathare Marg, Off Sitladevi Temple Road, Mahim (West),  
Mumbai - 400 016 Tel.: 9322242663

**Independent Auditor's Review Report on Quarter and Half Year end Unaudited Financial Results of Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

**To the Board of Directors of  
MOKSH ORNAMENTS LIMITED**

We have reviewed the accompanying statement of unaudited financial results of M/s. **MOKSH ORNAMENTS LIMITED** ("The Company") for the quarter and Half year ended 30<sup>th</sup> September 2023. This statement is the responsibility of the company's management and has been approved by the board of directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review of the Statement in accordance with the Standards on Review Engagement (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the entity' issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free from material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly we do not express an audit opinion.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian accounting standards specified under section 133 of the Companies Act, 2013, read with relevant rules issued there under and other recognized accounting principles



Email : shantilal@ngjain.com

- 2 -

and policies has not disclosed the information required to be disclosed in terms of the regulation 33 of the SEBI (Listing Obligations and disclosure requirements) regulations, 2015 including the manner in which it is to be disclosed or that it contains any material requirements.

**For M/s S D JAIN AND CO.  
Chartered Accountants**



**Shantilal Jain  
Proprietor  
Membership No.:110218  
FRN: 121521W**

**Place: Mumbai  
Date: 27/10/2023  
UDIN No: 23110218BGWUYZ2619**

**MOKSH ORNAMENTS LIMITED**  
Standalone Statement of Assets & Liabilities

Rs in Lakhs

Particulars	30.9.2023	31.03.2023
	Un Audited	Audited
<b>ASSETS</b>		
<b>Non Current Assets</b>		
<b>Fixed Assets</b>		
Property Plant and Equipment	21.19	29.41
Capital work-in-progress	-	-
Investment property	-	-
Goodwill	-	-
Other Intangible Asset	0.02	0.02
<b>Financial Asstes</b>		
Investments	4.99	4.99
Deferred Tax Asset	1.52	1.62
<b>Other financial assets</b>	-	-
Other non-current assets	5.21	3.55
<b>Total Non Current Asset</b>	<b>32.93</b>	<b>39.60</b>
<b>CURRENT ASSETS</b>		
Inventories	4,384.62	4,362.99
<b>Financial assets</b>	-	-
Investments	-	-
Trade receivables	5,663.88	2,901.33
<b>Cash and cash equivalents</b>	48.60	310.49
<b>Bank balances other than cash and cash equivalent</b>	871.03	212.01
Loans and Advances	-	-
Other financial assets	-	-
<b>Current tax assets (net)</b>	-	-
Other Current Assets	112.50	123.42
<b>Total Current Asset</b>	<b>11,080.63</b>	<b>7,910.23</b>
<b>TOTAL ASSETS</b>	<b>11,113.57</b>	<b>7,949.83</b>
<b>EQUITIES &amp; LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	1,073.20	1,073.20
Other equity	4,360.18	4,026.53
<b>Total equity</b>	<b>5,433.38</b>	<b>5,099.73</b>
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	227.72	289.18
Lease Liabilities	-	-
Trade Payables	-	-
<b>Other financial liabilities</b>	-	-
Provisions	86.53	59.82
Deferred Tax Liabilities	-	-
Other non-current liabilities	-	-
<b>Total non-current liabilities</b>	<b>314.25</b>	<b>349.01</b>
<b>Current Liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	4,957.13	2,466.15
Lease Liabilities	12.09	19.66
Trade payables	353.18	2.86
<b>Other financial liabilities</b>	-	-
Other current liabilities	36.68	3.37
Provisions	-	-
<b>Current tax liabilities (net)</b>	6.86	9.06
<b>Total current liabilities</b>	<b>5,365.94</b>	<b>2,501.10</b>
<b>Total liabilities</b>	<b>5,680.19</b>	<b>2,850.11</b>
<b>Total equity and liabilities</b>	<b>11,113.57</b>	<b>7,949.83</b>

For and on behalf of the Board of Director  
of Moksh Ornaments Limited

**For MOKSH ORNAMENTS LTD.**

Amrit J Shah  
Managing Director  
DIN: 05301300  
**Director / Authorised Signatory**

Date : 27/10/2023  
Place : Mumbai

**For MOKSH ORNAMENTS LTD.**

**Director / Authorised Signatory**

Jawanmal Shah  
WholeTime Director  
DIN : 05301300



**S. D. Jain & Co.**  
Chartered Accountants

M. No. 110218  
PROPRIETOR

**MOKSH ORNAMENTS LIMITED**

**Cash Flow Statement**

Rs in Lakhs

Particular	30th September 2023	31st March 2023
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit ( Loss ) after tax and extraordinary items	- 333.65	- 613.46
Adjustment for :		
Depreciation	8.22	15.15
Interest expense	176.17	219.84
Deffered Tax	0.05	(0.14)
Miscellaneous expenses written off	-	234.86
Operating profit before working capital changes	-	518.10
Adjustment for :		
Trade & other receivables	(2,753.24)	-
Inventories	(21.64)	(2,840.99)
Trade & Other payables	400.56	(0.55)
<b>Cash Generated from Operations</b>	-	(1,856.22)
Interest & Financial Chgs paid	(176.17)	-
Direct taxes paid	-	(176.17)
Cash flow before extraordinary items	(2,032.39)	(2,127.34)
Extraordinary items	-	-
<b>A) Net cash from / (utilised in) operating activities</b>	(2,032.39)	(2,127.34)
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets (incl. adv.)	-	-
Sale of fixed assets	-	-
Other Investments	-	-
Deposits	-	-
<b>B) Net cash from / (utilised in) investing activities</b>	-	-
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid	-	-
Proceeds from Issue of Share Capital	-	-
Proceeds from Long Term borrowings	(61.46)	(73.86)
Proceeds from Short Term borrowings	2,490.98	2,450.99
<b>C) Net cash from / (utilised in) financing activities</b>	2,429.52	2,377.13
<b>Net increase in cash &amp; cash equivalents (A+B+C)</b>	397.13	249.79
Cash & cash equivalents at Beginning of Period (Opening Balance)	522.50	272.71
Cash & cash equivalents as at End of Period (Closing Balance)	919.63	522.50

**S. D. Jain & Co.**  
Chartered Accountants  
MUMBAI  
M. No. 110218  
PROPRIETOR  
Date : 27th October 2023  
Place: Mumbai

For and on behalf of the Board of Director  
of Moksh Ornaments Limited **For MOKSH ORNAMENTS LTD.**  
**For MOKSH ORNAMENTS LTD.**  
Director / Authorised Signatory  
Managing Director  
DIN: 05301251  
Director / Authorised Signatory  
Jawanmal Shah  
WholeTime Director  
DIN : 05301300



**MOKSH ORNAMENTS LIMITED**  
 CIN : L36996MH2012PLC233562  
 Address : B-405/1, B-405/2, 4th floor, 99,Mulji Jetha Bldg, Kalbadevi Road, Vitthalwadi, Kalbadevi, Mumbai -400002  
 Statement of Standalone UnAudited Financial Results for the Quarter/Half Year ended 30th September 2023

Rs in Lakhs

Particulars	Quarter Ended			Six Month		Year Ended
	30/09/2023	30/06/2023	30/09/2022	30/09/2023	30/09/2022	31/03/2023
	UnAudited	UnAudited	Un Audited	Un Audited	Un Audited	Audited
<b>1. Income from Operations</b>						
(a) Revenue from Operations	12657.93	13209.89	10713.27	25,867.82	21,557.27	44,659.20
(b) Other Income	42.74	13.80	9.67	56.55	18.36	61.25
<b>Total income from operations(net)</b>	<b>12,700.68</b>	<b>13,223.70</b>	<b>10,722.94</b>	<b>25,924.37</b>	<b>21,575.63</b>	<b>44,720.45</b>
<b>2. Expenses</b>						
(a) Cost of material consumed						
(b) Purchases of stock-in-trade	12555.32	12609.42	12904.32	25,164.74	23,378.96	45,751.99
(c) Changes in inventories of finished goods, work in progress and stock-in-trade	-292.43	270.79	-2484.13	(21.64)	(2,420.37)	(2,840.99)
(d) Employee benefits expense	49.71	48.38	49.84	98.10	98.36	200.96
(e) Finance Cost	110.67	65.50	40.87	176.17	80.87	219.82
(f) Depreciation and amortisation expense	4.11	4.11	4.37	8.22	6.41	15.15
(g) Other expenses	31.77	21.12	28.57	52.89	76.34	525.16
(h) Disclosed each and every item that is being included in other expenses and is more than 10% of the Total Expense)						
<b>Total expenses</b>	<b>12,459.16</b>	<b>13,019.32</b>	<b>10,543.84</b>	<b>25,478.48</b>	<b>21,220.57</b>	<b>43,872.09</b>
<b>3. Profit From operations before exceptional and Extra Ordinary Items and Tax (1-2)</b>	<b>241.52</b>	<b>204.37</b>	<b>179.11</b>	<b>445.89</b>	<b>355.06</b>	<b>848.34</b>
<b>4. Exceptional Items</b>						
<b>5. Profit From operations before Extra Ordinary Items &amp; Tax (3-4)</b>	<b>241.52</b>	<b>204.37</b>	<b>179.11</b>	<b>445.89</b>	<b>355.06</b>	<b>848.34</b>
<b>6. Extraordinary Items</b>						
<b>7. Profit From operations before Tax (5-6)</b>	<b>241.52</b>	<b>204.37</b>	<b>179.11</b>	<b>445.89</b>	<b>355.06</b>	<b>848.34</b>
<b>8. Tax expense</b>						
(a) Current Tax	60.73	51.40	45.11	112.13	89.48	235.04
(b) Less : MAT Credit						
(c) Current Tax Expense relating to Prior Years						
(d) Deferred Tax	0.05	0.05	-0.04	0.10	(0.12)	(0.14)
<b>9. Profit/(Loss) for the period from Continuing Operation (7-8)</b>	<b>180.74</b>	<b>152.92</b>	<b>134.03</b>	<b>333.65</b>	<b>265.70</b>	<b>613.43</b>
<b>10. Profit (Loss) from Discontinuing Operations before Tax</b>						
<b>11. Tax Expense of discontinuing Operations</b>						
<b>12. Profit (Loss) from Discontinuing Operations after tax (10-11)</b>						
<b>13. Profit (Loss) for the Period before minority Interest (9+12)</b>	<b>180.74</b>	<b>152.92</b>	<b>134.03</b>	<b>333.65</b>	<b>265.70</b>	<b>613.43</b>
<b>14. Share of Profit (Loss) of Associates</b>						
<b>15. Profit (Loss) of Minority Interest</b>						
<b>16. Profit (Loss) for the Period</b>	<b>180.74</b>	<b>152.92</b>	<b>134.03</b>	<b>333.65</b>	<b>265.70</b>	<b>613.43</b>
<b>17. Paid-up equity share capital (face value of share 2/-each)</b>	<b>1,073.20</b>	<b>1,073.20</b>	<b>1,073.20</b>	<b>1,073.20</b>	<b>1,073.20</b>	<b>1,073.20</b>
<b>18. Details of Debt Securities</b>						
<b>Reserves excluding revaluation reserve</b>						
<b>19. Earnings per shares -</b>						
(a) Basic EPS from continuing and discontinued operations	0.34	0.28	0.25	0.62	0.50	1.14
(b) Diluted from continuing and discontinued operations	0.34	0.28	0.25	0.62	0.50	1.14

**NOTES TO FINANCIAL RESULTS :-**

- The UnAudited results for the Quarter and Half Year ended 30th September, 2023 were reviewed and recommended by the Audit Committee and approved by the Board of Directors in its meeting held on 27th October 2023
- The above result have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS), prescribed under section 133 of the Companies Act, 2013, and other recognized accounting practices and policies to the extent applicable.
- The previous periods figures have been reclassified / regrouped wherever required to conform with current periods presentation.
- However, in view of the evolving nature of the Financial Reporting requirements and modifications to the existing standards, the financial results for both the current and previous periods may undergo changes in line with such regulatory / legislative changes.
- The entire operations of the company relate to one segment only. Hence Segment reporting as per Ind AS 108 is not applicable
- Figures of previous year / period have been re grouped/recast wherever necessary in order to make them comparable

For Moksh Ornaments Limited  
**For MOKSH ORNAMENTS LTD.**  
  
 Amrit J Shah  
 Managing Director / Authorised Signatory  
 Din : 05301251

**For MOKSH ORNAMENTS LTD.**  
  
 Director / Authorised Signatory  
 Jawanmal Shah  
 Wholtime Director  
 Din : 05301300

Date : 27th October 2023  
 Place: Mumbai





CA. Shantilal Jain  
B. Com. F.C.A.

**S. D. JAIN & CO**  
CHARTERED ACCOUNTANTS

320, Hammersmith Ind. Premises Co-op. Soc. Ltd., Naryan Pathare Marg, Off Sitladevi Temple Road, Mahim (West),  
Mumbai - 400 016 Tel.: 9322242663

**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED  
FINANCIAL INFORMATION**

To,  
The Board of Directors,  
Moksh Ornaments Limited  
B-405/1, B-405/2, 4th floor, 99, Mulji Jetha Bldg, Kalbadevi  
Road, Vitthalwadi, Kalbadevi., Mumbai City, Mumbai,  
Maharashtra, India, 400002

Dear Sir,

Reference: Proposed Right Issue of Equity Shares of Moksh Ornaments Limited

We have examined the attached Restated Financial Statement of Moksh Ornaments Limited (hereunder referred to "the Company", "Issuer") comprising the Restated Statement of Assets and Liabilities as at March 31, 2023; March 31, 2022; and March 31, 2021; the Restated Statement of Profit & Loss, the Restated Statement of Changes in Equity for the period ended March 31, 2023; March 31, 2022; and March 31, 2021; the Restated Cash Flow Statement for the year ended March 31, 2023; March 31, 2022 and March 31, 2021; the statement of Significant Accounting Policies and other explanatory Information enclosed as 'Annexure I to IV' (Collectively the Restated Financial Statement ) as approved by the Board of Directors in their meeting held on (board meeting date) for the purpose of inclusion in the Draft Letter of Offer and the Letter of Offer (collectively, the "Offer Documents") in connection with its proposed Right Issue of equity shares, prepared by the Company in connection with its Right Issue of Equity Shares prepared in terms of the requirement of:-

- Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the "Act");
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 as amended ("ICDR Regulations"); and
- The Guidance Note on Reports in Company Prospectuses (as amended) issued by the Institute of Chartered Accountants of India as amended from time to time. ("The Guidance Note")

The Management of the Company is responsible for the preparation of the Restated Financial Statement for the purpose of inclusion in the offer document to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, Mumbai in connection with the proposed of Right Issue. The Restated Financial Statements have been prepared by the management of the Company for the year ended on March 31, 2023; March 31, 2022; and March 31, 2021 on the basis of notes to restatement in 'Annexure I to IV' to the Restated Financial Statement. The Board of Directors Of the company's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statement.

We have examined such Restated Financial Statement taking into consideration:

- The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter with the proposed Right Issue of equity shares of the Company;



Email : shantilal@ngjain.com

- 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 Statements; 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 ICDR Regulations and the Guidance Note in connection with the Right Issue.

This Restated Financial Statements have been compiled by the management from:

- a) Audited financial statements of the company as at and for the year ended on March 31, 2023; March 31, 2022; and March 31, 2021 prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.
- b) Audit of the Financial Statement of the Company for the year ended March 31, 2023 and March 31, 2022 have been prepared by the Company in accordance with the Indian Accounting Standards and as approved by board of the Company and Audited by M/S SD JAIN & Co. vide the Audit Report dated 21<sup>st</sup> April, 2023 and 20<sup>th</sup> May, 2022 respectively.
- c) Audit of the Financial Statement of the Company for the year ended March 31, 2021 have been prepared by the Company in accordance with the generally accepted accounting policies M/S SD JAIN & Co. vide the Audit Report dated 06<sup>th</sup> August, 2021. However, Special Purpose Ind-AS have been considered to prepare the restated financial statement as the company had adopted Ind-AS in the financial year 2021-22.

Based on our examination and according to the information and explanation given to us, we report that the Restated Financial Statement

- a) Have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
- b) Do not contain any modification which requires adjustment.
- c) In accordance with the requirements of Part I of Chapter III of Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter.

We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for Financial year ended March 31, 2023, March 31, 2022, and March 31, 2021 proposed to be included in the Offer Document for the proposed of Right Issue.





Particulars	Annexure No.
Restated Balance Sheet	Annexure I
Restated Statement of Profit & Loss	Annexure II
Restated Cash Flow Statements	Annexure III
Restated Significant Accounting Policies and Explanatory notes on Financial Statements	Annexure IV
Restated Statement of Property, Plant and Equipment and Intangible Assets	Annexure V
Restated Statement of Non-Current Investment	Annexure VI
Restated Statement of Other Non-Current Financial Assets	Annexure VII
Restated Statement of Deferred Tax Assets/Liability	Annexure VIII
Restated Statement of Inventories	Annexure IX
Restated Statement of Trade Receivables	Annexure X
Restated Statement of Cash & Cash Equivalents	Annexure XI
Restated Statement of Other Financial Assets	Annexure XII
Restated Statement of Other Current Assets	Annexure XIII
Restated Statement of Share Capital	Annexure XIV
Restated Statement of Other Equity	Annexure XV
Restated Statement of Long-Term Borrowings	Annexure XVI
Restated Statement of Current Borrowings	Annexure XVII
Restated Statement of Trade Payables	Annexure XVIII
Restated Statement of Lease Liability	Annexure XIX
Restated Statement of Other Current Liabilities	Annexure XX
Restated Statement of Current Tax Liabilities	Annexure XXI
Restated Statement of Revenue from Operations	Annexure XXII
Restated Statement of Other Income	Annexure XXIII
Restated Statement of Cost of Material Consumed	Annexure XXIV
Restated Statement of Changes in inventories of finished goods, stock -in-trade and work-in-Progress	Annexure XXV
Restated Statement of Employee benefits expenses	Annexure XXVI
Restated Statement of Finance costs	Annexure XXVII
Restated Statement of Depreciation and amortization expenses	Annexure XXVIII
Restated Statement of Other Expenses	Annexure XXIX
Restated Statement of Tax expense	Annexure XXX
Restated Statement of Earnings Per Equity Share	Annexure XXXI
Restated Statement of Statement of Changes in Equity	Annexure XXXIV
Restated Statement of Related Party Disclosures	Annexure XXXVII
Restated Statement of Adjustments to Audited Financial Statements	Annexure XXXVIII
Restated Statement of Statement of Capitalization	Annexure XXXIX
Restated Statement of Other Financial Information	Annexure XXXX
Restated Statement of Tax Shelter	Annexure XXXXI
Restated Statement of Accounting Ratios	Annexure XXXXII



## Opinion

In our opinion and to the best of information and explanation provided to us, the Restated Financial Statement of the Company, read with significant accounting policies and notes to accounts are prepared after providing appropriate adjustments and regroupings as considered appropriate.

We, M/S S D JAIN & Co., 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.

The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be constructed as a new opinion on any of the financial statements referred to therein.

We have no responsibility to update our report for events and circumstance occurring after the date of the report.

In our opinion, the above Financial Statements along with Note 1 to 39 of this report read with the respective Significant Accounting Policies and Notes to Accounts are prepared after regrouping as considered appropriate and have been prepared in accordance with the Companies Act, ICDR Regulations, Engagement Letter and Guidance Note.

## Restriction on Use

Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the Proposed Right issue of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

For S D JAIN & CO  
Chartered Accountants  
FRN: 121521W  
Sd/-



Shantilal D Jain  
Proprietor  
Membership number: 110218  
Mumbai  
Date: 09/02/2024  
UDIN No: 24110218BKDAPP5911

**Moksh Ornaments Limited**  
CIN: L36996MH2012PLC233562  
Restated Financial Statements

Annexure- I

Part-I: Balance sheet

(Rs in Lacs, unless otherwise stated)

PARTICULARS	NOTE	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
a Property, Plant & Equipment	1	29.41	44.56	20.41
b Other Intangible Assets		0.02	0.02	0.03
c Financial Assets				-
(i) Investments	2	4.99	4.99	4.99
(ii) Other Financial Assets	3	3.55	5.93	7.58
d Deferred Tax Asset (Net)	4 (a)	1.63	1.48	-
<b>Current Assets</b>				
a Inventories	5	4,362.99	1,521.99	2,355.59
b Financial Assets				
i) Investments		-	-	-
ii) Trade Receivables	6	2,901.33	3,052.63	4,452.27
iii) Cash and Cash Equivalents	7 (a)	310.49	121.14	10.32
iv) Bank Balances other than Cash and Cash Equivalents (iii) above	7 (b)	212.01	151.57	935.89
v) Other Financial Assets	8	-	-	11.24
d Other current assets	9	123.42	61.02	105.88
<b>TOTAL ASSETS</b>		<b>7,949.84</b>	<b>4,965.35</b>	<b>7,904.22</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
a Equity Share Capital	10	1,073.20	1,073.20	1,073.20
b Other Equity	11	4,019.08	3,392.86	2,942.02
<b>LIABILITIES</b>				
<b>Non-Current Liabilities</b>				
a Financial Liabilities				
i) Long-Term Borrowings	12	289.18	363.04	500.00
b Provisions		-	-	-
c Deferred Tax Liabilities (Net)	4 (b)	-	-	0.36
<b>Current Liabilities</b>				
a Financial Liabilities				
i) Borrowings	13	2,466.15	15.16	3,053.74
ii) Trade Payables				
(A) total outstanding dues of micro enterprises and small enterprises		-	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	14	2.80	10.01	5.17
iii) Other Financial Liabilities				
(A) Lease liability	15	19.66	33.72	2.57
b Other Current Liabilities	16	12.44	18.07	282.91
d Current Tax Liabilities (Net)	17	67.34	59.28	44.25
<b>TOTAL</b>		<b>7,949.84</b>	<b>4,965.35</b>	<b>7,904.22</b>

SIGNIFICANT ACCOUNTING POLICIES & EXPLANATORY NOTES ON FINANCIAL STATEMENTS (Note-28)

For S D JAIN & CO  
CHARTERED ACCOUNTANTS  
FRN: 121521W  
5d/  
Shantilal D Jain  
Proprietor  
MEMBERSHIP NO. 110218



UDIN: 24110218BKDAPP5911  
PLACE: Mumbai  
DATE: 09/02/2024

For & on Behalf of Board of Directors  
Moksh Ornaments Limited



Jawanmal M Shah  
Director  
DIN: 05301300

Apuril J Shah  
CFO  
DIN: 05801251



Amiri J Shah  
Chairman  
DIN: 05301254  
Charmy Vaniya  
Company Secretary  
Mem No: 48218



**Moksh Ornaments Limited**  
CIN: L36996MH2012PLC233562  
Restated Financial Statements

Annexure- II

Part-II: Statement of profit & Loss

(Rs in Lacs, unless otherwise stated)

	PARTICULARS	NOTE	For the year ended 2023	For the year ended 2022	For the year ended 2021
I	Revenue From Operations	18	44,659.20	32,402.57	33,675.72
II	Other Income	19	61.25	89.04	311.90
III	<b>Total Income (I+II)</b>		<b>44,720.45</b>	<b>32,491.61</b>	<b>33,987.62</b>
IV	<b>EXPENSES</b>				
	Cost of materials consumed	20	44,856.20	29,869.23	32,956.99
	Changes in inventories of finished goods, stock -in-trade and work-in-Progress	21	(1,501.95)	1,506.96	(458.19)
	Employee benefits expenses	22	200.99	188.26	167.63
	Finance costs	23	217.41	93.11	373.89
	Depreciation and amortization expenses	24	15.15	16.47	16.28
	Other Expenses	25	81.89	125.96	159.05
	<b>Total Expenses (IV)</b>		<b>43,869.69</b>	<b>31,799.98</b>	<b>33,215.65</b>
V	Profit/ (Loss) before exceptional & extraordinary items and tax (I-IV)		850.75	691.62	771.97
	Less: Preliminary Expenses W/O		-	-	-
VI	Exceptional Items		-	-	-
VII	<b>Profit Before Tax (V-VI)</b>		<b>850.75</b>	<b>691.62</b>	<b>771.97</b>
VIII	Tax expense				
	Current Tax	26	224.67	189.00	162.11
	Earlier Year Tax Adjustments		-	-	0.76
	Deferred Tax		(0.14)	(1.85)	54.35
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		626.22	504.47	554.76
X	Profit (Loss) for the period from discontinued operations		-	-	-
XI	Tax expenses of discontinued operations		-	-	-
XII	Profit (Loss) for the period from discontinued operations (after tax) (X-XI)		-	-	-
XIII	<b>Profit/ (Loss) after tax for the period (X+XIII)</b>		<b>626.22</b>	<b>504.47</b>	<b>554.76</b>
XIV	Other Comprehensive Income				
	A. (i) items that will not be reclassified to profit or loss		-	-	-
	(ii) income tax relating to items that will not be reclassified to profit or loss		-	-	-
	B. (i) items that will be reclassified to profit or loss		-	-	-
	(ii) income tax relating to items that will be reclassified to profit or loss		-	-	-
XV	<b>Total Comprehensive Income (XIII+XIV)</b>		<b>626.22</b>	<b>504.47</b>	<b>554.76</b>
XVI	Earnings Per Equity Share:	27			
	Basic (In Rs.)		1.17	0.94	5.17
	Diluted (In Rs.)		1.17	0.94	5.17

SIGNIFICANT ACCOUNTING POLICIES & EXPLANATORY NOTES ON FINANCIAL STATEMENTS (Note-28)

For S D JAIN & CO  
CHARTERED ACCOUNTANTS

FRN: 121521W

Sd/

Shantilal D Jain  
Proprietor

MEMBERSHIP NO. 110218

UDIN: 24110218BKDAPP5911

PLACE: Mumbai

DATE: 09/02/2024



For & on Behalf of Board of Directors  
Moksh Ornaments Limited

Jawanmal M Shah  
Director  
DIN: 05301300

Amrit J Shah  
Chairman  
DIN: 05301251

Amrit J Shah  
CFO  
DIN: 05301251

Charmy Varma  
Company Secretary  
Mem No: 4524



**Moksh Ornaments Limited**  
CIN: L36996MH2012PLC233562  
Restated Financial Statements

Annexure- III

Part-III: Cash Flow statements

(Rs in Lacs, unless otherwise stated)

PARTICULARS	Figures As At 31/03/2023	Figures As At 31/03/2022	Figures As At 31/03/2021
<b>(A) Cash flows from operating activities</b>			
Net Profit before taxation	850.75	691.62	771.97
Adjustment for:			
Finance Cost	217.41	93.11	373.89
Depreciation & Amortisation	15.15	16.47	16.28
Earlier Year Tax	-	-	-
Interest Income	(19.09)	(11.55)	(144.10)
Adjustment of first time adoption of IndAS	-	-	(187.21)
Unwinding of Interest on Security Deposits	(0.32)	(0.32)	(0.36)
Rental Income	(16.80)	(14.30)	(15.60)
<b>Operating Profit before working capital changes</b>	<b>1,047.10</b>	<b>775.03</b>	<b>814.88</b>
Increase / (Decrease) in Trade Payables	(7.21)	4.84	(559.07)
Increase / (Decrease) in Other Current Liabilities	(5.63)	(264.84)	34.90
Increase / (Decrease) in Other Current Financial Liabilities	(14.06)	31.16	(28.62)
Increase / (Decrease) in Current Tax Liabilities	8.05	15.04	43.62
(Increase) / Decrease in Inventories	(2,841.00)	833.60	367.50
(Increase) / Decrease in Trade Receivable	151.30	1,399.64	(848.62)
(Increase) / Decrease in Other Current Financial Asset	-	11.24	107.13
(Increase) / Decrease in Other Current Asset	(62.39)	44.86	102.42
<b>Operating Profit after working capital changes</b>	<b>(1,723.84)</b>	<b>2,850.56</b>	<b>34.13</b>
Income taxes paid	(224.67)	(189.00)	(162.86)
<b>Net Cash from/ (used in) Operating Activities (A)</b>	<b>(1,948.51)</b>	<b>2,661.55</b>	<b>(128.73)</b>
<b>(B) Cash flows from investing activities</b>			
(Purchase)/ Sale of Property, Plant & Equipment and Intangible assets	-	(40.61)	(15.27)
Bank balances other than cash & cash equivalent	(60.44)	784.32	2,740.56
(Increase) / Decrease in Other Non-current Financial assets	2.38	1.65	(0.36)
(Increase) / Decrease in Other Non-current assets	-	-	0.33
(Increase) / Decrease in Other Non-current Tax assets	-	-	49.72
Interest Income	19.09	11.55	144.10
Rental Income	16.80	14.30	15.60
Unwinding of Interest on Security Deposits	0.32	0.32	0.36
<b>Net Cash from/ (used in) Investing Activities (B)</b>	<b>(21.85)</b>	<b>771.53</b>	<b>2,935.04</b>
<b>(C) Cash Flow from Financing Activities</b>			
Increase / (Decrease) in Short Term Borrowings	2,450.99	(3,038.58)	(2,931.87)
Increase / (Decrease) in Long Term Borrowings	(73.86)	(136.96)	500.00
Dividend Paid	-	(53.63)	-
Finance Cost	(217.41)	(93.11)	(373.89)
<b>Net Cash from/ (used in) Financing Activities (C)</b>	<b>2,159.72</b>	<b>(3,322.27)</b>	<b>(2,805.77)</b>
<b>(i) Net increase in cash and cash equivalents (A+B+C)</b>	<b>189.35</b>	<b>110.82</b>	<b>0.53</b>
<b>(ii) Cash and cash equivalents at beginning of period</b>	<b>121.14</b>	<b>10.32</b>	<b>9.79</b>
<b>(iii) Cash and cash equivalents at end of period ( i + ii )</b>	<b>310.49</b>	<b>121.14</b>	<b>10.32</b>

**Notes :-**

i) The above Cash Flow Statement has been prepared in accordance with Indirect Method as prescribed in IndAS-7.

ii) Cash and Cash Equivalents Comprises of :-

(Rs in Lacs, unless otherwise stated)

Particulars	Figures as at 31/03/2023	Figures as at 31/03/2022	Figures as at 31/03/2021
Cash-in-hand	6.17	15.06	10.10
Bank Accounts	304.32	106.08	0.23
Fixed Deposit	-	-	-
- With Maturity less than three months	-	-	-
	<b>310.49</b>	<b>121.14</b>	<b>10.32</b>

As per our Report of even date.

For S D JAIN & CO  
CHARTERED ACCOUNTANTS

FRN: 121521W

Sd/

Shantilal D Jain  
Proprietor

MEMBERSHIP NO: 110218  
UDIN : 24110218BKDAPP5911  
PLACE : Mumbai  
DATE : 09/02/2024



For & on Behalf of Board of Directors  
Moksh Ornaments Limited.

Jawannal M Shah  
Director  
DIN: 05301300

Charmy J Shah  
Company Secretary  
DIN: 05301251



Amrit J Shah  
Chairman  
DIN: 05301251

Charmy J Shah  
Company Secretary  
Mem No : 452/18

Note-28 Significant Accounting Policies and Explanatory notes on Financial Statements

**CORPORATE INFORMATION**

Moksh Ornaments Limited ("the Company"), is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company's equity shares are listed on the bourses of National Stock Exchange of India Ltd. (NSEI). The Company is engaged in the business of manufacturing of gold jewellery.

**1. SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENT:**

**A. Basis of Preparation of Restated Financial Statements**

These Statements of the company have been prepared in accordance with Indian Accounting Standards (herein after referred to as "Ind AS") as notified by the MCA under section 133 of the Companies Act, 2013 read with Companies Act (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The company is covered in the definition of Company other than Banking & NBFCs as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. Accordingly, Division-II of the Schedule-III as specified under the Companies Act, 2013 has been applied for the preparation & presentation of the Restated Financial Statements.

The company adopted Ind AS first time during F.Y. 2021-22.

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 the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company ascertains its operating cycle for the purpose of current/non-current classification of assets and liabilities.

**B. Use of Estimates**

The preparation of the Financial Statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amount of income and expenses during the period. Examples of such estimates includes future obligation with respect to employees benefits, income taxes, useful lives of fixed assets etc. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

**C. Property, Plant & Equipments and Intangible Assets**

**Transition to IND AS for presentation of Restated Financial Statements**

On transition to Ind AS, the Company has elected to continue with the carrying value of all the items of property, plant and equipment recognized as at 01 April 2020, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

**Initial Measurement & Subsequent recognition**

The Property, Plant and Equipments & Intangible Assets are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalised until such assets are not put to use. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of input tax credit availed wherever applicable. Subsequent costs are included in asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Company and the cost of them can be measured reliably. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

**Derecognition**

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.



Note-28 Significant Accounting Policies and Explanatory notes on Financial Statements

D. Depreciation and Amortisation

Depreciation on Property, Plant and Equipments is provided on the "Written Down Value method" as prescribed under Schedule -II of Companies Act 2013 over the useful life of assets estimated by the Management. Depreciation for assets purchased/ sold during a period is proportionately charged.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

E. Cash and cash Equivalents

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

F. Provision For Current (And Deferred Tax)

**Current Tax:** Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

**Deferred tax:** is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income-tax asset is realized or the deferred income tax liability is settled.

G. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets:

The Company classifies its financial assets at Fair value through Other Comprehensive Income (FVOCI) or Fair value through Profit & Loss (FVTPL). The classification is based upon five tests namely Business Model Test (BMT) and Contractual Cash Flow Test (CCFT).

**BMT:** whose entity's objective is to hold assets for collecting contractual cash flows.

**CCFT:** Where contractual cash flows are solely payment of principal and interest on a specified due dates.

Measurement & Recognition of Financial Assets

Investment in Equity Instrument

The company has invested in equity instruments of both listed entities and other unlisted or private companies. These investments are carried at Fair Value Through Other Comprehensive Income (FVOCI). As a result, any changes in the fair value of these instruments are reflected in Other Comprehensive Income (OCI), except for dividends. Even after the sale of an investment, there is no recycling of the amounts previously recognized in OCI. However, the company has the option to transfer the cumulative gain or loss within the equity section.

Investment in Mutual Funds

All investments in Mutual funds instruments classified under financial assets are initially measured at fair value. The Company opted to recognise mutual funds through OCI.



Note-28 Significant Accounting Policies and Explanatory notes on Financial Statements

**Loans & Advances**

The company extended loans and advances to both related and unrelated parties. To ensure proper classification of these financial assets, the Business Model and Contractual Cash Flow tests must be met. However, the loans and advances did not pass the Contractual Cash Flow test (CCFT), leading the company to classify them at Fair Value Through Profit & Loss (FVTPL).

**Derecognition**

Financial assets are derecognized (removed from the company's statement of financial position) primarily when:

1. The rights to receive cash flows from the asset have expired, or
  2. The company has transferred its rights to receive cash flows to a third party under a "pass through" arrangement and either:
    - a) The company transferred the rights to receive cash flows from the financial asset, or
    - b) The company retained the contractual right to receive the cash flows but assumed the obligation to pay them to one or more recipients.
- If the company has transferred substantially all the risks and rewards of ownership of the financial assets, the asset is derecognized. If not, the asset is not derecognized. If the company neither transferred a financial asset nor retains substantially all risks and rewards of ownership, the financial asset is derecognized if the company has not retained control of it. If the company retains control, the asset continues to be recognized to the extent of its continuing involvement in the financial asset.

**Impairment**

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, other contractual right to receive cash or other financial assets not designated at fair value through profit or loss. The loss allowance for a financial instrument is equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if the default occurs within 12 months after the reporting date. Since during the period(s) the company have receivables only from Credit worthy Entities the company is not exposed to credit risk and hence the company has not recognized the ECL.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. The Company has used a practical expedient permitted by Ind AS 109 and determines the expected credit loss allowance based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

In compliance with Ind AS 109, the company has evaluated and measured its Expected Credit Loss for impairment loss on financial assets. As of the review period, no such expected loss has been recognized.

**(H) Financial Liabilities**

**Recognition & Measurements**

In accordance with the accounting standards, financial liabilities are initially recorded at their fair value and are subsequently measured based on either the Fair Value Through Profit & Loss (FVTPL) method or at amortized cost. The financial liabilities of the company include trade payables, short-term borrowing, and other financial liabilities. For the purpose of the Restated Financial Statements, all these liabilities are measured at amortized cost.

**Derecognition**

A financial liability is derecognized from the company's statement of financial position when the obligation under the liability is settled, canceled, or reaches its maturity date. If an existing financial liability is replaced by another liability from the same lender but with significantly different terms, or if the terms of the existing liability are substantially modified, this exchange or modification is considered as the derecognition of the original liability and the recognition of a new liability.

Any difference between the carrying amounts of the original liability and the newly recognized liability is recorded in the statement of profit and loss.

**II Current Assets, Loans & Advances**

In the opinion of the Board and to the best of its knowledge and belief the value on realization of current assets in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and repayable on demand.

**I Revenue Recognition**

- (a) The company generally follows the mercantile system of accounting and recognizes Income & Expenditure on accrual basis.
- (b) Revenue is recognised to the extent that it is possible that the economic benefits will flow to the company and the revenue can be reliably estimated and collectability is reasonably assured.
- (c) Revenue from sale of goods and services are recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.
- (d) Revenue is measured on the basis of sale price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and service tax etc. Professional experience is used to estimate the provision for such discounts and rebates. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.
- (e) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**J Foreign Exchange**

The financial statements are presented in Indian Rupees which is the functional and presentation currency of the Company. Transactions in foreign currencies are initially recorded in the relevant functional currency at the rates prevailing on the date of the transaction. Monetary Assets and Liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences. On subsequent re-statement/settlement, the same is recognised in the statement of profit and loss within finance costs / finance income. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value). Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

**Foreign Currency Transactions**

Particulars	For the year ended 31.03.2023	For the year ended 31 March 2022	For the year ended 31.03.2021
<b>Expense in Foreign Currency</b>			
Purchases (in USD)	Nil	Nil	Nil
Purchases (in INR in Lacs)	Nil	Nil	Nil
Expenses	Nil	Nil	Nil
<b>Income in Foreign Currency</b>			
Sales (in USD)	13,716,400.00	7,141,850.00	9,729,398.00
Sales (in INR in Lacs)	7,738.00	5,201.79	9,978.28

**K Related Party Transactions**

According to IndAS-24 the company has presented disclosures in "Annexure-XXXVII"-RPT.

**L Title deeds of immovable property not held in the name of the company:**

The Title deeds of immovable properties disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as the Joint Owners.

**M Revaluation of Property, Plant and Equipment:**

The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.





Note-28	Significant Accounting Policies and Explanatory notes on Financial Statements
N	<p><b>Loans and Advances in the nature of loan repayable on demand or without specifying the terms or period of repayment:</b> During the year, the company has not granted any Loans or Advances in the nature of loans to the related parties (as defined under Companies Act, 2013), accordingly the above clause are not applicable.</p>
O	<p><b>Benami Property Held:</b> There is no proceeding have been initiated or pending against the company for holding any benami property under the Benami Transaction ( prohibition ) Act , 1988 (45 of 1988) and the rules made thereunder.</p>
P	<p><b>Working capital limits from Banks/FIs on the basis of security of Current Assets</b> The Company has borrowings from the banks or financial institutions on the basis of current assets.</p>
Q	<p><b>Willful defaulter</b> The company is not declared willful defaulter by any bank or financial Institution or other lender.</p>
R	<p><b>Relationship with struck off Companies</b> The company has no transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.</p>
S	<p><b>Registration of charge or satisfaction with Registrar of Companies</b> The company has no charge or satisfaction yet to be registered with Registrar of Companies.</p>
T	<p><b>Compliance with number of layers of Companies</b> The company do not have 'Subsidiary and provisions prescribed under clause (b7) of section 2 of the Act read with Companies (Restriction on numbers of Layers ) Rules , 2017 are complied.</p>
U	<p><b>Compliance with Approved Schemes) of Arrangements</b> During the year under review, the company has not made any application for Scheme of Arrangement. Accordingly, no approval from the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013 is required to be obtained by the company.</p>
V	<p><b>Undisclosed Income</b> The Company has no such transaction not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act 1961</p>
W	<p><b>Provision</b> Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.</p>



**Note-25 Significant Accounting Policies and Explanatory notes on Financial Statements**

**AA. Earning Per Share**

The Company reports Basic and Diluted earnings per equity share in accordance with the Indian Accounting Standard - 33 'Earning Per Share'. In determining earning per share, the Company considers the net profit after tax and includes the post tax effect of any extraordinary/exceptional items. The number of shares used in computing basic earning per share is the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earning per share comprises the weighted average number of equity shares that would have been issued on the conversion of all potential equity shares. Dilutive potential equity shares have been deemed converted as of the beginning of the period, unless issued at a later date.

**AB. Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

**AC. Previous Year Figures**

The Company has reclassified, rearranged and regrouped the previous year figures in accordance with the requirements applicable in the current year.

**AD. No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:**

- a) Cryptic Currency or Virtual Currency
- b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- c) Registration of charges or satisfaction with Registrar of Companies
- d) Relating to borrowed funds
  - i) Willful defaulter
  - ii) Utilisation of borrowed funds & share premium
  - iii) Borrowings obtained on the basis of security of current assets
  - iv) Discrepancy in utilisation of borrowings
  - v) Current maturity of long term borrowings



**Note-28 Significant Accounting Policies and Explanatory notes on Financial Statements**

**AE DISCLOSURE OF TRANSACTIONS WITH STRUCK OFF COMPANIES**

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 380 of Companies Act, 1956 during the financial year.

**AF RIGHT TO USE - IND AS 116, LEASES IMPACT**

The Right To Use value disclosed is as per Ind AS 116 (Lease Impact). The impact of Ind AS 116 on the Company's financial statements at 31 March 2023 is as follows:

The details of the right-of-use assets held by the Company are as follows:

Particulars	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
	Amount (Rs. in Lacs)	Amount (Rs. in Lacs)	Amount (Rs. in Lacs)
Net Carrying amount of Right to-use asset (Building)	38.08	30.22	2.24
Net Carrying amount of Security Deposit	3.55	5.93	7.58
Depreciation on Right-to-use asset (Building)	12.14	12.31	13.43
Depreciation on Security Deposit	-0.32	0.68	0.69
Interest on Lease Liability	2.74	5.17	1.06

**AG FINANCIAL RISK MANAGEMENT**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors is responsible for developing and monitoring the Company's risk management policies. The board regularly meets to decide its risk management.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board is also assisted by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of directors.

The Company is exposed to various financial risks. These risks are categorised into market risk, credit risk and liquidity risk.

**(a) Market Risk:**

Market risk is the risk that changes with market prices – such as market prices of financial instruments and interest rates, 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.

**(b) Credit Risk:**

Credit risk is the risk that the Company will incur a loss because its customers or counterparties to a financial instrument fail to discharge their contractual obligation. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties, and by monitoring exposures in relation to such limits.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements. The Company's major classes of financial assets are cash and cash equivalents, investments, inventories of shares, loans, term deposits, trade receivables and security deposits.

Cash and cash equivalents and term deposits with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks/financial institutions as approved by the Board of directors. Security deposits are kept with stock exchanges for meeting minimum base capital requirements. These deposits do not have any credit risk.

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated risk management team, which monitors the positions, exposures and margins on a continuous basis. The company has not made any provision on expected credit loss on trade receivables and other financial assets, based on the management estimates.

**(c) Liquidity Risk:**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department within the Finance Department is responsible for liquidity and funding. In addition policies and procedures relating to such risks are overseen by the management.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from the operations.

(Rs in Lacs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Total Current Assets (A)	7,910.24	4,908.36	7,871.20
Total Current Liabilities (B)	2,568.38	136.25	3,388.64
Working Capital (A)-(B)	5,341.86	4,772.12	4,482.57
Current Ratio	3.08	36.03	2.32

Following is the Company's exposure to financial liabilities:



Note-28 Significant Accounting Policies and Explanatory notes on Financial Statements

(Rs in Lacs, unless otherwise stated)

Particulars	As at March 31, 2023			Total
	Carrying Value	Less than 1 year	More than 1 year	
Trade Payables	2.80	2.80	-	2.80
Borrowings	2,755.33	2,466.15	289.18	2,755.33
Other Financial Liabilities	19.66	19.66	-	19.66

(Rs in Lacs, unless otherwise stated)

Particulars	As at March 31, 2022			Total
	Carrying Value	Less than 1 year	More than 1 year	
Trade Payables	10.01	10.01	-	10.01
Borrowings	378.20	15.16	363.04	378.20
Other Financial Liabilities	33.72	33.72	-	33.72

(Rs in Lacs, unless otherwise stated)

Particulars	As at March 31, 2021			Total
	Carrying Value	Less than 1 year	More than 1 year	
Trade Payables	5.17	5.17	-	5.17
Borrowings	3,553.74	3,053.74	500.00	3,553.74
Other Financial Liabilities	2.57	2.57	-	2.57

AH. CAPITAL MANAGEMENT

The Company manages its capital structure and makes necessary adjustments in light of changes in economic conditions and the requirement of financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return on capital to shareholders, issue new shares or raise/repay debt. For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value and to ensure the Company's ability to continue as a going concern. There is no non-compliance with any covenants of borrowings.

(Rs in Lacs, unless otherwise stated)

Particulars	For the period/ year ended		
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Borrowings	2,755.33	378.20	3,553.74
Less cash and cash equivalents	310.49	121.14	10.32
Adjusted net debt	2,444.84	257.06	3,543.41
Total Equity	5,092.28	4,466.06	4,015.22
Adjusted net debt to adjusted equity ratio	0.48	0.06	0.88

In terms of our report of even date

For S D JAIN & CO  
CHARTERED ACCOUNTANTS  
FRN: 121521W  
Sd/

Shantilal D Jain  
Proprietor  
MEMBERSHIP NO. 110215

UDIN: 24110218BKDAIP5911  
PLACE: Mumbai  
DATE: 09/02/2024



For and on Behalf of the Board  
Moksh Ornaments Limited

Javamal M Shah  
Director  
DIN: 05301300

Amrit J Shah  
DIN: 05301251

Amrit J Shah  
Chairman  
DIN: 05301251

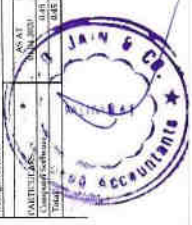
Charmy Varkh  
Company Secretary  
Mem No: 45213



**Sri Panchajanya Services**  
CIN: U70901TN2017PTC029562

As on 31st March, 2022

Particulars		As on 31st March, 2021		As on 31st March, 2022	
Particulars	AS AT 31/03/2021	Particulars	AS AT 31/03/2021	Particulars	AS AT 31/03/2022
<b>Right to Use Asset</b>					
Right to Use Asset (Property)	1,10,000	Right to Use Asset (Property)	1,10,000	Right to Use Asset (Property)	1,10,000
Total	1,10,000	Total	1,10,000	Total	1,10,000
<b>Intangible Assets</b>					
Patent Rights	1,10,000	Patent Rights	1,10,000	Patent Rights	1,10,000
Total	1,10,000	Total	1,10,000	Total	1,10,000
<b>Right to Use Asset</b>					
Right to Use Asset (Property)	1,10,000	Right to Use Asset (Property)	1,10,000	Right to Use Asset (Property)	1,10,000
Total	1,10,000	Total	1,10,000	Total	1,10,000
<b>Intangible Assets</b>					
Patent Rights	1,10,000	Patent Rights	1,10,000	Patent Rights	1,10,000
Total	1,10,000	Total	1,10,000	Total	1,10,000
<b>Right to Use Asset</b>					
Right to Use Asset (Property)	1,10,000	Right to Use Asset (Property)	1,10,000	Right to Use Asset (Property)	1,10,000
Total	1,10,000	Total	1,10,000	Total	1,10,000
<b>Intangible Assets</b>					
Patent Rights	1,10,000	Patent Rights	1,10,000	Patent Rights	1,10,000
Total	1,10,000	Total	1,10,000	Total	1,10,000



Bharat Overseas Limited  
CIN: L19000GJ2027N-CZ3002

	As at 31.03.2021	As at 31.03.2020	As at 31.03.2019
Particulars	₹	₹	₹
Share Capital (₹)	13,50,000	13,50,000	13,50,000
Reserves	1,40,000	1,40,000	1,40,000
Liabilities	1,40,000	1,40,000	1,40,000
Total	14,90,000	14,90,000	14,90,000

Approved: V/S



Moksh Ornaments Limited CIN: L36996MH2012PLC233562			
Notes to Account			
Annexure-VI (Rs in Lacs, unless otherwise stated)			
2. NON-CURRENT INVESTMENTS	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
<b>Investment carried at Fair Value Through OCI</b>			
Quoted Equity Shares	-	-	-
Mutual Fund	-	-	-
Investment in Unquoted Equity Shares	4.99	4.99	4.99
<b>Total</b>	<b>4.99</b>	<b>4.99</b>	<b>4.99</b>
<i>Refer note 2.1 for additional details</i>			
Annexure-VII (Rs in Lacs, unless otherwise stated)			
3. Other Non Current Financial Assets	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
<b>Carried at FVTPL:</b>			
Preliminary Exp.	-	-	-
Security Deposit	3.55	5.93	7.58
<b>Total</b>	<b>3.55</b>	<b>5.93</b>	<b>7.58</b>
<i>Note: Security deposits are considered at cost as period is undefined</i>			
Annexure- IX (Rs in Lacs, unless otherwise stated)			
5. Inventories	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Finished Goods (At lower of Cost and Net realizable value)	1,287.77	512.55	428.90
Work in progress (At cost)	986.13	259.40	1,850.01
Raw Material (At cost)	2,089.09	750.04	76.69
<b>Total</b>	<b>4,362.99</b>	<b>1,521.99</b>	<b>2,355.59</b>



Moksh Ornaments Limited CIN: L36996MH2012PLC233562			
Notes to Account			
Annexure- X (Rs in Lacs, unless otherwise stated)			
6. Trade Receivables	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Considered good-Secured	-	-	-
Considered good-Unsecured	2,901.33	3,052.63	4,452.27
Trade Receivables which have significant increase in Credit Risks	-	-	-
Trade Receivables- Credit impaired <i>(refer Note 6.1 for Aging schedule)</i>	-	-	-
<b>Total</b>	<b>2,901.33</b>	<b>3,052.63</b>	<b>4,452.27</b>
Annexure- XI (Rs in Lacs, unless otherwise stated)			
7. Cash & Cash Equivalents	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
<b>a. Balance in Bank</b>			
In Current Accounts	304.32	106.08	0.23
In Bank FDR & RD account	-	-	-
<b>a. Cash in Hand</b>	6.17	15.06	10.10
<b>Total</b>	<b>310.49</b>	<b>121.14</b>	<b>10.32</b>
<b>b. Bank Balances other than Cash and Cash Equivalents</b>			
Fixed Deposit	212.01	151.57	935.89
<b>Total</b>	<b>212.01</b>	<b>151.57</b>	<b>935.89</b>
Annexure- XII (Rs in Lacs, unless otherwise stated)			
8. Other Financial Assets	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Accrued Interest	-	-	2.64
MTM gain on Forward Contract Receivable	-	-	8.60
<b>Total</b>	<b>-</b>	<b>-</b>	<b>11.24</b>
Annexure- XIII (Rs in Lacs, unless otherwise stated)			
9. Other Current Assets	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Balance with Govt Authorities	119.47	58.80	60.78
Advance Recoverable	2.79	0.96	43.80
Advance to Supplier	-	-	-
Prepaid Expenses	1.15	1.27	1.30
<b>Total</b>	<b>123.42</b>	<b>61.02</b>	<b>105.88</b>





Moksh Ornaments Limited CIN: L36996MH2012PLC233562			
Notes to Account			
Annexure-XV (Rs in Lacs, unless otherwise stated)			
11. Other Equity	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
<b>(a) Securities Premium Account</b>			
Balance at the beginning of the period	1,038.47	1,038.47	1,038.47
Add: Changes during the year	-	-	-
<b>Balance at the end of the period</b>	<b>1,038.47</b>	<b>1,038.47</b>	<b>1,038.47</b>
<b>(b) Capital Reserve</b>			
Balance at the beginning of the period	-	-	-
Add: Changes during the year for Consolidation on Subsidiary	-	-	-
<b>Balance at the end of the period</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(c) Retained Earnings</b>			
Balance at the beginning of the period	2,354.38	1,903.54	1,348.78
Add: Profit for the year transferred to Retained Earnings	626.22	504.47	554.76
Less: Adjustment of Prior Period Bad Debt	-	-	-
Add: Adjustment of Prior Period Taxes	-	-	-
Less: Bonus Share issued	-	-	-
Add: Other Adjustments during the year	-	-	-
Less: Dividend Paid	-	(53.63)	-
<b>Balance at the end of the period</b>	<b>2,980.60</b>	<b>2,354.38</b>	<b>1,903.54</b>
<b>(d) Other Comprehensive Income</b>			
Balance at the beginning of the period	-	-	-
Add/(Less): Gain/(Loss) on change in fair value of investments	-	-	-
Less: Adjustment of last year gain on fair value	-	-	-
Add: OCI transferred to Retained Earnings	-	-	-
<b>Balance at the end of the period</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>4,019.08</b>	<b>3,392.86</b>	<b>2,942.02</b>
Annexure- XVI (Rs in Lacs, unless otherwise stated)			
12. Long-Term Borrowings	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
<b>Term Loan</b>			
Bharat Co op Bank Limited	289.38	363.04	500.00
<b>Total</b>	<b>289.38</b>	<b>363.04</b>	<b>500.00</b>
Annexure- XVII (Rs in Lacs, unless otherwise stated)			
13. Current Borrowings	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
<b>Carried at Amortised Cost:</b>			
<b>Secured Loan:</b>			
<b>From Bank and Financial Institution</b>			
Working Capital Loans	69.15	(110.84)	1,149.73
Packing credit and Post Shipment Credit	2,397.00	126.00	1,904.01
<b>Total</b>	<b>2,466.15</b>	<b>15.16</b>	<b>3,053.74</b>



Moksh Ornaments Limited CIN: L36996MH2012PLC233562			
Notes to Account			
Annexure- XVIII (Rs in Lacs, unless otherwise stated)			
14. Trade Payables	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Undisputed Trade Payables - Other <i>(Refer note-14.1 for Ageing Schedule)</i>	2.80	10.01	5.17
<b>Total</b>	<b>2.80</b>	<b>10.01</b>	<b>5.17</b>
Annexure- XIX (Rs in Lacs, unless otherwise stated)			
15. Lease Liabilities	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Lease Liabilities	19.66	33.72	2.57
<b>Total</b>	<b>19.66</b>	<b>33.72</b>	<b>2.57</b>
Annexure- XX (Rs in Lacs, unless otherwise stated)			
16. Other Current Liabilities	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Wages Payable	-	2.52	8.21
Salary Payable	2.11	1.52	5.53
Rent Payable	1.26	1.26	1.20
TDS Payable	6.50	8.42	9.59
Advance from Customers	2.50	4.35	258.38
<b>Total</b>	<b>12.44</b>	<b>18.07</b>	<b>282.91</b>
Annexure- XXI (Rs in Lacs, unless otherwise stated)			
17. Current Tax Liabilities (Net)	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Provision for taxation, net of advance tax and TDS receivable	67.34	59.28	44.25
<b>Total</b>	<b>67.34</b>	<b>59.28</b>	<b>44.25</b>



Moksh Ornaments Limited CIN: U36996MH2012PLC233562			
Notes to Accounts		Annexure- XXII (Rs in Lacs, unless otherwise stated)	
	Year Ended 31/03/2023	Year Ended 31/03/2022	Year Ended 31/03/2021
<b>18. Revenue from Operations</b>			
<b>Income From Operation</b>			
Sale of Goods	36,890.78	27,110.72	23,696.53
Export Sales	7,758.00	5,281.29	9,978.38
Sale of Services	30.42	10.05	0.82
<b>Total</b>	<b>44,659.20</b>	<b>32,402.57</b>	<b>33,675.72</b>
<b>Annexure- XXIII (Rs in Lacs, unless otherwise stated)</b>			
<b>19. Other Income</b>			
<b>Recurring and Related to business:</b>			
Exchange Fluctuation A/y	0.25	-	-
Dividend Received	-	-	3.48
Interest on T/T Refund	-	-	0.42
Interest Subsidy	0.32	0.32	0.36
Unwinding of Interest on Security Deposits	16.50	14.30	13.68
Rent Income	24.78	62.87	147.90
Net Foreign Exchange Loss & MTM (Net)	(110)	-	(9.04)
Miscellaneous Income	19.09	11.53	144.10
<b>Recurring and Not related to business:</b>			
Interest Income	61.25	89.04	311.90
<b>Total</b>	<b>111.90</b>	<b>111.90</b>	<b>311.90</b>
<b>Annexure- XXIV (Rs in Lacs, unless otherwise stated)</b>			
<b>20. Cost of Material Consumed</b>			
Opening Stock of Raw Materials	750.04	76.69	902.37
Add: Purchases	45,731.99	30,125.23	31,703.65
Add: Direct Expenses			
Labour Charges (Manual/Lining)	(30.50)	48.76	413.84
Transport	9.20	8.11	3.82
Cleaning and Forwarding Charges	3.56	5.30	10.01
Freight Charges			
Factory Expense			
Less: Closing Stock of Raw Materials	2,089.09	750.04	76.69
<b>Total</b>	<b>44,856.20</b>	<b>29,869.23</b>	<b>32,956.99</b>
<b>Annexure- XXV (Rs in Lacs, unless otherwise stated)</b>			
<b>21. Changes in inventories of finished goods, stock-in-trade and work-in-progress</b>			
Opening Stock of WIP	259.40	1,850.01	1,632.13
Less: Closing Stock of WIP	(986.13)	(259.40)	(1,850.01)
Opening Stock of Finished Goods	512.55	428.90	188.59
Less: Closing Stock of Finished Goods	(1,287.77)	(512.55)	(428.90)
<b>Total</b>	<b>(1,501.95)</b>	<b>1,506.96</b>	<b>(458.19)</b>
<b>Annexure- XXVI (Rs in Lacs, unless otherwise stated)</b>			
<b>22. Employee benefits expenses</b>			
Salaries & Other Emoluments	80.34	67.31	47.12
Remuneration to Directors	120.73	120.73	120.31
<b>Total</b>	<b>200.99</b>	<b>188.26</b>	<b>187.63</b>
<b>Annexure- XXVII (Rs in Lacs, unless otherwise stated)</b>			
<b>23. Finance costs</b>			
Bank O/D Interest	39.52	2.68	18.49
Other Financial Charges			
Interest Paid to Others	173.15	85.26	354.35
Interest on Borrowings	2.74	5.17	1.06
Interest on Lease Liabilities	194.11	93.11	373.89
<b>Total</b>	<b>310.52</b>	<b>186.22</b>	<b>557.79</b>
<b>Annexure- XXVIII (Rs in Lacs, unless otherwise stated)</b>			
<b>24. Depreciation and amortization expenses</b>			
- On Property, Plant & Equipments & Intangible Assets	3.00	4.15	2.81
- On Intangible Assets	0.00	0.00	0.04
- On Right to Use Asset	12.14	12.31	13.43
<b>Total</b>	<b>15.14</b>	<b>16.47</b>	<b>16.28</b>



Moksh Ornaments Limited CIN: L36096MH12012PLC231862			
Notes to Account			
Annexure- XXIX (Rs in Lacs, unless otherwise stated)			
25. Other Expenses	Year Ended 31/03/2023	Year Ended 31/03/2022	Year Ended 31/03/2021
Advertisement & Sales Promotion	6.04	8.32	
Computer Expenses	0.58		
CSR Expenditure	15.00	13.45	32.01
Electricity Expenses	0.34	4.12	1.90
Hallmarking Charges	6.20		
Insurance Charges	0.95	2.42	2.35
Professional & Commercial Charges	13.65	31.32	87.23
Membership Fees	0.83		
Miscellaneous Expenses	7.23	18.56	10.80
Payment to Statutory Auditor	3.20	3.20	3.00
Rates & Taxes	7.28	7.83	0.71
Rent	32.13	16.43	17.49
RDC Fees	0.19		
Preliminary Expenses w/oll	-	-	2.62
Telephone Expenses	0.40		
Vehicle Expenses	0.61	0.22	0.94
<b>Total</b>	<b>81.89</b>	<b>125.06</b>	<b>139.05</b>
Annexure- XXX (Rs in Lacs, unless otherwise stated)			
26. Tax expense	Year Ended 31/03/2023	Year Ended 31/03/2022	Year Ended 31/03/2021
Current Income Tax	224.67	189.00	162.11
Deferred Tax	- (0.14)	(1.80)	54.33
<b>Total</b>	<b>224.53</b>	<b>187.15</b>	<b>216.44</b>
Annexure- XXXI (Rs in Lacs, unless otherwise stated)			
Breakup of Auditor fees	Year Ended 31/03/2023	Year Ended 31/03/2022	Year Ended 31/03/2021
Statutory Audit fees	2.25	2.53	2.15
Tax Audit fees	0.20	0.20	0.20
Limited Review fees	0.45	0.45	0.45
<b>Total</b>	<b>3.50</b>	<b>3.50</b>	<b>3.00</b>
Annexure- XXXI (Rs in Lacs, unless otherwise stated)			
27. Earnings Per Equity Share	Year Ended 31/03/2023	Year Ended 31/03/2022	Year Ended 31/03/2021
(A) Basic Earning Per Share:			
Net Profit / (Loss) attributable to Equity Shareholders	626.22	504.47	554.76
Weighted average number of Equity Shares (before split)	33660053	33660053	10732011
Weighted average number of Equity Shares (after split)			33660053
<b>Basic Earning per share of Rs. 10/- each in (Rs.)</b>	<b>1.87</b>	<b>1.50</b>	<b>5.17</b>
<b>Basic Earning per share of Rs. 2/- each in (Rs.)</b>	<b>0.94</b>	<b>0.75</b>	<b>2.59</b>
(B) Diluted Earning Per Share:			
Net Profit / (Loss) attributable to Equity Shareholders	626.22	504.47	554.76
Weighted average number of Equity Shares (before split)	33660053	33660053	10732011
Weighted average number of Equity Shares (after split)			33660053
Add: Prospective Equity Shares (Pending for allotment)	33,660,053	33,660,053	33,660,053
<b>Diluted Earning per share of Rs. 10/- each in (Rs.)</b>	<b>1.87</b>	<b>1.50</b>	<b>5.17</b>
<b>Diluted Earning per share of Rs. 2/- each in (Rs.)</b>	<b>0.94</b>	<b>0.75</b>	<b>2.59</b>
* Restated Profit for the year attributable to equity shareholders does not include other comprehensive income			



Moksh Ornaments Limited  
CIN: L36996MH2012PLC233562

Note-2.1: Details of Non-Current Investments

As on 31.03.2023

Annexure-XXXII

Quoted - Equity Shares at Fair Value through OCI						(Rs in Lacs, unless otherwise stated)
Particulars	Quantity (nos.)	Value at Cost	Market Price as on 31-03-2023 (Rs.)	Carrying Amount at FMV	Valuation method	
Unquoted - Equity Shares at Fair Value through OCI						
Bharat Co-op Bank Ltd	49,900	10.00	10.00	4.99	Level- 3	
Total		10.00		4.99		
Total Non-Current Investments						4.99

As on 31.03.2022

Quoted - Equity Shares at Fair Value through OCI						(Rs in Lacs, unless otherwise stated)
Particulars	Quantity (nos.)	Value at Cost	Market Price as on 31-03-2023 (Rs.)	Carrying Amount at FMV	Valuation method	
Unquoted - Equity Shares at Fair Value through OCI						
Bharat Co-op Bank Ltd	49,900	10.00	10.00	4.99	Level- 3	
Total		10.00		4.99		
Total Non-Current Investments						4.99

As on 31.03.2021

Quoted - Equity Shares at Fair Value through OCI						(Rs in Lacs, unless otherwise stated)
Particulars	Quantity (nos.)	Value at Cost	Market Price as on 31-03-2023 (Rs.)	Carrying Amount at FMV	Valuation method	
Unquoted - Equity Shares at Fair Value through OCI						
Bharat Co-op Bank Ltd	49,900	10.00	10.00	4.99	Level- 3	
Total		10.00		4.99		
Total Non-Current Investments						4.99



Moksh Ornaments Limited  
CIN: L36996MH2012PLC233562

Annexure- XXXIII

Note-5.1 Inventories

(Rs in Lacs, unless otherwise stated)

PARTICULAR	As at 31-03-2023	As at 31-03-2022	As at 31-03-2021
<b>INVENTORIES</b>			
Finished goods in stock (At lower of cost and net realizable value)	1,287.77	512.55	428.90
Work in progress in stock (At cost)	986.13	259.40	1,850.01
Raw material in stock (At cost)	2,089.09	750.04	76.69
<b>Total</b>	<b>4,362.99</b>	<b>1,521.99</b>	<b>2,355.59</b>



NOTES TO FINANCIAL STATEMENTS

(Rs in Lacs, unless otherwise stated)

10	SHARE CAPITAL	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
	<b>Authorised Shares</b>			
	1,10,00,000 Equity Shares of Rs. 10/- each	-	-	1,10,00,000
	75,00,00,000 Equity Shares of Rs. 2/- each	5,000.00	5,000.00	-
	<b>Issued, subscribed &amp; fully paid-up shares</b>			
	1,07,32,011 Equity Shares of Rs. 10/- each fully paid up	1,073.20	1,073.20	1,073.20
	5,36,60,055 Equity Shares of Rs. 2/- each fully paid up	-	-	-
	<b>Total</b>	<b>1,073.20</b>	<b>1,073.20</b>	<b>1,073.20</b>

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:						
	As at 31st March, 2023		As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Rs. In Lacs	No. of Shares	Rs. In Lacs	No. of Shares	Rs. In Lacs
Shares outstanding at the beginning of the year	53660055	5,366.01	10732011	1,073.20	10732011	1,073.20
Shares Split during the year	-	-	42928044	4,292.80	-	-
Shares outstanding at the end of the year	53660055	5,366.01	53660055	5,366.01	10732011	1,073.20

Notes:

- a. The Authorised Share Capital of the company was increased from 1,10,00,000 Equity Shares of Rs.10/- each to 25,00,00,000 Equity Shares of Rs. 2/- each vide resolution passed in EGM dated 3rd July 2021  
b. The company issued 4,29,28,044 equity shares of Rs. 2/- each as Split shares in the ratio of 5:1 (i.e. 5 (Five) Fully paid Equity Shares of Rs.2/- each will be allotted against the holding of 1 (One) equity shares of the Company) vide EGM resolution passed and allotted on 3rd July, 2021. This is considered for calculating EPS.

(b) Terms / Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share. Any shareholder whose name is entered in the Register of Members of the Company shall enjoy the same rights and be subject to the same liabilities as all other shareholders of the same class.

In the event of Winding up of the Company, Equity Shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. For the said purpose, the liquidator may set such value as he deems fair upon any property to be divided and may determine how such division shall be carried out between the members.

(c) Shares held by promoters at the end of the year

Promoter's Name	As at 31st March 2023			As at 31st March 2022			As at 31st March 2021		
	No. of Shares	% of Holding	% Change during the year	No. of Shares	% of Holding	% Change during the year	No. of Shares	% of Holding	% Change during the year
Jawanmal Moolchand Shah	0	-	-17.27	9268550	17.27	-11.61	3100005	28.89	-
Amrit Jawanmal Shah	24768560	46.16	17.27	15500005	28.89	-	3100001	28.89	-
Sangota Amritlal Shah	4816190	8.98	2.52	3466185	6.46	-4.76	775001	7.22	-
Vimla Jawanmal Shah	-	-	-	-	-	-7.22	775001	7.22	-
<b>TOTAL</b>	<b>29584750</b>	<b>55.13</b>	<b>2.52</b>	<b>28234740</b>	<b>52.62</b>	<b>-19.60</b>	<b>7750008</b>	<b>72.21</b>	<b>-</b>

(d) Details of Shareholders holding more than 5 % (percent) shares in the Company :

	As at 31st March, 2023		As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Jawanmal Moolchand Shah	0	-	9268550	17.27	3100005	28.89
Amrit Jawanmal Shah	24768560	46.16	15500005	28.89	3100001	28.89
Sangota Amritlal Shah	4816190	8.98	3466185	6.46	775001	7.22
Vimla Jawanmal Shah	-	-	-	-	775001	7.22
<b>TOTAL</b>	<b>29584750</b>	<b>55.13</b>	<b>28234740</b>	<b>52.62</b>	<b>7750008</b>	<b>72.21</b>

As per records of the Company, including its registers of Shareholders / Members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.



Moksh Ornaments Limited  
CIN: L36996MH2012PLC233562

Annexure-XXXIV

Note-10.1: STATEMENT OF CHANGES IN EQUITY

(Rs in Lacs, unless otherwise stated)

Equity Share Capital	Reserves & Surplus			Other Comprehensive Income equity instruments through Other Comprehensive Income	Total
	Securities Premium Reserve	Capital Reserve	Retained Earnings		
Balance at the beginning of the F.Y. 2020-21					
Atributable to the owners of the company			1,073.20	-	1,073.20
Total			1,073.20	-	1,073.20
Balance at the beginning of the F.Y. 2021-22					
Atributable to the owners of the company			1,073.20	-	1,073.20
Total			1,073.20	-	1,073.20
Balance at the beginning of the F.Y. 2022-23					
Atributable to the owners of the company			1,073.20	-	1,073.20
Total			1,073.20	-	1,073.20
Balance as at April 01, 2020					
	1,038.47		1,348.78	-	2,387.25
Changes in accounting policy/prior period errors:					
Adjustment of discontinuation of associate	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-
Adjustment for earlier year gain	-	-	-	-	-
Gain/(loss) on fair value of investments	-	-	-	-	-
Transfer to retained earnings	-	-	554.76	-	554.76
Balance as at March 31, 2021	1,038.47		1,903.54	-	2,942.02
Balance as at April 1, 2021					
	1,038.47		1,903.54	-	2,942.02
Changes in accounting policy/prior period errors:					
Arise on Consolidation of Associate	-	-	-	-	-
Adjustment of discontinuation of subsidiary	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-
Adjustment for Other Equity attributable to Non-controlling interest	-	-	-	-	-
Adjustment for earlier year gain	-	-	-	-	-
Gain/(loss) on fair value of investments	-	-	-	-	-
Transfer to retained earnings	-	-	504.47	-	504.47
Dividend Paid	-	-	-53.63	-	-53.63
Balance as at March 31, 2022	1,038.47		2,354.38	-	3,392.86
Balance as at April 1, 2022					
	1,038.47		2,354.38	-	3,392.86
Adjustment for prior period provisions	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-
Adjustment for earlier year gain	-	-	-	-	-
Gain/(loss) on fair value of investments	-	-	-	-	-
Transfer to retained earnings	-	-	626.22	-	626.22
Balance as at March 31, 2023	1,038.47		2,980.60	-	4,019.08

Note: Remeasurement of net defined benefit plans and fair value changes relating to own credit risk of financial liabilities designated at fair value through profit and loss shall be recognised as a part of retained earnings with separate disclosure of such items alongwith the relevant amounts in the Notes.

For S D JAIN & CO  
CHARTERED ACCOUNTANTS  
FRN: 121521W  
Sd/-

Shantilal D Jain  
Proprietor  
MEMBERSHIP NO. 110218  
UDIN : 24110218BKDAPP5911  
PLACE : Mumbai  
DATE : 09/02/2024



For & on Behalf of Board of Directors  
Moksh Ornaments Limited

Anwarul M Shah  
Director  
DIN: 05301300



Anurit J Shah  
Chairman  
DIN: 05301251



Mokesh Ornaments Limited CIN: L36996MH2012PLC233562		Annexure-XXXVI				
Note-14.1 Ageing schedule of trade payables		Outstanding for following periods from the date of payments				
(i) Ageing schedule for trade payables outstanding as at 31st March, 2021 is as follows		Upto 1 year	1 year to 2 year	2 year to 3 year	More than 3 years	(Rs in Lacs, unless otherwise stated)
Particulars						
(i) Undisputed Trade Payables - MSME		5.17	-	-	-	5.17
(ii) Undisputed Trade Payables - Other		-	-	-	-	-
(iii) Disputed Trade Payables- MSME		-	-	-	-	-
(iv) Disputed Trade Payables - Other		-	-	-	-	-
						5.17
<b>(ii) Ageing schedule for trade payables outstanding as at 31st March, 2022 is as follows</b>						
Particulars		Outstanding for following periods from the date of payments				(Rs in Lacs, unless otherwise stated)
Particulars		Upto 1 year	1 year to 2 year	2 year to 3 year	More than 3 years	
(i) Undisputed Trade Payables - MSME		10.01	-	-	-	10.01
(ii) Undisputed Trade Payables - Other		-	-	-	-	-
(iii) Disputed Trade Payables- MSME		-	-	-	-	-
(iv) Disputed Trade Payables - Other		-	-	-	-	-
						10.01
<b>(iii) Ageing schedule for trade payables outstanding as at 31st March, 2023 is as follows</b>						
Particulars		Outstanding for following periods from the date of payments				(Rs in Lacs, unless otherwise stated)
Particulars		Upto 1 year	1 year to 2 year	2 year to 3 year	More than 3 years	
(i) Undisputed Trade Payables - MSME		2.80	-	-	-	2.80
(ii) Undisputed Trade Payables - Other		-	-	-	-	-
(iii) Disputed Trade Payables- MSME		-	-	-	-	-
(iv) Disputed Trade Payables - Other		-	-	-	-	-
						2.80



**Note-6.1: Ageing schedule of trade receivables**

(i) Ageing for trade receivable outstanding as at 31st March, 2021 is as follows:

Particulars	Outstanding for following periods from the date of payments				(Rs in Lacs, unless otherwise stated)
	Less than 6 month	Upto 1 year	1 year to 2 year	More than 3 years	
(i) Undisputed Trade receivables- considered good	4,452.27	-	-	-	4,452.27
(ii) Undisputed Trade receivables- considered doubtful	-	-	-	-	-
(iii) Disputed Trade receivables- considered good	-	-	-	-	-
(iv) Disputed Trade receivables- considered doubtful	-	-	-	-	-
					4,452.27

(ii) Ageing for trade receivable outstanding as at 31st March, 2022 is as follows:

Particulars	Outstanding for following periods from the date of payments				(Rs in Lacs, unless otherwise stated)
	Less than 6 month	Upto 1 year	1 year to 2 year	More than 3 years	
(i) Undisputed Trade receivables- considered good	3,052.63	-	-	-	3,052.63
(ii) Undisputed Trade receivables- considered doubtful	-	-	-	-	-
(iii) Disputed Trade receivables- considered good	-	-	-	-	-
(iv) Disputed Trade receivables- considered doubtful	-	-	-	-	-
					3,052.63

(iii) Ageing for trade receivable outstanding as at 31st March, 2023 is as follows:

Particulars	Outstanding for following periods from the date of payments				(Rs in Lacs, unless otherwise stated)
	Less than 6 month	Upto 1 year	1 year to 2 year	More than 3 years	
(i) Undisputed Trade receivables- considered good	2,901.33	-	-	-	2,901.33
(ii) Undisputed Trade receivables- considered doubtful	-	-	-	-	-
(iii) Disputed Trade receivables- considered good	-	-	-	-	-
(iv) Disputed Trade receivables- considered doubtful	-	-	-	-	-
					2,901.33





Annexure - XXVII

**A RELATED PARTY DISCLOSURES**

(A) Names of related parties and description of relationship:

**1. Key Management Personnel**

Amrit J. Shah	Managing Director & Chairman
Jawammal M. Shah	Whole time Director
Sangeeta A. Shah	Non-Executive Director
Purvesh Shah	Chief Financial Officer
Charmy Varjya	Company Secretary & Compliance Officer
MHava Shah	Company Secretary & Compliance Officer
Nirali Shah	Independent Director
Hardik Makwana	Independent Director
Harshita A. Shah	

**2. Enterprise in Which Key Management Personnel have control**

Greenkar Creation Pvt Ltd

(Rs in Lacs, unless otherwise stated)

Particulars	Transactions with Related Parties																			
	Key Mgm. Personnel					Enterprise where control exists					Relatives of Key Management Personnel					Balance Outstanding				
	2022-23	2021-22	2020-21	2022-23	2021-22	2020-21	2022-23	2021-22	2020-21	2022-23	2021-22	2020-21	2022-23	2021-22	2020-21					
Amrit J. Shah	54.00	54.00	54.00	-	-	-	-	-	-	-	-	-	-	-	-					
Jawammal M. Shah	36.00	36.00	36.00	-	-	-	-	-	-	-	-	-	-	-	-					
Sangeeta A. Shah	30.00	30.00	30.00	-	-	-	-	-	-	-	-	-	-	-	-					
Mirwa Shah	0.25	0.25	0.25	-	-	-	-	-	-	-	-	-	-	-	-					
Nirali Shah	0.25	0.25	0.25	-	-	-	-	-	-	-	-	-	-	-	-					
Hardik Makhwana	0.25	0.25	0.25	-	-	-	-	-	-	-	-	-	-	-	-					
Purvesh Shah	15.00	15.00	15.00	-	-	-	-	-	-	-	-	-	-	-	-					
Harshita A. Shah	9.00	8.10	8.10	-	-	-	-	-	-	-	-	-	-	-	-					
Charmy Varjya	1.30	-	-	-	-	-	283.18	242.93	16.50	-	-	-	-	-	-					
Greenkar Creation Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					

(d) There is no adjustment required to be made to the profits or loss for complying with ICDs notified u/s 145(2) of Income tax Act 1961.



GRETEX SHARE BROKING LIMITED  
CIN: U65900MH2011071C289361

Particulars	Transactions with Related Parties					Balance Outstanding						
	Related Parties					Relatives of Key Management Personnel						
	2022-23	2021-22	2020-21	2022-23	2021-22	2020-21	2022-23	2021-22	2020-21	2022-23	2021-22	2020-21
<p>As per our Report of even date. For S D JAIN &amp; CO CHARTERED ACCOUNTANTS FIRM: 124521W Sd/- Sudhishil D Jain Proprietor MEMBERSHIP NO. 110218 UDIN: 24110218HKDAPF5911 PLACE: Mumbai DATE: 09/02/2024</p>	<p>Enterprise where control exists for &amp; on behalf of Board of Directors Mishra Creations Limited</p> <p>Amir J Shah Chairman DIN: 05301251</p> <p>Amir J Shah CEO DIN: 05301251</p> <p>Amir J Shah Chairman DIN: 05301251</p> <p>Amir J Shah Company Secretary DIN: 05301251</p>											



Moksh Ornaments Limited CIN: L36996MH2012PLC233562			
Annexure-XXXVIII Restated Statement of Adjustments to Audited Financial Statements			
<b>(i) Reconciliation of Restated Profit:</b>			
The reconciliation of Profit after tax as per audited financial statements and the Profit after tax as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit / loss of the company			
(Rs in Lacs, unless otherwise stated)			
Particulars	For the year ended 31st March'23	For the year ended 31st March'22	For the year ended 31st March'21
Profit after tax as per audited/ re-audited financial statements	613.43	513.35	566.08
(i) Adjustments on account of change in accounting policies:			
(ii) Other material adjustments:			
Finance cost	2.41	(2.41)	-
Other Expenses	-	2.62	(2.62)
Income tax adjustments	10.38	(9.09)	(8.71)
(iii) Audit Qualifications:	-	-	-
<b>Restated profit after tax</b>	<b>626.22</b>	<b>504.47</b>	<b>554.75</b>
Notes:- Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.			
<b>Adjustments having impact on Profit: To give Explanatory Notes regarding Adjustments:</b>			
Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the SEBI (ICDR) Regulations, 2018.			
<b>(ii) Reconciliation of Restated Shareholders Funds:</b>			
The reconciliation of Shareholder's funds as per audited financial statements and Shareholder's funds as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on Shareholder's funds of the company.			
(Rs in Lacs, unless otherwise stated)			
Particulars	As at 31st March'23	As at 31st March'22	As at 31st March'21
Shareholder's funds as per Audited/ Re-audited financial statements	5,099.70	4,486.27	4,026.54
(i) Adjustments on account of change in accounting policies:			
Gain/(Loss) on change of fair valuation of investment through OCI	-	-	-
(ii) Differences carried over pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial	(7.42)	(20.21)	(11.33)
(iii) Other material adjustments # :			
(v) Audit Qualifications:	-	-	-
<b>Restated Shareholder's funds</b>	<b>5,092.28</b>	<b>4,466.06</b>	<b>4,015.21</b>
Note: Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.			
<b>Adjustments having impact on Profit:</b>			
Amounts relating to the prior period have been adjusted in the year to which the same relates to and the same amount is arrived on account of change in Opening Balance of Reserves & Surplus due to the restated effect on the Profit/ (Loss) of prior period.			
<b>To give Explanatory Notes regarding Adjustments:</b>			
Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the SEBI (ICDR) Regulations, 2018.			



Moksh Ornaments Limited  
CIN: L36996MH2012PLC233562

Annexure-XXXIX  
STATEMENT OF CAPITALISATION

(Rs in Lacs, unless otherwise stated)

PARTICULARS	Pre-Offer 31.03.2023	Post-Offer
<b>Debt</b>		
- Short Term Debt	2,466.15	-
- Long Term Debt	289.18	-
<b>Total Debt</b>	<b>2,755.33</b>	<b>-</b>
<b>Shareholders' Fund (Equity)</b>		
- Share Capital	1,073.20	-
- Reserves & Surplus	4,019.08	-
<b>Total Shareholders' Fund (Equity)</b>	<b>5,092.28</b>	<b>-</b>
<b>Long Term Debt / Equity (In Ratio)</b>	<b>0.06</b>	<b>-</b>
<b>Total Debt / Equity (In Ratio)</b>	<b>0.54</b>	<b>-</b>

**Notes:-**

1. Short Term Debts represent which are expected to be paid/payable within 12 months and exclude installments of Term Loans repayable within 12 months.
2. Long Term Debts represent debts other than Short Term Debts as defined above but include installments of Term Loans repayable within 12 months grouped under short term borrowings.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/03/2023
4. The post issue capitalization will be determined only after the completion of the allotment of Equity Shares.



**Moksh Ornaments Limited**  
CIN: L36996MH2012PLC233562

Annexure-XXXX  
OTHER FINANCIAL INFORMATION

(Rs in Lacs, unless otherwise stated)

Particulars	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Net Worth (A)	5,092.28	4,466.06	4,015.22
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	1,022.06	712.16	850.24
Restated Profit after tax	626.22	504.47	554.76
Add: Prior Period Item	-	-	-
Adjusted Profit after Tax(B)	626.22	504.47	554.76
Number of Equity Share outstanding as on the End of Year / Period (C) (Nos.)	53660055	53660055	10732011
Weighted average no of Equity shares as on the end of the period year(D(ii))	53660055	53660055	10732011
Weighted average no of Equity shares as on the end of the period year [After Split] (D(ii))	53660055	53660055	53660055
Face Value per Share	10.00	10.00	10.00
Restated Basic & Diluted Earnings Per Share (Rs.) (B/D(i))	1.17	0.94	5.17
Restated Basic & Diluted Earnings Per Share [After Split] (Rs.) (B/D(ii))	1.17	0.94	1.03
Return on Net worth (%) (B/A)	12.30%	11.30%	13.82%
Net asset value per share (A/D(i))	9.49	8.32	37.41
Net asset value per share [After Split] (A/D(ii))	9.49	8.32	7.48

**Notes:-**

1. The ratios have been Computed as per the following formulas

(i) Basic Earnings per Share

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Weighted average number of equity shares outstanding at the end of the year / period}}$$

(ii) Net Asset Value (NAV) per Equity Share

$$\frac{\text{Restated Net Worth of Equity Share Holders}}{\text{Number of equity shares outstanding at the end of the year / period}}$$

(iii) Return on Net worth (%)

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Restated Net Worth of Equity Share Holders}}$$

2. EBITDA represents Earnings (or Profit/ (Loss)) before Finance Costs, Income Taxes, and Depreciation and Amortization Expenses. Exceptional items has not been considered after reducing Other Income while determining EBITDA.
3. Net Profit as restated, as appearing in the Statement of Profit and Losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the Restated Financial Information of the Company.
4. Earnings per share calculations are done in accordance with INDAS-33 "Earning per Share".
5. Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.
6. The Authorised Share Capital of the company was increased from 1,10,00,000 Equity Shares of Rs.10/- each to 25,00,00,000 Equity Shares of Rs. 2/- each vide resolution passed in EGM dated 3rd July, 2021
7. The company issued 4,29,28,044 equity shares of Rs. 2/- each as Split shares in the ratio of 5:1 (i.e. 5 (Five) Fully paid Equity Shares of Rs.2/- each will be allotted against the holding of 1 (One) equity shares of the Company) vide EGM resolution passed and allotted on 3rd July, 2021. This is considered for calculating EPS.



Moksh Ornaments Limited  
CIN: L36996MH2012PLC233562

Annexure-XXXXI  
RESTATED STATEMENT OF TAX SHELTER

Particulars	(Rs in Lacs, unless otherwise stated)		
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
<b>(A) Income from House Property</b>			
Gross Rent	-	-	-
Less: Standard deduction	-	-	-
<b>Income from House Property(A)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(B) Income from Profits &amp; Gains from Business/Professions</b>			
Net profit as per P&L Account	850.75	691.62	771.97
Add: Depreciation as per Companies Act, 2013	3.01	4.16	2.85
Adj: Incomes not taxable	-	-	(196.95)
Add: CSR Donation paid	15.00	13.45	32.01
Add: Any other item of addition u/s 28 to 44DB	(1.71)	9.18	2.62
	<b>867.05</b>	<b>718.41</b>	<b>612.50</b>
Less: Income from other sources	(19.09)	(11.55)	(144.10)
Less: Depreciation as per Income Tax Act,1961	(3.01)	(3.55)	(2.85)
Less: Brought Forward Loss	-	-	-
<b>Income/(Loss) From Business &amp; Profession(B)</b>	<b>844.94</b>	<b>703.31</b>	<b>465.54</b>
<b>(C) Income from Capital Gain</b>			
LTCG	-	-	-
STCG	-	-	-
<b>Income from Capital Gain(C)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(D) Income from Other Sources</b>			
Interest Income	19.09	11.55	144.10
<b>Income from Other Sources(D)</b>	<b>19.09</b>	<b>11.55</b>	<b>144.10</b>
Gross Total Income	864.03	714.86	609.64
Less: Adjustment for business loss	-	-	-
Less: Income taxable at special rate	-	-	-
Taxable at Normal rate	864.03	714.86	609.64
Normal Tax	190.09	157.27	134.12
Special Tax 15%	-	-	-
Special Tax 10%	-	-	-
<b>Total</b>	<b>190.09</b>	<b>157.27</b>	<b>134.12</b>
Add: Surcharge 10%	19.01	15.73	13.41
Add: Education Cess 4%	8.36	6.93	5.90
<b>Total tax payable</b>	<b>217.46</b>	<b>179.92</b>	<b>153.43</b>
Add: Interest & fees u/s 234	7.21	9.08	8.67
<b>Total tax payable</b>	<b>224.67</b>	<b>189.00</b>	<b>162.11</b>
Tax payable as per MAT u/s 115JB			
Add: Health & Education cess			
<b>Tax payable as per MAT u/s 115JB</b>			
Current tax as per restated Statement of Profit & Loss	224.67	189.00	162.11





AA Restated Statement of Accounting Ratios:

Sr. No.	Particulars	Numerator	Denominator	As at (in %)			Annexure-XXXXII Variance (in %)	
				31/03/2023	31/03/2022	31/03/2021	2021-22	2022-23
a)	Current Ratio	Current Assets	Current Liabilities	3.08	36.03	2.32	1450.95%	-91.45%
b)	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.54	0.08	0.89	-90.43%	538.94%
c)	Debt Service Coverage Ratio	EBITDA	Debt Service	4.98	8.61	3.11	176.85%	-42.10%
d)	Return on Equity Ratio	Net Profits after Taxes	Shareholder's Equity	0.12	0.11	0.14	-18.24%	8.87%
e)	Inventory Turnover Ratio	Cost of Goods Sold	Average Value of Inventory	14.73	16.18	12.80	26.45%	-8.96%
f)	Trade Receivables Turnover Ratio	Total Sales	Average Trade Receivable	15.00	8.64	8.36	3.28%	73.73%
g)	Trade Payables Turnover Ratio	Total Purchase	Average Trade Payables	7,002.00	3,933.44	115.76	3298.05%	78.01%
h)	Net Working Capital Turnover Ratio	Revenue	Average Working Capital	8.83	7.00	8.43	-16.90%	26.12%
i)	Net Profit Ratio (%)	Net Profits after Taxes	Revenue	1.40%	1.56%	1.65%	-5.49%	-9.93%
j)	Return on Capital Employed (%)	Earning before interest and taxes	Capital Employed	19.85%	16.25%	25.38%	-35.97%	22.15%
k)	Return on Investment (%)	Income Generated from Investments	Closing investment	0.00%	0.00%	0.00%	0.00%	0.00%

Sr. No.	Ratio Variance > 25%	Reasons for variance (2022-23)	Reasons for variance (2021-22)
a)	Current Ratio	A significant increase in current liabilities, compared to the proportional increase in current assets, results in a variance in the current ratio of 91.45%.	A significant decrease in current liabilities, compared to the proportional decrease in current assets, results in a variance in the current ratio of 1450.95%.
b)	Debt-Equity Ratio	A significant increase in debts, compared to the proportional increase in shareholder's equity, results in a variance in the D/E ratio of 538.94%.	A significant decrease in debts, compared to the proportional increase in shareholder's equity, results in a variance in the D/E ratio of 90.43%.
c)	Debt Service Coverage Ratio	A significant increase in debt service, compared to the proportional increase in EBITDA, results in a variance in the debt service coverage ratio of 41.91%.	The said ratio has favourably increased by 175.33% when compared with previous year as the debt service for the F.Y. 2021-22 has decreased.
d)	Inventory Turnover Ratio	The observed variance in this ratio by 8.96% is a result of the proportionately higher increase in the value of closing inventory compared to the increase in Cost of Goods Sold (COGS).	The observed variance in this ratio by 26.45% is a result of the decrease in the average value of inventory during the previous year.
e)	Trade Receivables Turnover Ratio	The trade receivables turnover ratio increases by 73.73% due to rise in sales of stock-in-trade.	The trade receivables turnover ratio decreases by 3.28% due to fall in average trade receivables.
f)	Trade Payables Turnover Ratio	The trade payables turnover ratio increases by 78.01% due to rise in trade payables.	The trade payables turnover ratio increases by 3298.05% due to rise in average trade payables.
g)	Net Working Capital Turnover Ratio	Favourable increase by 26.12% in Net Capital Turnover Ratio arises due to increase in revenue over previous year.	Decrease by 16.87% in Net Capital Turnover Ratio arises due to increase in average working capital over previous year.
h)	Return on Capital Employed (ROCE)	Growth in ROCE ratio by 22.56% is observed due to growth in net profits.	The observed variance in ROCE ratio by 36.29% is observed due to decrease in net



**Moksh Ornaments Limited**  
CIN: L36996MH2012PLC233562  
Restated Financial Statements

(Rs in Lacs, unless otherwise stated)

Particulars	For the Financial Year ended March 31, 2023	For the Financial Year ended March 31, 2022	For the Financial Year ended March 31, 2021
Revenue from Operations <sup>(1)</sup>	44,659.20	32,402.57	33,675.72
EBITDA <sup>(2)</sup>	1,022.06	712.16	850.24
EBITDA Margin (in %) <sup>(3)</sup>	2.29%	2.20%	2.52%
Profit after tax and non-controlling interest <sup>(4)</sup>	626.22	504.47	554.76
PAT Margin (in %) <sup>(5)</sup>	1.40%	1.55%	1.63%
Net worth <sup>(6)</sup>	5,092.28	4,466.06	4,015.22
Debt/Equity <sup>(7)</sup>	0.48	0.00	0.76
RoNW (in %) <sup>(8)</sup>	12.30%	11.30%	13.82%
RoCE (in %) <sup>(8)</sup>	18.99%	14.75%	18.83%
RoA (in %) <sup>(9)</sup>	7.88%	10.16%	7.02%
Net Asset Value			
NAV (in ₹) <sup>(10)</sup>	94.90	83.23	74.83
No. of shares o/s adjusted with Split	53660055	53660055	53660055





## ACCOUNTING RATIOS

The following tables present certain accounting and other ratios derived from Restated Financial Information for the Financial Years ending March 31, 2023, March 31, 2022 and March 31, 2021 and Unaudited Financial Statements for the six months period ended September 30, 2023. For further details please refer to the section titled '*Financial Information*' beginning on page 97.

(₹ in lakhs, except mentioned otherwise)

Particulars	as at / for the period/financial year ended			
	September 2023	March 31, 2023	March 31, 2022	March 31, 2021
Net Profit/ (loss) after tax	277.10	564.97	415.43	242.86
Income tax expenses	112.23	224.53	187.15	217.22
Finance Cost	176.17	217.41	93.11	373.89
Depreciation and Amortization expense	8.22	15.15	16.47	16.28
<b>Earnings Before Interest, Tax, Depreciation and Amortisation (A)</b>	<b>573.73</b>	<b>1,022.07</b>	<b>712.16</b>	<b>850.24</b>
Equity Share capital	1,073.20	1,073.20	1,073.20	1,073.20
Reserves and Surplus	4,360.18	4019.08	3392.86	2942.02
<b>Net Worth (B)</b>	<b>5,433.38</b>	<b>5,092.28</b>	<b>4,466.06</b>	<b>4,015.22</b>
Profit for the Year as per Statement of Profit and Loss attributable to Equity Shareholders (C)	333.65	626.22	504.047	554.76
Number of issued, subscribed and fully paid-up Equity Shares outstanding as at the year ended (Numbers) (D)	5,36,60,055	5,36,60,055	5,36,60,055	1,07,32,011
<b>Return on Net Worth (%) (C/B)</b>	<b>6.14</b>	<b>12.30</b>	<b>11.29</b>	<b>13.82</b>
<b>Net Asset Value per Equity Share (₹) (B/D)</b>	<b>10.13</b>	<b>9.49</b>	<b>8.32</b>	<b>37.41</b>
<b>Basic and Diluted Earnings per Equity Share (₹)</b>	<b>0.62</b>	<b>1.17</b>	<b>0.94</b>	<b>5.17</b>

Where,

**Basic Earnings per Equity Share (₹) =**

$$\frac{\text{Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders after exceptional item, as applicable}}{\text{Weighted Average number of Equity Shares}}$$

**Diluted Earnings per Equity Share (₹) =**

$$\frac{\text{Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders after exceptional item, as applicable}}{\text{Weighted Average number of Equity Shares (including convertible securities)}}$$

**Return on Net Worth (%) =**

$$\frac{\text{Profit for the Year as per Statement of Profit and Loss attributable to Equity Shareholders (prior to other comprehensive income)}}{\text{Weighted Average number of Equity Shares (including convertible securities)}}$$

$$\text{Net Asset Value per Equity Share (₹)} = \frac{\text{Net Worth}}{\text{Number of Equity Shares outstanding for the year}}$$



## STATEMENT OF CAPITALIZATION

(₹ in Lakhs)

Particulars	Pre-Issue as at September 30, 2023	As adjusted for the issue (Post-Issue)*
<b>Total Borrowings</b>		
Current borrowings*	4,957.13	[•]
Non-current Borrowings (including current maturity)*	227.72	[•]
<b>Total Borrowings (A)</b>	<b>5184.85</b>	
<b>Total Equity</b>		
Equity share capital*	1,073.20	[•]
Other equity*	4,360.18	[•]
<b>Total Equity (B)</b>	<b>5433.38</b>	
<b>Ratio: Total Borrowings (Non-current borrowings/ Total Equity)</b>	<b>0.95</b>	

\*These terms shall carry the meaning as per Schedule III of the Companies Act, 2013 (as amended).

**Note:** The figures disclosed above are based on the unaudited books of accounts of the Company as at September 30, 2023.



## STOCK MARKET DATA FOR EQUITY SHARES OF OUR COMPANY

Our Company's Equity Shares are listed on NSE and the Rights Equity Shares issued pursuant to this Issue will be listed on NSE. For further details, please refer to the section titled '*Terms of the Issue*' beginning on page 167.

Our Company shall receive an in-principle approval for listing of the Rights Equity Shares on the Stock Exchange to be issued pursuant to this Issue from Rights Equity Shares pursuant to letter bearing dated [•]. Our Company shall also make applications to stock exchange to obtain trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

For the purpose of this section, unless otherwise specified:

1. Year is a Financial Year;
2. Average price is the average of the daily closing prices of the Equity Shares for the year, or the month, as the case may be;
3. High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of the Equity Shares, as the case may be, for the year, or the month, as the case may be; and
4. In case of two days with the same high/low/closing price, the date with higher volume has been considered.

### STOCK MARKET DATA OF THE EQUITY SHARES

The Equity Shares of our Company are listed on the NSE. Stock market data for our Equity Shares has been given on NSE.

The high, low and average prices recorded on NSE, during the preceding 3 (Three) Financial Years and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

Financial Year	Date of High	High	Volume (No. of Equity Shares)	Date of Low	Low	Volume (No. of Equity Shares)	Average Price for the Financial Year
2023-2022	29-Apr-22	23.15	7,53,236	29-Mar-23	8.55	78,790	14.52
2022-2021	07-Jul-21	123.85	2,49,904	31-Mar-22	14.35	9,27,676	42.36
2021-2020	31-Mar-21	50.50	1,29,000	08-Oct-20	21.00	12,000	30.51

Source: [www.nseindia.com](http://www.nseindia.com)

#### Notes:

High, low and average prices are based on the daily closing prices.

#### Stock data for the last six months:

The high, low, and average prices recorded on the National Stock Exchange of India Limited, during the last 6 (Six) months and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

Month	Date of High	High	Volume (No. of Equity Shares)	Date of Low	Low	Volume (No. of Equity Shares)	Weighted Average Price
Jan-24	31-Jan-24	19.55	14,10,093	03-Jan-24	14.00	1,11,459	16.68
Dec-23	11-Dec-23	17.25	7,27,751	04-Dec-23	13.75	1,77,164	15.42
Nov-23	01-Nov-23	15.30	38,882	15-Nov-23	14.05	93,185	14.37
Oct-23	03-Oct-23	17.10	1,78,768	26-Oct-23	13.75	1,38,859	15.43
Sep-23	21-Sep-23	19	24,03,865	05-Sep-23	11.60	2,91,905	15.35
Aug-23	08-Aug-23	14.30	2,91,131	02-Aug-23	12.20	4,11,291	13.27

Source: [www.nseindia.com](http://www.nseindia.com)



The Board has approved the Issue at their meeting held on April 21, 2023. The high and low prices of Equity Shares as quoted on the National Stock Exchange of India Limited on April 24, 2023, the day on which the trading in the Equity Shares happened immediately following the date of the Board meeting are as follows:

<b>Date</b>	<b>High</b>	<b>Low</b>	<b>Volume (No. of Equity Shares)</b>	<b>Weighted Average Price</b>
24-Apr-23	10.65	9.85	1,57,411	10.04

Source: [www.nseindia.com](http://www.nseindia.com)

The Issue Price of ₹ [•] (Rupee [•] Only) per Equity Share has been arrived at by our Company in consultation with the Lead Manager.



## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with the section titled '**Financial Information**' beginning on page 97 of this Draft Letter of Offer.

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should also read the section titled '**Forward Looking Statements**' and '**Risk Factors**' and beginning on page 21 and 27, respectively of this Draft Letter of Offer, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.

You should read the following discussion and analysis of our financial condition and results of operations together with the Financial Statements, including the significant accounting policies, notes thereto and reports thereon, which have been prepared in accordance with Companies Act and SEBI ICDR Regulations.

The following discussion of our financial condition should be read in conjunction with our Unaudited Financial Statements for the six months period ended September 30, 2023 and Restated Financial Statements for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 including the schedules and notes thereto and the reports thereto, which appear in the section titled '**Financial Information**' beginning on page 97 of this Draft Letter of Offer. The financial statements presented and discussed herein have been prepared to comply in all material respects with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act and SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018. Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year/financial year are to the twelve-month period ended on March 31 of that year.

**Note:** Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be '**Forward Looking Statements**' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

### BUSINESS OVERVIEW

We are in the business of manufacture and wholesale of jewellery and head quartered at Mumbai, Maharashtra. The jewelleryes are manufactured on job work basis at Kolkata and Mumbai. We primarily sell gold jewellery and our product profile includes bangles, chain, and mangalsutra. Our focus is on developing new designs that meet customer's requirements as well as cater to their tastes and specifications. We get our products designed by third party designers.

We endeavour to maintain the quality of our products, follow strict procedures to ensure control quality, timely delivery and competitive prices. We offer regular designs and guarantee our esteemed customers for the time bound delivery of the products. Our customers get the jewellery hallmarked from BIS recognized Assaying and Hallmarking Centre. We only assist in dispatching the products to the Assaying and Hallmarking Centre for certification. The BIS hallmark, a mark of conformity widely accepted by the consumer bestows the additional confidence to the consumer on the purity of our gold jewellery.

Our Company, upon incorporation, took over businesses carried on by our promoters, Mr. Amrit Jawanmalji Shah and Mr. Jawanmal Moolchand Shah as a sole proprietor of M/s Jineshwar Gold and M/s. Padmavati Jewels respectively.

For further details, please refer to the chapter titled '**Business Overview**' beginning on page 78.



## FINANCIAL PERFORMANCE

The financial performance of our Company for the year ended on March 31, 2023, March 31, 2022 and March 31, 2021 and Unaudited Financial Statements for the six months period ended September 30, 2023 is as follows:

(₹ in Lakhs)

Particulars	September 30, 2023	for the financial year ended		
		March 31, 2023	March 31, 2022	March 31, 2021
Total Revenue	25,924.37	44,720.45	32,491.61	33,987.62
EBITDA	573.73	1022.06	712.16	850.24
Total Profit / (loss)	333.65	626.22	504.47	554.76

## FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subject to various risks and uncertainties, including those discussed in the section titled '**Risk Factors**' beginning on page 27 of this Draft Letter of Offer.

Our Company's future results of operations could be affected potentially by the following factors:

- Company's ability to successfully implement our strategy, our growth and expansion;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- Inability to successfully obtain registrations in a timely manner or at all;
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
- Changes in laws and regulations relating to the industries in which we operate;
- Intensified competition in industries/sector in which we operate;
- Our ability to attract, retain and manage qualified personnel;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Our ability to expand our geographical area of operation.
- Our ability to purchase the material and the availability of the same at reasonable prices;
- Changes in the SEBI and RBI regulations, interest rates and tax laws in India.
- Cordial relationship with our customers, Experience of our Promoters, Quality of our products, Customer Satisfaction.

## SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in Financial Statements. For details of our significant accounting policies, please refer chapter titled '**Financial Information**' beginning on page 97 of this Draft Letter of Offer.

## CHANGES IN ACCOUNTING POLICIES

Except as mentioned in section titled '**Financial Information**' beginning on page 97 of this Draft Letter of Offer, there has been no change in accounting policies in last 3 years.





## RESERVATIONS, QUALIFICATIONS, MATTER OF EMPHASIS, ADVERSE REMARKS / OTHER OBSERVATIONS IN CARO

For details, see section titled “**Financial Statements**” on page 97 of this Draft Letter of Offer.

### PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

#### **Revenue**

Our revenue comprises of:

##### **i. Revenue from operations**

Revenue from operations is on account of Export and Trading in Gold jewellery. It also includes other operating income.

##### **ii. Other Income**

Other income primarily comprises recurring income which includes Interest Income and Income from Financial Instruments.

#### **Expenses**

Our expenses primarily comprise cost of material consumed, purchase of traded goods, changes in inventories of finished goods and work-in-progress, employee benefit expenses, finance costs, depreciation and amortization expenses and other expenses.

##### **i. Purchase of stock in trade**

The Purchase of stock in trade comprises of purchase of gold jewellery.

##### **ii. Changes in inventories of finished goods, stock-in-trade**

Changes in inventories of finished goods and stock-in-trade comprises of difference in closing stock vis-a-vis opening stock of finished goods.

##### **iii. Employee benefit expense**

Employee benefit expense consists of salaries, wages, contribution to provident fund & other funds, and staff welfare expenses.

##### **iv. Finance cost**

Finance cost comprises interest expense and other finance costs. Interest expense generally comprises interest on secured loans and unsecured loans, Interest on Lease Liabilities. Other finance costs consist of bank charges and other fees.

##### **v. Depreciation and Amortization Expense**

Depreciation and amortization expense comprises of depreciation on buildings, property, plant and equipment, Lab Equipments, Electrical Instalments, furniture & fixtures, office equipment, computers and vehicles.

##### **vi. Other expenses**

Other expenses comprise of Advertisement & Sales Promotion, Clearing and Forwarding Expenses, CSR Expenditure, Electricity, Insurance, Rent, Transport and Logistics, Processing & Labour Charges, annual listing and other listing related expense, legal and professional, auditor remuneration and miscellaneous expenses.

##### **vii. Exceptional items**

Exceptional items comprise of loss on sale of land, long term capital gain, short term capital gain, profit on sale of land and short term capital loss.



**viii. Tax expenses**

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax liability or asset is recognized based on the difference between taxable profit and book profit due to the effect of timing differences. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

**RESULT OF OUR OPERATION**

The following discussion on results of operations should be read in conjunction with the Unaudited Financial Results for the six months period ended September 30, 2023 and Restated Financial Statements for the financial year ended on March 31, 2023, March 31, 2022 and March 31, 2021 together with the percentage that each line item represents of our total revenue for the periods presented.

(₹ in Lakhs)

Particulars	September 30, 2023		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	% of total income	Amount	% of total income	Amount	% of total income	Amount	% of total income
<b>Revenue</b>								
Revenue From Operations	25,867.82	99.78	44,659.20	99.86	32,402.57	99.73	33,675.72	99.08
Other Income	56.55	0.22	61.25	0.14	89.04	0.27	311.90	0.92
<b>Total Income (A)</b>	<b>25,924.37</b>	<b>100.00</b>	<b>44,720.45</b>	<b>100.00</b>	<b>32,491.61</b>	<b>100.00</b>	<b>33,987.62</b>	<b>100.00</b>
<b>Expenses</b>								
Cost of materials consumed	-	0.00	44,856.20	100.30	29,869.23	91.93	32,956.99	96.97
Purchases Of Stock-In-Trade	25,164.74	97.07	-	0.00	-	0.00	-	0.00
Changes In Inventories Of Finished Goods and Stock in Trade and work-in-Progress	(21.64)	-0.08	(1,501.95)	-3.36	1,506.96	4.64	(458.19)	-1.35
Employee Benefits Expense	98.10	0.38	200.99	0.45	188.26	0.58	167.63	0.49
Finance Cost	176.17	0.68	217.41	0.49	93.11	0.29	373.89	1.10
Depreciation And Amortization Expense	8.22	0.03	15.15	0.03	16.47	0.05	16.28	0.05
Other Expenses	52.89	0.20	81.89	0.18	125.96	0.39	159.05	0.47
<b>Total Expenses (B)</b>	<b>25,478.48</b>	<b>98.28</b>	<b>43,869.69</b>	<b>98.10</b>	<b>31,799.98</b>	<b>97.87</b>	<b>33,215.65</b>	<b>97.73</b>
<b>Profit / (Loss) before Exceptional Item (A-B)</b>	<b>445.89</b>	<b>1.72</b>	<b>850.75</b>	<b>1.90</b>	<b>691.62</b>	<b>2.13</b>	<b>771.97</b>	<b>2.27</b>
Exceptional Item	-	0.00	-	0.00	-	0.00	-	0.00
<b>Profit / (Loss) after Exceptional Item</b>	<b>445.89</b>	<b>1.72</b>	<b>850.75</b>	<b>1.90</b>	<b>691.62</b>	<b>2.13</b>	<b>771.97</b>	<b>2.27</b>



<b>Tax Expense</b>								
Current Tax	112.13	0.43	224.67	0.50	189.00	0.58	162.11	0.48
Deferred Tax Liability/(Assets)	0.10	0.00	(0.14)	0.00	(1.85)	-0.01	54.35	0.16
Excess/(Short) Provision Of Earlier Years	-	0.00	-	0.00	-	0.00	0.76	0.00
<b>Total Income Tax Expense</b>	<b>112.23</b>	<b>0.43</b>	<b>224.53</b>	<b>0.50</b>	<b>187.15</b>	<b>0.58</b>	<b>217.22</b>	<b>0.64</b>
<b>Profit/(Loss) After Tax</b>	<b>333.65</b>	<b>1.29</b>	<b>626.22</b>	<b>1.40</b>	<b>504.47</b>	<b>1.55</b>	<b>554.76</b>	<b>1.63</b>

**FOR THE HALF YEAR ENDED SEPTEMBER 30, 2023 COMPARED WITH THE HALF YEAR ENDED SEPTEMBER 30, 2022**

**A) Total Revenue:**

Our total revenue in the six months period ended September 30, 2023 was ₹ 25,924.37 Lakhs as compared to ₹ 21,575.63 Lakhs in the six months period ended September 30, 2022, representing an increase of 20.16%. Total revenue comprises of:

**i) Revenue from Operations**

Our revenue from operations in the six months period ended September 30, 2023 was ₹ 25,867.82 Lakhs as compared to ₹ 21,557.27 Lakhs in the six months period ended September 30, 2022, representing an increase of 20.00%. This increase was primarily due to increase in sale of goods, Export sales and sale of services.

**ii) Other income**

Other income in the six months period ended September 30, 2023 was ₹ 56.55 Lakhs as compared to ₹ 18.36 Lakhs in the six months period ended September 30, 2022, representing a decrease of 208%. The Decrease in other income was primarily due to increase in Net Foreign Exchange Loss.

**B) Expenses:**

Our total expenditure in the six months period ended September 30, 2023 was ₹ 25,478.48 Lakhs as compared to ₹ 21,220.57 Lakhs in the six months period ended September 30, 2022, representing an increase of 20.06%. Total expenditure comprises of:

**i) Purchase of Stock in Trade**

The purchase of Stock in trade in the six months period ended September 30, 2023 was ₹ 25,164.74 Lakhs as compared to 23,378.96 Lakhs in the six months period ended September 30, 2022, representing increase of 7.64%.

**ii) Changes in Inventories of finished goods and Stock in trade**

The changes inventories of finished goods and stock in trade in the six months period ended September 30, 2023 were ₹ (21.64) Lakhs as compared to ₹ (2,420.37) Lakhs in the six months period ended September 30, 2022, primarily due to increasing in finished goods and raw materials.

**iii) Employee benefit expenses**

Employee benefit expense in the six months period ended September 30, 2023 was ₹ 98.10 Lakhs as compared to ₹ 98.36 Lakhs in the six months period ended September 30, 2022. This increase was due to increase in the salary & wages of employees.



**iv) Finance cost**

Finance cost in the six months period ended September 30, 2023 was ₹ 176.17 Lakhs as compared to ₹ 80.87 Lakhs in the six months period ended September 30, 2022. The increase in finance cost is due to increase in interest bearing borrowing to previous year, Interest on Lease liability and Fees and Bank charges.

**v) Depreciation And Amortization Expense**

Depreciation and Amortization Expense in the six months period ended September 30, 2023 was ₹ 8.22 Lakhs as compared to ₹ 6.41 Lakhs in the six months period ended September 30, 2022. This decrease was due to decrease in depreciation and Amortisation on Intangible Assets.

**vi) Other expenses**

Other expenses in the six months period ended September 30, 2023 were ₹ 52.89 Lakhs as compared to ₹ 76.34 Lakhs in the six months period ended September 30, 2022, representing a decrease of (22.86)%. The decrease was mainly due decrease in clearing & forwarding expenses, electricity expense, insurance, transportation expenses, professional charges and miscellaneous expenses.

**C) Profit/(loss) before exceptional item and tax**

Profit/(loss) before exceptional item and tax six months period ended September 30, 2023 was ₹ 445.89 Lakhs as compared to ₹ 355.06 Lakhs in the six months period ended September 30, 2022, representing an increase of 25.58%. This increase was primarily due to increase in revenue from operations.

**D) Exceptional item**

Exceptional item six months period ended September 30, 2023 was ₹ NIL as compared to ₹ NIL for in the six months period ended September 30, 2022.

**E) Profit/(loss) before tax:**

Profit/ (loss) before Tax six months period ended September 30, 2023 was ₹ 445.89 Lakhs as compared to ₹ 355.06 Lakhs in the six months period ended September 30, 2022, representing an increase of 25.58%. This increase was primarily due to increase in revenue from operations.

**F) Tax expenses:**

Total tax expense six months period ended September 30, 2023 2023 was ₹ 112.23 Lakhs as compared to ₹ 89.36 Lakhs in the six months period ended September 30, 2022.

**G) Profit/(loss) after tax:**

For the reasons discussed above, the profit / (loss) after tax six months period ended September 30, 2023 was ₹ 333.65 Lakhs as compared to ₹ 265.70 Lakhs in the six months period ended September 30, 2022.

**COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2023 WITH FINANCIAL YEAR ENDED MARCH 31, 2022**

**A) Total Revenue:**

Our total revenue for the Fiscal 2023 was ₹ 44,720.45 Lakhs as compared to ₹ 32,491.61 Lakhs for the Fiscal 2022, representing an increase of 37.64%. Total revenue comprises of:



**i) Revenue from Operations**

Our revenue from operations for the Fiscal 2023 was ₹ 44,659.20 Lakhs as compared to ₹ 32,402.57 Lakhs for the Fiscal 2022, representing an increase of 37.83%. This increase was primarily due to increase in sale of goods, Export sales and sale of services.

**ii) Other income**

Other income for the Fiscal 2023 was ₹ 61.25 Lakhs as compared to ₹ 89.04 Lakhs for the Fiscal 2022, representing a decrease of (31.21)%. The Decrease in other income was primarily due to increase in Net Foreign Exchange Loss.

**B) Expenses:**

Our total expenditure for the Fiscal 2023 was ₹43,869.69 Lakhs as compared to ₹ 31,799.98 Lakhs for the Fiscal 2022, representing an increase of 37.96%. Total expenditure comprises of:

**i) Changes in Inventories of finished goods and Stock in trade and work-in-progress**

The changes inventories of finished goods and stock in trade for the Fiscal 2023 were ₹ (1501.95) Lakhs as compared to ₹ 1506.96 Lakhs for the Fiscal 2022, primarily due to increasing in finished goods and raw materials.

**ii) Employee benefit expenses**

Employee benefit expense for the Fiscal 2023 was ₹ 200.99 Lakhs as compared to ₹ 188.26 Lakhs for the Fiscal 2022. This increase was due to increase in the salary & wages of employees.

**iii) Finance cost**

Finance cost for the Fiscal 2023 was ₹ 217.41 Lakhs as compared to ₹ 93.11 Lakhs for the Fiscal 2022. The increase in finance cost is due to increase in interest baring borrowing to previous year, Interest on Lease liability and Fees and Bank charges.

**iv) Depreciation And Amortization Expense**

Depreciation and Amortization Expense for the Fiscal 2023 was ₹ 15.15 Lakhs as compared to ₹ 16.46 Lakhs for the Fiscal 2022. This decrease was due to decrease in depreciation and Amortisation on Intangible Assets.

**v) Other expenses**

Other expenses for the Fiscal 2023 were ₹ 81.89 Lakhs as compared to ₹ 125.96 Lakhs for the Fiscal 2022, representing a decrease of (34.99)% The decrease was mainly due decrease in clearing & forwarding expenses, electricity expense, insurance, transportation expenses, professional charges and miscellaneous expenses.

**C) Profit/(loss) before exceptional item and tax**

Profit/(loss) before exceptional item and tax for Fiscal 2023 was ₹ 850.75 Lakhs as compared to ₹ 691.42 Lakhs for Fiscal 2022, representing an increase of 23.01% This increase was primarily due to increase in revenue from operations.

**D) Exceptional item**

Exceptional item for Fiscal 2023 was ₹ NIL as compared to ₹ NIL for Fiscal 2022.



***E) Profit/(loss) before tax:***

Profit/ (loss) before Tax for Fiscal 2023 was ₹ 850.75 Lakhs as compared to ₹ 691.62 Lakhs for Fiscal 2022, representing an increase of 23.01%. This increase was primarily due to increase in revenue from operations.

***F) Tax expenses:***

Total tax expense for the Fiscal 2023 was ₹ 224.53 Lakhs as compared to ₹ 187.15 Lakhs for Fiscal 2022.

***G) Profit/(loss) after tax:***

For the reasons discussed above, the profit / (loss) after tax for the Fiscal 2023 was ₹ 626.22 Lakhs as compared to ₹ 504.47 Lakhs for the Fiscal 2022.

***H) 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***' and '***Management's Discussion and Analysis of Financial Condition and Results of Operations***' beginning on page 27 and 143, respectively, of this Draft Letter of Offer, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

***I) Unusual or Infrequent Events or Transactions:***

Except as described elsewhere in this Draft Letter of Offer, there have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent".

***J) Significant economic changes that materially affected or are likely to affect income from continuing operations***

Other than as described in this Draft Letter of Offer to our knowledge there are not any significant economic changes that materially affected or are likely to affect income from continuing operations.

***K) 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 disclosed in the section titled '***Risk Factors***' beginning on page 27 of this Draft Letter of Offer to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

***L) Expected future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known:***

Other than as described in the section titled '***Risk Factors***' and '***Management's Discussion and Analysis of Financial Condition and Results of Operations***' beginning on page 27 and 143 respectively, and elsewhere in this Draft Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company's future costs and revenues will be determined by demand/supply situation and government policies.



***M) Significant dependence on a Single or Few Suppliers or Customers:***

Other than as described in this Draft Letter of Offer, particularly in section titled '**Risk Factors**' beginning on page 27, to our knowledge, there is no significant dependence on a single or few customers or suppliers.

***N) Related Party Transactions:***

For details, please see the section titled '**Financial Information**' beginning on page 97.

***O) Significant developments after March 31, 2023 that may affect our future results of operations:***

Other than as disclosed in this Draft Letter of Offer, there have been no significant developments after March 31, 2023 that may affect our future results of operations. For further information, please see the section titled '**Outstanding Litigations, Defaults and Material Developments**' beginning on page 152.

***P) The extent to which the business is seasonal:***

Our Company's business is not seasonal in nature.

***Q) Competitive Conditions***

We face competition from existing and potential organised and unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled '**Risk Factor**' & '**Business Overview**' beginning on page 27 and 78 of this Draft Letter of Offer.

**SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2023 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS**

To the knowledge of our Company and except as disclosed herein, since the date of the last financial statements contained in this Draft Letter of Offer, no other circumstances have arisen which would materially and adversely affect or which would be likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 (twelve) months.



## SECTION VIII – LEGAL AND OTHER INFORMATION

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### OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS

*Our Company, Promoters and Director are subject to various legal proceedings from time to time primarily arising in the ordinary course of their business.*

*Further other than as disclosed in this section, there are no outstanding litigation involving our Company and/or our Promoters and/or Director with respect to (i) issues of moral turpitude or criminal liability on the part of our Company and/or our Promoters and/or Directors, (ii) material violations of statutory regulations by our Company and/or our Promoters and/or Directors, (iii) economic offences where proceedings have been initiated against our Company and/or our Promoters and/or Directors, (iv) any pending matters, which if they result in an adverse outcome would materially and adversely affect operations or financial position of our Company and/or our Promoters and/or Directors, and (v) tax matters.*

*For the purpose of material litigation in (viii) above, our Board has considered and adopted the following policy on materiality for identification of material outstanding litigations to be disclosed by our Company in the Draft Letter of offer:*

- a) All criminal proceedings, taxation matters, disciplinary actions and actions by statutory or regulatory authorities, involving our Company, Promoters, Directors, or Group Companies, and subsidiaries as the case may be has been considered as material;*
- b) All pending litigation (other than those covered in (a) above) involving our Company, Promoters, Directors, as the case may be, has been considered 'material' where the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of Rs. 20 Million or 5% of the net profits after tax of the Company for the most recent audited fiscal period, whichever is lower;*
- c) All pending litigations involving our Directors where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company has been considered as material;*

*Our Company, our Promoters and/or our Directors have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoters or our Directors and/ or Group Companies, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.*

*Pre-litigation notices received by our Company and/or our Promoters and/or Group companies from third-parties (excluding notices pertaining to any offence involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences) has not be evaluated for materiality until such time our Company and/or our Promoters and/or Group companies are impleaded as defendants in litigation proceedings before any judicial forum.*

*Unless otherwise stated, all proceedings are pending as of the date of this Letter of offer. All information provided below is as of the date of this Draft Letter of offer.*





## LITIGATION INVOLVING OUR COMPANY

### 1) Litigation Involving Actions by Statutory/Regulatory Authorities

#### Litigations against our Company

Company	Civil	Criminal	GST (Litigation – Orders / Appeals)	Income Tax (Litigation – Orders / Appeals)	Outstanding Demands and short payments for TDS
Moksh Ornaments Limited	0	0	As Per Annexure -I	As Per Annexure -II	As Per Annexure- III

#### Annexure – I (GST):

#### Details of Lower Credit Claimed and ITC Comparisons for different FYs:-

FY	Liability as per			ITC as per		
	GSTR1	GSTR 3B	Difference	GSTR 3B	GSTR 2A	Difference
FY 2017-18	6,88,52,888.57	6,89,52,936.40	1,00,047.83	6,80,89,191.85	6,83,51,536.19	(2,62,344.34)
FY 2018-19	11,45,11,692.90	11,42,66,066.69	(2,45,626.21)	11,25,56,446.21	11,29,30,069.13	(3,73,622.92)
FY 2019-20	7,93,31,314.67	7,93,23,449.81	(7864.86)	6,75,93,573.99	6,59,39,528.08	16,54,045.91
FY 2020-21	7,11,03,310.44	7,15,09,405.66	4,06,095.22	7,56,91,755.98	7,67,25,406.51	(10,33,650.53)
FY 2021-22	8,13,79,325.43	8,14,09,357.43	30,032.00	8,20,76,020.00	8,14,15,974.11	6,60,045.89
FY 2022-23	11,08,01,923.05	11,08,12,907.05	10,984.00	11,69,25,486.77	11,68,21,337.75	1,04,149.02

#### ANNEXURE – II (INCOME TAX)

Sr. No.	AY	Notice/Demand Order ID	Date of Issuance / Period	Amount of demand
1.	2021	2022202137139867111C	22.12.2022	35670/-*

\* Accrued Interest of ₹ 5696/-

#### ANNEXURE – III (TDS)

TDS default pending as on date is as under

FY	Short Payment	Short Deduction	Interest on payment default u/s 201	Interest on Deduction default u/s 201	Late Filing fees u/s 234E	Interest u/s 220(2)	Total Default
2022-23	0	7399.64	0	893.00	0	0	8292.64
2021-22	0	68.60	0	0	0	0	68.60



2020-21	748.00	10.89	136.50	0	0	0	895.39
2019-20	0	1.05	198	0	0	0	199.05
Prior Year	0	164,360.00	10,628.00	13,445.00	0	0	188,433.30
<b>Total</b>	<b>748.00</b>	<b>171,840.48</b>	<b>10,962.50</b>	<b>14,338.00</b>	<b>0</b>	<b>0</b>	<b>197,888.98</b>

### Litigations against our Company

Particulars	By the Company	Against the Company
Civil Proceedings	NIL	NIL
Criminal Proceedings	NIL	NIL
<b>Tax Proceedings</b>		
Direct Tax	NIL	1
Indirect Tax	NIL	NIL
Other Proceedings	NIL	NIL

#### 2) Proceedings involving issues of moral turpitude or criminal liability on the part of our Company

As on date of this Draft Letter of Offer, there are no issues of moral turpitude or criminal liability on the part of our Company.

#### 3) Proceedings involving Material Violations of Statutory Regulations by our Company

As on date of this Draft Letter of Offer, there are no matters involving Material Violations of Statutory Regulations by our Company.

#### 4) Matters involving economic offences where proceedings have been initiated against our Company

As on date of this Draft Letter of Offer, there are no matters involving economic offences where proceedings have been initiated against our Company.

#### 5) Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company

As on date of this Draft Letter of Offer, there are no proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company.

### **LITIGATION INVOLVING OUR DIRECTORS AND KMPs**

#### **Litigation Involving Actions by Statutory/Regulatory Authorities:**

As on date of this Draft Letter of Offer, except as mentioned below, there are no subsisting litigations involving actions by statutory/ regulatory authorities filed by or against our directors and KMPs.



## **Cases filed by Our or Against Directors and KMPs**

<b>Particulars</b>	<b>By Our Directors, and KMPs</b>	<b>Against Our Directors, and KMPs</b>
Civil Proceedings	NIL	NIL
Criminal Proceedings	NIL	NIL
<b>Tax Proceedings</b>	NIL	NIL
Direct Tax	NIL	NIL
Indirect Tax	NIL	NIL
Other Proceedings	NIL	NIL

## **LITIGATION INVOLVING OUR GROUP COMPANIES**

As on date of this Draft Letter of Offer, there are no group companies.

## **DISCLOSURES PERTAINING TO FRAUDULENT BORROWERS**

Neither our Company, nor our Promoter or any of our Directors, are or have been categorized as a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

## **DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor our Promoter or any of our Directors are or have been categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

## **DETAILS OF MATERIAL DEVELOPMENTS SINCE MARCH 31, 2023**

There have not arisen, since the date of the last financial statements disclosed in this Letter of offer, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months. For further details, please refer to the chapter titled “Material Development” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on page 156 and 143, respectively of this Draft Letter of offer.



## MATERIAL DEVELOPMENT

Except as stated in this Draft Letter of Offer and as disclosed below, to our knowledge, no circumstances have arisen since March 31, 2023, which materially affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities:

1. The Board of Directors of our Company has, at its meeting held on April 21, 2023, approved the audited financial results for the Quarter and year ended March 31, 2023.
2. The Board of Directors of our Company has, at its meeting held on April 21, 2023 has approved the appointment of M/s. Jaymin Modi & Co., Company Secretaries, as Secretarial Auditor for the financial year 2023-2024.
3. The Board of Directors of our Company has, at its meeting held on April 21, 2023 has approved the appointment of M/s Mukesh Mehta & Associates, Chartered Accountants as the Internal Auditor of the Company for the financial year 2023-2024.
4. The Board of Directors of our Company has approved to raise funds through Rights Issue in the board meeting held on April 21, 2023 and also approved.
5. The Board of Directors of our Company, at its meeting held on April 21, 2023 has approved cancellation of previous rights issue which was approved by board of directors in their meeting dated December 29, 2021.
6. The Board of Directors of our Company has, at its meeting held on July 26, 2023 approved the Unaudited Financial Results of the Company for the quarter ended on June 30, 2023 along with Limited Review Report.
7. In Annual General Meeting of our Company has Considered and Approved, at its meeting held on September 22, 2023 has approved:
  - the appointment of M/s Jaymin Modi & Co., Scrutinizer of the Company;
  - Re-appointment of M/s S.D. Jain & Co, Chartered Accountant, as Statutory Auditors of the Company and fixed their remuneration;
  - Re-appointment of Mr. Amrit Jawanmalji Shah (DIN: 05301251) as the Managing Director (MD) of the Company;
  - Re-appointment of Mr. Jawanmal Moolchand Shah (DIN: 05301300) as the Whole Time Director (WTD) of the Company;
  - Re-appointment of Ms. Nirali Dishant Shah (DIN: 07666165) as the Independent Director of the Company;
8. The Board of Directors of our Company has, at its meeting held on October 27, 2023 approved the Unaudited Financial Results of the Company for the quarter ended on September 30, 2023 along with Limited Review Report.
9. The Board of Directors of our Company has, at its meeting held on February 9, 2023 approved the Unaudited Financial Results of the Company for the quarter ended on December 31, 2023 along with Limited Review Report.
10. The Board of Directors of our Company has, at its meeting held on February 9, 2023 approved the Restated Financials for the year ended March 31, 2021, March 31, 2022 and March 31, 2023.



## GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary consents, licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities.

In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Letter of offer.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

### APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the Issue:

#### 1) Approvals in Relation to the Issue

- i. The Board of Directors in pursuance of Section 62(1)(a) of the Companies Act, 2013, by a resolution passed at its meeting held on April 21, 2023 have authorized the issue.
- ii. The Board of Directors vide Board resolution dated [•], 2023, approved this Draft Letter of Offer;
- iii. In-principle approval from the Stock Exchange bearing reference number '[•]' dated [•] to use the name of NSE for listing of the Equity Shares issued by our Company pursuant to the Issue;
- iv. The Board of Directors/Rights Issue Committee vide resolution dated [•], 2023 approved the Rights Issue Price, Record Date, and other terms and conditions for the purpose of this Rights Issue;
- v. The Board of Directors/Rights Issue Committee vide Board resolution dated [•], approved Letter of Offer;
- vi. The ISIN of the Company is INE514Y01020;
- vii. The ISIN for the Rights Entitlement is [•];

#### 2) Corporate / General Authorizations

### APPROVALS PERTAINING TO INCORPORATION OF OUR COMPANY

Description	Registrar / Issuing Authority	Registration No. / Reference No. / License No.	Date of Creation	Date of Expiry
Certificate of Incorporation in the name of 'Moksh Ornaments Limited'	Registrar of Companies, Mumbai, Maharashtra	U36996MH2012P TC233562	19.07.2012	Valid until cancelled



## **TAX RELATED APPROVALS**

<b>Description</b>	<b>Registrar/Issuing Authority</b>	<b>Registration No. / Reference No. / License No.</b>	<b>Date of Creation</b>	<b>Date of Expiry</b>
Permanent Account Number (PAN)	Income Tax Department, Government of India under Income Tax Act, 1961	AAICM0504E	19.07.2012	Valid until cancelled
Tax Deduction and Collection Account Number (TAN)	Income Tax Department, Government of India under Income Tax Act, 1961	MUMM42381D	23.01.2018	Valid until cancelled
Goods and Service Tax (GST)	Government of India	27AAICM0504E1ZX	09.08.2018	Valid until cancelled

### **3) Material approvals in relation to our business operations**

<b>Description</b>	<b>Registrar/Issuing Authority</b>	<b>Registration No. / Reference No. / License No.</b>	<b>Date of Creation</b>	<b>Date of Expiry</b>
Certificate of Importer and Exporter Code (IEC)	Ministry Of Commerce and Industry, Additional Director General of Foreign Trade	0313032173	08.08.2013	Valid until cancelled
Hallmark License	Bureau of Indian Standards (BIS)	HM/C-790179808	23.06.2021	22.06.2026
LEI Certificate	Legal Entity Identifier India Limited	33580056G6RD5BB VAK40	01.02.2023	14.02.2024
GIEPC Certificate	The Gem & Jewellery Export Promotion Council- Mumbai	HO-MUM-M/7000000923/2018 -2023	07.07.2023	31.03.2028

### **4) Material Licenses and Approvals for which applications have been filed by our Company**

As on date this Draft Letter of Offer there is no material approvals and licenses for which our Company has made an application for renewal.

### **5) Material Licenses and Approvals for which applications are yet to be filed by our Company**

As on date this Draft Letter of Offer there is no material approvals and licenses for which our Company has required to make an application.



## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Board of Directors in its meeting dated April 21, 2023 have authorised this Issue under Section 62(1)(a) of the Companies Act, 2013.

Board of Directors/ Rights Issue Committee of our Company in their meeting conducted on [•], [•] approved this Issue inter-alia on the following terms.

<b>Issue Size</b>	Upto ₹ 4900.00 Lakhs;
<b>Issue Price</b>	₹ [•]/- (Rupee [•] Only) per Rights Equity Share issued in [•] ([•]) Rights Entitlement, (i.e. ₹ [•]/- (Rupee [•] Only)) per Rights Equity Share;
<b>Issue Entitlement Ratio</b>	[•] ([•]) Rights Equity Shares for every [•] ([•]) Equity Share held by Eligible Shareholders of our Company as on Record Date;
<b>Record Date</b>	[•]

This Draft Letter of Offer has been approved by our Board of Directors pursuant to their resolutions dated [•], 2023.

Our Company has received in-principle approval from Stock Exchange in accordance with Regulation 28 (1) of SEBI Listing Regulations for listing of the Rights Equity Shares proposed to be allotted pursuant Issue vide a letter bearing reference '[•]' dated [•], 2023. Our Company will also make application to Stock Exchange to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circulars;

Our Company has been allotted the ISIN [•] for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Shareholders of our Company. Our Company has been allotted the ISIN [•] both from NSDL and CDSL for the Rights Equity Shares issued pursuant to this Issue. For details, see section titled '*Terms of the Issue*' beginning on page 167 of this Draft Letter of Offer.

### PROHIBITION BY SEBI OR RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, our Directors, the members of our Promoter Group, persons in control of our Company have not been debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/ court as on the date of this Draft Letter of Offer.

The companies with which our Promoters, our directors or the persons in control of our Company are or were associated as directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

Neither our Promoter nor any of our Directors, have been declared a Wilful Defaulter or Fraudulent Borrower or Fugitive Economic Offender as defined under SEBI (ICDR) Regulations.

There are no proceedings initiated by SEBI, Stock Exchange or ROC, etc., against our Company, Promoters and Directors.

None of our Promoters/Directors currently holds nor have held directorship(s) in the last five (5) years in a listed Company whose shares have been or were suspended from trading on any stock exchange or in a listed Company which has been / was delisted from any stock exchange.



None of our Promoters/Directors hold or have held directorships in the last ten (10) years in a listed company whose shares have been delisted from any recognised stock exchange in India during the term of their directorship in such company.

#### **PROHIBITION BY RBI:**

Neither our Company, nor our Promoters or any of our Directors of have been categorized or identified or declared as a Wilful Defaulter or Fraudulent Borrower.

#### **DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET:**

None of our Directors are associated with the securities market in any manner.

#### **COMPLIANCE WITH COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018:**

Our Company and our Promoters are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Draft Letter of Offer.

#### **ELIGIBILITY FOR THE ISSUE**

Our Company is a listed company and has been incorporated under the Companies Act, 1956. The Equity Shares of our Company are presently listed on NSE. Our Company is eligible to offer and issue Rights Equity Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI (ICDR) Regulations.

Pursuant to Clause 2 of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is required to make disclosures in accordance with Part B-1 of Schedule VI to the SEBI ICDR Regulations.

#### **COMPLIANCE WITH REGULATIONS 61 AND 62 OF THE SEBI (ICDR) REGULATIONS**

The present Issue being of less than ₹ 5,000 Lakhs, our Company is in compliance with first proviso to Regulation 3 of the SEBI (ICDR) Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI (ICDR) Regulations with SEBI for information and dissemination on the website of SEBI, i.e. [www.sebi.gov.in](http://www.sebi.gov.in);

Our Company is in compliance with requirements of Regulation 61 and Regulation 62 of the SEBI (ICDR) Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI (ICDR) Regulations, our Company undertakes to make an application to Stock Exchange for listing of the Rights Equity Shares to be issued pursuant to this Issue. NSE is the Designated Stock Exchange for this Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI (ICDR) Regulations as the size of issue is up to ₹ 4900.00 Lakhs. The present Issue being of less than Rs. 5000.00 Lakhs, the Issuer shall prepare the Letter of Offer in accordance with requirement as specified in the regulation and file the same with the SEBI for information and dissemination on the SEBI's website.

#### **DISCLAIMER CLAUSES FROM OUR COMPANY AND LEAD MANAGER**

Our Company and Lead Manager accept no responsibility for the statements made otherwise than in this Draft Letter of Offer or in any advertisement or other materials issued by us or by any other persons at our instance and anyone placing reliance on any other source of information would be doing so at their own risk.





Investors who invest in this Issue will be deemed to have represented by our Company, Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company, and are relying on independent advice / evaluation as to their ability and quantum of investment in this Issue. Our Company, the Lead Manager and their directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Equity Shares.

#### **CAUTION**

Our Company shall make all the relevant information available to the Eligible Shareholders in accordance with the SEBI (ICDR) Regulations and no selective or additional information would be available for a section of the Eligible Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date.

#### **DISCLAIMER WITH RESPECT TO JURISDICTION**

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, Maharashtra, India only.

**NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THE DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.**

#### **DESIGNATED STOCK EXCHANGE**

The Designated Stock Exchange for the purpose of this Issue is NSE.

#### **DISCLAIMER CLAUSE OF NSE**

As required, a copy of this Draft Letter of Offer has been submitted to NSE. The disclaimer clause as intimated by NSE to us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchange.



## SELLING RESTRICTIONS

The distribution of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, Application Form (*collectively, "Issue Materials"*) and the issue of Rights Equity Shares, to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Issue Materials may come are required to inform themselves about and observe such restrictions.

We are making this Issue of Equity Shares on a rights basis to the Eligible Shareholders and will send/ dispatch the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form only to email addresses of such Eligible Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the issue and sale of the Rights Entitlements and the Rights Equity Shares are permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to e-mail the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form, shall not be sent the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form. Further, the Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company or the Lead Manager to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Lead Manager, and the NSE. Accordingly, our Company, the Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, and the Application Form.

Further, the Draft Letter of Offer will be provided to those who have provided their Indian addresses to our Company and who makes a request in this regard. Investors can also access the Draft Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company and the Stock Exchange.

No action has been or will be taken to permit this Issue in any jurisdiction or the possession, circulation, or distribution of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, and Application Form or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction where action would be required for that purpose.

Our Company shall also endeavour to dispatch physical copies of the Issue Materials to Eligible Equity Shareholders who have provided an Indian address to our Company. Our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, the Issue Materials must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Rights Equity Shares or the purchase of Rights Entitlements. Accordingly, persons receiving a copy of the Issue Materials should not, in connection with the issue of the Rights Entitlements or Rights Equity Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company, Lead Manager or respective affiliates to any filing or registration requirement (other than in India). If Issue Materials is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Rights Equity Shares referred to in Issue Materials. Envelopes containing an



Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares in this Issue must provide an Indian address.

Any person who makes an application to acquire Rights Entitlement and the Right Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlement and the Right Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction, without requirement for our Company, the Lead Manager or their respective affiliates to make any filing or registration (other than in India).

Neither the delivery of the Issue Materials nor any sale or offer hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or date of such information.

**THE CONTENTS OF THIS LETTER OF OFFER, THE LETTER OF OFFER AND ABRIDGED LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF BUYING OR SELLING OF RIGHT SHARES OR RIGHTS ENTITLEMENTS. AS A RESULT, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR, AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX, AND RELATED MATTERS CONCERNING THE OFFER OF RIGHT SHARES OR RIGHTS ENTITLEMENTS. IN ADDITION, NEITHER OUR COMPANY NOR THE LEAD MANAGER NOR ANY OF THEIR RESPECTIVE AFFILIATES ARE MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE RIGHT SHARES OR THE RIGHTS ENTITLEMENTS REGARDING THE LEGALITY OF AN INVESTMENT IN THE RIGHT SHARES OR THE RIGHTS ENTITLEMENTS BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.**

#### **NO OFFER IN THE UNITED STATES**

The rights entitlements and the Rights Equity Shares have not been and will not be registered under the United States securities act, 1933, as amended ("*Securities Act*"), or any U.S. State securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof ("*United States*" or "*U.S.*") or to, or for the account or benefit of "*U.S. Persons*" as defined in Regulation S ("*Regulation S*") under the securities act, except in a transaction exempt from the registration requirements of the securities act. The rights entitlements and Rights Equity Shares referred to in this draft letter of offer are being offered in India and in jurisdictions where such offer and sale of the Rights Equity Shares and/ or rights entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which the draft letter of offer and abridged letter of offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Accordingly, the draft letter of offer, the abridged letter of offer, entitlement letter, and application form should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. No payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of the Rights Equity Shares in India.



We, the Registrar, the Lead Manager or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which:

- Does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations;
- Appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States;
- Where a registered Indian address is not provided;
- Where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements;

And we shall not be bound to allot or issue any Rights Equity Shares in respect of any such Application Form. The Rights Entitlements may not be transferred or sold to any person in the United States.

## FILING

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Letter of Offer was filed with the Stock Exchange and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

The Draft Letter of Offer has not been filed with the SEBI for its observations as the size of the issue is up to ₹ 4900.00 Lakhs which does not require Issuer to file Draft Letter of Offer with SEBI. The Company has filed Draft Letter of Offer with the NSE for obtaining in-principle approval.

## LISTING

Our Company will apply to NSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

## CONSENTS

Consents in writing of Directors, Company Secretary, Chief Financial Officer, Statutory Auditor, Lead Manager, Banker to the Company, Bankers to the Issue, Legal Counsels and the Registrar to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

## EXPERT OPINION

Except for the reports in the section titled '*Financial Information*' and '*Statement of Tax Benefits*' beginning on page 97 and 65 respectively from the Statutory Auditors, our Company has not obtained any expert opinions.



## PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/RIGHTS ISSUE OF OUR COMPANY

Our Company has not made any rights issues or public issues during the five years immediately preceding the date of this Draft Letter of Offer. There have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

## STOCK MARKET DATA OF THE EQUITY SHARES

Our Equity Shares are listed and traded on NSE. For details in connection with the stock market data of the Stock Exchanges, please refer to the chapter titled '*Stock Market Data for Equity Shares*' on page 141 of Draft Letter of Offer.

## INVESTOR GRIEVANCES AND REDRESSAL SYSTEM

### 1. Mechanism for Redressal of Investor Grievances

Our Company has made adequate arrangements for redressal of investor complaints in compliance with the corporate governance requirements under the SEBI (LODR) Regulations as well as a well-arranged correspondence system developed for letters of routine nature. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular bearing reference number '*CIR/OIAE/2/2011 dated June 3, 2011*'. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Our Company has a Stakeholders Relationship Committee, which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

The Investor complaints received by our Company are generally disposed of within 15 (Fifteen) days from the date of receipt of the complaint.

The average time taken by the Registrar to the Issue, Bigshare Services Private Limited, for attending to routine grievances will be within 30 (Thirty) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner.

### 2. Investor Grievances arising out of this Issue

Any investor grievances arising out of the Issue will be handled by Registrar to the Issue. The agreement between the Company and the Registrar to the Issue provides for a period for which records shall be retained by the Registrar to the Issue in order to enable the Registrar to the Issue to redress grievances of Investors.

All grievances relating to this Issue may be addressed to the Registrar to the Issue giving full details such as folio no., name and address, contact details, Email-ID of the first applicant, number and type of Equity Shares applied for, Application Form serial number, amount paid on application and the name of the bank and the branch where the application was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the



Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, please refer to the section titled '*Terms of the Issue*' beginning on page 167.

The contact details of the Registrar to the Issue and the Company Secretary and Compliance Officer of our Company are as follows:

<b>Company Secretary and Compliance Officer</b>	<b>Registrar To The Issue</b>
<b>Ms. Charmy Harish Variya</b> <b>Address:</b> B-405 / 1&B - 405/2, 4th Floor, 99, Mulji Jetha Building, Glitz Mall, Vithalwadi, Kalbadevi Road, Mumbai - 400 002 <b>Contact Details:</b> 022-40041473 <b>E-mail:</b> <a href="mailto:cs@mokshornaments.com">cs@mokshornaments.com</a> ; <a href="mailto:jineshwar101@gmail.com">jineshwar101@gmail.com</a> <b>Website:</b> <a href="http://www.mokshornaments.com">www.mokshornaments.com</a>	<b>Bigshare Services Private Limited</b> <b>Address:</b> Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093. <b>Contact Person:</b> Mr. Jibu John <b>Tel No.:</b> 022-62638200/22 <b>Email:</b> <a href="mailto:rightsissue@bigshareonline.com">rightsissue@bigshareonline.com</a> <b>Investor grievance e-mail:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> <b>SEBI Registration No:</b> INR000001385

In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar at [www.bigshareonline.com](http://www.bigshareonline.com). Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties are ([rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com) or 022- 6263 8200/22)



## SECTION IX – ISSUE INFORMATION

### TERMS OF THE ISSUE

*This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, and the Application Form, before submitting the Application Form. Our Company and Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up. Unless otherwise permitted under the SEBI (ICDR) Regulations read with SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this Draft Letter of Offer.*

*Further, SEBI has pursuant to the SEBI Rights Issue Circular stated that in the event there are physical shareholders who have not been able to open a demat account pursuant to the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 or are unable to communicate their demat account details to our Company or the Registrar for credit of Rights Entitlements, such physical shareholders may be allowed to submit their Application. For more details, please see 'Making Application by Eligible Equity Shareholders holding Equity Shares in physical form' beginning on page 192.*

*Investors are requested to note that application in this Issue can only be made through ASBA facility. For guidance on the application process through ASBA and resolution of difficulties faced by investors, you are advised to read the frequently asked question (FAQ) on the website of the Registrar at [www.bigshareonline.com](http://www.bigshareonline.com).*

### OVERVIEW

This Issue is proposed to be issued on a rights basis and is subject to the terms and conditions contained in the Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice.

### IMPORTANT

#### A. Dispatch And Availability Of Issue Materials

In accordance with the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars, our Company will send/dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Entitlement Letter, Application Form and other issue material (“Issue Materials”) only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.



Further, the Letter of Offer will be sent/dispatched, to the Eligible Equity Shareholders who have provided their Indian addresses and have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Further, this Draft Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Draft Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Draft Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them

Investors can access the Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

1. Our Company's website at [www.mokshornaments.com](http://www.mokshornaments.com);
2. Registrar to the Issue's website at [www.bigshareonline.com](http://www.bigshareonline.com);
3. Lead Manager to the Issue's Website at [www.kunvarji.com](http://www.kunvarji.com)
4. NSE's website at [www.nseindia.com](http://www.nseindia.com);

Eligible Equity Shareholders who have not received the Application Form may apply, along with the requisite Application Money, by using the Application Form available on the websites above, or on plain paper, with the same details as mentioned in the Application Form available online.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue's website at [www.bigshareonline.com](http://www.bigshareonline.com) by entering their DP-ID and Client-ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form), and PAN. The link for the same shall also be available on the website of our Company at [www.mokshornaments.com](http://www.mokshornaments.com).

Further, our Company along with the Lead Manager will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

**PLEASE NOTE THAT, OUR COMPANY, THE LEAD MANAGER AND THE REGISTRAR TO THE ISSUE WILL NOT BE LIABLE FOR NON-DISPATCH OF PHYSICAL COPIES OF ISSUE MATERIALS, INCLUDING THE DRAFT LETTER OF OFFER, THE LETTER OF OFFER, THE ABRIDGED LETTER OF OFFER, THE RIGHTS ENTITLEMENT LETTER AND THE APPLICATION FORM ATTRIBUTABLE TO THE NON-AVAILABILITY OF THE E-MAIL ADDRESSES OF ELIGIBLE EQUITY SHAREHOLDERS OR ELECTRONIC TRANSMISSION DELAYS OR FAILURES, OR IF THE APPLICATION FORMS OR THE RIGHTS ENTITLEMENT LETTERS ARE DELAYED OR MISPLACED IN TRANSIT.**

The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except the Letter of Offer is being filed with the Stock Exchange. Accordingly, the Rights Entitlements and Equity Shares may not be offered or





sold, directly or indirectly and Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Common Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Common Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates or the Lead Manager or their respective affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Common Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Common Application Form. Any person who makes an application to acquire Rights Entitlements and the Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or the Lead Manager or their respective affiliates to make any filing or registration (other than in India).

## **B. Facilities for Application in this Issue:**

**In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI ICDR Master Circular, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, please refer to the Paragraph titled '*Procedure for Application through the ASBA Process*' on page 185 of this Draft Letter of Offer.**

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see "*Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" on page 170 of this Draft Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form, as applicable, as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.



## 1. Procedure for application through ASBA Facility

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, Paragraph titled '**Procedure for Application through the ASBA Process**' on page 185.

Please note that subject to SCSBs complying with the requirements of SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

**Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details see "Grounds for Technical Rejection" beginning on page 196 of this Draft Letter of Offer.**

**Our Company, the Lead Manager, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.**

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see '**Application on Plain Paper under ASBA process**' on page no. 188.

## 2. Credit of Rights Entitlements in demat accounts of Eligible Shareholders

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI - Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only.

Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

1. The demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and
2. A demat suspense escrow account (namely, '[•]') opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:



- i. Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
- ii. Equity Shares held in the account of IEPF authority; or
- iii. The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
- iv. Credit of the Rights Entitlements returned/ reversed / failed; or
- v. The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable; or
- vi. Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company;

Eligible Shareholders whose Rights Entitlements are credited in demat suspense escrow account opened by our Company as on Record Date are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar to the Issue not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by [•], to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account is active, details of which have been provided to the Company or the Registrar to the Issue, to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e. [www.bigshareonline.com](http://www.bigshareonline.com)). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with the SEBI Rights Issue Circulars, the Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e. [•] shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.

Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e. [www.bigshareonline.com](http://www.bigshareonline.com)) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e. [www.mokshornaments.com](http://www.mokshornaments.com))

### **3. Procedure for Application by Eligible Shareholders holding Equity Shares in physical form**

Please note that in accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI ICDR Master Circular, SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to our Company or Registrar at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.



Application by such Eligible Equity Shareholders is subject to following conditions:

- a) The Eligible Equity Shareholders are residents;
- b) The Eligible Equity Shareholders are not making payment from non-resident account;
- c) The Eligible Equity Shareholders shall not be able to renounce their Rights Entitlements; and
- d) The Eligible Equity Shareholders shall receive Rights Equity Shares, in respect of their Application, only in demat mode.

*Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:*

- (a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- (c) The remaining procedure for Application shall be same as set out in “- **Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process**” mentioned on page 188.

In accordance with the SEBI ICDR Master Circular, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of Res not later than two working days prior to issue closing date, such that credit of REs in their demat account takes place at least one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

#### **4. Application for Additional Equity Shares**

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in



consultation with the Designated Stock Exchange. Applications for Additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in '*Basis of Allotment*' beginning on page 200.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

Investors to kindly note that after purchasing the Rights Entitlements through On Market Renunciation / Off Market Renunciation, an Application has to be made for subscribing to the Rights Equity Shares. If no such Application is made by the renouncee on or before Issue Closing Date, then such Rights Entitlements will get lapsed and shall be extinguished after the Issue Closing Date and no Rights Equity Shares for such lapsed Rights Entitlements will be credited. For procedure of Application by shareholders who have purchased the Rights Entitlement through On Market Renunciation / Off Market Renunciation, please refer to the heading titled '*Procedure for Application through the ASBA process*' on pages 185.

## OTHER IMPORTANT LINKS AND HELPLINE

The Investors can visit following links for the below-mentioned purposes:

1. Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: [www.bigshareonline.com](http://www.bigshareonline.com);
2. Updation of Indian address/ e-mail address/ mobile number in the records maintained by the Registrar to the Issue or our Company [www.bigshareonline.com](http://www.bigshareonline.com);
3. Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com);
4. Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Shareholders [www.bigshareonline.com](http://www.bigshareonline.com);

## RENOUNCEES

All rights and obligations of the Eligible Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

## AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution of Board of Directors of our Company passed at their meeting held on April 21, 2023, in accordance with the provisions of Section 62(1)(a) of the Companies Act, 2013.

The Board of Directors/Rights Issue Committee in their meeting held on [•], have determined the Issue Price at ₹ [•] per Equity Share and the Rights Entitlement as [•] ([•]) Rights Equity Share(s) for every [•] ([•]) Equity Shares held on the Record Date.

The Issue Price has been arrived at in consultation with the Lead Manager.

## BASIS FOR THIS ISSUE

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members at the close of business hours on the Record Date.



## RIGHTS ENTITLEMENTS

Eligible Shareholders whose names appear as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

The Registrar will send/dispatch a Rights Entitlement Letter along with the Abridged Letter of Offer and the Application Form to all Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlements or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions, which will contain details of their Rights Entitlements based on their shareholding as on the Record Date.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the Registrar to the Issue's website at [www.bigshareonline.com](http://www.bigshareonline.com) by entering their DP-ID and Client-ID and PAN or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on our Company's website at [www.mokshornaments.com](http://www.mokshornaments.com).

Rights Entitlements shall be credited to the respective demat accounts of Eligible Shareholders before the Issue Opening Date only in dematerialised form. If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e. [www.bigshareonline.com](http://www.bigshareonline.com)). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts, except in case of resident Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send/dispatched the Issue Materials only to Eligible Equity Shareholders who have provided their Indian address to our Company or who are located in jurisdictions where this Issue and sale of the Rights Entitlements or Right Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid email address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

The Letter of Offer will also be provided to any existing Shareholder who makes a request in this regard.

The Issue Materials may also be accessed on the websites of the Registrar, our Company, and the Lead Manager through a link contained in the aforementioned e-mail sent to email addresses of Eligible Equity Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) and on the Stock Exchange website. The distribution of the Issue Materials and the issue of Right Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer filed with SEBI and Stock Exchange. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such



jurisdiction. Receipt of the Issue Materials (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Issue Materials must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Issue Materials should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Issue Materials in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If the Issue Materials received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes an Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Issue Materials that it is entitled to subscribe for the Rights Equity Shares under the laws of any jurisdiction which apply to such person.

## PRINCIPAL TERMS OF THIS ISSUE

### 1. Face Value

Each Rights Equity Shares will be having face value of ₹ 2/- (Rupee Two Only).

### 2. Issue Price

Each Rights Equity Share is being offered at a price of ₹ [•] (Rupees [•] only) per Rights Equity Share (including a premium of ₹ [•] per Rights Equity Share) in this Issue.

The Issue Price for Rights Equity Shares has been arrived at by our Company in consultation with the Lead Manager and has been decided prior to the determination of the Record Date i.e. [•].

### 3. Rights Entitlements Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of [•] ([•]) Rights Equity Share(s) for every [•] ([•]) Equity Share(s) held by the Eligible Shareholders as on the Record Date i.e. [•], which will be credited in the demat account of the Applicant after the Allotment.

### 4. Mode of Payment of Dividend

In the event of declaration of dividend, our Company shall pay dividend to the shareholders of our Company as per the provisions of the Companies Act and the provisions of the Articles of Association.

### 5. Terms of Payment

Amount Payable Per Rights Equity Share	Face Value	Premium	Amount
On Application	₹ 2/-	[•]	[•]

Each Rights Equity Share is being offered at a price of ₹ 2/- per Rights Equity Share (including a premium of ₹ [•] per Rights Equity Share), for every [•] Rights Equity Share allotted in this Issue.

Where an Applicant has applied for additional Rights Equity Shares and is allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The un-blocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI (ICDR) Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.



## 6. Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer. For details, see '*Procedure for Renunciation of Rights Entitlements*' on page 188.

In accordance with SEBI Rights Issue circulars the Eligible Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

## 7. Process of Credit of Rights Entitlements in dematerialized account

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

- a. The demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialized form; and
- b. A demat suspense escrow account (namely, '*f/i*') opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:
  - i. Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
  - ii. Equity Shares held in the account of IEPF authority; or
  - iii. The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
  - iv. Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar;
  - v. Credit of the Rights Entitlements returned/ reversed / failed; or
  - vi. The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for the crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A 0073eparate ISIN for the Rights Entitlements has also been generated which is [•]. The said ISIN shall remain frozen (for debit) till the Issue Opening Date and shall become active on the Issue Opening Date and remain active for renunciation or transfer during the Renunciation Period. It is clarified that the Rights Entitlements shall not be available for transfer or trading post the Renunciation Period. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.





Eligible Equity Shareholders whose Rights Entitlement are credited in demat suspense account, are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by [•], to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e. [www.bigshareonline.com](http://www.bigshareonline.com)). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

**PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS EQUITY SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS EQUITY SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, PLEASE REFER TO THE PARAGRAPH TITLED ‘PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS’ ON PAGE 185.**

## **8. Fractional Entitlements**

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of [•] ([•]) Rights Equity Shares for every [•] ([•]) Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than [•] ([•]) Equity Shares or is not in the multiple of [•] ([•]) Equity Shares, the fractional entitlements of such Eligible Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder holds [•] ([•]) Equity Shares, such Equity Shareholder will be entitled to [•] ([•]) Rights Equity Share(s) and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Equity Shares, over and above his/ her Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than [•] ([•]) Equity Shares shall have ‘zero’ entitlement for the Rights Equity Shares. Such Eligible Equity Shareholders are entitled to apply for Additional Rights Equity Shares and will be given preference in the Allotment of one Rights Equity Share, if such Eligible Equity Shareholders apply for additional Rights Equity Shares, subject to availability of



Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

## 9. Ranking of Equity Shares

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice.

The Rights Equity Shares being issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association. The Rights Equity Shares shall rank pari-passu, in all respects including dividend, with our existing Equity Shares.

The voting rights in a poll, whether present in person or by representative or by proxy shall be in proportion to the paid-up value of the Shares held, and no voting rights shall be exercisable in respect of moneys paid in advance, if any.

## 10. Trading of the Rights Entitlements

In accordance with the ASBA Circulars and SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the NSE under ISIN [•]. Prior to the Issue Opening Date, our Company will obtain the approval from the NSE for trading of Rights Entitlements. Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The On Market Renunciation shall take place electronically on the secondary market platform of the Stock Exchange on T+2 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (One) Rights Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [•] to [•] (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date. For details, see '*Procedure for Renunciation of Rights Entitlements – On Market Renunciation*' and '*Procedure for Renunciation of Rights Entitlements – Off Market Renunciation*' on page 187 and 188.

**Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.**

## 11. Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI (ICDR) Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as



soon as practicable and all steps for completion of necessary procedures for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI (ICDR) Regulations. Our Company has received in-principle approval from the NSE through letter bearing reference number '[•]' dated [•]. Our Company will apply to the NSE for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The Rights Equity Shares shall be listed and admitted for trading on the NSE under separate ISINs for Rights Equity Shares. The procedures for listing and trading of Rights Equity Shares shall be completed within 7 (Seven) Working Days from the date of finalization of the Basis of Allotment.

The process of corporate action for crediting the fully paid-up Rights Equity Shares to the Investors' demat accounts, may take such time as is customary or as prescribed under applicable law from the last date of payment of the amount.

The existing Equity Shares are listed and traded on NSE bearing Symbol '**MOKSH**' and under ISIN **INE514Y01020**. The Rights Equity Shares shall be credited to temporary ISINs which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISINs and credited to the existing ISIN as fully paid-up Equity share of our company.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchange, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within 4 (Four) days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within 4 (Four) days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer -in-default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

## **12. Subscription to this Issue by our Promoter and our Promoter Group**

For details of the intent and extent of subscription by our Promoter and the Promoter Group, see the paragraph titled '*Intention and extent of participation by our Promoter and Promoter Group*' under the section titled '*Capital Structure*' on page 56.

## **13. Rights of holders of Rights Equity Shares of our Company**

Subject to applicable laws, holders of the Rights Equity Shares shall have the following rights:

- a. The Rights Equity Shares shall rank *pari-passu* with the existing Equity Shares in all respects;
- b. The right to receive dividend, if declared;
- c. The right to vote in person, or by proxy, except in case of Rights Equity Shares credited to the demat suspense account for resident Eligible Shareholders;
- d. The right to receive surplus on liquidation;
- e. The right to free transferability of Rights Equity Shares;
- f. The right to attend general meetings of our Company and exercise voting powers in accordance with law; and



g. Such other rights as may be available to a shareholder of a listed public Company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

**Subject to applicable law and Articles of Association, holders of Rights Equity Shares shall be entitled to the above rights in proportion to amount paid-up on such Rights Equity Shares in this Issue.**

## GENERAL TERMS OF THE ISSUE

### 1. Market Lot

The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for the Rights Equity Shares in dematerialized mode is 1 (One) Equity Share. Further, the Rights Equity Shares shall be allotted only in dematerialised form.

### 2. Minimum Subscription

In accordance with Regulation 86 of SEBI (ICDR) Regulations, if our Company does not receive the minimum subscription of at least 90% of the Issue of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date. If there is delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rates prescribed under applicable laws.

### 3. Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Rights Equity Shares offered in this Issue.

### 4. Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. Since the Allotment is in dematerialized form, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in this Issue. Nominations registered with the respective Depository Participants of the Investors would prevail. Any Investor holding Equity Shares in dematerialized form and desirous of changing the existing nomination is requested to inform its Depository Participant.

### 5. Arrangements for Disposal of Odd Lots

The Rights Equity Shares are traded in dematerialized form only and therefore the marketable lot is 1 (One) Equity Share and hence no arrangements for disposal of odd lots are required.

### 6. Restrictions on transfer and transmission of shares and on their consolidation/splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI (LODR) Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

### 7. Notices

In accordance with the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and MCA General Circular No. 21/2020, our Company will send the Abridged Letter of Offer, the Rights Entitlement Letter,



Application Form and other issue material only to the Eligible Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

The Letter of Offer will be provided by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their email address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Gujarati language daily newspaper with wide circulation (Gujarati being the regional language of Ahmedabad where our Registered Office is situated).

The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their website.

## **OFFER TO NON-RESIDENT ELIGIBLE SHAREHOLDERS/INVESTORS**

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue Rights Equity Shares to non-resident shareholders including additional Rights Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the RBI, non-residents may, amongst other things:

1. Subscribe for additional Equity Shares over and above their Rights Entitlements;
2. Renounce the Rights Equity Shares offered to them either in full or in part thereof in favour of a person named by them; or
3. Apply for the Equity Shares renounced in their favour.

Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlements Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar by email on [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com) or physically/postal means at the address of the Registrar mentioned on the cover page of this Draft Letter of Offer. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and the Lead Manager and our Company will not be responsible for any such allotments made by relying on such approvals.

mail address of non-resident Eligible Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) from the websites of the Registrar, our Company, the Lead Manager, the Stock Exchanges. The Board of Directors may at its absolute discretion, agree to such terms and conditions as may be stipulated



by the RBI while approving the Allotment. The Right Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Right Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and Lead Manager.

Please also note that pursuant to Circular No. 14 dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies (*hereinafter referred to as "OCBs"*) have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of the RBI and to obtain prior approval from RBI for applying in this Issue.

The non-resident Eligible Shareholders can update their Indian address in the records maintained by the Registrar through email at [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com) and our Company through email at [www.mokshornaments.com](http://www.mokshornaments.com) by submitting their respective copies of self-attested proof of address, passport, etc.



## PROCEDURE FOR APPLICATION

### How to Apply

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, i.e. [•], see '*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*' on page 192.

The Lead Manager, our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

### Common Application Form (CAF)/ Application Form

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent to the Eligible Shareholders only to:

- a. E-mail addresses of resident Eligible Shareholders who have provided their e-mail addresses;
- b. Indian addresses of the resident Eligible Shareholders, on a reasonable effort basis, whose e-mail addresses are not available with our Company or the Eligible Shareholders have not provided the valid email address to our Company;
- c. Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and
- d. E-mail addresses of foreign corporate or institutional shareholders.

The Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email or physical delivery, as applicable, at least 3 (Three) days before the Issue Opening Date.

In case of non-resident Eligible Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through e-mail address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

**Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).**

To update the respective e-mail addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Shareholders should visit [www.bigshareonline.com](http://www.bigshareonline.com). Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of:

1. Our Company's website at [www.mokshornaments.com](http://www.mokshornaments.com);
2. Registrar to the Issue's website at [www.bigshareonline.com](http://www.bigshareonline.com);
3. Lead Manager to the Issue's Website at [www.kunvarji.com](http://www.kunvarji.com);
4. NSE website at [www.nseindia.com](http://www.nseindia.com);



The Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at [www.bigshareonline.com](http://www.bigshareonline.com) by entering their DP-ID and Client-ID and PAN.

The Application Form can be used by the Eligible Shareholders as well as the Renounees, to make Applications in this Issue on the basis of the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Shareholders applying in this Issue, as applicable.

In case of Investors who have provided details of demat account in accordance with the SEBI (ICDR) Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares by:

- a. Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or
- b. Please note that Applications made with payment using third party bank accounts are liable to be rejected.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

**Please note that Applications without depository account details shall be treated as incomplete and shall be rejected.**

**Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see 'Grounds for Technical Rejection' on page 196. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.**

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making an Application that is available on the website of the Registrar, NSE and Lead Manager or on a plain paper with the same details as per the Application Form available online. Please note that Eligible Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see '*Application on Plain Paper under ASBA process*' on page 188.

## **OPTIONS AVAILABLE TO THE ELIGIBLE SHAREHOLDERS**

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

1. Apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
2. Apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or





3. Apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
4. Apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares; or
5. Renounce its Rights Entitlements in full.

In accordance with the SEBI ICDR Master Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e. [●], desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period through ASBA mode. Such resident Eligible Equity Shareholders must check the procedure for Application in "***Procedure for Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form***" beginning on page 192 of this Draft Letter of Offer

## **PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS**

An investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorization to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

### **Self-Certified Syndicate Banks**

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number 'CIR/CFD/DIL/13/2012' dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

The Lead Manager, our Company, its directors, employees, affiliates, associates and their respective directors and officers, and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions, and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.



## ACCEPTANCE OF THIS ISSUE

Investors may accept this Issue and apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Please note that on the Issue Closing Date Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange, and

**Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.**

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section '*Application on Plain Paper under ASBA processes*' on page 188.

## ADDITIONAL RIGHTS EQUITY SHARES

Investors are eligible to apply for additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. The Rights Entitlements comprise of 1 Rights Equity Share. Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalized in consultation with the Designated Stock Exchange. Applications for additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI (ICDR) Regulations and in the manner prescribed under the section '*Basis of Allotment*' on page 200.

**Eligible Shareholders who renounce their Rights Entitlements cannot apply for additional Rights Equity Shares.**

Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Rights Equity Shares.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process.

## PROCEDURE FOR RENUNCIATION OF RIGHTS ENTITLEMENTS

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange; or (b) through an off -market transfer, during the Renunciation Period. Such renunciation shall result in renouncement of the Rights Equity Shares. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.



In accordance with the SEBI ICDR Master Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two working days prior to issue closing date, such that credit of REs in their demat account takes place at least one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

**THE LEAD MANAGER AND OUR COMPANY ACCEPT NO RESPONSIBILITY TO BEAR OR PAY ANY COST, APPLICABLE TAXES, CHARGES, AND EXPENSES (INCLUDING BROKERAGE), AND SUCH COSTS WILL BE INCURRED SOLELY BY THE INVESTORS.**

**PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED BY THE INVESTORS ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.**

### **1. On Market Renunciation**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the NSE through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI (ICDR) Regulations, the SEBI ICDR Master Circular and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Shareholders shall be admitted for trading on the Stock Exchange under the ISIN subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlement. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [•] to [•] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN [•] (for Rights Entitlement) that shall be allotted for the Rights Entitlement and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of Stock Exchange under automatic order matching mechanism and on 'T+2 rolling settlement bases, where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.



## 2. Off Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialized form only.

Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

The Shareholders holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN [•] (for Rights Entitlement) that shall be allotted for the Rights Entitlement, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

### APPLICATION ON PLAIN PAPER UNDER ASBA PROCESS

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB.

#### **Applications on plain paper will not be accepted from any address outside India**

Applications on plain paper will not be accepted from any address outside India. Please note that the Eligible Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

### APPLICATION ON PLAIN PAPER

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being '*Moksh Ornaments Limited*';
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Registered Folio No./DP and Client ID No.;



4. Number of Equity Shares held as on Record Date;
5. Allotment option – only dematerialized form;
6. Number of Rights Equity Shares entitled to;
7. Total number of Rights Equity Shares applied for;
8. Number of additional Rights Equity Shares applied for, if any;
9. Total number of Rights Equity Shares applied for;
10. Total amount paid at the rate of ₹ [•]/- for Rights Equity Shares issued in one Rights Entitlement;
11. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
12. In case of non-resident Eligible Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address, branch of the SCSB with which the account is maintained and a copy of the RBI approval obtained pursuant to Rule 7 of the FEMA Rules.
13. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
14. Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
16. In addition, all such Eligible Shareholders are deemed to have accepted the following:

“I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “US Securities Act”) or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”) except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand that this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that none of the Company, the Registrar, the Lead Manager, or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, the Lead Manager or any other person acting on behalf of the Company has reason to believe is in the United States, or if such person is outside India and the United States, such person is not a corporate shareholder, or is ineligible to participate in the Issue under the securities laws of their jurisdiction. I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make



such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S under the US Securities Act (*hereinafter referred to as “Regulation S”*), or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States, and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/ We acknowledge that the Company, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.” In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at [www.bigshareonline.com](http://www.bigshareonline.com).

I/ We acknowledge that Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.”

## **MODE OF PAYMENT**

All payments against the Application Forms shall be made only through ASBA facility.

The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor’s ASBA Account.

After verifying that sufficient funds are available in the ASBA Account, details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar’s instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalization of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their application at the time of the submission of the Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds



equivalent to the amount payable on Application mentioned in the Application Form. After the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

Instructions issued in this regard by the Registrar to the respective SCSB.

### **1. Mode of payment for Resident Investors**

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

### **2. Mode of payment for non-resident Investors**

As regards the Application by non-resident Investors, the following conditions shall apply:

- a. Individual non-resident Indian Applicants who are permitted to subscribe to Right Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, our Company and the Lead Manager;

*Note: In case of non-resident Eligible Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form shall be sent to (i) the Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and (ii) the e-mail addresses of the foreign corporate or institutional shareholders.*

*The Letter of Offer will be provided by the Registrar on behalf of our Company or the Lead Manager to the Eligible Shareholders at (i) the Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and (ii) the e-mail addresses of the foreign corporate or institutional shareholders, in each case who make a request in this regard.*

- b. Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws;
- c. Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI;

### **Notes**

- i. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act;
- ii. In case Rights Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India;
- iii. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals;



- iv. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment;
- v. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account;

Non-resident Renounces who are not Eligible Shareholders must submit regulatory approval for applying for additional Rights Equity Shares;

#### **APPLICATION BY ELIGIBLE SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM**

Please note that in accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company. In the event, the relevant details of the demat accounts of such Eligible Equity Shareholders are not received during the Issue Period, then their Rights Entitlements kept in the suspense escrow demat account shall lapse.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit [www.mokshornaments.com](http://www.mokshornaments.com).

#### **PROCEDURE FOR APPLICATION BY ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM**

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a. The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than 2 (Two) Working Days prior to the Issue Closing Date;
- b. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least 1 (One) day before the Issue Closing Date;
- c. The Eligible Equity Shareholders can access the Application Form from:
  - 1. Our Company's website at [www.mokshornaments.com](http://www.mokshornaments.com);
  - 2. Registrar to the Issue's website at [www.bigshareonline.com](http://www.bigshareonline.com);
  - 3. Lead Manager to the Issue's Website at [www.kunvarji.com](http://www.kunvarji.com);
  - 4. NSE's website at [www.nseindia.com](http://www.nseindia.com);





The Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at [www.bigshareonline.com](http://www.bigshareonline.com) by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on the website of our Company at [www.mokshornaments.com](http://www.mokshornaments.com).

- d. The Eligible Equity Shareholders shall, on or before the Issue Closing Date (i) submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

**PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.**

#### **ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM**

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE 'ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS' ON PAGE 201.**

#### **GENERAL INSTRUCTIONS FOR INVESTORS**

1. Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process;
2. Please read the instructions on the Application Form sent to you;
3. The Application Form can be used by both the Eligible Shareholders and the Renouncees;
4. Application should be made only through the ASBA facility.
5. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English;
6. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section 'Application on Plain Paper under ASBA processes on page 188;
7. In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA;
8. An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.



9. Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange;
10. Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar or the Lead Manager;
11. In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form;
12. All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors. Further, in case of Application in joint names, each of the joint Applicants should sign the Application Form;
13. In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon;
14. For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB;
15. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant’s name and all communication will be addressed to the first Applicant;
16. All communication in connection with Application for the Rights Equity Shares, including any change in address of the Eligible Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable; In case of any change in address of the Eligible Shareholders, the Eligible Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar;
17. Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number ‘CIR/CFD/DIL/13/2012 dated September 25, 2012’ within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility;



18. In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications;
19. Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law;
20. An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue;

***Do's:***

1. Ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number;
2. Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act;
3. Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("*Demographic Details*") are updated, true and correct, in all respects;
4. Investors should provide correct DP-ID and client-ID/ folio number while submitting the Application. Such DP-ID and Client-ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.

***Don'ts:***

1. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction;
2. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
3. Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application;
4. Do not pay the Application Money in cash, by money order, pay order or postal order;
5. Do not submit multiple Applications.

***Do's for Investors applying through ASBA:***

1. Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only;



2. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application;
3. Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB;
4. Ensure that you have authorized the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same;
5. Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location;
6. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form on a plain paper Application;
7. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter;

***Don'ts for Investors applying through ASBA:***

1. Do not apply if you are not eligible to participate in this Issue under the securities laws applicable to your jurisdiction;
2. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa;
3. Do not send your physical Application to the Lead Manager, the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only;
4. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process;
5. Do not submit Application Form using third party ASBA account.

**GROUNDS FOR TECHNICAL REJECTION**

Applications made in this Issue are liable to be rejected on the following grounds:

1. DP-ID and Client-ID mentioned in Application not matching with the DP-ID and Client ID records available with the Registrar;
2. Sending an Application to the Lead Manager, Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company;



3. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money;
4. Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders;
5. Account holder not signing the Application or declaration mentioned therein;
6. Submission of more than one Application Forms for Rights Entitlements available in a particular demat account;
7. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application;
8. Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts);
9. Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories;
10. Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB;
11. Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer;
12. Physical Application Forms not duly signed by the sole or joint Investors;
13. Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, and money order, postal order or outstation demand drafts;
14. If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements;
15. Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs) or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) outside India and the United States and is a foreign corporate or institutional shareholder eligible to subscribe for the Rights Equity Share under the applicable securities laws or (b) a U.S. QIB in the United States, and in each case such person is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form;
16. Applications which have evidence of being executed or made in contravention of applicable securities laws;



17. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar;
18. Applications by a non-resident without the approval from RBI with respect to Rule 7 of the FEMA Rules;
19. Application from Investors that are residing in U.S. address as per the depository records (other than in reliance with Reg S).

**DEPOSITORY ACCOUNT AND BANK DETAILS FOR INVESTORS HOLDING SHARES IN DEMAT ACCOUNTS AND APPLYING IN THIS ISSUE.**

**IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP-ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.**

**Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.**

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

By signing the Application Forms, the Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

**The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar or the Lead Manager shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.**

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.



## MULTIPLE APPLICATIONS

In case where multiple Applications are made in respect the Rights Entitlements using same demat account, such Applications shall be liable to be rejected. However supplementary applications in relation to further Rights Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see '*Procedure for Applications by Mutual Funds*' below. Cases where Investor submits Application Forms along with plain paper or multiple plain paper Applications for same Rights Entitlements shall be treated as multiple applications.

In cases where multiple Application Forms are submitted, such Applications shall be treated as multiple applications, including cases where an Investor submits Application Forms along with a plain paper Application or multiple plain paper Applications, such Applications shall be treated as multiple applications and are liable to be rejected.

## LAST DATE FOR APPLICATION

The last date for submission of the duly filled in the Application Form or a plain paper Application is [•] day, [•], 2024 Issue Closing Date. The Board of Directors may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by the Board of Directors, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and the Board of Directors shall be at liberty to dispose of the Rights Equity Shares hereby offered, as provided under the section, '*Basis of Allotment*' on page 200.

Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

## WITHDRAWAL OF APPLICATION

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, whether applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

## ISSUE SCHEDULE

<b>Last date for Credit of Rights Entitlements</b>	[•]
<b>Issue Opening Date</b>	[•]
<b>Last Date for On Market Renunciation*</b>	[•]
<b>Issue Closing Date</b>	[•]
<b>Finalization of Basis of Allotment (on or about)</b>	[•]
<b>Date of Allotment (on or about)</b>	[•]
<b>Date of Credit (on or about)</b>	[•]
<b>Date of Listing (on or about)</b>	[•]



*\* Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

Our Board of Directors/Rights Issue Committee may however decide to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date).

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., [•], to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date.

## **BASIS OF ALLOTMENT**

Subject to the provisions contained in the Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association of our Company and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

- a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part as adjusted for fractional entitlement.
- b) As per SEBI Rights Issue Circulars, Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- e) Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be





final and binding. After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

- 1) The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
- 2) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- 3) The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

## **ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS**

Our Company will send/ dispatch Allotment advice, refund instructions/intimations (including in respect of Applications made through the optional facility) or demat credit of securities and/or letters of regret, along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company and "our Directors" who are officers in default shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 4 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through an e-mail, to the e-mail address provided to our Company or at the address recorded with the Depository

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI (ICDR) Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

## **PAYMENT OF REFUND**

### ***Mode of making refunds***

In case of Applicants not eligible to make an application through ASBA process, the payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes:

1. **Unblocking amounts blocked using ASBA facility** – The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through unblocking amounts blocked using ASBA facility



2. **National Automated Clearing House** (*hereinafter referred to as “NACH”*) – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
3. **National Electronic Fund Transfer** (*hereinafter referred to as “NEFT”*) – Payment of refund shall be undertaken through NEFT wherever the Investor’s bank has been assigned the Indian Financial System Code (hereinafter referred to as IFSC Code<sup>6</sup>), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
4. **Direct Credit** – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
5. **RTGS** – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.
6. For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
7. Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

#### **Refund payment to non-residents**

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

#### **ALLOTMENT ADVICE OR DEMAT CREDIT OF SHARES**

The demat credit of Shares to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.



## **RECEIPT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM**

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO

1. THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR
2. THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR
3. DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE SHAREHOLDERS/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/ REVERSED/FAILED.
4. INVESTORS SHALL BE ALLOTTED THE RIGHTS EQUITY SHARES IN DEMATERIALIZED (ELECTRONIC) FORM.

## **INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM**

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialized form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Shareholders with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.



6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
7. Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

## **PROCEDURE FOR APPLICATION BY CERTAIN CATEGORIES OF INVESTORS**

### **1. Procedure for Applications by FPIs**

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post -Offer Equity Share capital. 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 or 10% 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 subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Offer are advised to use the Application Form for non-residents. 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 may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against Shares held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions: (a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

### **2. Procedure for Applications by AIFs, FVCIs and VCFs**

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not



be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

### **3. Procedure for Applications by NRIs**

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian Company on repatriation basis, on a recognized stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid - up equity capital on a fully diluted basis or should 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 OCIs put together will not exceed 10% of the total paid-up equity 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 warrants. 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.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporated in 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 (“*Restricted Investors*”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issuance of the Rights Equity Shares to Restricted Investors will also require a prior approval of the Government of India and each Investor 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 Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

### **4. Procedure for Applications by Mutual Funds**

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

### **5. Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)**

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net-worth certificate from its statutory auditors or any independent chartered accountant based on the last Audited Financial Statements is required to be attached to the application.

## **IMPERSONATION**

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:



*“Any person who:*

- i. makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its Shares; or*
- ii. 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 Shares; or*
- iii. Otherwise induces directly or indirectly a Company to allot, or register any transfer of, Shares to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹ 10 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

In case the fraud involves (i) an amount which is less than ₹10 lakhs or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 lakhs or with both.

#### **PAYMENT BY STOCKINVEST**

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Rights Issue.

#### **DISPOSAL OF APPLICATION AND APPLICATION MONEY**

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board of Directors of the Company reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In cases where refunds are applicable, such refunds shall be made within a period of 15 days. In case of failure to do so, our Company and the Directors who are “officers in default” shall pay interest at the prescribed rate. In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

**For further instructions, please read the Application Form carefully.**

#### **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

1. The complaints received in respect of the issue shall be attended to by our Company expeditiously and satisfactorily;



2. All steps for completion of the necessary formalities for listing and commencement of trading at Stock Exchange, where the Rights Equity Shares are to be listed are taken within the time limit specified by the SEBI;
3. The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company;
4. No further issue of securities affecting our Company's Equity Share capital shall be made until the Rights Equity Shares are listed or until the Application Money is refunded on account of non-listing, under subscription etc., other than as disclosed in accordance with the Regulation 56.
5. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 (Fifteen) days of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
6. Where release of block on the application amount for unsuccessful bidders or part of the application amount in case of proportionate allotment, a suitable communication shall be sent to the applicants;
7. Adequate arrangements shall be made to collect all ASBA applications.
8. Our Company accepts full responsibility for the accuracy of information given in this Draft Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Draft Letter of Offer misleading and further confirm that it has made all reasonable enquiries to ascertain such facts.

#### **UTILIZATION OF ISSUE PROCEEDS**

Our Board declares that:

1. All monies received out of issue of this Rights Issue to the public shall be transferred to a separate bank account.
2. Details of all monies utilized out of this Rights Issue referred to in clause (A) above shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilized; and
3. Details of all unutilized monies out of this Rights Issue referred to in clause (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.
4. Our Company may utilize the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

#### **IMPORTANT**

1. Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed, otherwise the Application is liable to be rejected.
2. All enquiries in connection with this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed '**MOKSH ORNAMENTS LIMITED – RIGHTS ISSUE**' on the envelope and postmarked in India or in the email) to the Registrar at the following address:



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**BIGSHARE SERVICES PRIVATE LIMITED**

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<b>Address</b>	Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093
<b>Contact Person</b>	Mr. Jibu John
<b>Tel No.</b>	022-62638200/22
<b>Email</b>	<a href="mailto:rightsissue@bigshareonline.com">rightsissue@bigshareonline.com</a>
<b>Investor Grievance E-mail</b>	<a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a>
<b>Website</b>	<a href="http://www.bigshareonline.com">www.bigshareonline.com</a>
<b>SEBI Registration Number</b>	INR000001385
<b>Validity of Registration</b>	Permanent

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3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar ([www.bigshareonline.com](http://www.bigshareonline.com)). Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties are 022 – 62638200.
4. This Issue will remain open for a minimum 7 (Seven) days. However, the Board of Directors will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).





## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the “*automatic route*”, where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the “*government route*”, where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, 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 way such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, 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. Accordingly, the process for foreign direct investment and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the consolidated FDI Policy Circular of 2020 (***‘FDI Circular 2020’***), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on 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:

1. The activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI (SAST) Regulations;
2. The non- resident shareholding is within the sectoral limits under the FDI Policy; and
3. The pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid to make any investment in the Issue.



The Lead Manager to the Issue and our Company will not be responsible for any allotments made by relying on such approvals. Please also note that pursuant to Circular no. 14 dated September 16, 2003, issued by RBI, Overseas Corporate Bodies have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company and the Lead Manager to the Issue are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.



## SECTION X – STATUTORY AND OTHER INFORMATION

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Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialised form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder, or (c) demat suspense account where the credit of the Rights Entitlements returned/ reversed /failed.



## MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than 2 (Two) years prior to the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the abovementioned contracts and also the documents for inspection 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 filing of the Letter of Offer until the Issue Closing Date. The copies of these contracts and also the documents for inspection referred to hereunder, would be available on the website of the Company at [www.mokshornaments.com](http://www.mokshornaments.com) from the date of this Draft Letter of Offer until the Issue Closing Date.

### MATERIAL CONTRACTS FOR THE ISSUE

1. Issue Agreement dated June 30, 2023 between our Company and the Lead Manager.
2. Registrar Agreement dated August 22, 2023.
3. Bankers to the Issue Agreement dated [•] amongst our Company, the Lead Manager, and the Registrar to the Issue and the Escrow Collection Bank(s).
4. Tripartite Agreement between our Company, National Securities Depository Limited (NSDL) and Registrar to the Issue;
5. Tripartite Agreement between our Company, Central Depository Services (India) Limited (CDSL) and Registrar to the Issue;

### MATERIAL DOCUMENTS IN RELATION TO THE ISSUE

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company;
2. Certificate of Incorporation of our Company;
3. Copies of Unaudited Financial Statements for the six months period ended September 30, 2023 and Restated Financial Statement of our Company for the last 3 (Three) Financial Years ending March 31, 2023, March 31, 2022 and March 31, 2021;
4. Resolution of our Board of Directors dated April 21, 2023 approving the Rights Issue;
5. Resolution of our Board dated [•], 2024, approving the Draft Letter of Offer;
6. Resolution of our Board of Directors dated [•], finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio;
7. Resolution of our Board of Directors dated [•], approving the Letter of Offer;
8. Consents of our Directors, Lead Manager, Bankers to our Company, Bankers to the Issue, Legal Advisor and the Registrar to the Issue for inclusion of their names in the Letter of Offer to act in their respective capacities;
9. Report on Statement of Special Tax Benefits dated June 27, 2023 for our Company from the Statutory Auditors of our Company;
10. In-principle approval issued by NSE dated [•].

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without notice to the Eligible Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



## DECLARATION

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We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, 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 Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all disclosures made in this Draft Letter of Offer are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

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Sd/-

\_\_\_\_\_  
**Mr. Amrit Jawanmalji Shah**  
Managing Director & Chief Financial Officer

Sd/-

\_\_\_\_\_  
**Mr. Jawanmal Moolchand Shah**  
Whole-time Director

Sd/-

\_\_\_\_\_  
**Ms. Sangeeta Amritlal Shah**  
Non-Executive Non-Independent Director

Sd/-

\_\_\_\_\_  
**Ms. Nirali Haresh Shah**  
Independent Director

Sd/-

\_\_\_\_\_  
**Ms. Mitwa Nayan Shah**  
Independent Director

Sd/-

\_\_\_\_\_  
**Mr. Hardik Pravinbhai Makwana**  
Independent Director

### SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY

Sd/-

\_\_\_\_\_  
**Ms. Charmy Harish Variya**  
Company Secretary & Compliance Officer

**Place:** Mumbai

**Date:** February 9, 2024