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RED HERRING PROSPECTUS
Dated September 4, 2024
Please read Section 32 of the Companies Act, 2013
100% Book Built Offer

P N GADGIL JEWELLERS LIMITED

Corporate Identity Number: U36912PN2013PLC149288

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	E-MAIL AND TELEPHONE	WEBSITE
694, Narayan Peth, Pune, Maharashtra, India – 411 030	PNG Vishwa, 359, Chitrashala Chowk Laxmi Road, Narayan Peth Pune, Maharashtra, India – 411 030	Hiranyamai Kulkarni *Company Secretary and Compliance Officer*	**E-mail**: secretarial@pngadgil.com **Telephone**: +91 20 2447 8474	www.pngjewellers.com

OUR PROMOTERS: SAURABH VIDYADHAR GADGIL, RADHIKA SAURABH GADGIL AND SVG BUSINESS TRUST

DETAILS OF THE OFFER

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIBs AND RIBs
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to 8,500 million.	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 2,500 million.	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 11,000 million.	The Offer is being made pursuant to Regulation 6(1) of the SEBI ICDR Regulations. For details, see "*Other Regulatory and Statutory Disclosures – Eligibility of the Offer*" on page 338. For details of share reservation among QIBs, NIBs, and RIBs see "*Offer Structure*" on page 356.

DETAILS OF THE PROMOTER SELLING SHAREHOLDER, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION

NAME OF THE PROMOTER SELLING SHAREHOLDER	TYPE	NO. OF EQUITY SHARES OFFERED	WACA# PER EQUITY SHARE (₹)
SVG Business Trust	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 2,500 million.	13.44

WACA: Weighted Average Cost of Acquisition
\# *Calculated on a fully diluted basis. As certified by GDA & Associates, Chartered Accountants, Statutory Auditors of our Company, by way of their certificate dated September 4, 2024.*

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Floor Price, Cap Price and Offer Price determined by our Company in consultation with the Book Running Lead Managers, in accordance with the SEBI ICDR Regulations and as stated under "*Basis for Offer Price*" on page 111, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India (the "**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 29.

COMPANY'S AND PROMOTER SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, the Promoter Selling Shareholder accepts responsibility only for and confirms the statements made or undertaken expressly by it in this Red Herring Prospectus only to the extent of information specifically pertaining to it and the

Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. The Promoter Selling Shareholder assumes no responsibility for any other statement in this Red Herring Prospectus, including, *inter alia*, any other statements made by or relating to our Company or its business.

LISTING

Our Company has received 'in-principle' approvals from BSE Limited (the "**BSE**") and National Stock Exchange of India Limited (the "**NSE**", together with BSE, the "**Stock Exchanges**") for the listing of the Equity Shares pursuant to letters each dated July 3, 2024. The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the Stock Exchanges being NSE and BSE. For the purposes of the Offer, NSE is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

NAME OF BOOK RUNNING LEAD MANAGER AND LOGO	CONTACT PERSON	E-MAIL AND TELEPHONE
MOTILAL OSWAL INVESTMENT BANKING **Motilal Oswal Investment Advisors Limited**	Kunal Thakkar/ Sankita Ajinkya	**E-mail:** png.ipo@motilaloswal.com **Telephone**: +91 22 7193 4380
nuvama **Nuvama Wealth Management Limited *(formerly known as Edelweiss Securities Limited)***	Manish Tejwani	**E-mail**: png.ipo@nuvama.com **Telephone**: + 91 22 4009 4400
BOBCAPS TRUST | INNOVATION | EXCELLENCE **BOB Capital Markets Limited**	Nivedika Chavan	**E-mail**: png.ipo@bobcaps.in **Telephone**: +91 22 6138 9353

REGISTRAR TO THE OFFER

NAME AND LOGO OF THE REGISTRAR	CONTACT PERSON	E-MAIL AND TELEPHONE
Bigshare Services Pvt. Ltd. **Bigshare Services Private Limited**	Vinayak Morbale	**E-mail**: ipo@bigshareonline.com **Telephone**: +91 22-62638200

BID/OFFER PERIOD

ANCHOR INVESTOR BIDDING DATE*	Monday, September 9, 2024	**BID/OFFER OPENS ON***	Tuesday, September 10, 2024	**BID/OFFER CLOSES ON(1)**	Thursday, September 12, 2024

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

(1) *UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.*

P N GADGIL JEWELLERS LIMITED

Our Company was originally incorporated as "P N Gadgil Jewellers Private Limited", a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated October 28, 2013, issued by the Registrar of Companies, Maharashtra at Pune (the "**RoC**"). The name of our Company was subsequently changed to "P N Gadgil Jewellers Limited", upon conversion of our Company from a private limited to a public limited company, pursuant to a board resolution dated February 16, 2023, and a shareholders' resolution dated March 10, 2023, and a fresh certificate of incorporation was issued on April 5, 2023, by the RoC. For details of the change in the name and the registered office of our Company, see "*History and Certain Corporate Matters*" on page 198.

Registered Office: 694, Narayan Peth, Pune – 411030, Maharashtra, India; **Telephone:** +91 20 2443 5006
Corporate Office: PNG Vishwa, 359, Chitrashala Chowk, Laxmi Road, Narayan Peth, Pune – 411030 Maharashtra, India. **Telephone**: +91 20 2447 8474
Contact Person: Hiranyamai Kulkarni, Company Secretary and Compliance Officer;
Telephone: +91 20 2447 8474; **E-mail**: secretarial@pngadgil.com; **Website**: www.pngjewellers.com
Corporate Identity Number: U36912PN2013PLC149288

OUR PROMOTERS: SAURABH VIDYADHAR GADGIL, RADHIKA SAURABH GADGIL AND SVG BUSINESS TRUST

INITIAL PUBLIC OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF P N GADGIL JEWELLERS LIMITED (OUR "COMPANY" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) (THE "OFFER PRICE") AGGREGATING UP TO ₹ 11,000 MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹ 8,500 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 2,500 MILLION (THE "OFFER FOR SALE") BY SVG BUSINESS TRUST (REFERRED TO AS THE "PROMOTER SELLING SHAREHOLDER" AND SUCH EQUITY SHARES OFFERED BY THE PROMOTER SELLING SHAREHOLDER, THE "OFFERED SHARES")

THE FACE VALUE OF THE EQUITY SHARE IS ₹10 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF EQUITY SHARE. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DETERMINED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS (THE "BRLMs") AND WILL BE ADVERTISED IN ALL EDITIONS OF FINANCIAL EXPRESS (A WIDELY CIRCULATED ENGLISH NATIONAL NEWSPAPER), ALL EDITIONS OF JANSATTA (A WIDELY CIRCULATED HINDI NATIONAL NEWSPAPER) AND PUNE EDITION OF LOKSATTA (A WIDELY CIRCULATED MARATHI NATIONAL NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE THE REGISTERED OFFICE IS LOCATED) AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE" AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.

In case of any revision in the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the Price Band subject to the Bid/Offer Period not exceeding a total of 10 Working Days. In case of force majeure, banking strike or similar unforeseen circumstances, our Company may, in consultation with the Book Running Lead Managers, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the Book Running Lead Managers and at the terminals of the other members of the Syndicate and by intimation to the other Designated Intermediaries and the Sponsor Bank(s), as applicable.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**"), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Portion**"), provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis by our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations (the "**Anchor Investor Portion**"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("**Anchor Investor Allocation Price**"). In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (the "**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders ("**Non-Institutional Portion**"), in accordance with the SEBI ICDR Regulations, of which one-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 1,000,000 and under- subscription in either of these two sub-categories of the Non-Institutional Portion may be allocated to Bidders in the other sub-category of the Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer shall be available for allocation to Retail Individual Portion ("**Retail Portion**"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders (except Anchor Investors) shall mandatorily participate in the Offer only through the Application Supported by Blocked Amount ("**ASBA**") process and shall provide details of their respective bank account including UPI ID (defined hereinafter) in case of UPI Bidders (defined hereinafter) in which the Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or pursuant to the UPI Mechanism, as the case may be. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "*Offer Procedure*" on page 359.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Floor Price, Cap Price and Offer Price determined by our Company in consultation with the Book Running Lead Managers, in accordance with the SEBI ICDR Regulations and as stated under "*Basis for Offer Price*" on page 111, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 29.

COMPANY'S AND PROMOTER SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, the Promoter Selling Shareholder, accepts responsibility only for and confirms the statements made or undertaken expressly by it in this Red Herring Prospectus only to the extent of information specifically pertaining to and the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. The Promoter Selling Shareholder severally and not jointly, assumes no responsibility for any other statement in this Red Herring Prospectus, including, *inter alia*, any other statements made by or relating to our Company or its business.

LISTING

The Equity Shares to be offered through this Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company received an in-principle approval from each of the BSE and the NSE for the listing of the Equity Shares pursuant to letters each dated July 3, 2024. For the purpose of the Offer, NSE is the Designated Stock Exchange. A signed copy of this Red Herring Prospectus and the Prospectus will be filed with the RoC in accordance with Section 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents that will be available for inspection from the date of this Red Herring Prospectus up to the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 396.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER
MOTILAL OSWAL INVESTMENT BANKING	nuvama	BOBCAPS TRUST | INNOVATION | EXCELLENCE	Bigshare Services Pvt. Ltd.
Motilal Oswal Investment Advisors Limited Motilal Oswal Tower, Rahimtullah Sayani Road Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025 Maharashtra, India **Telephone:** +91 22 7193 4380 **E-mail:** png.ipo@motilaloswal.com **Investor Grievance E-mail:** moiaplredressal@motilaloswal.com **Website:** www.motilaloswalgroup.com **Contact Person:** Kunal Thakkar/ Sankita Ajinkya **SEBI Registration No.:** INM000011005	**Nuvama Wealth Management Limited *(formerly known as Edelweiss Securities Limited)*** 801 -804 Wing A Building No 3 Inspire BKC G Block, Bandra Kurla Complex Bandra East, Mumbai 400 051 Maharashtra, India **Telephone**: + 91 22 4009 4400 **E-mail**: png.ipo@nuvama.com **Website**: www.nuvama.com **Investor grievance e-mail**: customerservice.mb@nuvama.com **Contact person**: Manish Tejwani **SEBI registration No.**: INM000013004	**BOB Capital Markets Limited** 1704, B Wing, 17th Floor Parinee Crescenzo, Plot No. C – 38/39 G Block, Bandra Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra, India **Telephone**: +91 22 6138 9353 **E-mail**: png.ipo@bobcaps.in **Website**: www.bobcaps.in **Investor grievance e-mail**: investorgrievance@bobcaps.in **Contact person**: Nivedika Chavan **SEBI registration No.**: INM000009926	**Bigshare Services Private Limited** Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093 **Telephone:** +91 22 6263 8200 **E-mail:** ipo@bigshareonline.com **Investor Grievance e-mail:** investor@bigshareonline.com **Website:** www.bigshareonline.com **Contact Person:** Vinayak Morbale **SEBI Registration No.:** INR000001385

BID/OFFER PERIOD

ANCHOR INVESTOR BIDDING DATE*	Monday, September 9, 2024	BID/OFFER OPENS ON*	Tuesday, September 10, 2024	BID/OFFER CLOSES ON(1)	Thursday, September 12, 2024

**Our Company in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.*
(1)UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless otherwise specified or the context otherwise indicates, requires or implies, shall have the meanings as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification shall be deemed to include all amendments, supplements, re-enactments and modifications thereto, from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time thereunder.

*Unless the context otherwise indicates, all references to "the Company", and "our Company", are references to P N Gadgil Jewellers Limited, a company incorporated under the Companies Act, 1956, whose registered office is situated at 694, Narayan Peth, Pune, Maharashtra, India – 411030. Furthermore, unless the context otherwise indicates, all references to the terms "**we**", "**us**" and "**our**" or the "**Group**": (i) for any period prior to March 29, 2023, is a reference to our Company together with our Subsidiaries, our Erstwhile Subsidiary and our Erstwhile Joint Venture which existed as of and for the relevant year/period covered by the Restated Consolidated Financial Information, on a consolidated basis, and (ii) for any period on or after March 29, 2023, is a reference to our Company and our Subsidiaries, on a consolidated basis.*

The words and expressions used but not defined in this Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the SEBI Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder, as applicable.

Notwithstanding the foregoing, the terms used in "Objects of the Offer", "Basis for Offer Price", "Statement of Special Tax Benefits", "Industry Overview", "Key Regulations and Policies in India", "History and Certain Corporate Matters", "Restated Consolidated Financial Information", "Financial Indebtedness", "Outstanding Litigation and Material Developments" "Other Regulatory and Statutory Disclosures", and "Description of Equity Shares and Terms of Articles of Association" on pages 98, 111, 118, 123, 192, 198, 230, 296, 328, *337 and 380, respectively, shall have the respective meanings ascribed to them in the relevant sections.*

Company Related Terms

Term(s)	Description
Amendment to the Royalty Agreement	The amendment agreement dated March 19, 2024, entered into between our Company and P N Gadgil Jewellers to amend the terms of the Royalty Agreement. For details, see "*History and Certain Corporate Matters – Key terms of other subsisting material agreements*" on page 201.
"Articles of Association" or "Articles" or "AoA"	The articles of association of our Company, as amended.
Audit Committee	The audit committee of our Board of Directors, as disclosed in "*Our Management-Committees of the Board –Audit Committee*" on page 213.
"Auditors" or "Statutory Auditors"	The statutory auditors of our Company, namely, GDA & Associates, Chartered Accountants.
"Board" or "Board of Directors"	The board of directors of our Company, as constituted from time to time, including a duly constituted committee thereof. For details, see "*Our Management – Board of Directors*" on page 205.
Business Transfer Agreement	A business transfer agreement dated November 16, 2013, entered between our Company and P N Gadgil Jewellers. For details, see "*History and Certain Corporate Matters – Business Transfer Agreement dated November 16, 2013, amongst our Company and P N Gadgil Jewellers a partnership firm forming a part of our Promoter Group*" on page 200.
CCNPS or CCNCPS	8% Compulsory Convertible Non-Cumulative Preference Shares of our Company
Chief Financial Officer	The chief financial officer of our Company, namely, Kiran Prakash Firodiya who is also an Executive Director of our Company. For details see "*Our Management - Key Managerial Personnel*" on page 220.
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, namely, Hiranyamai Kulkarni. For details see "*Our Management − Key Managerial Personnel*" on page 220.
Corporate Office	The corporate office of our Company situated at PNG Vishwa, 359, Chitrashala Chowk, Laxmi Road, Narayan Peth, Pune – 411 030, Maharashtra, India.
Corporate Social Responsibility Committee or CSR Committee	The corporate social responsibility committee of our Board of Directors as disclosed in "*Our Management - Committees of our Board - Corporate Social Responsibility Committee*" on page 218.
Director(s)	The director(s) on our Board, as appointed from time to time as disclosed in "*Our Management - Board of Directors*" on page 205.

Term(s)	Description
Equity Shares	The equity shares of our Company of face value of ₹10 each.
Erstwhile Joint Venture	PNG Jewellers LLC.
Erstwhile Subsidiary	P N Gadgil Jewellers DMCC.
Executive Director(s)	The executive Directors on our Board of Directors, as disclosed in "*Our Management - Board of Directors"* on page 205.
Group Companies	Our group companies in terms of Regulation 2(1)(t) of the SEBI ICDR Regulations and other companies considered material by our Board, in accordance with the resolution dated August 24, 2024**,** passed by our Board, as disclosed in "*Our Group Companies*" on page 227.
Independent Director(s)	The non-executive independent director(s) of our Company, as disclosed in "*Our Management - Board of Directors"* on page 205.
Independent Architect	Independent architect namely, Neha Patel.
Individual Promoters	The individual promoters of our Company, namely, Saurabh Vidyadhar Gadgil and Radhika Saurabh Gadgil.
IPO Committee	The IPO committee of our Board constituted *vide* resolution of the Board dated March 18, 2024.
"Key Managerial Personnel" or "KMP"	The key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, and as disclosed in "*Our Management - Key Managerial Personnel*" on page 220.
Materiality Policy	The policy adopted by our Board of Directors on August 24, 2024 for identification of: (i) material outstanding civil litigation; (ii) group companies; and (iii) outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations.
Managing Director	The managing director of our Company, namely, Saurabh Vidyadhar Gadgil. For details see "*Our Management − Board of Directors*" on page 205.
"Memorandum of Association" or "Memorandum" or "MoA"	The memorandum of association of our Company, as amended.
NCRPS	8% Non-Convertible Redeemable Preference Shares of our Company.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board of Directors, as disclosed in "*Our Management- Committees of our Board – Nomination and Remuneration Committee*" on page 215.
Non-Compete Undertaking	The non-compete undertaking dated March 19, 2024 issued by our Promoter, Saurabh Vidyadhar Gadgil to our Company
Non-Executive Director(s)	The non-executive directors on our Board of Directors as disclosed in "*Our Management"* on page 205.
P N Gadgil Jewellers	A partnership firm controlled by one of our Promoters, Saurabh Vidyadhar Gadgil
Promoters	The promoters of our Company, namely, Saurabh Vidyadhar Gadgil, Radhika Saurabh Gadgil and SVG Business Trust. For details see "*Promoters and Promoter Group − Our Promoters"* on page 222.
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in "*Promoters and Promoter Group − Promoter Group*" on page 222.
Registered Office	The registered office of our Company situated at 694, Narayan Peth, Pune, Maharashtra, India– 411030.
"Registrar of Companies" or "RoC"	Registrar of Companies, Maharashtra at Pune.
Restated Consolidated Financial Information	The restated consolidated financial information of the Group, comprising of the restated consolidated statement of assets and liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022, the restated consolidated statements of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flows of the Group for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, the summary statement of significant accounting policies, and other explanatory information derived from our audited financial statements as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, each prepared in accordance with Ind AS and restated in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI, as amended from time to time.

Term(s)	Description
Risk Management Committee	The risk management committee of our Board of Directors as disclosed in "*Our Management- Committees of our Board – Risk Management Committee*" on page 217.
Royalty Agreement	A royalty agreement dated March 11, 2020, entered between our Company and P N Gadgil Jewellers. For details, see "*History and Certain Corporate Matters – Key terms of other subsisting material agreements*" on page 201.
"Senior Managerial Personnel" or "SMP"	Senior management of our Company in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations, as described in "*Our Management – Senior Managerial Personnel*" on page 220.
"Subsidiary" or "Subsidiaries"	The direct and wholly owned subsidiaries of our Company, namely (i) Gadgil Diamonds Private Limited and (ii) PNG Jewelers, Inc.
Shareholders	The shareholders of our Company, from time to time.
Stakeholders Relationship Committee	The stakeholder's relationship committee of our Board of Directors, as disclosed in "*Our Management − Committees of our Board – Stakeholders Relationship Committee*" on page 217.

Offer related terms

Term	Description
Abridged Prospectus	The memorandum containing such salient features of a prospectus as may be specified by SEBI in this regard.
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form.
"Allot" or "Allotment or Allotted"	Allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares pursuant to the Offer for Sale, in each case to the successful Bidders.
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Bidder who has been or is to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom the Equity Shares are Allotted.
Anchor Investor(s)	A Qualified Institutional Buyer, who applies under the Anchor Investor Portion in accordance with the SEBI ICDR Regulations and this Red Herring Prospectus who has Bid for an amount of at least ₹100 million.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of this Red Herring Prospectus and the Prospectus. The Anchor Investor Allocation Price shall be determined by our Company in consultation with the BRLMs.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion in accordance with the requirements specified under the SEBI ICDR Regulations and which will be considered as an application for Allotment in terms of this Red Herring Prospectus and the Prospectus.
"Anchor Investor Bidding Date" or "Anchor Investor Bid/Offer Period"	The day, prior to and after which, the BRLMs will not accept any Bids from Anchor Investors, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, and allocation to the Anchor Investors shall be completed.
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company in consultation with the BRLMs.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), the Anchor Investor Bid/ Offer Period, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than one Working Day after the Bid/Offer Closing Date and not later than the time on such day specified in the revised CAN.
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.

Term	Description
"Application Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and to authorise an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of the UPI Mandate Request.
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders, for blocking the Bid Amount mentioned in the relevant ASBA Form, which may be blocked by such SCSB or the account of the UPI Bidders blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder using the UPI Mechanism, to the extent of the Bid Amount of the ASBA Bidder.
ASBA Bid	A Bid made by an ASBA Bidder.
ASBA Bidders	All Bidder(s), except Anchor Investors.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus.
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), the Refund Bank(s), the Public Offer Account Bank(s) and the Sponsor Bank(s), as the case may be.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, as disclosed in "*Offer Procedure*" on page 359.
Bid(s)	An indication to make an offer during the Bid/Offer Period by ASBA Bidders pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Offer Period by the Anchor Investors pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto, in accordance with the SEBI ICDR Regulations and this Red Herring Prospectus and the relevant Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Amount	In relation to each Bid, the highest value of the Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders, Bidding at the Cut-off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder, and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of such Bid.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the case may be.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries shall not accept any Bids, which shall be notified in all editions of the English national daily newspaper, Financial Express, all editions of the Hindi national daily newspaper, Jansatta and Pune edition of the Marathi daily newspaper, Loksatta (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation. Our Company may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges and shall also be notified on the websites of the BRLMs and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank(s), which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations.
Bid/Offer Opening Date	Except in relation to any Bids received from Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of the English national daily newspaper, Financial Express, all editions of the Hindi national daily newspaper, Jansatta and Pune edition of the Marathi daily newspaper, Loksatta (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation.
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof.
"Bidder" or "Applicant"	Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, *i.e.*, the Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for

Term	Description
	Registered Brokers, Designated RTA Locations for RTAs, and Designated CDP Locations for CDPs.
BOBCAPS	BOB Capital Markets Limited.
Book Building Process	The book building process as described in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
"Book Running Lead Managers" or "BRLMs"	The book running lead managers to the Offer, being Motilal Oswal, Nuvama and BOBCAPS.
Broker Centres	The broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker (in case of UPI Bidders, only using UPI Mechanism). The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), updated from time to time.
"CAN" or "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares to be sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Offer Period.
Cap Price	The higher end of the Price Band, subject to any revision thereto, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, and which shall be a least 105% of the Floor Price and shall not be more than 120% of the Floor Price.
Cash Escrow and Sponsor Banks Agreement	The agreement dated September 4, 2024 entered into among our Company, the Promoter Selling Shareholder, the Registrar to the Offer, the BRLMs, and the Bankers to the Offer for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable remitting refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof.
Client ID	Client identification number maintained with one of the Depositories in relation to a dematerialised account.
"Collecting Depository Participant" or "CDP"	A depository participant, as defined under the Depositories Act and registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and the UPI Circulars, issued by SEBI as per the list available on the websites of the Stock Exchanges, as updated from time to time.
Cut-off Price	The Offer Price, finalised by our Company in consultation with the BRLMs, which shall be any price within the Price Band. Only Retail Individual Bidders bidding in the Retail Portion are entitled to Bid at the Cut-off Price. No other category of Bidders is entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation, bank account details and UPI ID, as applicable.
Designated Branches	Such branches of the SCSBs which will collect the ASBA Forms used by the ASBA Bidders and a list of which is available on the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time, or any such other website as may be prescribed by the SEBI.
Designated CDP Locations	Such centres of the CDPs where ASBA Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time.
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account(s) to the Public Offer Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of Retail Individual Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank(s)) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of this Red Herring Prospectus and the Prospectus following which Equity Shares will be Allotted in the Offer.
Designated Intermediaries	Collectively, the members of the Syndicate, sub-syndicate or agents, SCSBs (other than in relation to Bidders using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect. Bid cum Application Forms from the relevant Bidders, in relation to the Offer. In relation to ASBA Forms submitted by Retail Individual Bidders by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.

Term	Description
	In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder, as the case may be, using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, SCSBs, Registered Brokers, the CDPs and RTAs.
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to the RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Designated Stock Exchange	National Stock Exchange of India Limited
"Draft Red Herring Prospectus" or "DRHP"	The draft red herring prospectus dated March 26, 2024 filed with SEBI and issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars of the price at which the Equity Shares will be allotted and the size of the Offer.
Eligible FPIs	FPI(s) that are eligible to participate in the Offer in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Offer and in relation to whom the Bid cum Application Form and this Red Herring Prospectus constitutes an invitation to purchase the Equity Shares.
Eligible NRI	NRI(s) that are eligible to participate in the Offer in terms of applicable law and from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom this Red Herring Prospectus and the Bid Cum Application Form constitutes an invitation to subscribe or purchase the Equity Shares.
Escrow Account(s)	Account(s) to be opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit or NACH or NEFT or RTGS in respect of the Bid Amount when submitting a Bid.
Escrow Collection Bank(s)	The bank(s), which is a clearing member and registered with SEBI as a banker to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account will be opened, in this case, being ICICI Bank Limited.
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name appears as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revisions thereof, at or above which the Offer Price and Anchor Investor Offer Price will be finalised and below which no Bids will be accepted, and which shall not be less than the face value of the Equity Shares.
Fresh Issue	The issue of up to [●] Equity Shares aggregating up to ₹ 8,500 million by our Company.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
"General Information Document" or "GID"	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs.
Gross Proceeds	The proceeds from the Fresh Issue
Monitoring Agency	ICRA Limited
Monitoring Agency Agreement	The monitoring agency agreement dated September 3, 2024, entered into between our Company and the Monitoring Agency.
Motilal Oswal	Motilal Oswal Investment Advisors Limited.
Mutual Fund(s)	Mutual fund(s) registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Mutual Fund Portion	5% of the QIB Portion or [●] Equity Shares which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Net Proceeds	Gross Proceeds less our Company's share of the Offer related expenses. For further details regarding the use of the Net Proceeds and the Offer related expenses, see "*Objects of the Offer*" on page *98*.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.

Term	Description
Non-Institutional Portion	The portion of the Offer, being not less than 15% of the Offer or [●] Equity Shares, which will be made available for allocation to Non-Institutional Bidders of which one-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹200,000 and up to ₹1,000,000 and two-thirds of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹1,000,000 provided that under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.
"Non-Institutional Bidders" or "NIB"	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with SEBI that are not QIBs (including Anchor Investors) or Retail Individual Bidders who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs).
Nuvama	Nuvama Wealth Management Limited (*formerly known as Edelweiss Securities Limited*).
Offer	The initial public offer of [●] Equity Shares of face value of ₹10 each for cash at a price of ₹[●] each, aggregating up to ₹ 11,000 million comprising the Fresh Issue and Offer for Sale
Offer Agreement	The agreement dated March 26, 2024 entered into among our Company, the Promoter Selling Shareholder and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer for Sale	The offer for sale of up to [●] Equity Shares aggregating up to ₹2,500 million by the Promoter Selling Shareholder.
Offer Price	The final price (within the Price Band) at which Equity Shares will be Allotted to the successful Bidders (except for the Anchor Investors), in terms of this Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company in consultation with the BRLMs, in terms of this Red Herring Prospectus. The Offer Price will be determined by our Company in consultation with the BRLMs on the Pricing Date in accordance with the Book Building Process and this Red Herring Prospectus.
Offer Proceeds	The Gross Proceeds, and the proceeds of the Offer for Sale which shall be available to the Selling Shareholder. For further information about use of the Offer Proceeds, see "*Objects of the Offer*" on page 98.
Offered Shares	Up to [●] Equity Shares aggregating up to ₹2,500 million being offered for sale by the Promoter Selling Shareholder in the Offer for Sale.
Price Band	Price band of a minimum price of ₹[●] per Equity Share (*i.e.,* the Floor Price) and the maximum price of ₹[●] per Equity Share (*i.e.*, the Cap Price), including any revisions thereof. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company, in consultation with the BRLMs and shall be advertised in all editions of the English national daily newspaper, Financial Express, all editions of the Hindi national daily newspaper, Jansatta and Pune edition of the Marathi daily newspaper, Loksatta (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	The date on which our Company in consultation with the BRLMs, shall finalise the Offer Price.
Promoter Selling Shareholder	SVG Business Trust.
Prospectus	The prospectus for the Offer to be filed with the RoC on or after the Pricing Date in accordance with the provisions of Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations, and containing, inter alia, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account(s)	'No-lien' and 'non-interest-bearing' bank account(s) to be opened in accordance with Section 40(3) of the Companies Act, 2013, with the Public Offer Account Bank(s) to receive money from the Escrow Account(s) and the ASBA Accounts maintained with the SCSBs on the Designated Date.
Public Offer Account Bank(s)	The bank(s) which are clearing members and registered with the SEBI as a banker to an issue under the SEBI BTI Regulations, with which the Public Offer Account(s) shall be opened, being HDFC Bank Limited.

Term	Description
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer or not more than [●] Equity Shares which shall be available for allocation on a proportionate basis to QIBs (including Anchor Investors in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price, as applicable.
"Qualified Institutional Buyer(s)" or "QIB Bidders" or "QIBs"	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
"Red Herring Prospectus" or "RHP"	This red herring prospectus for the Offer dated September 4, 2024 to be issued by our Company in accordance with the Companies Act, the SEBI ICDR Regulations which will not have complete particulars of the Offer Price and size of the Offer, including any addenda or corrigenda thereto. This Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus after filing with the RoC after the Pricing Date.
Refund Account(s)	The account opened with the Refund Bank from which refunds, if any, of the whole or part of the Bid Amount shall be made to Anchor Investors.
Refund Bank(s)	The bank which are a clearing member registered with SEBI under the SEBI BTI Regulations, with whom the Refund Account will be opened, in this case being ICICI Bank.
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of circular number no. CIR/CFD/14/2012 dated October 4, 2012 and the UPI Circulars, issued by SEBI.
Registrar Agreement	The agreement dated March 26, 2024 entered into between our Company, the Promoter Selling Shareholder and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
"Registrar and Share Transfer Agents" or "RTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids from relevant Bidders at the Designated RTA Locations as per the list available on the websites of BSE and NSE, and the UPI Circulars.
"Registrar to the Offer" or "Registrar"	Bigshare Services Private Limited.
"Retail Individual Bidders" or "RIBs"	Individual Bidders who have Bid for Equity Shares for an amount of not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through the *karta* and Eligible NRIs).
Retail Portion	Portion of the Offer being not less than 35% of the Offer consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders (subject to valid Bids being received at or above the Offer Price).
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in their Bid cum Application Forms or any previous Revision Forms. QIBs and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of the quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date.
"Self-Certified Syndicate Banks" or "SCSBs"	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorizing an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time. Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile applications, which, are live for applying in public issues using UPI mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Share Escrow Agent	Bigshare Services Private Limited.

Term	Description
Share Escrow Agreement	The agreement dated September 4, 2024 entered into by the Promoter Selling Shareholder, our Company and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Promoter Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees.
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from the Bidders, a list of which is which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time.
Sponsor Bank(s)	HDFC Bank and ICICI Bank being the Bankers to the Offer registered with SEBI, which have been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders and carry out any other responsibilities, in terms of the UPI Circulars.
"Syndicate" or "members of the Syndicate"	Collectively, the BRLMs and the Syndicate Members.
Syndicate Agreement	The agreement dated September 4, 2024 entered into among the members of the Syndicate, our Company, the Promoter Selling Shareholder, and the Registrar to the Offer in relation to the collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Syndicate members as defined under Regulation 2(1)(hhh) of the SEBI ICDR Regulations (other than the BRLMs), in this case being Motilal Oswal Financial Services Limited, and Nuvama Wealth Management Limited(formerly known as Edelweiss Securities Limited)
Technopak	Technopak Advisors Private Limited.
Technopak Report	Industry report titled "Industry report on jewellery market in India" dated August 26, 2024, which is exclusively prepared for the purpose of the Offer and issued by Technopak and is commissioned and paid for by our Company. Technopak was appointed on January 8, 2024. The Technopak Report will be available on the website of our Company at https://www.pngjewellers.com/investors#corporate-governance from the date of this Red Herring Prospectus till the Bid Offer/Closing Date.
Underwriters	[●].
Underwriting Agreement	The agreement to be entered into among our Company, the Promoter Selling Shareholder, and the Underwriters, on or after the Pricing Date but before filing of the Prospectus with the RoC.
UPI	Unified payments interface, which is an instant payment mechanism developed by NPCI.
UPI Bidders	Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion, and (ii) Non-Institutional Bidders with an application size of up to ₹500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, CDPs and RTAs. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹500,000 are required to use the UPI Mechanism and are required to provide their UPI ID in the Bid cum Application Form submitted with: (i) a Syndicate Member, (ii) a stock broker registered with a recognised stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a Collecting Depository Participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) Registrar and Share Transfer Agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, SEBI RTA Master Circular (to the extent that such circulars pertain to the UPI Mechanism), SEBI ICDR Master Circular along with the circular issued by the NSE having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE having reference no. 20220803-40 dated

Term	Description
	August 3, 2022 and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard.
UPI ID	An ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS on directing the UPI Bidder to such UPI linked mobile application) to the UPI Bidder initiated by the Sponsor Bank(s) to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by an UPI Bidder in accordance with the UPI Circulars to make an ASBA Bid in the Offer.
UPI PIN	Password to authenticate UPI transaction.
Working Day(s)	All days on which commercial banks in Mumbai, India are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI, including the UPI Circulars.

Industry and business-related terms

Term	Description
BIS	Bureau of Indian Standards is a national standards body in India established under the Bureau of Indian Standards Act, 2016 for the harmonious development of the activities of standardization, conformity, assessment and quality assurance of goods, articles, processes, systems and services.
COCO	Company owned and company operated stores. The COCO stores are owned or leased/licensed and operated by our Company.
DPP	Dajikaka Promise Plan is a program under which our customers can buy jewellery at the prevailing market rate in future as per their requirement by paying one bullet instalment in advance, which can be redeemed within a period of 12 months.
EBITDA	EBITDA refers to sum of EBIT and depreciation and amortization expense EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin	EBITDA margin is calculated as EBITDA divided by the Revenue from Operations EBITDA provides information regarding the operational efficiency of the business relative to its revenue
EBITDA per store	EBITDA per store is calculated as EBITDA divided by Closing store count. EBITDA provides information regarding the operational efficiency of the business relative to the number of operating stores
FOCO	Franchisee owned stores and operated by our Company. The FOCO stores are leased/licensed by the franchisee and such stores are managed by the Company. The Company also provides training and operational support to the franchisee.
FCTR	Foreign Currency Translation Reserve
FPP	Future Purchase Plan is a scheme in which our customers are required to pay instalments for a period of 10 months and thereafter redeem the aggregate amount at the end of their scheme period at our store by purchasing jewellery at a discounted price.
Franchisee Agreements	Agreements entered into between our Company and franchisee partners for setting up Franchisee Showrooms using our systems and trademark and for the sale of products on mutually agreed terms.
Franchisee Showrooms	Showrooms set by franchisee partners of the Company.
GDP	Gross Domestic Product is a monetary measure of the market value of all the final goods and services produced and rendered in a specific time period by a country or countries.
Karigars	Job workers who use their skills to carve and process gold, platinum, diamond and other precious and semi-precious metals into jewellery and other products pursuant to agreements entered with the job workers.
Marketing expenses	This provides information on the total amount spent on marketing activities by the Company
PAT	PAT is an indicator of the overall profitability and financial performance of our business.

Term	Description
PAT Margin	Profit after tax margin is calculated as the percentage of restated profit after tax for the period/ year divided by total income. PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
PAT per store	Pat per store is calculated as PAT divided by closing store count for Fiscal 2024. PAT is an indicator of the overall profitability and financial performance of our business on a per store basis.
Revenue from operations	Revenue from Operations is used to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of the business
Revenue per store	Revenue per store is calculated as Revenue from operations divided by the Closing store count for Financial Year 2024. Revenue per store is used to track the revenue earned based on the number of operating stores and assess the financial performance of the Company on a per store level.
Revenue per square feet	Revenue per square feet is calculated as Revenue from operations divided by the Total sq. ft. Revenue per store is used to track the revenue earned based on the total size of operating stores in sq. ft. and assess the financial performance of the Company on a per square foot level
ROE	PAT/Average Net worth ROE provides how efficiently our Company generates profits from shareholders' funds.
ROCE	EBIT/Capital Employed ROCE provides how efficiently our Company generates earnings from the capital employed in the business. It is calculated as Earnings before interest and taxes for the year divided by capital employed, where capital employed is computed as sum of total equity and borrowings (including cash credit & Gold Metal Loans) as at the end of the year.
SKU	Stock Keeping Unit
Working capital days	Working capital days are calculated as net working capital * 365 divided by revenue from operations. ((Inventory + Receivables minus Payables) * 365/ Revenue from Operations) Measures the working capital cycle of the company.
Yield on marketing expenses	Yield is calculated as Revenue from Operations divided by Marketing expenses This formula calculates how much money is generated for every marketing rupee spent.

Conventional Terms/Abbreviations

Term	Description
AGM	Annual general meeting.
"Alternative Investment Funds" or "AIFs"	Alternative investment funds as defined in, and registered under the SEBI AIF Regulations.
BSE	BSE Limited.
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations.
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations.
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations.
CAGR	Compounded annual growth rate.
Category I FPIs	FPIs registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations.
Category II FPIs	FPIs registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations.
CDSL	Central Depository Services (India) Limited.
CIN	Corporate identity number.

Term	Description
Companies Act, 1956	The erstwhile Companies Act, 1956, read with the rules, regulations, clarifications, circulars and modifications notified thereunder.
"Companies Act" or "Companies Act, 2013"	The Companies Act, 2013, read with the rules, regulations, clarifications, circulars, notifications, and amendments notified thereunder.
CSR	Corporate social responsibility.
Depositories	NSDL and CDSL.
Depositories Act	Depositories Act, 1996.
"DP" or "Depository Participant"	A depository participant as defined under the Depositories Act.
DIN	Director identification number.
DP ID	Depository Participant's identity number.
DPIIT	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India.
EGM	Extraordinary general meeting.
EPS	Earnings per share.
FDI	Foreign direct investment.
FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT through notification dated October 15, 2020 effective from October 15, 2020.
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations notified thereunder.
"FEMA Non-debt Instruments Rules" or the "FEMA NDI Rules"	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019.
"Financial Year" or "Fiscal" or "Fiscal Year" or "FY"	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending March 31 of that calendar year.
FPIs	Foreign portfolio investors as defined in and registered with SEBI under the SEBI FPI Regulations.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
FTA	Free Trade Agreement
FVCI	Foreign venture capital investors (as defined under the SEBI FVCI Regulations) registered with SEBI.
GAAR	General anti-avoidance rules.
"Government of India" or "Central Government" or "GoI"	The Government of India.
GST	Goods and services tax.
HUF(s)	Hindu undivided family(ies).
ICAI	The Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards of the International Accounting Standards Board.
Income Tax Act	Income-tax Act, 1961.
Ind AS	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 and referred to in the Ind AS Rules.
Ind AS 24	Indian Accounting Standard 24 on Related Party Disclosure issued by the MCA.
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015.
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016.
"₹" or "Rupee" or "₹" or "₹"	Indian Rupee, the official currency of the Republic of India.
IPO	Initial public offer.
IRDAI	Insurance Regulatory and Development Authority of India.
IRDAI Investment Regulations	Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016.

Term	Description
IST	Indian standard time.
IT	Information technology.
MCA	Ministry of Corporate Affairs, Government of India.
MSME	Micro, small and medium enterprises.
Mutual Funds	Mutual fund(s) registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
N.A.	Not applicable.
NACH	National Automated Clearing House.
National Investment Fund	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India.
NAV	Net asset value.
NCLT	National Company Law Tribunal.
NEFT	National electronic fund transfer.
NPCI	National Payments Corporation of India.
"NR" or "Non-resident"	A person resident outside India, as defined under the FEMA, including Eligible NRIs, FPIs and FVCIs registered with the SEBI.
NRI	A person resident outside India, who is a citizen of India.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer.
p.a.	Per annum.
P/E Ratio	Price/earnings ratio.
PAN	Permanent account number allotted under the Income Tax Act.
PAT	Profit after tax.
ROE	Return on Equity or PAT as a percentage of Net Worth
RBI	The Reserve Bank of India.
Regulation S	Regulation S under the U.S. Securities Act.
RTGS	Real time gross settlement.
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SCORES	SEBI complaints redress system.
SMS	Short message service.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors Regulations, 2000.
SEBI ICDR Master Circular	The SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Term	Description
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
SEBI RTA Master Circular	The SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024.
SEBI SBEBSE Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed pursuant to the SEBI AIF Regulations.
Stock Exchanges	BSE and NSE.
"Systemically Important NBFCs" or "NBFC-SI"	In the context of a Bidder, a non-banking financial company registered with the RBI and having a net worth of more than ₹5,000 million as per its last audited financial statements.
TAN	Tax deduction and collection account number.
U. S. Securities Act	United States Securities Act of 1933, as amended.
"US$" or "USD" or "US Dollar"	United States Dollar, the official currency of the United States of America.
"USA" or "U.S." or "US"	United States of America, its territories and possessions, any State of the United States and the District of Columbia
U.S. GAAP	United States Generally Accepted Accounting Principles.
VAT	Value added tax.
VCFs	Venture capital funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be.
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
"Year" or "calendar year"	Unless the context otherwise requires, shall mean the 12 month period ending December 31.

OFFER DOCUMENT SUMMARY

The following is a general summary of certain disclosures and terms of the Offer included in this Red Herring Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Red Herring Prospectus or the Prospectus when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Red Herring Prospectus, including *"Risk Factors"*, *"The Offer"*, *"Capital Structure"*, *"Objects of the Offer"*, *"Industry Overview"*, *"Our Business"*, *"Restated Consolidated Financial Information"*, *"Outstanding Litigation and Material Developments"*, *"Offer Procedure" and "Description of Equity Shares and Terms of the Articles of Association"* on pages 29, 68, 85, 98, 123, 174, 230, 328, 359, and 380, respectively.

Summary of the primary business of our Company

We offer a wide range of precious metal / jewellery products including gold, silver, platinum and diamond jewellery, across various price points and designs which cover the need of our customers and include collections that are specifically designed for special occasions as well as everyday wear jewellery. Our products are primarily sold under our flagship brand, 'PNG', and various sub – brands, through multiple channels, including our 39 retail stores (as on July 31, 2024) and various online marketplaces, including our website. We face competition from both the organized and unorganised sectors as well as from players that have a pan India presence, namely, Titan Company Limited (Tanishq), Kalyan Jewellers India Limited and Senco Gold Limited (*Source: Technopak Report*).

Summary of the industry in which our Company operates

The Indian jewellery retail sector's size in FY 2023 was close to USD 70 billion. Within this landscape, organized retail accounted for about 37%, encompassing both national and regional players. The fine jewellery segment in India constitutes about 90% of the overall jewellery market. It is further categorized into gold and non-gold categories, with non-gold encompassing diamond, platinum, silver, platinum, and other materials. (*Source: Technopak Report*).

Name of Promoters of our Company

Our Promoters are Saurabh Vidyadhar Gadgil, Radhika Saurabh Gadgil and SVG Business Trust. For details, see "*Promoters and Promoter Group*" on page 222.

Offer size

The following table summarizes the details of the Offer:

Offer	**Up to [●] Equity Shares of face value of ₹ 10 each aggregating to up to ₹11,000 million**	
which includes:		
Fresh Issue*	Up to [●] Equity Shares of face value of ₹ 10 each aggregating to up to ₹8,500 million	
Offer for Sale**	**Name of the Promoter Selling Shareholder**	**Equity Shares offered**
	SVG Business Trust	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 2,500 million

**Our Board has authorised the Offer, including Fresh Issue by the Company, pursuant to its resolution dated March 14, 2024. The Offer shall constitute [●]% of the post-Offer paid-up Equity Share capital of our Company.*
***Our Board has taken the consent received from the Promoter Selling Shareholder dated March 24, 2024 to participate in the Offer for Sale, on record by way of its resolution dated March 26, 2024. Our Shareholders have approved and authorised the Fresh Issue by way of its special resolution dated March 18, 2024. The Equity Shares being offered by the Promoter Selling Shareholder have been held by it for a period of at least one year immediately preceding the date of this Red Herring Prospectus with the SEBI and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For detail of consent received from the Promoter Selling Shareholder for the Offer for Sale, see "Other Regulatory and Statutory Disclosures – Authority for the Offer – Consent by the Promoter Selling Shareholder" on page 337.*

For further details of the offer, see "*The Offer*" and "*Offer Structure*" on pages 68 and 356, respectively.

Objects of the Offer

Set forth below are details regarding the use of the Net Proceeds.

Particulars	**Amount *(in ₹ million)***
Funding expenditure towards setting-up of 12 new stores in Maharashtra, India ("**New Stores**")	3,925.68
Repayment or pre-payment, in full or part, of certain borrowings availed by our Company	3,000.00
General corporate purposes [(1)]	[●]
Net Proceeds[(1)]	[●]

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

For further details, see "*Objects of the Offer*" on page 98.

Aggregate pre-Offer shareholding of our Promoters, our Promoter Group and the Promoter Selling Shareholder, as a percentage of the pre-Offer paid up share capital of our Company

(a) Set out below is the aggregate pre-Offer shareholding of our Promoters and Promoter Group, as a percentage of the pre-Offer paid-up equity share capital of the Company.

Sr. No.	Name of the Shareholder	Number of Equity Shares of face value of ₹ 10 each pre-Offer	Percentage of the pre- Offer paid-up Equity Share capital (%)	Number of Equity Shares of face value of ₹ 10 each post-Offer	Percentage of the post- Offer paid-up Equity Share capital (%)
1.	Saurabh Vidyadhar Gadgil	100	Negligible	[●]	[●]
2.	Radhika Gadgil	100	Negligible	[●]	[●]
3.	SVG Business Trust	117,999,400	99.99%	[●]	[●]
4.	Vaishali Vidyadhar Gadgil	100	Negligible	[●]	[●]
5.	Aditya Saurabh Gadgil	100	Negligible	[●]	[●]
6.	SVG Family Trust	100	Negligible	[●]	[●]
7.	Saurabh Vidyadhar Gadgil HUF	100	Negligible	[●]	[●]
Total		**118,000,000**	**100.00%**	**[●]**	**[●]**

(b) Set out below is the aggregate pre-Offer shareholding of the Promoter Selling Shareholder, as a percentage of the pre-Offer paid-up equity share capital of the Company.

Sr. No.	Name of the Shareholder	Number of Equity Shares of face value of ₹ 10 each pre-Offer	Percentage of the pre- Offer paid-up Equity Share capital (%)	Number of Equity Shares of face value of ₹ 10 each post-Offer	Percentage of the post- Offer paid-up Equity Share capital (%)
1.	SVG Business Trust	117,999,400	99.99%	[●]	[●]
Total		**117,999,400**	**99.99%**	**[●]**	**[●]**

Summary of Select Financial Information

Set out below is a summary of the select financial information of the Company as of the dates and for the periods indicated below, derived from the Restated Consolidated Financial Information:

(in ₹ million, except per share data)

Particulars	**As at / for the Fiscal ended**		
	March 31, 2024	**March 31, 2023**	**March 31, 2022**
Share capital^	1,180.00	1,180.00	1,180.00
Net worth(1)	5,343.77	3,657.34	2,820.13
Revenue from operations	61,109.45	45,075.19	25,556.34
Restated profit / (loss) after tax for the year/period	1,543.43	937.01	695.15
Earnings per equity share			
- Basic(2) (in ₹)	21.59	16.97	12.59
- Diluted(2) (in ₹)	13.08	7.94	5.89
Net asset value per Equity Share(3) (in ₹)	45.29	30.99	23.90
Total Borrowings(4)	3,964.96	2,832.10	2,949.49

^ Share capital consists of Equity Share capital and instruments entirely equity in nature.

(1) Net worth is calculated as the sum of Equity share capital, instruments entirely equity in nature, other equity and non-controlling interest.

(2) Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).

(3) Net Asset Value per share = Net worth as at the end of the period / Number of Equity Shares outstanding as at the end of period as adjusted for conversion of CCNPS.

(4) Total borrowings consist of current and non-current borrowings.

For further details, see "*Other Financial Information*" on page 293.

Details of compliance with Regulation 6(1) of SEBI ICDR Regulations

Our Company is eligible for the Offer in accordance with the eligibility criteria provided in Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

a) Our Company has net tangible assets of at least ₹30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), i.e., as at and for the Financial Years 2024, 2023 and 2022, of which not more than 50% are held in monetary assets;

b) Our Company has an average operating profit of at least ₹150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), i.e., as at and for the Financial Years 2024, 2023 and 2022, with operating profit in each of these preceding three years;

c) Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), i.e., as at and for the Financial Years 2024, 2023 and 2022, calculated on a restated and consolidated basis; and

d) Our Company has not changed its name in the last one year prior to the date of this Red Herring Prospectus.

Our Company's net tangible assets, operating profit, net worth, monetary assets, as restated, as derived from the Restated Consolidated Financial Information, as at and for the Fiscals 2024, 2023 and 2022, is set forth below:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net tangible assets (A) (in ₹ million)	4,423.87	2,989.01	1,914.17
Operating profit (B) (in ₹ million)	2,460.74	1,011.90	895.03
Net worth (C) (in ₹ million)	5,343.77	3,735.26	3,092.20
Monetary assets, as restated (D) (in ₹ million)	796.40	492.99	452.80
Monetary assets, as restated as a % of net tangible assets (E)=(D)/(A) (in %)	18.00	16.49	23.66

Auditor qualifications which have not been given effect to in the Restated Consolidated Financial Information

There are no auditor qualifications in the examination report that have not been given effect to in the Restated Consolidated Financial Information.

Summary of outstanding litigation

Set out below is a summary of outstanding litigation proceedings involving our Company, Subsidiaries, Directors and Promoters, as of the date of this Red Herring Prospectus, as also disclosed in "*Outstanding Litigation and Material Developments*" on page 328, in terms of the SEBI ICDR Regulations and the Materiality Policy. As on date of this Red Herring Prospectus, there are no outstanding litigations involving our Group Companies, which may have a material impact on our Company, in accordance with the Materiality Policy.

Category of individuals / entities	Number of Criminal proceedings	Number of Tax proceedings	Number of statutory or regulatory proceedings	Number of Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigation	Aggregate amount involved (in ₹ million)[(1)]
Company						
By the Company	4	NIL	NIL	NIL	2	1,526.94
Against the Company	1	2	1	NIL	4	55.76
Directors (other than Promoters)						
By the Directors	NIL	NIL	NIL	NIL	NIL	NIL
Against the Directors	NIL	NIL	NIL	NIL	1	0.33
Promoters						
By Promoters	NIL	NIL	NIL	NIL	NIL	NIL
Against Promoters	1	NIL	NIL	NIL	4	1.75
Subsidiaries						
By the Subsidiaries	1	NIL	NIL	NIL	NIL	25.00
Against the Subsidiaries	NIL	4	NIL	NIL	1	120.65

(1) To the extent ascertainable.

For further details, see "*Outstanding Litigation and Material Developments*" on page 328.

Risk factors

Further, certain risks that could materially impact our business and results from operations include, but are not limited to the following:

Risk Category	Description of Risk
Reputational	The strength of the brands we use are crucial to our success. Any reputational damage to the brand, name or logo could have an adverse effect on our financial condition, cash flows and results of operations.
Operational	Our inability to effectively market our products, or any deterioration in public perception of our brand, could affect consumer footfall and consequently adversely impact our business, financial condition, cash flows and results of operations.
Operational	Our inability to identify market trends, and customer demand accurately, counter the challenges that the industry faces and maintain an optimal level of inventory in our stores may impact our operations adversely.
Concentration	Our business is primarily concentrated in Maharashtra, especially Pune and we are significantly dependent on top five of our stores located in Maharashtra for revenue generation. Any adverse development affecting such region or stores may have an adverse effect on our business, prospects, financial condition and results of operations.
Financial	Our Company requires significant amounts of working capital for continued growth. Our inability to meet our working capital requirements, on commercially acceptable terms, may have an adverse impact on our business, financial condition and results of operations
Competition	While we commenced our e-commerce operations in Fiscal 2014, we focus primarily on a brick-and-mortar model to establish our physical presence in India. Since, we operate in highly competitive and fragmented markets, and competition in these markets is based primarily on market trends, pricing and customer preferences, there can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition, results of operations and prospects.
Operational	If we are unable to effectively manage or expand our retail network and operations, or pursue our growth strategy, our existing and new stores may not achieve our expected levels of profitability which may adversely affect our business prospects, financial condition and results of operations.
Operational	We do not own the trademark for our key flagship "PNG" brand and we require the written approval of P N Gadgil Jewellers for assigning or sub-licensing the trademark to any person, except our Subsidiaries, joint ventures or associates or franchise partners.
Operational	We are dependent on third party artisans for the production and manufacturing of all of our products. Any disruptions at such third-party production or manufacturing facilities, or shortage or scarcity of Karigars in the jewellery industry especially in Maharashtra or failure of such third parties to adhere to the relevant quality standards may have a negative effect on our reputation, business and financial condition and results of operations.
Operational	Our manufacturing work is done by skilled craftsmen who do not work exclusively for us which exposes us to any risks/adverse developments affecting the skilled craftsmen.
Seasonality	Our income and sales are subject to seasonal fluctuations and lower income in a peak season may have a disproportionate effect on our results of operations.
Operational	The non-availability or high cost of quality gold, diamonds, silver, precious and semi-precious metals and stones may have an adverse effect on our business, results of operations, financial condition and prospects
Operational	Jewellery purchases are discretionary and often perceived as luxury purchases. Any factor negatively impacting discretionary spending by consumers may adversely affect our business, results of operations, financial condition and prospects
Operational	If we are unable to continue to develop innovative, fashionable and popular designs, demand for our jewellery may decrease, adversely affecting our revenues and financial condition
Operational	Volatility in the market price of gold, silver and diamonds and other raw materials has a bearing on the value of our inventory and may affect our income, profitability and scale of operations

For further details of the risks applicable to us, see section titled "Risk Factors" on page 29.

Summary of contingent liabilities

As of March 31, 2024, our Restated Consolidated Financial Information disclosed the following contingent liabilities as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets:

Particulars	Amount (₹ million)
Contingent Liabilities	
Local Body tax (LBT) (Refer note (i))	2.91
Income Tax Penalty (SFT) Proceedings AY 2017-18 (Refer note (ii))	11.40
IT Proceedings GDPL AY 2017-18 (Refer note (iii))	59.25
Total	**73.56**

Note:

i. *The company has received a demand order of assessment for the period 01/01/2017 to 31/03/2017 from Panvel Municipal Corporation for ₹ 4.11 million (including interest and penalty) against which the Company has paid ₹ 1.21 million on May 18, 2019, and filed appeal petition no. 023 dated May 20, 2019, with Dy. Commissioner and First Appellate Authority and the matter is sub judice. Out of total demand liability, ₹ 1.21 million paid off and balance liability of ₹ 2.91 million treated as contingent liability.*

ii. *Assessing officer has passed the order u/s 272B having demand of ₹ 22.79 million. The assessee has appealed against the penalty order with CIT(A) and deposited 20% of the demand amount. The Company is contesting the above-mentioned demands and the management including its tax advisors believe that its position will be upheld in the appellate process. The management believes that the ultimate outcome of the proceedings has 50% winning chances and therefore contingent liability has been assumed to the extent 50% of ₹ 22.79 million.*

iii. *Assessing Officer has passed order with a demand of ₹ 118.50 million. Company has filed appeal with Commissioner of Income Tax (Appeals) CIT(A). The Company is contesting the above-mentioned demands and the management including its tax advisors believe that its position will be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have material adverse effect on the Company's financial position and results of operation. Therefore, contingent liability had been assumed @ 50% of the adjustment amount (i.e. 50% of ₹ 118.50 million).*

For further details of the contingent liabilities of our Company, see note 34 to the Restated Consolidated Financial Information included in "*Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Contingent Liabilities*" on pages 230 and **Error! Bookmark not defined.**, respectively.

Summary of related party transactions

The details of related party transactions entered into by our Company for the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022 respectively, as per Ind AS 24 – Related Party Disclosures, read with SEBI ICDR Regulations and derived from the Restated Consolidated Financial Information are as set out in the table below.

Particulars	Heading of Income Statement (IS) or Balance Sheet (BS)	Fiscal 2024		Fiscal 2023		Fiscal 2022	
		Amount (₹ million)	% of Heading	Amount (₹ million)	% of Heading	Amount (₹ million)	% of Heading
Director's Remuneration	% of Employee Benefit Expense	281.55	31.91%	243.40	32.33%	198.24	31.89%
Remuneration	% of Employee Benefit Expense	4.49	0.51%	-	-	-	-
Advances	% of Other current assets	-317.86	-24.70%	157.78	10.62%	69.02	8.02%
Payment made Others	% of Other Expenses	7,520.50	484.33%	55.54	3.39%	57.15	7.46%
Membership Fees	% of Other Expenses	-	-	4.52	0.28%	-	-
Sales Promotion Expenses	% of Other Expenses	-	-	-	-	0.01	-
Royalty Charges	% of Other Expenses	59.00	3.80%	59.00	3.60%	59.00	7.70%
Reimbursement of expenses	% of Other Expenses	26.25	1.69%	-	-	0.29	0.04%
Advertisement Expense	% of Other Expenses	1.84	0.12%	-	-	-	-
Other Expenses	% of Other Expenses	-	-	0.35	0.02%	0.07	0.01%
Corporate Security Charges	% of Finance Cost	139.24	30.36%	28.32	8.11%	28.32	8.06%
Repair and Maintenance Charges	% of Other Expenses	-	-	10.04	0.61%	20.84	2.72%
Rent	% of Other Expenses	5.32	0.34%	5.03	0.31%	0.86	0.11%
Professional charges	% of Other Expenses	4.33	0.28%	7.87	0.48%	6.19	0.81%
Purchase of Asset	% of PPE	-	-	-	-	-	-
Purchases	% of Cost of materials consumed	6,872.60	12.28%	68.17	0.16%	-	-

Particulars	Heading of Income Statement (IS) or Balance Sheet (BS)	Fiscal 2024		Fiscal 2023		Fiscal 2022	
		Amount (₹ million)	% of Heading	Amount (₹ million)	% of Heading	Amount (₹ million)	% of Heading
Sale of goods	% of Revenue from Operations	157.37	0.26%	162.85	0.36%	141.44	0.55%
Receipts against sale of Goods	% of Revenue from Operations	295.59	0.48%	86.83	0.19%	0.61	-
Rental Income	% of Other Income	0.18	0.22%	-	-	-	-
Interest Income	% of Other Income	-	-	-	-	39.92	13.02%
Gold Deposit	% of Current Borrowings	2.63	0.09%	0.36	0.02%	-	-
Foreign Exchange Gain	% of Other Income	2.31	2.83%	11.08	2.14%	-	-

Above data includes transactions with our Subsidiaries as well.

Further, the following are the related party transactions in relation to purchase of properties held by P.N. Gadgil Jewellers in Fiscal 2021:

Date of Agreement	Property details	Amount (*in ₹ million*)
November 17, 2020	PNG House, Flat 16 to 21 Laxmi Road, Pune	40.00
November 17, 2020	PNG House, Flat 14 & 15 Laxmi Road, Pune	24.00
November 17, 2020	PNG House, Flat 13 Laxmi Road, Pune	21.00
November 17, 2020	PNG House, Flat 11 & 12 Laxmi Road, Pune	25.00
November 24, 2020	PNG House, Flat 7 Laxmi Road, Pune	15.00
November 24, 2020	PNG House, Flat 9 Laxmi Road, Pune	21.00
November 24, 2020	PNG House, Flat 8 Laxmi Road, Pune	11.50
December 15, 2020	PNG House, Flat 10 Laxmi Road, Pune	20.00
November 24, 2020	PNG House, Flat 4, 5 & 6 Laxmi Road, Pune	59.00
December 18, 2020	Paud Road: Shop No.6, Stilt Floor, Commerce Avenue, Plot No. 24, S. No. 127, Mahagnesh Colony, Paud Road, Kothrud, Pune – 411 038 Maharashtra, India	15.00
December 18, 2020	Paud Road: Shop No.5, Stilt Floor, Commerce Avenue, Plot No. 24, S. No. 127, Mahagnesh Colony, Paud Road, Kothrud, Pune – 411 038 Maharashtra, India	15.00
December 18, 2020	Paud Road: Office no. 26, Stilt Floor, Commerce Avenue, Plot No. 24, S. No. 127, Mahagnesh Colony, Paud Road, Kothrud, Pune – 411 038 Maharashtra, India	15.00
December 24, 2020	7374, Sarjepura Road, Near Mahindra Showroom, Ahmednagar - 414001 Maharashtra, India	63.50
February 24, 2021	Flat 105 Shiv Shakti, Narayan Peth, Pune	8.00
	Total	**353.00**

For details of the related party transactions, see note 45 included in Annexure VI to our Restated Consolidated Financial Information included within "*Restated Consolidated Financial Information*" on page 230.

Details of all financing arrangements

Our Promoters, members of our Promoter Group, our Directors and their relatives have not financed the purchase of securities of our Company by any person during the period of six months immediately preceding the date of this Red Herring Prospectus.

Weighted average price at which the specified securities were acquired by our Promoters and the Promoter Selling Shareholder, in the last one year

Name	No. of Equity Shares acquired in the last year	Weighted average price* of acquisition per Equity Share (₹)
Promoters		
SVG Business Trust^	62,800,000	13.44
Saurabh Vidyadhar Gadgil	N.A.	N.A.
Radhika Saurabh Gadgil	N.A.	N.A.

^ Also the Selling Shareholder

**As certified by GDA & Associates, Chartered Accountants, Statutory Auditors of our Company by way of their certificate dated September 4, 2024.*

Weighted average cost of acquisition for all the specified securities transacted in the last one year, last 18 months preceding the date of this Red Herring Prospectus and last three years preceding the date of this Red Herring Prospectus

Period	Weighted average cost of acquisition per Equity Share (in ₹)*	Cap Price is 'x' times the weighted average cost of acquisition^	Range of acquisition price per Equity Share: lowest price – highest price (in ₹)*
Last one year preceding the date of this Red Herring Prospectus	13.44	[●]	Not Applicable[1]
Last 18 months preceding the date of this Red Herring Prospectus	15.26	[●]	10.00 – 23.22
Last three years preceding the date of this Red Herring Prospectus	15.26	[●]	10.00 – 23.22

**As certified by GDA & Associates, Chartered Accountants, Statutory Auditors of our Company by way of their certificate dated September 4, 2024.*
^ To be updated upon finalisation of the Price Band
(1) No consideration was paid at the time of allotment of Equity Shares pursuant to conversion of CCNPS; the terms of the preference shares issued by the Company were changed from NCRPS into CCNPS, which CCNPS were then converted into Equity Shares

Average cost of acquisition of Equity Shares for our Promoters and the Promoter Selling Shareholder

The average cost of acquisition of our Promoters and the Promoter Selling Shareholder as on the date of this Red Herring Prospectus is as follows:

Sr. No.	Name of Promoters/ Selling Shareholder	Number of Equity Shares	Average cost of acquisition per Equity Share* (in ₹)
Promoters			
1.	Saurabh Vidyadhar Gadgil	100	23.22
2.	Radhika Saurabh Gadgil	100	23.22
3.	SVG Business Trust	117,999,400	13.44
Promoter Selling Shareholder			
1.	SVG Business Trust	117,999,400	13.44

Average cost of acquisition has been arrived at by considering only the cost of shares allotted to the Promoters and the Promoter Selling Shareholder on account of further issue, transfers, i.e., the cost paid by a Promoter and/or the Promoter Selling Shareholder for acquisition by way of subscription and acquisition from another shareholder divided by the total number of equity shares acquired by the above transactions.
**As certified by GDA & Associates, Chartered Accountants, Statutory Auditors of our Company, by way of certificate dated September 4, 2024.*

Details of price at which equity shares were acquired by our Promoters, members of our Promoter Group, Promoter Selling Shareholder, and other Shareholders with rights to nominate director(s) or other with special rights in the last three years preceding the date of this Red Herring Prospectus

The details of price at which Equity Shares were acquired by our Promoters, members of our Promoter Group, Promoter Selling Shareholder and other Shareholders with rights to nominate director(s) or other special rights in the last three years preceding the date of this Red Herring Prospectus are set out below:

Name of the Shareholders	Date of acquisition	Number of equity Shares acquired	Acquisition price per equity share* (in ₹)
Promoters			
SVG Business Trust	March 20, 2023	14,351,400	23.22
Saurabh Gadgil	March 20, 2023	100	23.22
Radhika Gadgil	March 20, 2023	100	23.22
SVG Business Trust	January 10, 2024	62,800,000	13.44^
Promoter Group			
Vaishali Gadgil	March 20, 2023	100	23.22
Aditya Gadgil	March 20, 2023	100	23.22
Saurabh Gadgil (HUF)	March 20, 2023	100	23.22
SVG Family Trust	March 20, 2023	100	23.22

**As certified by GDA & Associates, Chartered Accountants, Statutory Auditors of the Company*
^ Consideration for such allotment of Equity Shares pursuant to conversion of CCNPS, was paid at the time of allotment of NCRPS; the terms of the preference shares issued by the Company were changed from NCRPS into CCNPS

Any issuance of equity shares in the last one year for consideration other than cash or bonus issue

Our Company has not undertaken any issuance of equity shares for consideration other than cash or bonus issue in the last one year preceding the date of this Red Herring Prospectus.

Any split / consolidation of equity shares in the last one year

Our Company has not undertaken a split or consolidation of the equity shares in the last one year preceding the date of this Red Herring Prospectus:

Pre-IPO Placement

Our Company does not propose to have a Pre-IPO placement.

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

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

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

Certain Conventions

All references to "India" in this Red Herring Prospectus are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable. All references to the "US", the "U.S." the "USA" or the "United States" are to the United States of America and its territories and possessions including any state of the United States of America, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands and the District of Columbia.

Unless otherwise specified, any time mentioned in this Red Herring Prospectus is in Indian Standard Time **("IST")**. Unless indicated otherwise, all references to a year in this Red Herring Prospectus are to a calendar year.

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

Financial Data

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Unless stated otherwise, all references in this Red Herring Prospectus to the terms "Fiscal" or "Financial Year" or "FY" unless stated otherwise, are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

Unless stated otherwise or where the context otherwise requires, the financial information and financial ratios in this Red Herring Prospectus is derived from the Restated Consolidated Financial Information.

The restated consolidated financial information of the Group, comprising of the restated consolidated statement of assets and liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022, the restated consolidated statements of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flows of the Group for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, the summary statement of significant accounting policies, and other explanatory information derived from our audited financial statements as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, each prepared in accordance with Ind AS and restated in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI, as amended from time to time.

For further information, see "*Restated Consolidated Financial Information*" on page 230.

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

Unless the context otherwise indicates, any percentage amounts, or ratios (excluding certain operational metrics), relating to the financial information of our Company as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Other Financial Information*" on pages 29, 174, 301 and 293, respectively, and elsewhere in this Red Herring Prospectus have been calculated on the basis of amounts derived from our Restated Consolidated Financial Information.

Non-GAAP Financial Measures

Certain Non-GAAP financial measures relating to our financial performance such as, EBITDA, net-worth, net asset value per Equity Share (together, "**Non-GAAP Measures**"), and certain other industry metrics and financial parameters have been included in this Red Herring Prospectus. We compute and disclose such financial measures relating to our financial performance as we consider such information, when taken collectively with financial measures prepared in accordance with Ind AS, to be useful measures of our business and financial performance for investors and other users. These Non-GAAP Measures and other information relating to our financial and operational performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance, liquidity, profitability or cash flows defined by Ind AS. Such supplemental financial and operational information should not be considered in isolation or as a substitute for an analysis of our financial information prepared in accordance with Ind AS and presented in the form of the Restated Consolidated Financial Information disclosed elsewhere in this Red Herring Prospectus. For further details see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 301, "*Risk Factors — **Our Company has prepared financial statements under Ind AS. Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP.***" on page 61.

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "₹" or "₹" are to Indian Rupee, the official currency of the Republic of India; and
- "USD" or "US$" or "$" are to United States Dollar, the official currency of the United States of America.

Our Company has presented certain numerical information in this Red Herring Prospectus in "million" units or in whole numbers where the numbers have been too small to represent in such units. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000. One lakh represents 100,000 and one crore represents 10,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Exchange Rates

This Red Herring Prospectus 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.

The following table sets forth, for the dates indicated, information with respect to the exchange rate between the Rupee and other currencies:

(Amount in ₹, unless otherwise specified)

Currency	As at		
	March 31, 2024*	March 31, 2023*	March 31, 2022*
1 USD	83.37	82.22	75.81

Source: Foreign exchange reference rates as available on www.fbil.org.in Note: Exchange rate is rounded off to two decimal point
**In any case, date of any of the respective years is a public holiday, the previous working day, not being a public holiday, has been considered.*

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

Industry and Market Data

Unless stated otherwise, information pertaining to the industry in which our Company operates in and market data used in this Red Herring Prospectus has been obtained or derived from the Technopak Report and publicly available information as well as other industry publications and sources.

Technopak is an independent agency which has no relationship with our Company, our Subsidiaries, our Promoters, any of our Directors, KMPs, SMPs or the Book Running Lead Managers. The Technopak Report has been commissioned by and paid for by our Company pursuant to an engagement letter with Technopak dated January 8, 2024, exclusively for the purposes of confirming our understanding of the industry in which our Company operates, in connection with the Offer. The Technopak Report is available on the website of our Company at https://www.pngjewellers.com/investors#corporate-governance from the date of this Red Herring Prospectus until the Bid/ Offer Closing Date. Technopak has, through its letter dated August 26, 2024, accorded its consent to use the Technopak Report in this Red herring Prospectus.

Unless otherwise indicated, industry and market data used throughout this Red Herring Prospectus has been obtained or derived from the Technopak Report has been commissioned by our Company for an agreed fee, and which is subject to the following disclaimer:

"This information package is distributed by Technopak Advisors Private Limited (hereinafter "Technopak") exclusively for the intended recipient, P N Gadgil Jewellers Limited (the "Company"), in connection with its inclusion in the draft offer document and offer documents prepared by the Company. This information package and the information and projections contained herein may not be disclosed, reproduced or used in whole or in part for any purpose other than those permitted by Technopak. The person(s) who is/are in possession of this information package or may come in possession at a later day hereby undertake(s) to observe the restrictions contained herein. Only leading players of the organized jewellery industry are profiled and benchmarked for the purpose of the report and does not necessarily cover all types of players. The information contained herein is of a general nature and is not intended to address the facts and figures of any particular individual or entity. The content provided here treats the subjects covered herein, in condensed form. It is intended to provide a general guide to the subject matter and should not be relied on as a basis for investment decisions. All recipients of the information package should make their own independent evaluations and should conduct their own investigation and analysis and no one should act upon such information without taking appropriate additional advice from appropriate professional advisers, as they deem necessary and/or thorough independent examination of the particular situation. This information package is prepared by Technopak based upon the express understanding that no information contained herein has been independently verified by it. Further, no representation or warranty (expressed or implied) is made with respect to the completeness of any information as may be contained herein or that such information will remain unchanged as of any dates after those stated herein."

No investment decisions should be based on such information. Although we believe that the industry and market data used in this Red Herring Prospectus is reliable, the data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which the market and industry data used in this Red Herring Prospectus 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 business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors –* ***Certain sections of this Red Herring Prospectus disclose information from the industry report which has been commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.***" on page 57.

In accordance with the SEBI ICDR Regulations, "*Basis for Offer Price*" on page 111 includes information relating to our peer group companies. The data included herein includes excerpts from the Technopak Report. There are no parts, data or information (which may be relevant for the proposed Offer), that have been left out or changed in any manner. Data from these sources may also not be comparable. Such industry and third-party related information have been derived from publicly available sources. Such industry sources and publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends.

Notice to Prospective Investors

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in "offshore transactions" as defined in, and in reliance on, Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.

FORWARD-LOOKING STATEMENTS

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

These forward-looking statements are based on our current plans, estimates, presumptions and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater to and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence.

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

- The strength of the brands we use are crucial to our success. Any reputational damage to the brand, name or logo could have an adverse effect on our financial condition, cash flows and results of operations.
- Our inability to effectively market our products, or any deterioration in public perception of our brand, could affect consumer footfall and consequently adversely impact our business, financial condition, cash flows and results of operations.
- Our inability to identify market trends, and customer demand accurately, counter the challenges that the industry faces and maintain an optimal level of inventory in our stores may impact our operations adversely.
- Our business is primarily concentrated in Maharashtra, especially Pune and we are significantly dependent on top five of our stores located in Maharashtra for revenue generation. Any adverse development affecting such region or stores may have an adverse effect on our business, prospects, financial condition and results of operations.
- Our Company requires significant amounts of working capital for continued growth. Our inability to meet our working capital requirements, on commercially acceptable terms, may have an adverse impact on our business, financial condition and results of operations
- While we commenced our e-commerce operations in Fiscal 2014, we focus primarily on a brick-and-mortar model to establish our physical presence in India. Since, we operate in highly competitive and fragmented markets, and competition in these markets is based primarily on market trends, pricing and customer preferences, there can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition, results of operations and prospects.
- If we are unable to effectively manage or expand our retail network and operations, or pursue our growth strategy, our existing and new stores may not achieve our expected levels of profitability which may adversely affect our business prospects, financial condition and results of operations.
- We do not own the trademark for our key flagship "PNG" brand and we require the written approval of P N Gadgil Jewellers for assigning or sub-licensing the trademark to any person, except our Subsidiaries, joint ventures or associates or franchise partners.
- We are dependent on third party artisans for the production and manufacturing of all of our products. Any disruptions at such third-party production or manufacturing facilities, or shortage or scarcity of Karigars in the jewellery industry especially in Maharashtra or failure of such third parties to adhere to the relevant quality standards may have a negative effect on our reputation, business and financial condition and results of operations.

- Our manufacturing work is done by skilled craftsmen who do not work exclusively for us which exposes us to any risks/adverse developments affecting the skilled craftsmen.

For a further discussion of factors that could cause our actual results to differ from expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" on pages 29, 174 and 301, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could be materially different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's belief and assumptions, which in turn are based on currently available information. Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Neither our Company, our Directors, our Promoters, the Promoter Selling Shareholder, the BRLMs nor the Syndicate or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company will ensure that Bidders in India are informed of material developments pertaining to our Company from the date of this Red Herring Prospectus in relation to the statements and undertakings made by our Company and the Promoter Selling Shareholder, in respect of the Offered Shares in this Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer.

In this regard, the Promoter Selling Shareholder shall, severally and not jointly, ensure that our Company and BRLMs are informed of material developments in relation to the statements and undertakings specifically confirmed or undertaken by the Promoter Selling Shareholder with respect to the Offered Shares in this Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer.

SECTION II – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. Prospective investors should carefully consider the information in this Red Herring Prospectus, including the risks, uncertainties and challenges described below, before making an investment in the Equity Shares.

We have described the risks and uncertainties that we believe are material, but these risks and uncertainties may not be the only risks relevant to us, the Equity Shares, or the industry in which we currently operate or propose to operate. Unless specified or quantified in the relevant risk factor below, we are not in a position to quantify the financial or other implication of any of the risks mentioned in this section. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, cash flows, results of operations, financial condition and prospects. If any or a combination of the following risks actually occur, or if any of the risks that are currently not known or deemed to be not relevant or material now actually occur or become material in the future, our business, results of operations, financial condition and cash flows could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment.

To obtain a more detailed understanding of our business and operations, you should read this section in conjunction with "Key Regulations and Policies in India", "Our Business", "Industry Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 192, 174, 123 and 301, respectively, as well as our Restated Consolidated Financial Information and the other financial and statistical information contained elsewhere in this Red Herring Prospectus. Unless otherwise indicated or unless the context requires otherwise, our financial information used in this section are derived from our Restated Consolidated Financial Information. In making an investment decision, prospective investors must rely on their own examination of our business and the terms of the Offer, including the merits and risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences to them of an investment in our Equity Shares. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. 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. In this section, unless the context otherwise requires, a reference to "our Company" refers to P N Gadgil Jewellers Limited and our Subsidiaries, on a consolidated basis, and a reference to "we", "us" and "our": (i) for any period prior to March 29, 2023, is a reference to our Company together with our Subsidiaries, our Erstwhile Subsidiary and our Erstwhile Joint Venture which existed as of and for the relevant year covered by the Restated Consolidated Financial Information, on a consolidated basis, and (ii) for any period on or after March 29, 2023, is a reference to our Company and our Subsidiaries, on a consolidated basis.

This Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements, as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. Also see, "Forward-Looking Statements" on page 27.

Unless otherwise indicated, industry and market data used in this section has been derived from the Technopak Report dated August 26, 2024 prepared and released by Technopak Advisors Private Limited and commissioned and paid for by us in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Technopak Report and included herein with respect to any particular year, refers to such information for the relevant year. The Technopak Report is available on the website of our Company at the following web-link: https://www.pngjewellers.com/investors#corporate-governance *from the date of this Red Herring Prospectus until the Bid / Offer Closing Date.*

INTERNAL RISK FACTORS

1. ***The strength of the brands we use are crucial to our success. Any reputational damage to the brand, name or logo could have an adverse effect on our financial condition, cash flows and results of operations.***

   The brands we use and our reputation are among our most important assets, attracting consumers to our products ahead of those offered by competitors. We consider the recognition and reputation of our flagship brand "PNG", as well as our sub-brands "*Saptam*", "*Swarajya*", "*Rings of Love*", "*The Golden Katha of Craftsmanship*", "*Flip*", "*Eiina*", "*PNG Solitaire*", "*Men of platinum*" and "*Evergreen love*", as being one of the key contributors to the growth and success of our business. For details in relation to the ownership of our brand '*PNG'*, see 'Risk Factor- ***We do not own the trademark for our key flagship "PNG" brand and we require the written approval of P N Gadgil Jewellers for assigning or sub-licensing the trademark to any person, except our Subsidiaries, joint ventures or associates or franchise partners.***' on page 37. As of July 31, 2024, we owned 69 trademarks, including the eight sub – brands which cater to gold jewellery collections for different occasions, two sub-brands which cater to the diamond jewellery collections and two sub – brands which cater to platinum jewellery collections. For details, see "*Our Business – Intellectual Property" and "Government Approvals – Intellectual Property related approvals*" on pages 190 and 336, respectively.

Our business and results of operations is primarily influenced by the strength of our flagship PNG brand, including the level of consumer recognition and perception of our brand. The strength of our brand depends on factors such as our growth, our product designs, the materials used to make our products, recognition of the quality of our products, the distinct character and presentation of our products, pricing of products, market penetration, presentation and layout of our stores as well as the accessibility of products and marketing initiatives.

We generate revenues from our brands and the revenue generated from sales under each brand category for the past three fiscals are given below:

(₹ in million except otherwise expressed in %)

Sub-brands/Collection	Category	Fiscal 2024		Fiscal 2023		Fiscal 2022	
		Revenue from brand / sub-brands	**% contribution to (A)**	**Revenue from brand / sub-brands**	**% contribution to (A)**	**Revenue from brand / sub-brands**	**% contribution to (A)**
Main Brand							
PNG	Gold / Others	48,061.30	98.29%	35,156.97	99.46%	23,913.98	99.94%
Sub-brands							
Flip	Gold	190.13	0.39%	-	NA	-	NA
Katha	Gold	12.72	0.03%	78.04	0.22%	11.52	0.05%
Rings of Love	Gold	96.71	0.20%	13.19	0.04%	-	NA
Saptam	Gold	106.38	0.22%	-	NA	-	NA
Swarajya	Gold	20.01	0.04%	1.14	-	-	NA
G LITE STYLE	Gold	142.62	0.29%	43.80	0.12%	1.12	-
G LITE STYLE PREMIUM	Gold	27.65	0.06%	4.80	0.01%	0.83	-
Pratha	Gold	32.09	0.07%	-	NA	-	NA
Eiina	Diamond	88.63	0.18%	17.14	0.05%	-	NA
PNG Solitaire	Diamond	84.76	0.17%	18.63	0.05%	-	NA
Evergreen Love	Platinum	31.41	0.06%	2.28	0.01%	-	NA
Men of Platinum	Platinum	3.63	0.01%	13.20	0.04%	-	NA
Retail Revenue from operations (A)		**48,898.04**	**100.00%**	**35,349.19**	**100.00%**	**23,927.45**	**100.00%**

Any loss of trust in our products by consumers due to unsatisfactory quality control and assurance standards could adversely affect our brand reputation and subject us to additional risks and customer scrutiny.

Negative reviews from customers regarding the quality of our products, inability to deliver quality products at competitive prices and accidents or crimes at our stores could adversely affect public perception about us. Further, allegations of product defects or misbranding could tarnish our image and may cause customers to choose other brands. From time-to-time, we receive customer complaints through our customer care number and our customer care e-mail address, which we endeavour to address within one week of receiving such complaint. Failure to manage any of the above factors or failure of our promotion and other activities to differentiate and further strengthen our brand could adversely affect the value and perception of our brand and our ability to maintain existing customers and attract new customers, and, as a result, have a material adverse effect on our business, results of operations and financial condition. Further, adverse publicity regarding, among others, our brand ambassadors, and unsuccessful product introductions may also impact our brand image. While there have not been any such past material instances, celebrities who may be directly associated with our Company can shape public perception about us and our brands/products, or they themselves may face adverse impacts to their personal reputation and public standing for any number of reasons, all of which could impact our flagship brand and sub- brands and our reputation.

Prior to our incorporation in 2013, our business was carried on by Anant Gadgil *alias* 'Dajikaka' and his predecessors through 'PN Gadgil Jewellers' (a partnership incorporated under the Partnership Act, 1932). Prior to the incorporation of our Company, 'PN Gadgil Jewellers' was reconstituted several times. Pursuant to the retirement deed dated April 1, 2012 ("**Deed**"), the parties to the Deed agreed that the retiring partners namely, Govind *alias* Ajit Vishwanath Gadgil, Akshay Shrikrishna Gadgil and Rohan Shrikrishna Gadgil, will have the right to take over certain branch outlets under the brand name "*P N Gadgil & Co.*". Consequently, these retiring partners and their heirs have continued using the name "*P N Gadgil*" with prefix or suffix as a part of their trade name or corporate name. Accordingly, the '*P N Gadgil*' brand is currently also being used by third parties which are not associated with our business. Although, we have registered our logo, the use of the words '*P N Gadgil*' in the corporate and trading names by certain third parties (who may also be entitled to use those words in their names) may lead customers to confuse our Company and such other third-party entities. If "*P N Gadgil*" experiences any negative publicity, it might lead to our Company losing business to competitors and adversely affect our goodwill and could also have an adverse effect on our business, results of operations and financial condition.

2. ***Our inability to effectively market our products, or any deterioration in public perception of our brand, could affect consumer footfall and consequently adversely impact our business, financial condition, cash flows and results of operations.***

We operate in a highly competitive market. Due to the competitive nature of the market, if we do not continue to develop our brands and differentiate our products from our competitors, we may fail to attract customers required to continue growing our business. Developing, promoting and positioning our brand will depend largely on the success of our marketing and merchandising efforts, the relationships we have with our customers and our ability to provide a consistent, high-quality experience for our customers. In particular, we may face brand dilution to the extent we fail to develop, promote and position our brands or sub-brands effectively and consistently with respect to new products or any new product categories.

To promote our brands and products, we have incurred, and expect to continue to incur, expenses related to advertising and other marketing efforts, including celebrity endorsements, magazine and television advertising, sponsorships, public relations events, outdoor marketing and designing brochures.

The Advertising expenses of our company are incurred through various modes of advertisements adopted by the Company. The table below represents the costs incurred by our Company through various modes of advertisements in the past three fiscals:

Particulars	Fiscal 2024 (₹ mn)	Advertising expense/Other marketing expense as a percentage of revenue from operations (%)	Fiscal 2023 (₹ mn)	Advertising expense/Other marketing expense as a percentage of revenue from operations (%)	Fiscal 2022 (₹ mn)	Advertising expense/Other marketing expense as a percentage of revenue from operations (%)
Advertisement - Non Digital	307.66	0.50%	242.25	0.54%	64.72	0.25%
Advertisement - Digital	82.72	0.14%	41.59	0.09%	17.92	0.07%
Other Marketing Expenses	29.09	0.05%	15.76	0.03%	8.98	0.04%
Total	**419.47**	**0.69%**	**299.60**	**0.66%**	**91.62**	**0.36%**

However, there can be no assurance that our advertising or marketing efforts are or will be successful and result in increased sales. Furthermore, there can be no assurance that our marketing efforts will succeed in maintaining our brand and its perception with customers. We face significant competition in the Indian jewellery market, we risk losing substantial portion of our customers and our market share which will adversely affect our business, financial condition, results of operations and prospects.

Our brand promotion strategy is also highly dependent on the quality of our products and the customer shopping experience particularly in our stores. Our ability to provide a high-quality experience for our customers depends on various factors, such as the reliability and performance of the *Karigars* who make our jewellery and our employees at our stores. We rely heavily on our staff at our stores to promote and sell our products in an environment that is consistent with the perception and reputation of our brand. Any failure to maintain our uniform company standards and brand positioning could damage the market perception of our brand and sub-brands could have a negative impact on the experience of our customers. While there have not been any such past material instances, in the future, any such instances may adversely impact our reputation, results of operations and business operation.

Our success is dependent on delivering customer satisfaction through both product quality and in-store shopping experiences. Ensuring consistent high-quality experience for our customers hinges upon several critical factors, including the reliability and performance of our *Karigars* responsible for crafting our jewellery and the proficiency of our in-store employees. Any deviation from our established company standards and brand positioning may tarnish the market perception of our brand and sub-brands, resulting in a negative impact on customer experiences. Such lapses could adversely affect our reputation, financial performance, and overall business operations.

3. ***Our inability to identify market trends, and customer demand accurately, counter the challenges that the industry faces and maintain an optimal level of inventory in our stores may impact our operations adversely.***

The success of our business depends upon our ability to anticipate and forecast customer demand and trends, specifically in Maharashtra, considering our concentrated presence in this region. Any error in our forecast could result in either surplus stock, which we may not be able to sell in a timely manner, or at all, or under stocking, which could affect our ability to meet customer demand and loss of customers. Maintaining an optimal level of relevant inventory is important to our business as it allows us to respond to customer demand effectively.

We estimate our monthly sales for every Fiscal prior to the commencement of the Fiscal based on assumptions including the estimated growth rate of every store, festive periods, location specific preferences, design, size and quality and other factors. Monthly inventory is monitored based on actual sales, historical sales at the relevant store, our capital work-in-progress and balance inventory levels, and other factors such as market trends, supplier performance, economic conditions, competitive landscape, and seasonal demand. Since we need to maintain inventory for all our brands and sub-brands, designs and styles, we maintain sufficient inventory readily available at our stores.

Further, we keep sufficient inventory in our stores which provides us flexibility in transporting merchandise of particular design or style to a store where it is selling quickly while avoiding piling of low selling inventory. If a particular design or style is not selling well in certain stores, we may undertake cross shipment of such designs or styles to stores where sales are better. The low sales designs or styles are monitored, and additional incentives such as discounts may be offered to minimise inventory build-up or the batch production may be curtailed for designs that are slow-moving. Our revenue from operations and inventory days are given below:

Particulars	Unit	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations	(₹ in million)	61,109.45	45,075.19	25,556.34
Revenue from operations per store	(₹ in million)	1,697.48	1,325.74	798.64
Revenue from operations per square feet	(₹)	6,02,974.08	4,73,953.27	2,79,733.19
Inventory days	(days)	63	53	111

Although we monitor our daily sales to avoid under-stocking and over-stocking, our estimates and forecasts may not always be accurate. If we over-stock inventory, our working capital requirements will increase, and we will incur additional financing costs. Our products are designed to cater to current trends, and we cannot assure you that we will be able to sell surplus stock in a timely manner, or at all. If we under-stock inventory, our ability to meet customer demand and our operating results may be adversely affected. For further details, on the inventory level, please see "*Restated Consolidated Financial Information*" on page 230. Any material mismatch between our forecast and actual sales could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation. Stock of inventory may also be impacted by disruptions faced in the transportation of our products or other adverse developments in the process. For further details, please see "Risk Factors - ***Our Company requires significant amounts of working capital for continued growth. Our inability to meet our working capital requirements, on commercially acceptable terms, may have an adverse impact on our business, financial condition and results of operations.***" on page 34.

The jewellery sector faces several challenges that could impact its financial stability and growth. High working capital intensity due to large inventories and seasonal sales can strain liquidity, especially if the cycle extends. Intense competition from branded players with strong marketing and brand recognition threatens the revenue and margins of unorganized competitors. Economic factors such as inflation, slow income growth, and volatile gold and diamond prices also influence demand. The sector risks losing relevance if it fails to adapt to changing consumer preferences, particularly as millennials and Gen Z dominate the market. Additionally, the preference for high-ticket items like bridal jewellery favours trusted brick-and-mortar stores over online platforms. The industry also faces external threats from diamond-producing countries pushing for forward integration and the impact of unforeseen regulatory changes, which could disrupt demand and increase financial risks. *(Source: Technopak Report)* If we are unable to counter the challenges that the industry faces, it may have an adverse effect on our business, prospects, financial condition and results of operations.

4. ***Our business is primarily concentrated in Maharashtra, especially Pune and we are significantly dependent on top five of our stores located in Maharashtra for revenue generation. Any adverse development affecting such region or stores may have an adverse effect on our business, prospects, financial condition and results of operations.***

Majority of our stores are located in Maharashtra. The following table sets forth our revenue from operations from Maharashtra and other regions for the periods indicated:

Owned

Geography		Fiscal 2024		Fiscal 2023		Fiscal 2022	
		Amount (₹ million)*	Percentage of Revenue from Operations	Amount (₹ million)*	Percentage of Revenue from Operations	Amount (₹ million)*	Percentage of Revenue from Operations
Maharashtra	Pune	39,483.86	64.61%	28,207.20	62.58%	14,527.37	56.84%
	Others	14,154.80	23.16%	10,249.72	22.74%	6,846.89	26.79%

Geography	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ million)*	Percentage of Revenue from Operations	Amount (₹ million)*	Percentage of Revenue from Operations	Amount (₹ million)*	Percentage of Revenue from Operations
Other states In India	2,037.39	3.33%	1,508.93	3.35%	9,54.55	3.74%
United States	8,79.36	1.45%	7,82.67	1.73%	9,11.75	3.57%
UAE*	-	-	3,97.57	0.88%	1,26.41	0.49%
Total Revenue from Operations from Owned Stores	**56,555.41**	**92.55%**	**41,146.09**	**91.28%**	**23,366.98**	**91.43%**

Operations of P N Gadgil Jewellers DMCC, our Erstwhile Subsidiary and PNG Jewellers LLC, our Erstwhile Joint Venture ceased pursuant to the resolutions passed on March 29, 2023, for winding up of the entities, in compliance with applicable law in the Dubai.

Franchisee

Geography		Fiscal 2024		Fiscal 2023		Fiscal 2022	
		Amount (₹ million)*	Percentage of Revenue from Operations	Amount (₹ million)*	Percentage of Revenue from Operations	Amount (₹ million)*	Percentage of Revenue from Operations
Maharashtra	Pune	2,018.79	3.30%	1,688.17	3.75%	936.71	3.67%
	Others	2,535.25	4.15%	2,240.93	4.97%	1,252.66	4.90%
Other states In India		-	-	-	-	-	-
United States		-	-	-	-	-	-
UAE*		-	-	-	-	-	-
Total Revenue from Operations from Franchisee Stores		**4,554.04**	**7.45%**	**3,929.10**	**8.52%**	**2,189.37**	**8.57%**

Operations of P N Gadgil Jewellers DMCC, our Erstwhile Subsidiary and PNG Jewellers LLC, our Erstwhile Joint Venture ceased pursuant to the resolutions passed on March 29, 2023, for winding up of the entities, in compliance with applicable law in the Dubai.

Due to the geographic concentration of the sale of our products in Maharashtra, and especially Pune city in Maharashtra, our operations are susceptible to local and regional factors, such as economic and weather conditions, natural disasters, demographic changes, and other unforeseen events and circumstances. Consequently, any significant social, political or economic disruption, or natural calamities or civil disruptions in this region, or changes in policies of the state or local governments or the government of India or adverse developments related to competition in this region, may adversely affect our business, results of operations, financial condition and cash flows. Further, we cannot assure you that the concentration of our stores in Maharashtra will continue to be attractive or profitable as demographic patterns change or if real estate prices or lease rentals change in the region in which our stores are located. While we have not experienced any of the above risks that had an adverse impact on our business operations and financial conditions in the past, we cannot assure you that these risks will not arise in the future.

Further, five of our stores contribute to a higher percentage of our total revenue. The closure of these stores may adversely affect our business, results of operations, financial condition and cash flows. The following table sets forth details of our stores contributing significantly to our total revenue for the periods indicated:

Location of store	Fiscal					
	2024		2023		2022	
	Amount (₹ million)	Percentage of Total Revenue from Operations	Amount (₹ million)	Percentage of Total Revenue from Operations	Amount (₹ million)	Percentage of Total Revenue from Operations
Laxmi Road, Pune	7,942.70	13.00%	6,480.63	14.38%	4,479.44	17.53%
Paud Road, Pune	4,725.70	7.73%	3,740.13	8.30%	2,711.86	10.61%
Hadapsar, Pune	3,482.59	5.70%	2,617.51	5.81%	1,669.96	6.53%
Thane	2,869.34	4.70%	2,239.21	4.97%	1,417.90	5.55%
Chatrapati Sambhaji Nagar (*formerly known as Aurangabad*)	2,008.77	3.29%	1,427.32	3.17%	1,051.29	4.11%

Any such adverse development could result in significant loss from inability to meet inventory schedules and stock our stores appropriately, which could materially affect our business reputation within the industry. Should our supply of products be disrupted, we may not be able to procure an alternate source of supply of products in time to meet the demands of our customers, or we may not be able to procure products of equal quality or on equally competitive terms, or at all. Such disruption to supply would materially and adversely affect our business, profitability and reputation.

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

As on July 31, 2024, we had total outstanding borrowings of ₹ 3,489.66 million (including public deposits of ₹ 12.20 million) which we use to meet our working capital requirements. For further details on our indebtedness including working capital facilities and our gold metal loan facilities, see "*Financial Indebtedness" and "Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 296 and 301, respectively.

Our business requires a substantial amount of working capital, primarily to finance the purchase of raw materials. We meet our working capital requirements through borrowings and internal accruals.

The following table sets forth our expenses incurred in purchasing raw materials for the periods indicated:

(₹ in million, except percentages)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Cost of materials consumed	55,981.80	41,454.25	23,055.16
Cost of materials consumed as percentage of total expense (%)	94.71	93.34	92.17

We intend to continue growing by setting up new stores operated by us for which we need incremental working capital. Further, in addition to the requirement of funds as provided in "*Objects of the Offer – Funding expenditure towards setting-up of 12 New Stores"* on page 100, we may need to obtain additional financing in the normal course of business from time to time as we expand our operations. We may not be successful in obtaining additional funds in a timely manner and/or on favourable terms including rate of interest, primary security cover, collateral security, terms of repayment, or at all. If we raise additional debt, our interest expense will increase and our debt covenants under our existing loans may be impacted. If we raise additional funds through the issuance of equity, your ownership interest in our Company will be diluted. Moreover, certain of our loan documentation contain provisions that limit our ability to incur future debt. The cost and availability of capital, among other factors, depends on our credit rating. For details, see *"Risk Factor – Any downgrade in our credit ratings could increase our borrowing costs, affect our ability to obtain financing, and adversely affect our business, results of operations and financial condition.*" If we do not have access to additional capital, we may be required to delay, scale back or abandon some or all of our plans or growth strategies or reduce capital expenditures and the size of our operations may get constrained. Since gold metal loans carry lower rate of interest as compared to other working capital loans any change in the mix of gold metal loans to other working capital loans may result in an increase in interest costs.

Set forth below are certain of our financial metrics for the respective periods:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total current assets (*in ₹ million*)	12,072.41	8,387.81	8,660.24
Total current liabilities (*in ₹ million*)	7,808.98	5,590.35	7,085.50
Net working capital (*in ₹ million*)^	8,476.77	5,046.36	5,626.37
Average net working capital cycle	51	41	80
Inventory holding days*	63	53	111
Trade receivable days**	3	3	5
Trade payable days***	10	14	20

**Inventory days calculated as average inventories divided by cost of materials multiplied by 365 days for the full year*
***Trade Receivables Days = average trade receivables divided by revenue from operations multiplied by 365 days for the full year*
****Trade Payables = average trade payables divided by cost of material consumed multiplied by 365 days for the full year*
^ Net working capital = Inventories+Trade Receivables-Trade Payable

Any fluctuations in interest rates may directly impact the interest costs of such loans and, in particular, any increase in interest rates could adversely affect our results of operations. Further, our indebtedness means that a material portion of our expected cash flow may be required to be apportioned towards payment of interest on our indebtedness, thereby reducing the funds available to us for use in our business operations. If interest rates increase, our interest payments will increase and our ability to obtain additional debt and non-fund-based facilities could be adversely affected with a concurrent adverse effect on our business, financial condition and results of operations.

6. ***While we commenced our e-commerce operations in Fiscal 2014, we focus primarily on a brick-and-mortar model to establish our physical presence in India. Since, we operate in highly competitive and fragmented markets, and competition in these markets is based primarily on market trends, pricing and customer preferences, there can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete***

effectively may have a material adverse effect on our business, financial condition, results of operations and prospects.

We face significant competition from a number of competitors, some of which are larger and have substantially greater resources than us, including the ability to spend more on advertising and marketing and offer substantial discounts. Some of our competitors also have competitive advantages such as longer operating histories, better brand recognition, greater financial resources, more advanced technology, better research and development capabilities, greater market penetration, larger distribution networks, larger spending budgets on advertisements and promotions, a more experienced management team more established supply relationship. In addition, our competitors that are smaller entities may compete effectively against us in a particular region based on price, size and established regional trust with the local customers. For details of our competitors, see the section "*Our Business – Competition*" and "*Industry Overview – Details of jewellery retailers operating in India*" on pages 191 and 160.

We also face competition from local jewellers operating in the unorganized segment that may have more flexibility in responding to changing business and economic conditions than us. Our competitors may innovate faster and more efficiently, and new technologies may increase competitive pressures by enabling competitors to offer more efficient or lower-cost products.

Further, we face increasing competition from e-commerce retailers in the jewellery sector in India. E-commerce platforms help smaller players, including those from the unorganized sector, to compete more effectively by showcasing their products and in turn, providing substantial visibility. While we commenced our e-commerce operations in Fiscal 2014, we focus primarily on a brick-and-mortar model to establish our physical presence in India. The following table sets forth our revenue generated from offline sales and online sales, respectively, and sale of products from offline sales and online sales as a percentage of sale of products, respectively, for the periods indicated:

(₹ in million, except percentages)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue generated from sales from stores	59,972.25	44,995.99	25,430.58
Revenue generated from sales from stores as a percentage of sale of products (%)	98.17%	99.86%	99.56%
Revenue generated from online sales	1,116.38	62.22	112.60
Revenue generated from online sales as a percentage of sale of products (%)	1.83%	0.14%	0.44%

While we believe that we currently compete effectively in the e-commerce space, we cannot assure you that we will continue to compete effectively with new competitors who may choose to adopt an asset light model and focus more on e-commerce marketplace model for sales. Large diamond and jewellery players and having an international presence with strong marketing and distribution network makes the jewellery sector strong in terms of retail presence in India and globally. *(Source: Technopak Report)* Additionally, larger competitors may provide promotional offers to customers, particularly during festivals, which we may not be able to compete with and which, accordingly, could result in, amongst other things, loss of our customers or failure to attract new customers, which could have a material adverse effect on our business, financial condition, results of operations and prospects. Our principal competitive factors include brand name, product style, product range, quality, display, price transparency, personalized service to our customers, scalability of production, store location, designs suited to local preferences, advertising and promotion. We cannot give any assurances that we will be able to compete successfully on all of these factors against existing or future competitors in the future.

Customer acquisition and retention remain key focus areas for us. We compete for customers, based on various factors, including design of our jewellery, pricing, quality of our jewellery and after sales service. If we do not compete in these areas effectively, this could lead to a decrease in our market share, experience downward pressure on prices and an increase in our marketing and other expenses. This could adversely affect our profitability, as it would cause us to experience lower revenue and additional selling costs to replace customers and recapture the lost revenue. Aggressive discounting by competitors on e-commerce platforms and at other brick and mortar stores may force us to reduce our prices in order to remain competitive and grow, which may thereby adversely impact our results of operations. The pricing of gold jewellery in particular is extremely competitive due to its objectively verifiable value, resulting in us having limited control over pricing of gold jewellery. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition, results of operations and prospects.

7. ***If we are unable to effectively manage or expand our retail network and operations or open new stores operated by our Company in accordance with our business plan, or pursue our growth strategy, our existing and new stores may not achieve our expected levels of profitability which may adversely affect our business prospects, financial condition and results of operations.***

We sell our products through our stores which include our large-format, medium-format and small-format stores. Between Fiscal 2022 and Fiscal 2024, we opened nine new stores at an average of approximately three stores opening per year across multiple regions. Our large format stores are usually located in high-visibility and high-street areas. As part of our growth strategy, we plan to further expand our store network in Maharashtra. For further information, see "*Objects of the Offer*" on page 98.

Our success in achieving future growth is dependent upon our ability to set up our new stores operated by our Company and hiring staff for these stores. We have grown our operations to 39 stores as of July 31, 2024 with over 89.74% of our stores being located in Maharashtra. Expansion into new geographic regions, including different cities and states in India and U.S., subjects us to various challenges, including those relating to our lack of familiarity with the culture, legal regulations and economic conditions of these new regions, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such regions. The risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets.

Further, since the success of any retail business is significantly dependent upon identifying the best possible locations for stores at a competitive cost, we have a team that is responsible for finding locations to lease for the purposes of opening new stores to be operated by our Company. We may have to compete with other retailers to lock in locations for new stores operated by our Company. We have also closed some of our stores during the below mentioned time periods due to operational reasons and / or relocated such stores to a better strategic location. The number of stores closed are provided below:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Number of stores opened*	6	3	0
Number of stores closed*	4	1	0
No. of stores relocated	2	0	1
Total no. of stores as at the end of the year	36	34	32
Average revenue per store (₹ in million)	1,697.48	1,325.74	798.64

*Includes stores operated on COCO model and FOCO model

We cannot assure you that we will be able to expand and grow at the rate at which we plan to, as we may not be able to find suitable properties for new stores operated by our Company at prices that are viable for our business, or at all. Our business and growth prospects could be materially and adversely affected if we are not able to lease the locations at the time, place and cost that we desire.

Further, as we expand our network of stores operated by our Company and franchisees, we will be exposed to various challenges. We may be required to obtain loans to finance future expansion and the resultant increase in working capital requirements for new stores; and there can be no assurance that such loans will be available to us on commercially acceptable terms, or at all. By expanding into new geographical regions, we could be subject to additional risks associated with establishing and conducting operations, including risks associated with our ability to position our new stores to successfully establish a foothold in new markets and to execute our business strategy in new markets; the demand of our products in such new markets; our ability to obtain suitable properties at commercially viable prices; our ability to successfully integrate the new stores with our existing operations and achieve related synergies; our ability to introduce an optimal mix of merchandise which successfully meets local customer preferences at attractive prices; our ability to negotiate and obtain favourable terms from our vendors; the effectiveness of our marketing campaigns; our ability to hire, train and retain skilled personnel; the competition that we face from incumbent and new jewellery retailers in the region; and exposure to expropriation or other government actions; political, economic and social instability. We may have to compete with other retailers to lock in locations for new stores operated by our Company. Lastly, if we are forced to close any of our newly opened stores, we may not be able to realise our investment cost.

We will also be required to obtain certain approvals to carry on business in new locations and there can be no assurance that we will be successful in obtaining such approvals. For details of material approvals required to carry on business, see "*Government and Other Approvals*" on page 335. Further, we expect our expansion plans to place significant demand on our managerial, operational and financial resources, and our expanded operations will require further training and management of our employees and the induction and training of new employees. In addition, as we enter new markets, we face competition from both organized and unorganized jewellery retailers.

If any of our stores do not achieve our expected level of profitability within our expected timeframe, or at all, our expansion plans and our results of operations, financial condition and profitability may be materially and adversely affected, and we may decide to close some of them. Further, in past, we have closed seven of our stores as they could do not achieve our expected level of profitability within our expected timeframe.

The details of our stores that were closed as on July 31, 2024, along with date of closure are provided below:

Sr. No.	Location of the Store	Date of Closure
COCO		
1.	Hinjewadi	March 03, 2021

Sr. No.	Location of the Store	Date of Closure
2.	Vasai	February 28, 2021
3.	Indore	February 23, 2021
4.	Dubai, UAE	March 29, 2023
FOCO		
1.	Aundh	June 23, 2023
2.	Undri	June 30, 2023
3.	Chatrapati Sambhaji Nagar (*formerly known as Aurangabad*)	September 30, 2023
4.	Barshi	January 10, 2024

The above stores were closed because our Company could not attain the expected level of profitability in those specific geographic locations. For instance, the store in Dubai, UAE was closed due to the impact of COVID-19 pandemic and the store at Indore was closed due to low levels of profitability and our management's decision to focus on Maharashtra. Furthermore, we close our stores on the basis demography and location advantage. Our inability to effectively manage our expanded operations or pursue our growth strategy may lead to operational and financial inefficiencies, which could have a material adverse effect on our business prospects, financial condition and results of operations.

8. We do not own the trademark for our key flagship "PNG" brand and we require the written approval of P N Gadgil Jewellers for assigning or sub-licensing the trademark to any person, except our Subsidiaries, joint ventures or associates or franchise partners.

We do not own the trademark for our flagship "*PNG*" brand and their respective logos. Such trademarks are registered in the name of P N Gadgil Jewellers, a member of our Promoter Group. Our Company has entered into a royalty agreement on March 11, 2020 read with the amendment agreement dated March 19, 2024 ("**Royalty Agreement**") with the Firm, pursuant to which the Firm has licensed the aforementioned trademarks to our Company exclusively and on a perpetual basis. For further details, please see "*History and Certain Corporate Matters - Key terms of other subsisting material agreements -* ***Royalty Agreement dated March 11, 2020, amongst our Company and P N Gadgil Jewellers, a partnership firm ("Firm") forming a part of our Promoter Group, amended pursuant to the Amendment to the Royalty Agreement dated March 19, 2024***" on page 201.

Under the terms of the Royalty Agreement, we are prohibited from assigning or sub-licensing the trademarks to any person, except our Subsidiaries, joint ventures or associates or franchise partners, without the prior written consent of the Firm. In relation to the Royalty Agreement, we cannot assure that the Firm will provide us with the required written consent for us to engage in any such sub-licensing and subcontracting in the future, as may be required from a business perspective. Furthermore, any delays or inaction by the Firm in acting against competitors or smaller players currently using the '*PNG*' brand in the market could adversely affect the Company's business, financial performance and reputation.

9. We are dependent on third party artisans for the production and manufacturing of all of our products. Any disruptions at such third-party production or manufacturing facilities, or shortage or scarcity of Karigars in the jewellery industry especially in Maharashtra or failure of such third parties to adhere to the relevant quality standards may have a negative effect on our reputation, business and financial condition and results of operations

We engage third-party artisans and job workers (*Karigars*) for the production and manufacturing of all of our products, including the jewellery under our various sub-brands. The concentration of *Karigars* in Maharashtra exposes us to a risk of shortage of skilled manpower if there is any significant social, political or economic disturbances or infectious disease outbreaks in the state of Maharashtra. While such disruptions have not taken place in the past, we cannot guarantee that any disruption of operations will not take place in the future. The occurrence of any of these events could have a material adverse effect on our business, financial condition and results of operations.

As of July 31, 2024, we had firm arrangements with over 75 *Karigars* Under those firm arrangements, they are compensated by job work charges which vary depending on the complexity of work. The amount paid to our *Karigars* for the past three fiscals are disclosed below:

Particulars* (₹ in million)	Fiscal 2024	Fiscal 2023	Fiscal 2022
Making charges	556.91	620.54	519.71

**The payments made were variable in nature and are dependent on several factors including the intricacies of the design, the amount of manual work needed on each piece of jewellery and attendant factors.*

We are also exposed to the risk of our job-workers failing to adhere to the standards set for them by us and statutory bodies in respect of quality, safety and distribution which in turn could adversely affect our sales and revenues. While there have been no such instances in the past, there can be no assurance that there will not be such instances in the future. Any delay or failure on the part of our job-workers to deliver the products in a timely manner or to meet our quality standards, or any litigation involving these job-workers may have a material adverse effect on our business, profitability, and reputation. Since we typically enter into product-specific purchase orders for manufacture, we may also be unable to replace these job-workers at short notice, or at all, and may face delays in production and added costs as a result of the time required to identify new job-workers may adversely affect our results of operations and financial condition. For more details, please see *"Risk Factors – Our manufacturing work is done by skilled craftsmen who do not work exclusively for us which exposes us to any risks/adverse developments affecting the skilled craftsmen."* on page 38.

Further, any shortage or scarcity of *Karigars* in the jewellery industry, especially in Maharashtra, would have a materially adverse impact on our manufacturing and consequently on our business, profits and results of operations. The traditional knowledge of *Karigars* is typically passed down through families or informal apprenticeships, lacking formal training and a clearly defined certification process. The informal structure of *Karigar* driven jewellery manufacturing may make it difficult to attract and retain talent, as young people may seek career paths with clear progression and recognition. Subsequent generations may prefer and be inclined towards aspirational jobs and upward mobility, which may further contribute to the decline in interest in manual labour intensive professions like jewellery making, which involves physically demanding tasks and long working hours.

The majority of gold jewellery manufacturing is unorganized. Only 5-10% of jewellery units operate as organized large-scale manufacturers. Due to low capital requirements for small workshops, this sector has remained unorganized. These workshops do not own the gold and precious gems on which they work and introduces several risks. *(Source: Technopak Report).* Furthermore, involving *Karigars* heightens the susceptibility to risks such as safeguarding the confidentiality of designs, given that *Karigars* may gain access to proprietary information throughout the production process. Our business depends on our ability to attract and retain skilled third-party artisans and job workers (*Karigars*) and our operations could be disrupted if we do not successfully manage relationships with our job-workers, if they do not perform or are unable to perform agreed-upon services, or if they are unwilling to make their services available to us at terms which are commercially acceptable to us. If our job-workers do not perform their contractual obligations, it could adversely affect our reputation, business, financial condition and results of operations.

10. Our manufacturing work is done by skilled craftsmen who do not work exclusively for us which exposes us to any risks/adverse developments affecting the skilled craftsmen.

All the manufacturing of our jewellery products is done by third-party artisans and job workers (*Karigars*). They manufacture the jewellery based on designs provided to them by us on job work basis. Our competitors may offer them better terms, which may cause them to prefer our competitors over us. As per the terms of the agreement, payments are typically made to craftsmen by our Company within 30 days to 60 days of the date of receipt of an invoice. In case some or all of such craftsmen decide to not undertake manufacturing work of our jewellery products, we will have to strain our resources to find other craftsmen who may not agree to commercially acceptable terms or at all. Further, while our agreements do have restrictions on the supply of our designs and disclosure about the transactions, our jewellery designs may still be shared openly in the market which may impact our results of operations. Further, our designs may be copied by our competitors which could decrease our capability to compete with them and which could further impact our profitability and future revenues.

Additionally, we may be adversely affected by any theft of the raw material or finished products given to the craftsman while such material is in their possession. Further, during the COVID-19 pandemic, our business suffered an adverse impact due to delay in issuing metal and in turn, affecting the delivery of the finished products from the due to the nation-wide lockdown.

We engage third-party artisans and job workers (*Karigars*) for the production and manufacturing of all of our products, including the jewellery under our various sub-brands. As of July 31, 2024, we had direct arrangements with over 75 *Karigars*. Any unscheduled, unplanned or prolonged disruption of operations at our job-workers' manufacturing facilities, including on account of power failure, fire, mechanical failure of equipment, performance below expected levels of output or efficiency, obsolescence of equipment or manufacturing processes, non-availability of adequate labour or disagreements with workforce, lock-outs, earthquakes and other natural disasters, industrial accidents, any significant social, political or economic disturbances or infectious disease outbreaks, could affect our vendors' ability to meet our requirements, and could consequently affect our operations. While such disruptions have not taken place in the past, we cannot guarantee that any disruption of operations will not take place in the future.

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

Our sales have historically exhibited certain seasonal fluctuations, reflecting higher sales volumes and profit margins during festival periods and other occasions such as *Akshaya Tritiya*, *Navratri*, *Gudi Padwa*, *Gurupushyamrut* and *Dhanteras*. Further, our marketing schemes vary as per occasion, season and the needs of our customers and are tailored to befit occasions such as weddings, anniversaries and birthdays when people customarily buy jewellery in Maharashtra.

Akshaya Tritiya, *Navratri*, *Gudi Padwa*, *Gurupushyamrut* and *Dhanteras* are amongst the biggest jewellery buying festivals for our Company, during which season we generally record higher sales. Apart from higher sales seen during festival season, we also promote sales on new year to increase our sales. While we stock certain inventory to account for this seasonality, our fixed costs such as lease rentals, employee salaries, store operating costs and logistics-related expenses, which form a significant portion of our operating costs, are relatively constant throughout the year.

Consequently, lower than expected sales during certain quarters of the fiscal year or more pronounced seasonal variations in sales in the future could have a disproportionate impact on our operating results for the fiscal year or could strain our resources and significantly impair our cash flows. Further, as a result of the above, our quarter-on-quarter financial results may not be comparable or a meaningful indicator of our futuristic performance. Any slowdown in demand for our jewellery during peak seasons or failure by us to accurately anticipate and prepare for such seasonal fluctuations could have an adverse effect on our business, financial condition and results of operations. While we have not faced any such slowdown in demand or failure to accurately anticipate for seasonal fluctuations, we cannot assure that we will not face this in the future.

Also, the jewellery industry generally is affected by fluctuations in the price and supply of gold, and to a lesser extent, that of diamonds and other precious and semi-precious metals and stones. An increase in the price of gold may result in an increase in our income from sales assuming such increases do not adversely affect sales volumes. However, a significant increase in the price of gold or a negative outlook on future gold prices could, in the short term, adversely affect our sales volumes impacting our profitability. Further, there is a strong positive correlation between international and domestic gold prices in India. This means that when international gold prices go up, domestic gold prices also tend to go up, and vice versa. *(Source: Technopak Report)*

Any such fluctuation in the price of gold, diamonds or other raw materials may materially and adversely affect our revenue from operations and profitability. Our purchases, which includes gold, silver, non-traded silver, diamond and platinum and the making charges and all other incidental expenses (such as hallmarking charges and certification charges) for Fiscals 2024, 2023 and 2022 were ₹ 59,601.55 million, ₹ 40,387.67 million and ₹ 23,708.5 million. We endeavour to buy the same quantity of gold at the end of each period to match the amount of gold sold during that period. Although this reduces our exposure to volatility in the price of gold, it does not eliminate it. A pro-longed decline in the price of gold and diamonds would have an adverse effect on the value of our gold and diamond inventory, which would have an adverse effect on our results of operations and financial condition

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

Timely procurement of materials such as gold, diamonds and precious and semi-precious metals and stones, as well as the quality and the price at which they are procured, play an important role in the successful operation of our business. The raw materials which we use for the jewellery, include gold, silver, platinum, diamonds and precious / semi – precious stones. For instance, to meet our requirements of gold in the previous peak season period, we had entered into an arrangement with P N Gadgil Jewellers, a member of our Promoter Group, to purchase gold for our products in the financial year 2024. For details, refer to '*Our Business – Raw Material Procurement*', "*Restated Consolidated Financial Information – Related Party Disclosures*" and "*Summary of Offer Document – Related Party Transactions*", on pages 187, 287 and 20 respectively. This agreement was terminated with effect from April 1, 2024. There is no guarantee that such arrangements with member(s) of our Promoter Group for purchasing raw materials will not be entered into in the future. Any disruption in the timely procurement of gold from our existing vendors or a failure to find suitable alternatives may significantly impact our business, financial condition, and prospects. Set forth below are the cash outflows related to the procurement of materials for the respective years / period:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	% of cost of materials consumed	Amount (in ₹ million)	% of cost of materials consumed	Amount (in ₹ million)	% of cost of materials consumed
P N Gadgil Jewellers	6,864.98	12.26%	*Nil*	*Nil*	*Nil*	*Nil*

Gold is primarily sourced from nominated banks or agencies in India. Currently, the RBI allows only certain banks in India to import precious metals such as gold and we are subject to the rates of interest charged by banks. In the past, we had gold loan arrangements with certain lenders and these were typically limited by the amount of gold that we could procure under the agreement. We cannot assure you that we will be able to procure quality raw materials at competitive prices or at all. The following table sets forth sale of gold for the periods indicated:

(₹ in million, except percentages)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Our revenue from sale of gold	56,325.50	40,933.43	23,037.47
Our revenue from sale of gold as a percentage of revenue from operations (%)	92.17%	90.81%	90.14%

We employ various strategies to hedge our gold inventory to protect us from price fluctuations, including the use of gold metal loans, and daily replenishment model but there can be no assurance that our hedging strategy will adequately protect our results of operations from the effects of fluctuations in the prices of gold either in the short- or long-term. In addition, if for any reason, our primary suppliers of raw materials should curtail or discontinue their delivery of such raw materials to us, in the quantities we need and at prices and terms that are competitive, our ability to meet our material requirements for our operations could be impaired, our delivery schedules could be disrupted and our business and reputation may be adversely affected. Further, any rise in gold prices may cause customers to delay their purchases, thereby adversely affecting our business, operations and financial condition.

We typically execute purchase orders for diamonds on a spot basis with our suppliers and have not entered into any long-term contracts with them. We source most of our diamonds from diamond traders and sightholders and diamond jewellery from diamond jewellery manufacturers on a fixed payment basis, i.e., the price and the credit period are fixed at the time of purchase. Should any of our suppliers cease to be able or willing to continue supplying us with diamonds on terms that are acceptable to us, we may have to find other suppliers. There can be no assurance that such other suppliers will be able to meet our needs or be as reliable or provide diamonds of the same quality at the same prices as our current suppliers. Any disruption of supplies from our current diamond suppliers or a failure to adequately replace them may materially and adversely affect our business, results of operations, financial condition and prospects.

Further, we are required by our lenders to confirm that diamonds procured by us are non-conflict based diamonds and we in turn require our vendors to confirm that the diamonds provided to us are compliant with the Kimberley certification as conflict free. In the event that we are supplied by any conflict diamonds by our vendors, we would not be able to verify the source of such diamonds or may be required to undertake additional expenditure to ensure compliance with the requirements of our lenders. We may not be able to replace our existing vendors for diamonds in such situations in a timely manner or at all, which in turn may adversely impact our supply of raw material and our production of jewellery and revenues and future prospects.

13. ***Apart from one of our directors, none of our executive or independent directors have prior experience of directorships in listed companies.***

As of the date of this Red Herring Prospectus, our Board comprises of nine Directors, of which four are Executive Directors, and five are Independent Directors (including two women Independent Directors). While all our directors have several years of experience and expertise in their respective fields, none of our directors, apart from one independent director, namely Vaijayanti Ajit Pandit, are currently on the board of directors of companies that are listed on the stock exchanges in India or outside. Not having any significant contemporary experience of being a director in any other listed company may present certain potential challenges for our Company. In the event of any material non-compliance where our Directors are held liable and responsible, we may have to appoint new directors or replace our current Directors, which could be time consuming and may involve additional costs for our Company. For details on the directors, please refer to the section titled "Our Management" on page 205.

Accordingly, our Directors have limited exposure to management of affairs of a listed company which, inter alia, entails several compliance requirements and scrutiny of affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, our Company will be required to adhere to strict standards pertaining to accounting, corporate governance and reporting that we did not require as an unlisted company. Our Company will also be subject to the SEBI Listing Regulations, which will require us to file audited annual and unaudited quarterly reports with respect to its business and financial condition. If our Company experiences any delays, we may fail to satisfy its reporting obligations and/or we may not be able to readily determine and accordingly report any changes in its results of operations as promptly as other listed companies.

Further, as a publicly listed company, our Company will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our Company's disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required.

As a result, the Board of Directors of our Company may have to provide increased attention to such procedures and their attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

14. ***If we are unable to continue to develop innovative, fashionable and popular designs, demand for our jewellery may decrease, adversely affecting our revenues and financial condition.***

The jewellery industry is subject to rapid and unpredictable changes in fashion trends and customer preferences. Additionally, approximately 55% of the jewellery made in India is hand-made. India faces a deficit in designing capabilities for machine-made jewellery, particularly in styles like lightweight jewellery, everyday jewellery. *(Source:Technopak Report)*

In this regard, we regularly interact with a team of designers deployed at the *Karigar's* facilities for introducing new and innovative design for our jewelleries. In addition, the availability and consumer acceptance of conflict based diamonds or alternate stones such as laboratory grown diamonds and chemical vapour deposition ("**CVD**") diamonds has resulted in rapidly changing consumer preferences. Accordingly, customers have a variety of options beyond traditional gold jewellery, reflecting the ethical and sustainable choices in the jewellery market.

Our success depends on our ability to identify, originate and define product and market trends, both on a pan – India and 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 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, misjudging the market for our jewellery products or failing to anticipate a shift in the consumer preferences could adversely affect our brand image, our business and financial condition.

We rely on handcrafted jewellery, if handcrafted jewellery is perceived out of fashion, a variety of our designs of handcrafted jewellery will be rendered obsolete. We therefore continue to develop innovative, trend-setting and stylish 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. Achieving market acceptance for new designs or new jewellery lines may also require substantial marketing efforts and expenditures to increase consumer demand, which could constrain our management, financial and operational resources. If new designs we introduce do not experience broad market acceptance, our revenues could decline. In addition, due to the competitive nature of the jewellery market in which we operate, the innovative designs remain the key differentiators, which normally possess short life span. The inability of new designs or new jewellery lines to gain market acceptance or our inability to cater changing customer preferences could adversely affect our brand image, our business and financial condition.

15. ***Jewellery purchases are discretionary and often perceived as luxury purchases. Any factor negatively impacting discretionary spending by consumers may adversely affect our business, results of operations, financial condition and prospects.***

Jewellery purchases are dependent on consumers' discretionary spending power and disposable income. Various factors affect discretionary consumer spending in India, such as the cultural significance of purchasing jewellery during certain festivals (such as *Akshaya Tritiya*, *Navratri/Durga Puja*, *Gudi Padwa, Gurupushyamrut*, *Diwali* and *Dhanteras*), price of precious metals, precious and semi-precious stones, disposable income, economic outlook, employment, inflation levels, interest rates and levels of taxation, among others.

Moreover, we believe that while historically, gold jewellery has been purchased as an investment asset by consumers, there is a changing trend in consumers to invest such funds in other asset classes, which may adversely affect our business, financial condition and results of operations. Additionally, the prices of gold and diamonds at a particular time also affect the decision of our customers to purchase jewellery.

Most of our customers are individuals who purchase jewellery for personal use and who are generally less financially resilient than corporate entities. Additionally, gold and diamond jewellery are not perceived to be a necessity, which may result in a significant fall in demand in the case of adverse economic conditions as opposed to demand for those goods that are perceived as a necessity. Such adverse economic conditions include levels of employment, inflation or deflation, real disposable income, interest rates, taxation, currency exchange rates, stock market performance, the availability of consumer credit, levels of consumer debt, consumer confidence, consumer perception of economic conditions and consumer willingness to spend, all of which are beyond our control. An economic downturn or an otherwise uncertain economic outlook in our principal markets, in any other markets in which we may operate in the future, or on a global scale could adversely affect our consumer spending habits and traffic, which could have a material adverse effect on our business, results of operations and financial condition.

16. ***Volatility in the market price of gold, silver and diamonds and other raw materials has a bearing on the value of our inventory and may affect our income, profitability and scale of operations.***

The jewellery industry generally is affected by fluctuations in the price and supply of gold, to a lesser extent, diamonds and other precious and semi-precious metals and stones. Gold prices are susceptible to movement on account of various factors such as currency fluctuations, geopolitical events and inflation. Further, there is a strong positive correlation between international and domestic gold prices in India. This means that when international gold prices go up, domestic gold prices also tend to go up, and vice versa. *(Source: Technopak Report)* For instance, following an increase in Fiscal

2020, domestic gold prices saw a subsequent rise of approximately 30% in Fiscal 2021, aligning with the upward trajectory of international prices and the impact of rupee depreciation. Further, gold prices have surged by 10% since January 2022 due to the Ukraine - Russia conflict, which heightened inflation expectations through increased prices of oil, gas, wheat, and other commodities. (*Source: Technopak Report*)

The cost of material consumed during the below mentioned period is as follows:

(₹ in million, except percentages)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Cost of material consumed	55,981.80	41,454.25	23,055.16
Cost of material consumed as percentage of total expense (%)	94.71	93.34	92.17

The average gold bullion rates (per one gram) for the last three fiscals:

(in ₹)

	Fiscal 2024	Fiscal 2023	Fiscal 2022
Gold bullion rate	6,091.20	5,298.54	4,836.89

Source: Amounts are sourced from https://www.nseindia.com/historical-spot-price

Fluctuations in gold prices may affect consumer demand as well as operating costs of our Company. An increase in the price of gold may result in an increase in our income from inventory held for sales assuming such increases do not adversely affect sales volumes. However, a significant increase in the price of gold or a negative outlook on future gold prices could, in the short term, adversely affect our sales volumes. Any such fluctuation in the price of gold, diamonds or other raw materials may materially and adversely affect our revenue from operations and profitability.

Based on our present hedging policy, we generally hedge a major part of our inventory to mitigate fluctuation of commodity prices. In case of any adverse movement in the commodity prices we may be exposed financial loss which are accounted for as per Ind AS. We record the value of our inventory at the lower of net realisable value and cost, which in the case of gold, silver and diamonds is the annual weighted average cost. We endeavour to buy the same quantity of gold at the same price end of each period usually day/week to match the amount of gold sold during that period. Although this reduces our exposure to volatility in the price of gold, it does not eliminate the risk with respect to the inventory already held which has suffered losses. A prolonged decline in the price of commodities would have an adverse effect on the value of our inventory, which in turn would have an adverse effect on our results of operations and financial condition.

17. ***We have entered into transactions with related parties. These or any future related party transactions may potentially involve conflict of interest and there can be no assurance that we could not have achieved better terms, had such arrangements been entered into with unrelated parties.***

We have entered into various transactions with related parties (including our Promoters and Promoter Group, our Directors, our Key Managerial Personnel and members of our senior management). The details of our related party transactions in relation to our sales for the periods indicated are provided below:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Sum of related party transactions (*₹ million*)	157.37	162.85	141.44
Revenue from operations (*₹ million*)	61,109.45	45,075.19	25,556.34
Sum of related party transactions as a percentage of our revenue from operations *(%)*	0.26%	0.36%	0.55%

For further details, see "*Restated Consolidated Financial Information – Related Party Disclosures – Note 45*" and "*Offer Document Summary*" on pages 287 and 20, respectively.

These related party transactions are typically in the nature of sales and purchases of gold, payment of rent, royalty expenses, payment of professional charges, advertising expenses and loans availed and repaid by us and include the following:

- P N Gadgil Jewellers, a partnership firm owned and controlled by our Promoter, Saurabh Vidyadhar Gadgil has entered into the Royalty Agreement for use of certain trademarks, in lieu of payment of royalty fee to P N Gadgil Jewellers.

  The details of royalty fee paid to P N Gadgil Jewellers for the periods indicated are provided below:

(in ₹ million)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Royalty fee paid to P N Gadgil Jewellers*	59.00	59.00	59.00

* *including GST.*

For details, please see "Risk Factors - ***We do not own the trademark for our key flagship "PNG" brand and we require the written approval of P N Gadgil Jewellers for assigning or sub-licensing the trademark to any person, except our Subsidiaries, joint ventures or associates or franchise partners.***" and "*History and Certain Corporate Matters - Key terms of other subsisting material agreements -* ***Royalty Agreement dated March 11, 2020, amongst our Company and P N Gadgil Jewellers, a partnership firm ("Firm") forming a part of our Promoter Group, amended pursuant to the Amendment to the Royalty Agreement dated March 19, 2024***" on pages 37 and 201, respectively.

- Additionally, we have leased various premises for our commercial use from our Promoter, Saurabh Vidyadhar Gadgil or entities over which our Promoter, Saurabh Vidyadhar Gadgil has significant influence.

  The details of rent paid to our Promoter Saurabh Vidyadhar Gadgil or entities over which our Promoter, Saurabh Vidyadhar Gadgil has significant influence for the periods indicated are provided below:

(₹ in million)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Rent paid to our Promoter, Saurabh Vidyadhar Gadgil or entities over which our Promoter, Saurabh Vidyadhar Gadgil has significant influence)*	5.32	5.03	0.86

* *including GST.*

- Our Company has purchased gold and silver from entities in which our Promoter, Saurabh Vidyadhar Gadgil has significant influence and which is also a member of the Promoter Group.

  The details of the purchase for the periods indicated are provided below:

(₹ in million)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Transactions with related party*	6,872.60	NIL	NIL

* *including GST.*

- Our Company has paid professional fees to certain members of our Promoter Group for providing human resource related, strategic and business-related services.

  The details of the professional fees paid for the periods indicated are provided below:

(₹ in million)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Transactions with related party*	4.33	7.87	6.19

* *including GST.*

Further, our Company has entered into a business transfer agreement dated November 16, 2013, with P N Gadgil Jewellers, a partnership firm forming a part of our Promoter Group and a related party of our Company, pursuant to which our Company acquired business of designing, manufacturing, and selling gold, silver, bullion and jewellery of P N Gadgil Jewellers through a slump sale with ₹858.33 million as consideration. We are unable to trace certain documents in relation to the slump sale and have relied on the business transfer agreement to make disclosure in this Red Herring Prospectus. We cannot assure you that the untraceable documents may not have any financial impact on our result of operations and financial conditions. While we believe that all such transactions have been conducted in accordance with Companies Act, SEBI Listing Regulations, applicable accounting standards, on an arm's length basis and contain commercially reasonable terms, we cannot assure you that we could not have achieved 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. Although all material related party transactions that we may enter into, will be subject to board or shareholder approval, as necessary under the Companies Act 2013 and the SEBI Listing Regulations, there can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favourable terms if such transactions had not been entered into with related parties. Such related party transactions may potentially involve conflict of interest. See "*Restated Consolidated Financial Information*" on page 230.

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, financial condition and cash flows.

18. ***We rely significantly on our information technology systems for our business and operations and any failure, inadequacy or security breach in such systems could adversely affect our business, results of operation and reputation.***

Our Company extensively utilizes technology across its operations, employing platforms for various functions like software for managing inventory and resources and for employee management. Usage of such information technology systems are critical to our ability to manage our retail operations, billing functions, supply chain management and ecommerce sales and in turn, to maximize efficiencies and optimize costs. Our IT systems enable us to coordinate our operations, from planning and new orders and routing, customer delivery, invoicing, and decision support.

Despite these advancements, our Company faces significant risks associated with our information technology systems. Potential disruptions, failures, or infiltrations, whether due to natural disasters, cyberattacks, or system integration issues, could lead to breakdowns or data breaches. These breaches could expose sensitive customer or employee data, potentially violating data security laws and resulting in penalties. The dependence on third-party vendors for crucial operations, cloud services, and online payment channels exposes our Company to additional risks. They are vulnerable to vendors' inability to fulfil obligations, operational errors, fraudulent activities, or inadequate business continuity and data security systems.

Further, we are associated with the risk of security and privacy breaches due to the usage of electronic payment methods and the gathering of personal information from customers. Although we rely on firewalls, web content filtering, encryption, and authentication technologies among other security measures, unauthorised use of, or improper access to, our networks, computer systems, or services might possibly compromise the security of such sensitive information of customers. We may not be able to predict breaches or put adequate prevention measures in place. We are unable to guarantee that any security measures we implement will be successful in preventing these actions. In order to prevent security breaches or to deal with the consequences of such breaches, we might need to expend resources to protect our business against such security breaches. While there have been no instances of breaches of our data in the past, we cannot guarantee that our integrity of data collected by us, or our information systems may not be infringed in the future. If people are able to circumvent our security measures or otherwise gain access to the confidential information that we collect, they may be able to destroy or steal valuable information or otherwise disrupt our operations. We may become subject to claims for alleged fraudulent transactions arising out of the actual or alleged theft of personal information in relation to their mode of payments such as debit or credit card, and we may also be subject to lawsuits or other proceedings relating to these types of incidents.

Any such claim or proceeding could cause us to incur significant unplanned expenses, which may have an adverse impact on our financial condition, results of operations and cash flows. Further, adverse publicity resulting from these allegations could significantly harm our reputation and may have a material adverse effect on us and our stores. Our information technology framework policy emphasizes the identification and classification of information assets, supported by an information security function and role-based access controls. It also implements comprehensive measures encompassing personnel security, physical security, maker-checker principles, audit trails, mobile financial services security, social media risk mitigation, regulatory compliance, and prompt response to cyber threats, reinforcing confidentiality through strict access protocols, segregation, and immediate reporting of breaches to regulatory authorities. However, we cannot assure you that our security measures and operational procedures may be adequate to address such challenges and may lead to undetected cyber incidents and potential customer loss due to cybersecurity breaches.

As our technology infrastructure expands and evolves, we face escalating risks related to performance and security. Third-party developed components could introduce incompatibilities, service failures, or vulnerabilities, impacting the stability and security of their platforms, products, and services; and continuous enhancement of technology poses challenges to maintaining stable and secure operations, potentially affecting their business and reputation.

19. ***Our Promoters will continue to retain a significant shareholding in our Company after this Offer, which will allow them to exercise significant influence over us and any substantial change in our Promoters' shareholding may have an impact on the trading price of our Equity Shares which could have an adverse effect on our business, results of operations, financial condition and cash flows.***

As at the date of this Red Herring Prospectus, our Promoters hold 117,999,600 Equity Shares, or 99.99% of our issued, subscribed and paid-up Equity Share capital on a fully diluted basis. For details, see "*Promoters and Promoter Group*" on page 222. Upon completion of the Offer, our Promoters along with the Promoter Group together will continue to hold majority of our post-Offer Equity Share capital. For details of our Equity Shares held by our Promoters and Promoter

Group, see "*Capital Structure — Notes to the Capital Structure —Shareholding of our Promoters and members of the Promoter Group*" on page 92.

Our Promoters will continue to exercise significant influence over our business policies and affairs and all matters submitted to our Board or Shareholders for approval, including the composition of our Board of Directors, the adoption of amendments to our charter documents, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these shareholders. The trading price of our Equity Shares could be adversely affected if potential new investors are disinclined to invest in us because they perceive disadvantages to a large shareholding being concentrated in our Promoter. The interests of the Promoters as our controlling shareholders could conflict with our interests or the interests of our other shareholders.

20. ***Our Company, Promoters, Directors, Subsidiaries and Group Companies are or may be involved in certain legal and regulatory proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, financial condition, cash flows and results of operations.***

There are outstanding legal and regulatory proceedings involving our Company, Promoters, Directors, and Subsidiaries which are pending at different levels of adjudication before various courts, tribunals and other authorities. Such proceedings include criminal matters involving our Company and our Promoters. Such proceedings could divert the management's time and attention and consume financial resources in their defence or prosecution. The amounts claimed in these proceedings have been disclosed to the extent that such amounts are ascertainable and quantifiable and include amounts claimed jointly and severally, as applicable. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, financial condition and results of operations. The summary of such outstanding material legal and regulatory proceedings as on the date of this Red Herring Prospectus is set out below:

Category of individuals / entities	Number of Criminal proceedings	Number of Tax proceedings	Number of statutory or regulatory proceedings	Number of Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigation	Aggregate amount involved (in ₹ million)(1)
Company						
By the Company	4	NIL	NIL	NIL	2	1,526.94
Against the Company	1	2	1	NIL	4	55.76
Directors (other than Promoters)						
By the Directors	NIL	NIL	NIL	NIL	NIL	NIL
Against the Directors	NIL	NIL	NIL	NIL	1	0.33
Promoters						
By Promoters	NIL	NIL	NIL	NIL	NIL	NIL
Against Promoters	1	NIL	NIL	NIL	4	1.75
Subsidiaries						
By the Subsidiaries	1	NIL	NIL	NIL	NIL	25.00
Against the Subsidiaries	NIL	4	NIL	NIL	1	120.65

(1) To the extent ascertainable.

As on the date of this Red Herring Prospectus, there is no pending litigation involving our Group Companies which will have a material impact on our Company. We cannot assure you that any of these on-going matters will be settled in favour of our Company, Promoters, Directors Subsidiaries, or Group Companies, respectively, or that no additional liability will arise out of these proceedings. Further, we cannot assure you that there will be no new legal and regulatory proceedings involving our Company, Promoters, Directors, Subsidiaries, and Group Companies in the future. An adverse outcome in any such proceedings may have an adverse effect on our business, financial position, prospects, results of operations and our reputation.

21. ***We may be unable to expand our e-commerce business. Further, any damage or interruption to our online distribution channels, websites and other information systems may require a significant investment to fix or replace, and we may suffer interruptions in our operations or may be unable to successfully manage such risks, leading to a material adverse effect on our business, results of operations and financial condition.***

We intend to expand our e-commerce business through various online sales platform to maximise customer reach and foster the potential for additional revenue opportunities. In 2014, we launched our online jewellery platform. In expanding our online sales platform, we face the risk that our websites may not be stable or may not properly perform the functions that we intend them to perform, resulting in the loss of revenues and potential damage to our brand.

The successful operation of our e-commerce business as well as our ability to provide a positive shopping experience that will generate orders and drive subsequent visits to our website/platform depends on efficient and uninterrupted operation of our order-taking and fulfilment operations. The following table sets forth our revenue from operations from our ecommerce operations for the periods indicated:

Particulars	Fiscal					
	2024	2023		2022		
	Amount (₹ million)	Percentage of Revenue from Operations	Amount (₹ million)	Percentage of Revenue from Operations	Amount (₹ million)	Percentage of Revenue from Operations
Revenue from our e-commerce operations*	1,116.38	1.83%	62.22	0.14%	112.60	0.44%

**E-commerce operations include our website and third-party online marketplaces*

Our websites and IT systems are subject to damage or interruption from power outages, computer and telecommunications failures, software errors, computer viruses, security breaches, natural disasters and the delayed or failed implementation of new computer systems.

Risks associated with our e-commerce business include:

- uncertainties associated with our website, including changes in required technology inter-faces, website downtime, and other technical failures, costs, and technical issues as we upgrade our website software, inadequate system capacity, computer viruses, human error, security breaches, legal claims related to our website operations and e-commerce fulfilment;
- disruptions in internet service or power outages;
- reliance on third parties for computer hardware and software, as well as delivery of merchandise to our customers;
- rapid changes in technology;
- credit or debit card fraud and other payment processing related issues;
- liability for online content;
- cybersecurity and data privacy concerns and regulation; and
- natural disasters or adverse weather conditions

While we have not faced any such failure in the past, and while our Company has taken certain steps such as implementation of a firewall, unified threat management systems at our offices and all our stores and end point protection, however, any damage or interruption to our websites and other information systems may require a significant investment to fix or replace, and we may suffer interruptions in our operations, leading to a material adverse effect on our business, results of operations and financial condition.

In addition, we must keep up to date with competitive technology trends, including the use of new or improved technology, creative user interfaces, virtual and augmented reality, and other e-commerce marketing tools such as paid search and mobile apps, among others, which may increase our costs and may not increase sales or attract customers. Our competitors, some of whom have greater resources than we do, may also be able to benefit from changes in e-commerce technologies, which could harm our competitive position. If we are unable to allow real-time and accurate visibility to product availability when customers are ready to purchase, quickly and efficiently fulfil our customers' orders using the fulfilment and payment methods they demand, provide a convenient and consistent experience for our customers regardless of the ultimate sales channel, or effectively manage our online sales, our ability to compete and our results of operations could be adversely affected.

22. ***We require certain approvals, permits and licenses in the ordinary course of business, and any failure or delay to obtain or renew them or to comply with their conditions in the future may adversely affect our operations.***

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at the local, state and central government levels for doing our business. Additionally, we may need to apply for renewal of certain approvals, licenses and permits, which expire or seek fresh approvals/licenses/permits, from time to time, as and when required in the ordinary course of our business. There can be no assurance that the relevant authorities will issue such licenses, permits or approvals in the timeframe anticipated by us or at all. There can be no guarantee that we will be able to obtain or renew all such approvals in a timely manner or at all. Our failure to renew, maintain or obtain the required licenses, permits or approvals within the requisite time may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations. For example, as on date of this Red Herring Prospectus, we have not yet obtained no-objection certificates in respect of fire safety for our stores, which we may require under applicable laws and regulations. As on date of this Red Herring Prospectus, the verification certificate in respect of our FOCO store at Latur is also yet to be obtained. Our Company has also applied for a BIS hallmarking certificate for our store located in Pimple Saudagar, Pune, and such application is currently pending. Further, the franchisee store at Barshi has been closed with effect from January 10, 2024 and regulatory approval documents in relation to this store are not available with our Company. In addition, the certification of verification has not been applied for the new stores in Porvorim, Alibaug, JM Road, Aundh, Nagpur (Itwari) and Ghodbandar, Nigdi and Kudal as it is not mandatory to be applied for/obtained within a year of opening of the store.

Our permits, licenses and approvals are subject to several conditions, some of which could be onerous and we cannot assure you that we shall 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/approvals. The loss of approvals, licenses and permits may cause disruptions in our business operations and may cause us to undertake significant expenditure to rectify non-compliance or denial of approvals, including relocation of facilities and loss of the use of one or more of our stores. Further, we cannot assure you that penalties under applicable laws would not be imposed on us in the event of non-compliance or alleged non-compliance with any of the terms or conditions thereof, or pursuant to any regulatory action. For details of key regulations applicable to our business and our operations, see "*Key Regulations and Policies in India*" on page *192* and for details of approvals relating to our business and operations, see "*Government and Other Approvals*" on page 335.

23. ***Our Company has received a complaint after filing of the Draft Red Herring Prospectus alleging misreporting in our financial statements and non compliance with applicable law in relation to our public deposit schemes. Such complaints by third parties may adversely affect our reputation and business.***

Our Company received a complaint dated May 21, 2024 (**"Complaint"**) alleging, among other things, that our Company had misled prospective investors by inflating its reported revenue from the sale of gold jewellery in its DRHP. The Complaint alleged discrepancies between our Company's claims of a 77.68% increase in gold jewellery sales for Fiscal 2023 compared to Fiscal 2022, amounting to ₹40,933.43 million, and the actual figures which include both jewellery and bullion sales. The Complaint also alleged that the jewellery business alone accounted for only ₹30,399.6 million, while the remaining ₹10,533.83 million was from bullion sales, a practice allegedly used to artificially inflate sales figures. Additionally, the Complaint raised concerns about our Company's financial practices, including the write-off of ₹520 million not explicitly disclosed, investments in loss-making entities, and the acceptance of public deposits allegedly without proper rating as required by regulations issued by the SEBI and the RBI in that regard. The Complaint further alleged that our Company's Statutory Auditor had failed to address the irregularities in rating obtained by our Company for the purpose of its public deposit schemes, in its certificate for the public deposit advertisement. These allegations were to be raised separately with the Ministry of Corporate Affairs (**"MCA"**) and the RBI as a whistleblowing matter. In response to the Complaint, our Company clarified that its revenue figures in the DRHP include both jewellery and bullion sales, as disclosed in the financial statements, with no misrepresentation. Additionally, our Company detailed our process for handling old gold exchanged by customers, ensuring transparency and proper accounting. Our revenue increase during the relevant period was attributed to sales growth and higher gold prices, with full disclosure of the impact of new franchisee stores. We also submitted that the ₹521.81 million in investments written off were non-recoverable, and our Company followed all legal requirements for accepting public deposits, including obtaining the necessary credit ratings and approvals. An independent opinion from DVD & Associates, Company Secretaries (peer review no. 1164/2021) dated June 12, 2024, further confirmed our Company's compliance with all the relevant laws. Our Company stated that all regulatory obligations were met, and accurate disclosures were provided in the DRHP. We have not received any further communication from the complainant. We cannot assure you that other third parties will not file similar complaints with the SEBI or other statutory authorities, and such complaints may adversely affect our reputation, business, prospects and the trading price of our Equity Shares.

24. ***Our revenues have been significantly dependent on sale of gold jewellery, any factors adversely affecting the procurement of gold or our sales of gold jewellery may negatively impact our business, financial condition, results of operations and prospects.***

The availability of gold, being our key raw material, may be adversely affected due to various reasons, which might affect production of our gold jewellery. Any adverse factors affecting the procurement of gold or impacting our ability to sell gold jewellery could have severe consequences on our business.

Any factors adversely affecting our sales of gold jewellery may negatively impact our business, financial condition, results of operations and prospects. The following table sets forth sale of gold jewellery for the periods indicated:

(₹ in million, except percentages)

Particulars	For the Year ended March 31, 2024	For the Fiscal ended March 31, 2023	For the Fiscal ended March 31, 2022
Revenue from sale of gold	56,325.50	40,933.43	23,037.47
Revenue from sale of gold as a percentage of total revenue from operations (%)	92.17%	90.81%	90.14%

Any decrease in supply of gold or our inability to effectively procure gold at competitive rates, in time, or at all, may adversely impact our business, financial condition, results of operations and growth prospects. Fluctuations in gold prices, supply chain disruptions, changes in consumer preferences, or economic conditions can directly influence our revenue streams. Further, factors that may adversely impact sale of gold jewellery, such as imposition of increased KYC regulations or changing consumer preferences, may lead to decrease in our revenues.

25. ***We could face customer complaints or negative publicity about our customer service. This could materially and adversely affect our reputation, results of operations and financial condition.***

Customer complaints or negative publicity about our customer service could diminish consumer confidence in, and the attractiveness of, our Company and brand. We interact with customers across all of our shops and consistently strive to maintain high standards of customer service. However, we periodically have experienced customer disputes and receive complaints which we endeavour to resolve through prompt and effective customer service. 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.

26. ***Regional concentration may deprive us of participating in the growth of other sizeable markets which may have adverse impact on the growth prospects of our Company.***

Majority of our stores are located in Maharashtra and currently, we are not present in other sizeable markets like West Bengal and Kerala due to which we will not be able to capitalise on the growth of such or other sizeable markets where we have no presence. Due to the geographic concentration of the sale of our products in Maharashtra, our operations are susceptible to local and regional factors, such as economic and weather conditions, natural disasters, demographic changes, and other unforeseen events and circumstances. Consequently, we may have to undertake large capital outlay to ramp up of presence in other regions which may have demand jewellery and allied products. In case we are not able to undertake such expansion in a timely manner or at all our growth prospects will be adversely hampered.

27. ***Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.***

We believe that the insurance coverage we maintain is reasonably adequate to cover the normal risks associated with the operation of our businesses. The following table sets forth our details of values of our key component of fixed assets and working capital and insurance coverage for the periods indicated:

Particulars	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Amount (in ₹ million)	% of total assets	Amount (in ₹ million)	% of total assets	Amount (in ₹ million)	% of total assets
Property, plant and equipment (excluding Land) (A)	1,471.12	13.22	1,384.20	18.75	1,398.21	16.54
Inventories (B)	9,588.58	86.17	5,968.83	80.85	7,035.41	83.23
Cash (C)	68.37	0.61	29.91	0.40	19.56	0.23
Net Assets (D = A+B+C)	11,128.07	100.00	7,382.94	100.00	8,453.18	100.00
Insurance Coverage	13,696.24	123.08	12,313.71	166.79	10,939.41	129.41

Our insurance policies, however, may not provide adequate coverage in certain circumstances, such as the COVID-19 pandemic, losses or damages caused by infectious or contagious disease, credit loss, loss of profit and are subject to certain deductibles, exclusions and limits on coverage. Even if we have insurance for the incident giving rise to the loss, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. 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 obtained sufficient insurance to cover all potential 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, or 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 condition and cash flows could be adversely affected. For information in relation to our insurance coverage, see "*Our Business – Insurance*" on page 190.

28. ***We may fail to protect our jewellery designs and are susceptible to litigation for infringement of intellectual property rights in relation to such designs. This could materially and adversely affect our reputation, results of operations and financial condition.***

We change our jewellery designs on a regular basis and do not register such designs under the Design Act, 2000. As such, it would be difficult for us to enforce our intellectual property rights in our designs, and if our competitors copy our designs, in particular the designs of our products available on our website or the designs given to third-party contractors, it could lead to a loss of revenue, which could adversely affect our results of operations and financial condition. Further, we manufacture through our network of contract manufacturers where we provide raw material and designs to such contractors. While we supervise the entire manufacturing process, the contract manufacturers could make the same or similar jewellery for other parties, including our competitors. If our contract manufacturers produce the same or similar jewellery for our competitors, our customers may no longer purchase our jewellery or look to our competitors for similar jewellery, which could negatively impact our results operations and financial condition. Additionally, designs developed by us may inadvertently infringe on the intellectual property rights of third parties, which may expose us to legal proceedings. Thus, we are susceptible to litigation for infringement of intellectual property rights in relation to such designs. While we have not faced any instance in the past, where we have failed to protect our jewellery designs, however we cannot assure that such failure may take place in the future. Any such failure could materially and adversely affect our reputation, results of operations and financial condition.

29. ***Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in this Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.***

We propose to utilise the Net Proceeds for (i) funding expenditure towards setting-up of 12 new stores in Maharashtra, and (ii) repayment or pre-payment, in full or part, of certain borrowings availed by our Company, and the balance is proposed to be utilised for general corporate purposes.

For further information of the proposed objects of the Offer, please see the section entitled "*Objects of the Offer*" on page 98. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in this Red Herring Prospectus without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

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

30. ***We have incurred indebtedness, and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition.***

As of July 31, 2024 we had total outstanding borrowings of ₹ 3,489.66 million (including public deposits of ₹ 12.20 million). Certain of our financing agreements contain restrictive covenants, including but not limited to, the requirements that we obtain consents from our lenders prior to undertaking certain matters including altering our capital structure, changing the shareholding in our Company, declare dividends, effecting any scheme of amalgamation or reconstruction, changing the management or ownership, effecting a change in control / controlling interest of the Company, amending the constitutional documents of our Company. Further, some of our lenders may have the right to appoint a nominee on the Board or to appoint a nominee director to the Board (or an observer to attend meetings of the Board) or convert their respective debt to equity shares of our Company in an event of default in repayment under the financing documents, which is not corrected within 90 (ninety) days or otherwise resulting from a cross-default as a result of default by our affiliates under their respective financing arrangements. In terms of the security, we are required to create mortgages, charge over our movable properties and immovable properties belonging to us and certain Promoter Group members and Group Companies obtain personal guarantees from the Promoters and certain Promoter Group members, obtain corporate guarantees from certain Promoter Group members, create lien on fixed deposits and term deposit receipts. We may also be required to furnish additional security, if required by our lenders.

As on date of this Red Herring Prospectus, our Promoters, namely, Saurabh Vidyadhar Gadgil and Radhika Saurabh Gadgil have provided personal guarantees amounting to ₹5,085.90 million, to some of our lenders, namely, Saraswat Co-Operative Bank Limited, Karnataka Bank Limited, Bandhan Bank Limited, HDFC Bank Limited, State Bank of India, Janata Sahakari Bank Limited, Central Bank of India, and Bank of Baroda. Additionally, we are required to, among others, maintain certain financial ratios. There can be no assurance that we will be able to comply with these financial or other covenants at all times or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business.

While we have received all relevant consents required for the purposes of this Offer and have complied with these covenants, a failure to comply with such covenants in the future may restrict or delay certain actions or initiatives that we may propose to take from time to time. Additionally, some of our lenders may recall all or part of amounts borrowed by us on short or no notice. Such recalls on borrowed amounts may be contingent upon happening of an event beyond our control and there can be no assurance that we will be able to persuade our lenders to give us extensions or to refrain from exercising such recalls which may adversely affect our operations and cash flows.

The consequences of not being in compliance with terms and conditions of the loan agreements including the financial covenants could be acceleration of maturity of the facility sanctioned to us and declaring all amounts outstanding, enforcement of security and exercising by the lenders of any right available to them under such loan agreements. Further, any fluctuations in the interest rates may directly impact the interest costs of such loans. Our ability to make payments on and refinance our indebtedness will depend on our continued ability to generate cash from our future operations. We may not be able to generate enough cash flow from operations or obtain enough capital to service our debt. Any failure to comply with the conditions and covenants in our financing agreements that is not waived by our lenders or guarantors or otherwise cured could lead to a termination of our credit facilities, foreclosure on our assets, acceleration of all amounts due under such facilities or trigger cross-default provisions under certain of our other financing agreements, any of which could adversely affect our financial condition and our ability to conduct and implement our business plans. If our lenders of a material amount of the outstanding loans declare an event of default simultaneously, we may be unable to pay such amounts when they fall due. For further information, see "*Financial Indebtedness*" on page 296.

31. ***Most of our stores are located on leased or licensed premises. Any termination or failure by us to renew the leave and license agreements in a favourable and timely manner, or at all, could adversely affect our business and results of operations. Moreover, many of the lease and license agreements entered into by us may not be duly registered or adequately stamped.***

    Most of our stores are located on leased or licensed premises. Out of the 39 stores operated by our Company and our franchisees, we have 10 leased stores and 21 licensed stores as on July 31, 2024. We generally enter into lease and license arrangements for our stores that are typically for a period of five years. The lease and license agreements can be terminated, and any such termination could result in any of our offices being shifted or shut down. Some of the lease and license agreements may have expired or will expire in due course, in the ordinary course of business and we are currently involved in negotiations for the renewal of these lease and license agreements. For instance, we are in the process of renewing the leases for our stores located at Latur and Kalyan, which expired on June 10, 2024 and August 31, 2024, respectively. While we have not faced major issues renewing the leases of our branch offices in the past nor have we faced termination of any of these lease arrangements in the Fiscal 2024, Fiscal 2023 and Fiscal 2022. if these lease and license agreements are not renewed on terms favourable to us or not renewed at all or are terminated, we may suffer a disruption in our operations or increased costs, or both, which may affect our business and results of operations. Further, our lease and license agreements are required to be adequately stamped and duly registered. Unless such documents are adequately stamped or duly registered, such documents may be rendered inadmissible as evidence in a court in India or may not be authenticated by any public officer and the same may attract penalty as prescribed under applicable law or may impact our ability to enforce these agreements legally, which may result in an adverse effect on the continuance of our operations and business. Further, we are required to obtain certain approvals, registrations and licenses for the operation and functioning of our stores and our Registered and Corporate Office. If we fail to obtain, renew or maintain the required permits, licenses or approvals, we could be subjected to penalties by the relevant regulatory authorities and our business operations may be adversely affected. For information in relation to our premises, see "*Our Business – Properties*" on page 188.

32. ***Our business depends on the performance of franchisees. Any non-performance by these franchisees may adversely affect our business operations, profitability and cash flows.***

As on July 31, 2024, we had 39 stores, of which 28 are COCO stores, and 11 FOCO stores. Our business strategy depends partially on the successful franchising of our brand. We may not be able to identify suitable franchisees or we may not appropriately manage our existing franchisees. Although we have developed criteria to evaluate and screen prospective franchisees, we cannot be certain that the franchisees we select will have the business acumen or financial resources necessary to operate successful franchisees.

Further, the following table sets forth our details of our franchisees, revenue from sale of products to our franchisees, other operating revenue from franchises as of and for the periods indicated:

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Franchisee stores	11	13	10
Franchisee stores as a percentage of our total number of stores (%)	30.56%	38.24%	31.25%
Revenue from sale of products to our franchisees (*in ₹ million*)	4554.04	3,929.10	2,189.37
Revenue from sale of products to our franchisees as a percentage of total revenue from operations (%)	7.45%	8.72%	8.57%
Other operating revenue from franchisees (*in ₹ million*)	20.82	16.98	13.16
Other operating revenue from franchises as a percentage of total revenue from operations (%)	0.03%	0.04%	0.05%

Further, we cannot be certain that our franchisee partners may be able to obtain working capital at favourable terms or at all. While franchisees are independent business operators and have purchase targets laid down under the terms of our franchisee agreements, we do not exercise absolute control over their day-to-day operations.

For instance, in Fiscal 2024, our Company has disassociated with four of the franchisees on account of the store not being operated in accordance with the agreement or due to decline in revenue from these stores. While there has been no material or adverse impact due to the aforesaid disassociation with franchisee, on our revenue from operations or our financial condition in the past, there can be no assurance that a disassociation with franchisees may not impact our business, revenue from operations, financial condition and cash flows in the future. We provide training and support to franchisees and set and monitor operational standards, but there can be no assurance that our training and standards will be effective, and the quality of our franchise stores operations may be diminished by various factors beyond our control.

The failure of franchisees to maintain required standards could adversely affect our reputation, our brands and our business, financial condition, results of operations and prospects. Further, our franchisee agreements are typically valid for a term of 5 years, respectively, and are renewable on mutually acceptable terms. In the event that these existing franchisee agreements are terminated or they are not renewed on commercially acceptable terms, it could adversely affect our revenue from operations.

Franchisees may from time to time disagree with our business strategies or our interpretation of rights and obligations under the franchisee agreement. This may lead to disputes with our franchisees, which could have a material adverse effect on our business, financial condition, results of operations and prospects. In addition, if one or more of these franchisees were to become insolvent or otherwise were unwilling or unable to pay us their fees, it could adversely affect our financial condition and results of operations.

33. ***The implementation of the schemes such as the 'Dajikaka Future Plan' and 'Future Purchase Plan' introduces risks and challenges to our business operations and financial performance.***

Our Company offers financial schemes such as the '*Dajikaka Future Plan*' and '*Future Purchase Plan*'. These schemes pose potential risks related to pricing fluctuations and inventory management. Under the '*Future Purchase Plan*', our customers are required to pay instalments for a period of 10 months and thereafter redeem the aggregate amount at the end of their scheme period at our store by purchasing jewellery at a discounted price. Under our '*Dajikaka Promise Plan*', our customers can buy jewellery at the prevailing market rate in future as per their requirement by paying one bullet instalment in advance, which can be redeemed within a period of 12 months. For details, refer to '*Our Business – Overview*' on page 174.

Furthermore, effectively managing inventory to fulfil future orders under these schemes require accurate forecasting and allocation of resources. Failure to maintain optimal inventory levels or anticipate changes in customer demand could lead to stockouts, delays in order fulfilment, or excess inventory, all of which may adversely impact customer satisfaction and the financial performance of the business. For details see, '*Risk Factors - Our inability to identify market trends, and customer demand accurately, counter the challenges that the industry faces and maintain an optimal level of inventory in our stores may impact our operations adversely.*' and '*Risk Factors - Our Company requires significant amounts of working capital for continued growth. Our inability to meet our working capital requirements, on commercially acceptable terms, may have an adverse impact on our business, financial condition and results of operations.*' on pages 31 and 34, respectively. Moreover, relying on future sales to fulfil commitments under our schemes may strain cash flow and working capital, particularly if a significant number of customers opt for this payment arrangement. Managing cash flow effectively to meet ongoing operational expenses while honouring future purchase commitments is essential to maintaining financial stability and business continuity.

Any failure to address the risks effectively may result in financial losses, reputational damage, and diminished customer trust, ultimately undermining the success of the '*Dajikaka Future Plan*' and '*Future Purchase Plan*' and jeopardizing the long-term sustainability of our business.

34. If we are unable to protect the data related to electronic mode of payments, or any other personal information that we collect from customers, our brand reputation could be significantly harmed.

We are associated with the risk of security and privacy breaches due to the usage of electronic payment methods and the gathering of personal information from customers. Although we rely on firewalls, web content filtering, encryption, and authentication technologies among other security measures, unauthorised use of, or improper access to, our networks, computer systems, or services might possibly compromise the security of such sensitive information of customers. We may not be able to predict breaches or put adequate prevention measures in place. We are unable to guarantee that any security measures we implement will be successful in preventing these actions. In order to prevent security breaches or to deal with the consequences of such breaches, we might need to expend resources to protect our business against such security breaches. While there have been no instances of breaches of our data in the past three years, we cannot guarantee that our integrity of data collected by us, or our information systems may not be infringed in the future. If people are able to circumvent our security measures or otherwise gain access to the confidential information that we collect, they may be able to destroy or steal valuable information or otherwise disrupt our operations. We may become subject to claims for alleged fraudulent transactions arising out of the actual or alleged theft of personal information in relation to their mode of payments such as debit or credit card, and we may also be subject to lawsuits or other proceedings relating to these types of incidents. Any such claim or proceeding could cause us to incur significant unplanned expenses, which may have an adverse impact on our financial condition, results of operations and cash flows. Further, adverse publicity resulting from these allegations could significantly harm our reputation and may have a material adverse effect on us and our stores.

35. Our ability to attract customers is dependent on the success and visibility of our stores. Our failure to attract optimal volume of customers to our stores could materially and adversely affect our business, financial condition and results of operations.

We endeavour to open stores in optimal locations and generally consider a relevant location's catchment area, demographics, spending capacity, economic conditions, cost-benefit analysis and proximity to our competitors stores. Sales at our stores operated by our Company are derived, in part, from the volume of customer visits in the relevant locations. For details, please see "*Risk Factors - Competition in the Indian retail jewellery industry is significant. We operate in highly competitive and fragmented markets, and competition in these markets is based primarily on market trends, pricing and customer preferences. The players in the retail jewellery sector in India often offer their products at highly competitive prices and many of them are well established in their local markets*" on page 34 and "*Our Business – Competition*" on page 191.

Store locations may become unsuitable due to, and our sales volume and customer traffic generally may be slowed by, among other things: economic downturns in a particular area; government-imposed lockdowns due to pandemics, such as COVID-19, competition from nearby jewellery retailers; increased rentals; changing consumer demographics in a particular market; changing lifestyle choices of consumers in a particular market; and the popularity of other businesses located near the location. Along with our dependence on customers visiting our stores, our success is dependent upon the continued popularity of particular locations. Changes in areas around our store's location that result in reductions in customer traffic or otherwise render the location unsuitable could result in reduced sales volume, which could materially and adversely affect our business, financial condition and results of operations.

36. Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.

Our business operations involve significant retail sales in cash and we maintain large amounts of inventory at our warehouse, with our craftsmen and at our stores operated by our Company at all times. While we undertook the necessary investigations and actions, we cannot assure that such incidences may not occur in the future. For further information, see "*Outstanding Litigation and Other Material Developments*" on page 328. The jewellery industry also typically encounters some inventory loss on account of employee theft, shoplifting, vendor fraud, credit card fraud and general administrative error. Although we have set up various security measures, including tagging our products, CCTV in our warehouse and our company owned and operated stores, armed security guards and follow stringent operational processes such as daily stock taking, we have in the past experienced such incidents. 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. For instance, on June 12, 2024, our Subsidiary's solitary store in Sunnyvale, California, USA was subjected to an armed robbery in which a significant portion of the inventory on display, as well as within the store was looted by armed robbers. The local office in Sunnyvale immediately reported the theft to the local police and subsequently filed a claim for the stolen goods. The current assessed value of the stolen items, other assets and loss of business is valued at approx. ₹192.20 million to 208.90 million approximately (US$ 2.30 to 2.50 million) and an insurance claim for full amount has been raised with Jewelers Mutual Insurance. The investigation and the insurance process are currently underway.

Additionally, in case of losses due to theft there can be no assurance that we will be able to recover from our insurer the full amount of any such loss in a timely manner, or at all. If we incur a significant inventory loss due to third-party or employee theft and if such loss exceeds the limits of, or is subject to an exclusion from, coverage under our insurance policies, it could have a material adverse effect on our business, results of operations and financial condition. In addition, if we file claims under an insurance policy it could lead to increase in the insurance premiums payable by us or the termination of coverage under the relevant policy. Additionally, theft of our customer data may also adversely affect our results of operations and financial condition.

37. ***Our operations could be adversely affected by strikes or increased wage demands by our employees or any other kind of disputes with our employees.***

As of July 31, 2024, we employed 1,418 personnel across our operations. Although we have not experienced any material employee unrest in the past, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any employee unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. Such employee actions are difficult or impossible for us to predict or control and any such event could adversely affect our business, results of operations and financial condition. None of our workforce is currently unionized. However, there is a risk that our employees may choose to unionize in the future. Labour unions for employees organize strikes, and we may in the future be affected by strikes, work stoppages or other labour disputes if any portion of our workforce were to become part of a union in the future. In the event of a labour dispute, protracted negotiations and strike action may impair our ability to carry on our day-to-day business operations and, if not resolved in a timely manner, could adversely affect our business, financial condition, results of operations, cash flows and prospects.

38. ***If we fail to cost-effectively turn existing customers into repeat customers or to acquire new customers, our business, financial condition, and results of operations would be harmed.***

The growth of our business is dependent upon our ability to continue to grow by cost-effectively turning existing customers into repeat customers and adding new customers. Although we believe that many of our customers originate from word-of mouth and other non-paid referrals, we expect to continue to expend resources and run marketing campaigns to acquire additional customers, all of which could impact our overall profitability. If we are not able to continue to expand our customer base or fail to retain customers, our net sales may grow more slowly than expected or decline. Our ability to attract new customers and increase net sales from existing customers also depends in large part on our ability to enhance and improve our existing products and to introduce new products and services that appeal to the customers, in each case, in a timely manner. We also must be able to identify and originate trends, as well as anticipate and react to changing consumer demands in a timely manner. The success of new products and services depends on several factors, including their timely introduction and completion, sufficient demand, and cost effectiveness. While we expect introduction of new technologies to lead to improvements in the performance of our business and operations, including inventory prediction and customer footfall prediction and management, any flaws or failures of such technologies could cause interruptions or delays in our service, which may harm our business.

Our number of customers may decline materially or fluctuate as a result of many factors, including, among other things:

- dissatisfaction with the quality, pricing of products, or changes we make to our products and services;
- the quality, consumer appeal and price of products and services offered by us;

- intense competition in the jewellery industry;
- negative publicity related to our brand;
- the unpredictable nature of the impact of the COVID-19 pandemic or a future outbreak of disease or similar public health concern.

In addition, if we are unable to provide high-quality support to customers or help resolve issues in a timely and acceptable manner, our ability to attract and retain customers could be adversely affected. If our number of customers declines or fluctuates for any of these or other reasons, our business would suffer.

39. ***Our Promoters, Saurabh Vidyadhar Gadgil and Radhika Saurabh Gadgil have provided personal guarantees for loan facilities obtained by us, and any failure or default by us to repay such loans could trigger repayment obligations on our Promoter, which may impact our Promoter's ability to effectively service his obligations as our Promoter and thereby, adversely impact our business and operations.***

As of July 31, 2024, majority of our secured and unsecured loans are backed by personal guarantees provided by our Promoters, Saurabh Vidyadhar Gadgil and Radhika Saurabh Gadgil. Any default or failure by us to repay our loans in a timely manner or at all could trigger repayment obligations on the part of our Promoter in respect of such loans. This, in turn, could have an impact on their ability to effectively service their obligations as Promoter of our Company, thereby having an adverse effect on our business, results of operation and financial condition. Further, in the event that our Promoter revokes or terminates such guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our business prospects, financial condition, results of operations and cash flows. If the guarantees are invoked or if the repayment of loan is accelerated or the lender enforces any of the restrictive covenants or exercise their options under the relevant debt financing arrangement the ability of our Company to continue its business operations could be adversely affected, carrying our operations and use of assets may be hampered significantly and the lender may demand the repayment of the entire outstanding amount and this in turn may also affect our further borrowing abilities. For further details please refer to the chapter titled "Financial Indebtedness" on page 296."

40. ***COVID-19 and similar outbreaks could continue to have certain adverse effects on our business, operations, cash flows and financial condition.***

The World Health Organization declared the outbreak of COVID-19 a global pandemic on March 11, 2020. The COVID-19 pandemic affected our business, results of operations and financial condition in a number of ways such as:

- It led to a closure of all our stores and branches for the month of April 2020 and disrupted operations in first half of Fiscal 2021 and we moved to a work-from-home model for the first few months of the pandemic. We resumed operations at our offices and branches in a staggered manner by May 2020 in compliance with the lockdown restrictions and central and state government guidelines;

Our business is also sensitive to reductions in consumer spending. There is significant uncertainty relating to the future development of COVID-19 pandemic, and the impact on our business may vary significantly from that estimated by our management from time to time, and any action to contain or mitigate such impact, whether government-mandated or opted by us, may not have the anticipated effect or may fail to achieve its intended purpose altogether. Further, as a result of the detection of new strains, evolving variants such as 'Omicron variant' and subsequent waves of COVID-19 infections throughout the world, we may be subject to further lockdowns or other restrictions in subsequent periods, which may adversely affect our business operations.

Given the uncertainty relating to the severity of the near-term and long-term adverse impact of the COVID-19 pandemic on the global and national economy and financial markets, we are unable to accurately predict the near-term or long-term impact of the COVID-19 pandemic on our businesses but remain subject to a risk that it could have a material adverse impact on our business, financial condition, results of operations and prospects. Moreover, to the extent the COVID-19 pandemic adversely affects our business, financial condition, and results of operations, it may also have the effect of heightening many of the other risks described in this "*Risk Factors*" section, including those related to our ability to increase sales to existing and new clients, continue to perform on existing contracts, expand our marketing capabilities and sales organization, generate sufficient cash flow to service our indebtedness, and comply with the covenants in the agreements that govern our indebtedness.

Similar outbreaks may adversely affect overall business sentiment, as well as our business, results of operations and financial condition.

41. As of March 31, 2024, we had contingent liabilities which have not been provided for in our financial statements and could adversely affect our financial condition.

As of March 31, 2024, our contingent liabilities that have not been accounted for in the Restated Consolidated Financial Information, were as follows:

(in ₹ million)

Particulars	Amount
Contingent Liabilities	
Local Body tax (LBT) (Refer note (i))	2.91
Income Tax Penalty (SFT) Proceedings AY 2017-18 (Refer note (ii))	11.40
IT Proceedings GDPL AY 2017-18 (Refer note (iii))	59.25
Total	**73.56**

(i) The company has received a demand order of assessment for the period 01/01/2017 to 31/03/2017 from Panvel Municipal Corporation for ₹ 4.11 million (including interest and penalty) against which the Company has paid ₹ 1.21 million on May 18, 2019, and filed appeal petition no. 023 dated May 20, 2019, with Dy. Commissioner and First Appellate Authority and the matter is sub judice. Out of total demand liability, ₹ 1.21 million paid off and balance liability of ₹ 2.91 million treated as contingent liability.

(ii) Assessing officer has passed the order u/s 272B having demand of ₹ 22.79 million. The assessee has appealed against the penalty order with CIT(A) and deposited 20% of the demand amount. The Company is contesting the above-mentioned demands and the management including its tax advisors believe that its position will be upheld in the appellate process. The management believes that the ultimate outcome of the proceedings has 50% winning chances and therefore contingent liability has been assumed to the extent 50% of ₹ 22.79 million.

(iii) Assessing Officer has passed order with a demand of ₹ 118.50 million. Company has filed appeal with Commissioner of Income Tax (Appeals) CIT(A). The Company is contesting the above-mentioned demands and the management including its tax advisors believe that its position will be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have material adverse effect on the Company's financial position and results of operation. Therefore, contingent liability had been assumed @ 50% of the adjustment amount (i.e. 50% of ₹ 118.50 million).

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations. Furthermore, we cannot assure you that we will not incur similar or increased levels of contingent liabilities in the current Fiscal or in the future. For further details, see Note 34 to the Restated Consolidated Financial Information included in "*Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Contingent Liabilities*" on pages 230 and 278, respectively.

42. Any downgrade in our credit ratings could increase our borrowing costs, affect our ability to obtain financing, and adversely affect our business, results of operations and financial condition.

The cost and availability of capital depends in part on our short-term and long-term credit ratings. Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. As of November 6, 2023, our bank loans had a short-term rating of ACUITE A2+ and long-term rating of ACUITE A- by Acuite Ratings & Research Limited. As of May 29, 2024, our bank loans had a short-term rating of CRISIL A2+ and a long-term rating of CRISIL A-/Stable by CRISIL Ratings. Any downgrade in our credit ratings could increase borrowing costs, result in an event of default under certain of our financing arrangements and adversely affect our access to capital and debt markets, which could in turn adversely affect our interest margins, our business, results of operations, financial condition and cash flows. In addition, any downgrade in our credit ratings could result in a recall of existing facilities, increase the probability that our lenders impose additional terms and conditions to any financing or refinancing arrangements we enter into in the future, impair our future issuances of debt and equity, and our ability to raise new capital on a competitive basis, which may adversely affect our business, results of operations and financial condition.

In addition, our borrowing costs and our access to debt capital markets depend significantly on the credit ratings of India. There can be no assurance that India's credit ratings will not be revised or changed by the credit rating agency or any of the other global rating agencies.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect the Company's ratings or terms on which the Company is able to finance future capital expenditure. This could have an adverse effect on our ability to fund our growth on favourable terms or at all and consequently adversely affect our business and financial performance and the price of the Equity Shares.

43. Most of our stores are located on leased or licensed premises. Any termination or failure by us to renew the leave and license agreements in a favourable and timely manner, or at all, could adversely affect our business and results of operations. Moreover, many of the lease and license agreements entered into by us may not be duly registered or adequately stamped.

Most of our stores are located on leased or licensed premises. Out of the 39 stores operated by our Company and our franchisees, we have 10 leased stores and 21 licensed stores as on July 31, 2024. We generally enter into lease and license arrangements for our stores that are typically for a period of five years. The lease and license agreements can be terminated, and any such termination could result in any of our offices being shifted or shut down. Some of the lease and license agreements may have expired or will expire in due course, in the ordinary course of business and we are currently involved in negotiations for the renewal of these lease and license agreements. While we have not faced major issues renewing the leases of our branch offices in the past nor have we faced termination of any of these lease arrangements in the Fiscal 2024, Fiscal 2023 and Fiscal 2022. if these lease and license agreements are not renewed on terms favourable to us or not renewed at all or are terminated, we may suffer a disruption in our operations or increased costs, or both, which may affect our business and results of operations. Further, our lease and license agreements are required to be adequately stamped and duly registered. Unless such documents are adequately stamped or duly registered, such documents may be rendered inadmissible as evidence in a court in India or may not be authenticated by any public officer and the same may attract penalty as prescribed under applicable law or may impact our ability to enforce these agreements legally, which may result in an adverse effect on the continuance of our operations and business. Further, we are required to obtain certain approvals, registrations and licenses for the operation and functioning of our stores and our Registered and Corporate Office. If we fail to obtain, renew or maintain the required permits, licenses or approvals, we could be subjected to penalties by the relevant regulatory authorities and our business operations may be adversely affected. For information in relation to our premises, see "*Our Business – Properties*" on page 188.

44. ***Certain of our Directors, our Promoters, members of our Promoter Group, Key Managerial Personnel and Senior Managerial Personnel may have interests other than reimbursement of expenses incurred and normal remuneration or benefits in our Company.***

Our Promoters, our Executive Directors, Key Managerial Personnel and Senior Managerial Personnel may be deemed to be interested in our Company to the extent of their shareholding in our Company and any benefits arising on account of such shareholding. While we enter into related party transactions at arms length basis, there can be no assurance that we could not have obtained better terms from a third party.

Further, while none of our Promoters, Directors, Promoter Group, Key Managerial Personnel or Senior Managerial Personnel will receive any portion of the proceeds of the Fresh Issue, we have related party transactions with our Subsidiaries in the ordinary course of business and our Subsidiaries may receive amounts from the Fresh Issue in the ordinary course of its business.

45. ***We are dependent on our senior management team, and Key Managerial Personnel, and the loss of, or our inability to hire, retain, train, and motivate qualified personnel could adversely affect our business, results of operations, and financial condition.***

As of July 31, 2024, we employed 1,418 permanent employees of which five are the members of our Senior Managerial Personnel and Key Managerial Personnel. Our ability to compete depends upon our ability to attract, motivate, and retain qualified personnel. We believe that the inputs and experience of our Senior Managerial Personnel and Key Managerial Personnel are valuable for the growth and development of business and operations and the strategic directions taken by our Company. We cannot assure you that we will be able to retain such members of our management or find adequate replacements in a timely manner, or at all.

The following table sets forth our attrition rates for the periods indicated:

Particulars	For the year ended March 31, 2024	for the Year ended March 31, 2023	for the Year ended March 31, 2022
Number of Key Managerial Personnel and Senior Managerial Personnel	5	5	5
Attrition Rate(1) (Key Managerial Personnel including Senior Managerial Personnel)	-	-	-
Total Staff			
Total staff employed	1,228	1,152	1,041
Attrition Rate(1)	23%	10%	20%

(1) Attrition rate for a particular category is calculated as total number of employees who have resigned during the period divided by average number of employees as on 1st date of each month during such period.

We may require a long period of time to hire and train replacement personnel when experienced or skilled personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an adverse effect on our business, our results of operations and our cash flows. For information in relation our Key Managerial Personnel, see "*Our Management*" on page 205.

The continued operations and growth of our business is dependent upon our ability to attract and retain personnel. Competition for qualified personnel with relevant industry expertise in India is intense. A loss of the services of our key personnel may adversely affect our business, results of operations, cash flows and financial condition.

46. Certain sections of this Red Herring Prospectus disclose information from the industry report which has been commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.

Certain sections of this Red Herring Prospectus include information based on, or derived from the Technopak Report, which has been prepared by Technopak. The Technopak Report has been commissioned and paid for by us for the purposes of confirming our understanding of the industry and has been prepared in connection with the Offer. Given the scope and extent of the Technopak Report, disclosures are limited to certain excerpts and the Technopak Report has not been reproduced in its entirety in this Red Herring Prospectus. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. However, the Technopak Report is prepared based on information as of specific dates and may no longer be current or reflect current trends. Certain information in the Technopak Report is subject to limitations and is also based on estimates, projections, forecasts and assumptions. Investors should not place undue reliance on, or base their investment decision solely on this information.

You should consult your own advisors and undertake an independent assessment of information in this Red Herring Prospectus based on, or derived from, the Industry Report before making any investment decision regarding the Offer. For further details, see "*Industry Overview*" on page 123.

47. Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in this Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.

We propose to utilise the Net Proceeds for (i) funding expenditure towards setting-up of 12 new stores in Maharashtra, and (ii) repayment or pre-payment, in full or part, of certain borrowings availed by our Company, and the balance is proposed to be utilised for general corporate purposes.

For further information of the proposed objects of the Offer, please see the section entitled "*Objects of the Offer*" on page 98. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in this Red Herring Prospectus without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

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

48. Our Company will not receive any proceeds from the Offer for Sale and the proceeds from the Offer for Sale will be paid to the Promoter Selling Shareholder.

The Offer comprises an Offer for Sale by the Promoter Selling Shareholder. The Promoter Selling Shareholder will receive the entire proceeds from the Offer for Sale (after deducting applicable Offer expenses) and our Company will not receive any part of the proceeds of the Offer. For further information, see "*The Offer*" and "*Objects of the Offer*" on pages 68 and 98, respectively.

49. Our Promoter, Saurabh Vidyadhar Gadgil, has issued a non-compete undertaking to our Company, for avoiding any conflict of interest between our Company and / or our current Subsidiaries ("Group"), and any other entity owned and controlled by Saurabh Vidyadhar Gadgil and/ or any members of our Promoter Group ("SVG Controlled Entities"). Any termination or variation of the non-compete undertaking could result in a conflict of interest between SVG Controlled Entities and us.

Our Promoter, Saurabh Vidyadhar Gadgil, on behalf of SVG Controlled Entities, has issued a non-compete undertaking dated March 19, 2024 ("**Non-compete Undertaking**") to our Company, in order to avoid any conflict of interest between the Group and any of the SVG Controlled Entities. Pursuant to the Non-compete Undertaking, our Promoter, Saurabh Vidyadhar Gadgil, has undertaken that Silvostyle Jewellery LLP (which is an entity owned and controlled by our Promoter, Saurabh Vidyadhar Gadgil) and other SVG Controlled Entities will not, *inter alia,* (i) directly or indirectly, engage in any business which is similar to the business currently, or may in the future be, undertaken by the Group; (ii) actively engage in any business activity that conflicts or competes with the business of the Group; or (iii) persuade any person, firm or entity which is a client/ a customer of the Group to cease doing business or to reduce the amount of business which the said client/customer has customarily done or might propose doing with the Group in a manner that adversely affects the Group's business, financial performance, reputation, financial position, cash flows or prospects. The Non-compete Undertaking has a term of seven years from the date of its execution, however, the parties have the ability to mutually extend the term. We cannot assure you that our Promoter, Saurabh Vidhyadhar Gadgil, will agree to extend the term of the Non-compete Undertaking or that us or our Promoter, Saurabh Vidhyadhar Gadgil, will not vary the terms of the Non-compete Undertaking. Any termination or variation of terms of the Non-compete Undertaking could result in a conflict of interest, which could have a material adverse effect on our revenue from sales, results of operations and financial condition.

50. ***A portion of the Net Proceeds may be utilized for repayment of loans taken from Bank of Baroda which is the holding company of one of our Book Running Lead Managers, BOBCAPS.***

We propose to repay certain loans obtained from Bank of Baroda from the Net Proceeds as disclosed in the "*Objects of the Offer*" on page 98. Further, BOBCAPS, one of our Book Running Lead Managers, is a wholly owned subsidiary of Bank of Baroda. BOBCAPS does not become as an associate of our Company in terms of Regulation 21(A)(1) of the SEBI Merchant Bankers Regulations read with Regulation 23(3) of the SEBI ICDR Regulations, only by virtue of this relationship. Additionally, in this regard, please note that the loan provided by Bank of Baroda to our Company is a part of their ordinary course of lending business and we do not believe that there is any conflict of interest under the SEBI Merchant Bankers Regulations, as amended, or any other applicable SEBI rules or regulations. While the repayment of loans will result in reduction of our total debt, however, we cannot assure that such transactions may not give rise to any future conflict of interest. The deployment of the Net Proceeds will be at the discretion of our Board. For further details, see "*Objects of the Offer*" on page 98.

EXTERNAL RISK FACTORS

A. Risks Related to India

51. ***Recent global economic conditions have been challenging and continue to affect the Indian market, which may adversely impact our business, cash flows, financial condition and results of operations.***

The economy and securities markets in India are influenced by economic developments and volatility in securities markets in other nations across the globe. Investors' responses to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Negative developments in the economy, such as increase in trade deficits, or a default on national debt, in other emerging countries may also affect investor confidence and cause increase in volatility in Indian securities markets and affect the Indian economy in general. Any financial instability across the globe may also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India and may adversely affect our business, financial performance and the price of our Equity Shares.

Any other global economic developments or the probability of their occurrence may continue to have an adverse effect on global economic conditions and the stability of financial markets across the globe and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could decrease economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our equity shares. Any financial disruption could have an adverse effect on our business, cash flows, future financial performance, shareholders' equity and the price of our Equity Shares.

52. ***Any natural or man-made disasters, fires, pandemics or epidemics, acts of war, terrorism, civil unrest and other events could materially and adversely affect our business.***

Natural disasters (such as floods and earthquakes), epidemics, pandemics such as COVID-19, and man-made disasters, including acts of war, terrorism, and other events, which are beyond our control, may lead to economic instability, in India and other nations globally, which may materially and adversely affect our business, financial condition, and results of operations. Recent developments in the ongoing conflict between Russia and Ukraine has resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, adversely impact availability of natural gas, increase in supply chain, logistics times and costs, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India.

Our operations may be adversely affected by fires, natural disasters, and severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic, and political events in India may have a negative effect on our business operations. Such events could also create a perception that investment in Indian companies involves a higher degree of risk and may have an adverse effect on our business and the price of the Equity Shares. Several countries in the world, including India, are vulnerable to infectious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1, and H1N1 strains of influenza in birds and swine and more recently, the SARS-CoV-2 virus. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares of our Company.

53. ***A slowdown in economic growth in India or political instability could adversely affect our business and an investment in the Equity Shares is subject to general risks related to investments in Indian companies.***

Our performance and the growth of our business are significantly dependent on the health of the overall Indian economy. In the recent past, the Indian economy has been affected by global economic uncertainties and liquidity crisis, domestic policy and political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture, rising inflation rates and various other factors. Risk management initiatives by banks and lenders in such circumstances may affect the availability of funds in the future or the withdrawal of our existing credit facilities. The Indian economy is undergoing various changes, and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, in the future may have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which may adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India may adversely affect our business, financial condition, results of operation and the trading price of our Equity Shares.

Volatility, negativity, or uncertain economic conditions could undermine the business confidence and may have a significant impact on our results of operations. Changing demand patterns and economic volatility and uncertainty could have a material adverse impact on our business, financial conditions, and results of operations.

Further, we are incorporated in India and a majority of our assets and employees are located in India. Consequently, our business, results of operations, financial condition and the market price of the Equity Shares will be affected by changes in interest rates in India, policies of the Government of India, including taxation policies along with policies relating to industry, political, social and economic developments affecting India.

54. ***Downgrading of India's sovereign debt rating by an international rating agency could have an adverse impact on our business and results of operations.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any downfall in the credit ratings for India and other jurisdictions we operate in, by international rating agencies may adversely impact our ability to raise additional finances. This may have an adverse effect on our ability to fund our growth on favourable terms and adversely affect our business operations, financial performance and the price of the Equity Shares.

55. ***Changes in laws, rules and regulations and legal uncertainties including taxation laws, their interpretation, such changes may significantly affect our financial statements.***

The regulatory environment in which we operate is evolving and is subject to change. The GoI may implement new laws or regulations that may affect the industry in which we operate and may lead to new compliance requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. Accordingly, any adverse regulatory change in this regard could lead to fluctuation of prices of raw materials and thereby increase our operational cost. For details on the laws applicable to us, see "*Key Regulations and Policies in India*" on page *192*.

Over the years, there have been several modifications to the regulations governing the gold and jewellery industry. From 2014 to 2023, India's gold and jewellery sector experienced significant regulatory changes aimed at controlling imports, enhancing transparency, and shifting the market from unorganized to organized players. Key developments include the introduction and eventual repeal of the 80:20 rule, adjustments to the gold-on-lease scheme, and the launch of gold monetization and sovereign gold bond schemes to curb physical gold demand. The implementation of GST and mandatory hallmarking, along with fluctuating import duties, further impacted pricing, compliance, and market dynamics. These measures collectively aimed to formalize the sector, improve consumer protection, and reduce dependence on gold imports.

With the implementation of Good & Services Tax ("**GST**"), we are obligated to pass on any benefits accruing to us as result of the transition to GST to the consumer thereby limiting our benefits. In order for us to utilise input credit under GST, the entire value chain has to be GST compliant, including us. While we are and will continue to adhere to the GST rules and regulations, there can be no assurance that our suppliers and dealers will do so. Any such failure may result in increased cost on account of non-compliance with the GST and may adversely affect our business and results of operations. Any dividend distributed by a domestic company is subject to tax in the hands of the investor at the applicable rate. Additionally, the Company is required to withhold tax on such dividends distributed at the applicable rate.

Further, the GoI announced the union budget for Fiscal 2024, pursuant to which the Finance Act, 2023 ("**Finance Act, 2023**"), has introduced various amendments to taxation laws in India. There is no certainty on the impact of the Finance Act, 2023 and any amendments made to it in the future, may have on our business operations or the industry in which we operate. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. Further it may also impact the viability of our current businesses or restrict our ability to grow our businesses in the future. We may incur increase in expenses relating to compliance with such new requirements which may require support from our management and other resources and failure to comply may adversely affect our business and results of operations. Uncertainty in the applicability, interpretation or implementation of any amendment to or change in governing laws, regulations or policies, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming and costly of us to resolve and may affect our ability to grow our business in the future.

The Government of India has passed new laws relating to social security, occupational safety, industrial relations and wages namely, the Code on Social Security, 2020, the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Wages, 2019, respectively which were to take effect from April 1, 2021 (collectively, the "**Labour Codes**"). The Government of India has deferred the effective date of the Labour Codes and they shall come into force from such date as may be notified by the Government. Further, the Code on Social Security, 2020 ("**Social Security Code**") will impact overall employee expenses and, in turn, could impact the profitability of our Company. Under the Social Security Code, a new concept of deemed remuneration has been introduced, such that where an employee receives more than half (or such other percentage as may be notified by the Central Government), of their total remuneration in the form of allowances and other amounts that are not included within the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration and accordingly be added to wages for the purposes of the Social Security Code and the compulsory contribution to be made towards the employees' provident fund. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

Additionally, the Digital Personal Data Protection Act, 2023 ("DPDP Act") was notified in August 2023 and seeks to replace the existing data protection provisions, as contained in Section 43A of the Information Technology Act. Though notified, the DPDP Act shall come into force on such date as subsequently notified by the Central Government. The DPDP Act seeks to balance the rights of individuals to protect their personal data with the need to process personal data for lawful and other incidental purposes. The DPDP Act focuses on personal data protection for implementing organizational and technical measures in processing digital personal data and lays down norms for cross-border transfer of personal data including ensuring the accountability of entities processing personal data.

56. Non-compliance with existing or changes to environmental, health and safety, labour laws and other applicable regulations by us or our manufacturing partners may adversely affect our business, financial condition, results of operations and cash flows.

Our operations are subject to extensive laws and government regulations, including in relation to safety, health and environmental protection. We, as well as such manufacturing partners, are subject to the laws and regulations governing relationships with employees in areas such as minimum wages, maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour, work permits, maintenance of regulatory and statutory records and making periodic payments. See "*Key Regulations and Policies in India*" on page 192. We and such manufacturing partners may fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities. We and such manufacturing partners may become involved or liable in litigation or other proceedings and consequently incur increased costs or penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business and results of operations.

We have incurred and expect to continue incurring costs for compliance with all applicable health and safety, and labour laws and regulations. We cannot assure you that we and such manufacturing partners will be able to comply with all applicable environmental, health, safety and labour laws and regulations or the terms and conditions of any consents or permits in the future or that such compliance will not result in a curtailment of production or a material increase in the costs of our production and operations. We may, in future, be held liable for any regulatory lapses and non-compliances and incur increased costs or be subject to penalties, which are not covered by the insurance we currently carry. Any of the above may adversely affect our business, financial condition, results of operations and cash flows.

In addition, we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India, generally for carrying out our business. Most of these approvals are granted for a limited duration and require renewal. Further, while we have applied for some of these approvals, we cannot assure you that such approvals will be issued or granted to us in a timely manner, or at all. If we do not receive such approvals or are not able to renew the approvals in a timely manner, our business and operations may be adversely affected. For details of such approvals, including the approvals and registrations that we have applied for and are pending renewal or have not applied for see "*Government and Other Approvals*" on page 335.

57. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian economy and markets are influenced by economies and market conditions in other countries across the globe. Economic instability in Asia, United States, United Kingdom, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any financial instability across the globe may increase volatility in the Indian markets, directly or indirectly, and adversely affect the Indian economy. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world may influence other nations and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, issues pertaining to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

These developments, or the probability that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

58. In case of rise in inflation in India, we may not be able to increase the price of our products at a proportional rate thereby reducing our margins.

India has experienced high inflation in the recent past. Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. Increased inflation may lead to an increase in interest rates and increased costs of logistics, wages, raw materials and other expenditure incurred in our business operations. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. We may be unable to reduce our costs or entirely offset any increases in costs with increases in prices for our products, wherein, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the Government has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that inflation levels in India will not worsen in the future.

59. Our Company has prepared financial statements under Ind AS. Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP.

Our financial statements, including the financial statements provided in this Red Herring Prospectus, are prepared in accordance with Ind AS. We have not attempted to quantify the impact of IFRS and U.S. GAAP or any other system of accounting principles on the financial data included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of IFRS, U.S. GAAP or any other accounting principles. IFRS and U.S. GAAP differ in significant respects from Ind AS. Accordingly, the degree to which the Ind AS financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

While we have built robust information technology, governance frameworks and operational management systems to manage our business operations and to support our future growth at both the store and corporate level, the increasing business complexity of our operations may place additional requirements on our systems, controls, procedures and management and, as a result, may strain our ability to manage our future growth. Many of our control systems are dependent on third-party software and technology. Our third-party software may be subject to damage, software errors, computer viruses, security breaches and the delayed or failed implementation of new updates. Damage or interruption to our third-party and other control systems may require a significant investment to fix or replace them, and we may suffer interruptions in our operations as a result.

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

The Competition Act, 2002, as amended (the "**Competition Act**") was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India (the "**CCI**") to separate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties. Any agreement among competitors which directly or indirectly involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of customers in the relevant market is presumed to have an appreciable adverse effect on competition in the relevant market in India and shall be void. Further, the Competition Act prohibits abuse of dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the contravention and liable to be punished.

The combination regulation (merger control) provisions under the Competition Act require that the acquisition of shares, voting rights, assets or control or mergers or amalgamations which exceed any of the prescribed asset and turnover based thresholds shall be mandatorily notified to and pre-approved by the CCI. Any breach of the provisions of the Competition Act by our Company may attract substantial monetary penalties.

The Competition Act aims to, among other things, prohibit all agreements and transactions, which may have an appreciable adverse effect in India. Consequently, certain agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. The Competition Act was amended in April 2023 to strengthen merger control by providing for faster timelines for merger approvals and increasing punishment for violations. We are not currently party to any outstanding proceedings, nor have we ever received any notice in relation to non-compliance with the Competition Act. Any enforcement proceedings initiated by the CCI in future, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI may affect our business, financial condition and results of operations.

61. Investors may not be able to enforce a judgment of a foreign court against us, our Directors or any of their directors and executive officers in India respectively, except by way of a law suit in India.

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

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908. India is not party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, United Arab Emirates, Singapore and Hong Kong. To be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the Indian Code of Civil Procedure, 1908. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the United States, cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India. The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India. Further, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approval would be acceptable. Such amount may also be subject to income tax in accordance with applicable law.

62. ***Our Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. The Offer Price, market capitalization to revenue multiple and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of the Company on listing or thereafter.***

Prior to the Offer, there has been no public market for the Equity Shares, and after the Offer, an active trading market for the Equity Shares may not develop. Listing and trading does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares will be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, actual or anticipated fluctuations in our operating results, the public's reaction to our press releases, other public announcements and filings with the regulator, changes in senior managerial personnel or key managerial personnel, changes in our shareholder base, changes in accounting standards, policies, guidance, interpretations or principles and changes in economic, legal and other regulatory factors.

Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all. There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all their investment.

The Offer Price of the Equity Shares is proposed to be determined by the Company in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through a book-building process, and certain quantitative and qualitative factors, including as set out in the section titled "*Basis for Offer Price*" on page 111 and the Offer Price, multiples and ratios may not be indicative of the market price of the Company on listing or thereafter. The relevant financial parameters based on which the Price Band would be determined, shall be disclosed in the advertisement that would be issued for publication of the Price Band.

The market price of the Equity Shares of our Company may fluctuate as a result of various factors, few of which are mentioned below, some of which are beyond our control:

(a) quarterly variations in our results of operations;

(b) results of operations that vary from the expectations of securities analysts and investors;

(c) results of operations that vary from those of our competitors;

(d) changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;

(e) a change in research analysts' recommendations;

(f) announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;

(g) announcements by third parties or governmental entities of significant claims or proceedings against us;

(h) new laws and governmental regulations applicable to our industry;

(i) additions or departures of key management personnel;

(j) changes in exchange rates;

(k) fluctuations in stock market prices and volume; and

(l) general economic and stock market conditions.

Any changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares of our Company.

B. Risks Relating to the Equity Shares and this Issue

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

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

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

64. We have issued Equity Shares during the preceding 12 months at prices that may be lower than the Offer Price. We cannot assure you that we will not issue Equity Shares in the future at a price lower than the Offer Price.

We have issued Equity Shares at prices that may be lower than the Offer Price in the last 12 months preceding the filing of this Red Herring Prospectus. For further details, see "*Capital Structure*" on page 85. The price at which our Company has issued the Equity Shares in the past is not indicative of the price at which they will be issued or traded. We cannot assure you that the Equity Shares to be issued in the future will be at or lower than the Offer Price.

65. Any fluctuation in the exchange rates between Indian and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

Upon listing of our Equity Shares, they will be quoted in Indian Rupees on the Stock Exchanges. Any dividends with respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse development in currency exchange rates during the time taken for such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Shareholders. For example, the exchange rate between the Indian Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results.

66. Investors may be subject to taxes arising out of capital gains on sale of Equity Shares in India.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realized on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long-term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of Securities Transaction Tax ("**STT**"), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short-term capital gains tax in India.

In terms of the Finance Bill (No.2), 2024, with effect from July 24, 2024, taxes payable by an assessee on the capital gains arising from transfer of long-term capital assets (introduced as Section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 12.5%, where the long-term capital gains exceed ₹125,000. The stamp duty for transfer of certain securities, other than debentures, on a delivery basis is currently specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

Under the Finance Act 2020, any dividends paid by an Indian company will be subject to tax in the hands of the shareholders at applicable rates. Such taxes will be withheld by the Indian company paying dividends. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

67. ***Investors may not be able to immediately sell the Equity Shares purchased in the Offer on any Indian Stock Exchange.***

The Equity Shares of our Company are proposed be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the commencement of listing and trading of the Equity Shares. Investors' demat accounts with the depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in the Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately two Working Days from the Bid/ Offer Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within three Working Days of the Bid/ Offer Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

68. ***Any further issuance of Equity Shares or convertible securities or other equity linked instruments by our Company in the future may dilute your shareholding and sale of Equity Shares by shareholders holding significant shares may adversely affect the trading price of the Equity Shares in the market.***

We may, in the future, require refinancing the growth of our Company via future equity offerings in the market. Any future equity issuances by our Company, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sale of our Equity Shares by our shareholders may adversely affect the trading price of the Equity Shares in the market, which may cause adverse implications including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. Additionally, any perception by investors that such issuances may occur may also affect the market price of our Equity Shares. There is no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

69. ***Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.***

Foreign ownership of Indian securities is subject to Government regulation. Under the consolidated foreign direct investment policy (effective from October 15, 2020) ("**FDI Policy**"), the Government of India has prescribed specific requirements and conditionalities with respect to the level of foreign investment permitted in certain business sectors both without prior regulatory approval (the "**Automatic Route**") and with prior regulatory approval (the "**Approval Route**"). Our Company is involved in brand retail sector which falls under the Approval Route. This may restrict our ability to raise capital in the future or in the ability of foreign investors to purchase Equity Shares of our Company.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), 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 falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Rules, all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of any such country, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Non-debt Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/purview, such subsequent change in the beneficial ownership will also require approval of the Government of India.

We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any terms or at all. For further details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 230.

70. Determination of the Price Band is based on various factors and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the Book Running Lead Managers ("BRLMs") is below their respective issue prices.

The Price Band for the Offer is based on various factors and assumptions, by our Company in consultation with the BRLMs. Further, the Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLMs through the Book Building Process. These will be based on various factors, including factors as described under "*Basis for Offer Price*" on page 111 and may not be indicative of the market price for the Equity Shares after the Offer.

Additionally, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLMs is below their respective issue price. For further details, see "*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the BRLMs*" on page 343. The factors that may affect the market price of the Equity Shares include, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop, or continuous trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

71. Non-Institutional Bidders and Qualified Institutional Bidders ("QIBs") are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid amount) at any stage after submitting a bid, and Retail Individual Bidders are not permitted to withdraw their Bids after Bid/Offer Closing Date.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are required to block the Bid amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of equity shares or the Bid Amount) at any stage after submitting a Bid. Similarly, Retail Individual Bidders can revise or withdraw their Bids at any time during the Bid/Offer Period and until the Bid/ Offer Closing date, but not thereafter. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within three Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by the SEBI, events affecting the investors' decision to invest in the Offer, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment.

We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the investors' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing. Therefore, QIBs and Non-Institutional Bidders will not be able to withdraw or lower their bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise between the dates of submission of their Bids and Allotment.

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

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

73. Your ability to acquire and sell Equity Shares is restricted by the distribution and transfer restrictions set forth in this Red Herring Prospectus.

No actions have been taken to permit a public offering of the Equity Shares in any jurisdiction, other than India. As such, the Equity Shares of our Company have not and will not be registered under the U.S. Securities Act, any state securities laws, or the law of any jurisdiction other than India. Furthermore, the Equity Shares are subject to restrictions on transferability and resale. The investors are required to inform themselves about and observe these restrictions. We, our representatives, and our agents will not be obligated to recognize any acquisition, transfer or resale of the Equity Shares made other than in compliance with the restrictions set forth herein.

74. A third party may be prevented from acquiring control of us post this Offer, pursuant to anti-takeover provisions under the Indian Law.

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

75. The rights of the shareholders of Companies under Indian law may be more restrictive compared to laws of other jurisdictions.

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

SECTION III – INTRODUCTION

THE OFFER

The details of the Offer are summarised below:

Offer	Up to [●] Equity Shares of face value ₹ 10 each aggregating up to ₹11,000 million
of which:	
(i) Fresh Issue(1)	Up to [●] Equity Shares of face value ₹ 10 each aggregating up to ₹8,500 million
(ii) Offer for Sale(2)	Up to [●] Equity Shares of face value ₹ 10 each aggregating up to ₹ 2,500 million
of which:	
A) QIB Portion(3)(4)	Not more than [●] Equity Shares
of which:	
Anchor Investor Portion(4)	Up to [●] Equity Shares
Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	[●] Equity Shares
of which:	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares
Balance of QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion(6)	Not less than [●] Equity Shares
Of which:	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million	[●] Equity Shares
Two-thirds of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹1.00 million	[●] Equity Shares
C) Retail Portion(5)	Not less than [●] Equity Shares
Pre- Offer and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as on the date of this Red Herring Prospectus)	118,000,000 Equity Shares of face value ₹ 10 each.
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of Net Proceeds	See "*Objects of the Offer*" on page 98 for details regarding the use of Net Proceeds. Our Company will not receive any proceeds from the Offer for Sale

(1) The Offer including the Fresh Issue has been approved by our Board pursuant to the resolutions passed at its meetings held on March 14, 2024, and by our Shareholders pursuant to a special resolution passed at their meeting held on March 18, 2024. Further, our Board has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholder pursuant to its resolution dated March 26, 2024.

(2) The Promoter Selling Shareholder has confirmed and authorized its participation in the Offer for Sale in relation to the Offered Shares. The Promoter Selling Shareholder confirms that the Offered Shares have been held by it for a period of at least one year prior to the filing of this Red Herring Prospectus with SEBI in accordance with Regulation 8 of the SEBI ICDR Regulations or are otherwise eligible for being offered for sale in the Offer in accordance with the provisions of the SEBI ICDR Regulations. The detail of such consent is provided below:

Name of the Promoter Selling Shareholder	Date of consent letter	Number of Offered Shares
SVG Business Trust	March 24, 2024	Up to [●] Equity Shares of face value ₹ 10 each aggregating up to ₹ 2,500 million

(3) Subject to valid bids being received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers, and the Designated Stock Exchange, subject to applicable laws. In case of under-subscription in the Offer, after meeting the minimum subscription requirement of 90% of the Fresh Issue, the balance subscription in the Offer will be met in the following order of priority: (i) through the sale of Offered Shares being offered by the

Promoter Selling Shareholder in the Offer for Sale in a proportional manner; and (ii) through the issuance of balance part of the Fresh Issue. In the event of under-subscription in the Offer, Equity Shares shall be allocated in the manner specified in "Terms of the Offer" on page 349.

(4) *Our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than [●] Equity Shares, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Offer Procedure" on page 359. Allocation to all categories shall be made in accordance with the SEBI ICDR Regulations.*

(5) *Allocation to Bidders in all categories except the Anchor Investor Portion, Non-Institutional Portion and the Retail Portion shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each RIB shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be allocated on a proportional basis. For further details, see "Offer Procedure" on page 359.*

(6) *The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one- third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub- category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non- Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.*

Allocation to Anchor Investors shall be on a discretionary basis in accordance with the SEBI ICDR Regulations. For further details, see "*Offer Procedure*" and "*Offer Structure*" on pages 359 and 356, respectively. For details of the terms of the Offer, see "*Terms of the Offer*" on page 349.

Pursuant to Rule 19(2)(b) of the SCRR, the Offer is being made for at least [●]% of the post- Offer paid-up equity share capital of our Company. Allocation to all categories, except the Anchor Investor Portion, if any, and the Retail Portion, shall be made on a proportionate basis, subject to valid Bids being received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For more information, including in relation to grounds for rejection of Bids, see "*Offer Structure*", "*Offer Procedure*" and "*Terms of the Offer*" on pages 356, 359 and 349, respectively.

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from the Restated Consolidated Financial Information. The summary financial information presented below should be read in conjunction with "Restated Consolidated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 230 and 301, respectively.

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Summary Restated Statement of Assets and Liabilities

(in ₹ million)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	1,501.99	1,415.06	1,429.07
Capital work-in-progress	35.16	35.16	35.16
Right to use assets	578.31	404.36	415.66
Goodwill	331.98	253.28	415.02
Other Intangible assets	9.61	10.69	75.28
Intangible assets under development			
Financial Assets			
Investments	9.52	11.53	11.53
Other financial assets	110.81	107.63	60.43
Other non-current assets	-	-	-
Total Non-Current Asset	**2,577.38**	**2,237.71**	**2,442.15**
Current assets			
Inventories	9,588.58	5,968.83	7 ,035.41
Financial Assets			
Trade receivables	377.07	394.99	288.16
Cash and cash equivalents	260.87	175.64	123.83
Other bank balances	535.53	317.35	328.97
Loans	2.34	1.64	14.92
Other financial assets	21.15	4 .60	8.38
Current tax assets (net)	-	39.56	-
Other current assets	1,286.87	1,485.21	860.57
Total Current Asset	**12,072.41**	**8,387.81**	**8,660.24**
Total Assets	**14,649.79**	**10,625.52**	**11,102.39**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	1,180.00	552.00	552.00
Instruments entirely equity in nature	-	628.00	628.00
	1,180.00	**1,180.00**	**1,180.00**
Other equity	4,163.77	2,555.26	1,912.20
Equity attributable to owners of the Company	**5,343.77**	**3,735.26**	**3,092.20**
Non-controlling interest	-	(77.92)	(272.07)
Total Equity	**5,343.77**	**3,657.34**	**2,820.13**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	919.41	941.63	764.55
Lease liabilities	457.35	312.59	325.96
Other Financial liabilities	43.16	40.16	33.91
Provisions	2.13	19.21	16.06
Deferred tax liabilities (net)	74.99	64.24	56.28
Other non-current liabilities	-	-	-
Total Non -Current Liabilities	**1,497.04**	**1,377.83**	**1,196.76**
Current liabilities			
Financial liabilities			
Borrowings	3,045.55	1,890.47	2,184.94
Lease liabilities	129.63	96.72	80.56
Trade payable			
Due to micro and small enterprise	64.21	-	-
Due to others	1,424.67	1,317.46	1,697.20
Other financial liabilities	79.20	52.06	54.09
Provisions	27.60	29.51	24.36
Current tax liabilities (net)	110.52	-	87.49
Other current liabilities	2,927.60	2,204.13	2,956.86
Total Current Liabilities	**7,808.98**	**5,590.35**	**7,085.50**
Total Equity and Liabilities	**14,649.79**	**10,625.52**	**11,102.39**

Summary Restated Statement of Profit and Loss

(in ₹ million)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Income			
Revenue from operations	61,109.45	45,075.19	25,556.34
Other income	81.59	517.93	306.71
Total income :	**61,191.04**	**45,593.12**	**25,863.05**
Expenses			
Cost of materials consumed	55,981.80	41,454.25	23,055.16
Employee benefit expenses	882.23	752.89	621.60
Finance cost	458.69	348.99	351.44
Depreciation and amortisation expense	231.93	215.37	218.08
Other expenses	1,552.75	1,640.78	766.47
Total expenses :	**59,107.40**	**44,412.28**	**25,012.75**
Profit/(Loss) before exceptional items and tax from continuing operations	**2,083.64**	**1,180.84**	**850.30**
Exceptional items	-	-	-
Profit/(loss) before tax	**2,083.64**	**1,180.84**	**850.30**
Tax Expense			
Current tax	528.87	235.84	148.11
Deferred Tax	11.34	7.99	7.05
Total tax expenses :	**540.21**	**243.83**	**155.16**
Profit/ (Loss) for the year/period, net of tax from continuing operations	**1,543.43**	**937.01**	**695.15**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
(a) Remeasurement Gain / (Loss) of the defined benefit plans	(2.39)	(0.09)	0.76
(ii) Income tax related to Items above			
(a) Tax relating to remeasurement of the defined benefit plans	0.60	0.02	(0.19)
(b) Tax relating to measurement of equity instruments at fair value			
Other Comprehensive Income for the year/period	**(1.79)**	**(0.07)**	**0.57**
Total comprehensive income for the year, net of tax	**1,541.64**	**936.94**	**695.72**
Profit Attributable to:			
i) Shareholders of the Company	1,543.43	742.85	576.03
ii) Non-controlling interests	-	194.15	119.12
Total Comprehensive Income Attributable to:			
i) Shareholders of the Company	1,541.64	742.79	576.50
ii) Non-controlling interests	-	194.14	119.22
Earnings Per Equity Share			
Basic earnings per share of face value of ₹10 each (in ₹)	21.59	16.97	12.59
Diluted earnings per share of face value of ₹ 10 each (in ₹)	13.08	7.94	5.89

Summary Restated Statement of Cashflow

(in ₹ million)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Cash flow from operating activities			
Profit / (loss) before tax from continuing operations	2,083.64	1,180.84	850.30
Adjustments for :			
Depreciation and amortization expense	231.93	215.37	218.08
Interest and other finance cost	458.69	348.99	351.44
Loss on Impairment of Investment	2.02	-	-
Gain on lease modification	(6.82)	-	(6.88)
(Profit)/ Loss sale of asset	(0.05)	-	-
Increase/(Decrease) in FCTR	(0.67)	-	-
Write off of liabilities	(1.13)	-	-
Interest income	(33.34)	(17.73)	(14.96)
Unwinding of interest income during the year	(5.57)	(4.60)	(5.13)
Unrealised foreign exchange (gain)/loss (net)	-	8.44	(32.46)
Doubtful advances and assets written-off	42.43	606.64	0.85
Other non-cash charges	77.92	-	-
Capital Reserve	89.80	(113.86)	14.76
	855.21	1,043.25	525.70
Operating profit/(loss) before working capital changes	**2,938.85**	**2,224.09**	**1,376.00**
Adjustments for changes in :			
(Increase)/ decrease in trade receivables	17.92	(106.83)	46.70
(Increase)/ decrease in inventories	(3,619.75)	1,066.58	(653.34)
(Increase)/ decrease in non-current financial assets	1.88	(45.58)	(0.52)
(Increase)/ decrease in other current and non current asset	199.04	(607.58)	(204.85)
Increase/ (decrease) in trade payables	172.55	(379.74)	958.48
Increase/ (decrease) in financial liablities (others)	30.15	4.20	7.01
Increase/ (decrease) in non-current provisions and current provisions	(21.37)	8.22	(1.31)
Increase/(decrease) in other current liabilities and non-current liabilities	723.47	(752.74)	(708.91)
Cash generated from / (used in) operations before tax	(2,496.12)	(813.47)	(556.74)
Income Taxes paid	(379.50)	(362.90)	(91.71)
Net cash inflow / (outflow) from operating activities	**63.23**	**1,047.72**	**727.55**
Cash flow from investing activities			
Capital expenditure on fixed assets including CWIP	(305.04)	(479.56)	(51.79)
Investment in equity instruments (unquoted)	2.02	-	(0.60)
Proceeds from fixed deposits	(218.19)	11.62	(178.65)
Proceeds from sale of fixed assets	0.26	-	-
Interest / income on investment received	33.34	17.73	14.96
Net cash flow from/(used in) investing activities	**(487.61)**	**(450.21)**	**(216.08)**
Cash Flow from financing activities			
Conversion of preference shares to CCNCPS	(24.24)	-	-
Increase / (decrease) in long term borrowings	(22.22)	177.08	296.13
Increase / (decrease) in current borrowings	1,155.08	(294.47)	(329.16)
Increase / (decrease) in lease liablities	(185.71)	(117.48)	(111.16)
Finance Cost other than Lease Liabilities	(413.27)	(310.83)	(312.83)
Net cash flow from / (used in) financing activities	**509.64**	**(545.70)**	**(457.02)**
Net increase / (decrease) in cash and cash equivalents	**85.24**	**51.80**	**54.46**
Cash and cash equivalents opening	175.64	123.83	69.37
Cash and cash equivalents closing	260.87	175.64	123.83
Components of Cash and cash equivalent			
Cash in hand	68.37	29.91	19.56
Balances with bank	192.50	145.73	104.27

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	260.87	**175.64**	**123.83**

GENERAL INFORMATION

Our Company was originally incorporated as *"P N Gadgil Jewellers Private Limited"* a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated October 28, 2013, issued by the RoC. The name of our Company was subsequently changed to "*P N Gadgil Jewellers Limited*", upon conversion of our Company from a private limited to a public limited company, pursuant to a board resolution dated February 16, 2023, and a shareholders' resolution dated March 10, 2023, and a fresh certificate of incorporation was issued on April 5, 2023, by the RoC.

Corporate Identity Number: U36912PN2013PLC149288

Company Registration Number: 149288

Registered Office of our Company

P N Gadgil Jewellers Limited
694, Narayan Peth
Pune – 411030
Maharashtra, India.

There has been no change in the registered office of our Company since its incorporation.

Corporate Office of our Company

P N Gadgil Jewellers Limited
PNG Vishwa, 359, Chitrashala Chowk
Laxmi Road, Narayan Peth
Pune – 411030
Maharashtra, India.

Address of the Registrar of Companies

Our Company is registered with the RoC located at the following address:

Registrar of Companies, Maharashtra at Pune
PCNTDA Green Building, Block A,
1st & 2nd Floor, Near Akurdi Railway Station,
Akurdi, Pune – 411044,
Maharashtra, India.

Board of Directors of our Company

Details regarding our Board of Directors as on the date of this Red Herring Prospectus are set forth below:

Name and Designation	DIN	Address
Saurabh Vidyadhar Gadgil *(Managing Director)*	00616563	2131, Kaustubh Bungalow, Vijay Nagar Colony, Sadashiv Peth, Pune, Maharashtra India- 411030
Parag Yashwant Gadgil *(Executive Director)*	01536943	4, Sarthak Apartment, 1901, Sadashiv Peth, Natubaug Bajirao Road, Sadashiv Peth, Pune, Maharashtra, India- 411030
Radhika Saurabh Gadgil *(Executive Director)*	00490499	2131, Kaustubh Bungalow, Vijayanagar Colony, Tilak Road, Sadashiv Peth, Pune, Maharashtra, India- 411030
Kiran Prakash Firodiya *(Executive Director and Chief Financial Officer)*	03386738	Flat Number 201/A 4, Aranyeshwar Park Phase- 2 Above ICICI Bank Sahkar Nagar, Pune, Maharashtra, India 411009
Yashwant Ramchandra Gaikwad *(Independent Director)*	02889522	Flat 18 Manshanti, 504 B, Near Rajmachikar Girani, Shaniwar Peth, Pune, Maharashtra, India 411030.
Ravindra Prabhakar Marathe *(Independent Director)*	07271376	Kapil Akhila, Flat No B -704, Sr. No. 32/1A/1, Baner, Pune, Maharashtra, India – 411045
Shaswati Vaishnav *(Independent Director)*	00627967	D-6, Kumar Classic, Near Parihar Chowk, Aundh, Pune, Maharashtra, India – 411007
Vaijayanti Ajit Pandit (*Independent Director*)	06742237	30, August Kranti Marg, Near Sripati Arcade Nana Chowk, Mumbai, Maharashtra, India-400036
Susmit Ajit Ranade (*Independent Director*)	09628716	Flat No. 6, Atm Ganga apartment, 121, Shukrawar Peth, Satara, Maharashtra, India - 415002

For brief profiles and further details of our Directors, see "*Our Management – Brief Biographies of our Directors*" on page 205.

Filing of the Draft Red Herring Prospectus and this Red Herring Prospectus

A copy of the Draft Red Herring Prospectus was and a copy of this Red Herring Prospectus will be filed electronically on the SEBI Intermediary Portal at n the platform provided by SEBI and at cfddil@sebi.gov.in, in accordance with Regulation 25(8) of the SEBI ICDR Regulations and the SEBI ICDR Master Circular and has been emailed at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "Easing of Operational Procedure – Division of Issues and Listing – CFD" and will also be filed with the SEBI at the following address:

Securities and Exchange Board of India
Corporation Finance Department, Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex Bandra (E)
Mumbai 400 051,
Maharashtra, India.

A copy of this Red Herring Prospectus, along with the material contracts and documents required to be filed with the RoC in accordance with Section 32 of the Companies Act has been filed, and a copy of the Prospectus shall be filed with the RoC as required under Section 26 of the Companies Act and through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do.

Company Secretary and Compliance Officer

Hiranyamai Kulkarni is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth below:

Hiranyamai Kulkarni
PNG Vishwa, 359,
Chitrashala Chowk Laxmi Road,
Narayan Peth Pune,
Maharashtra, India – 411 030
Telephone: +91 20 2447 8474
E-mail: secretarial@pngadgil.com

Investor Grievances

Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, investors may also write to the BRLMs.

All Offer-related grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediaries in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

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

Book Running Lead Managers

Motilal Oswal Investment Advisors Limited
Motilal Oswal Tower, Rahimtullah, Sayani
Road, Opposite Parel ST Depot, Prabhadevi
Mumbai – 400 025, Maharashtra, India.
Telephone: + 91 22 7193 4380
E-mail: png.ipo@motilaloswal.com
Investor Grievance E-mail: moiaplredressal@motilaloswal.com
Website: www.motilaloswalgroup.com
Contact person: Kunal Thakkar/ Sankita Ajinkya
SEBI Registration No.: INM000011005

Nuvama Wealth Management Limited
(formerly known as Edelweiss Securities Limited)
801 -804 Wing A Building No 3
Inspire BKC G Block
Bandra Kurla Complex
Bandra East, Mumbai 400 051
Maharashtra, India.
Telephone: + 91 22 4009 4400
E-mail: png.ipo@nuvama.com
Website: www.nuvama.com
Investor grievance E-mail: customerservice.mb@nuvama.com
Contact person: Manish Tejwani
SEBI Registration No.: INM000013004

BOB Capital Markets Limited
1704, B Wing, 17th Floor
Parinee Crescenzo, Plot No. C – 38/39
G Block, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India.
Telephone: +91 22 6138 9353
E-mail: png.ipo@bobcaps.in
Investor Grievance E-mail: investorgrievance@bobcaps.in
Website: www.bobcaps.in
Contact person: Nivedika Chavan
SEBI Registration No.: INM000009926

Statement of inter-se allocation of responsibilities amongst the BRLMs

The responsibilities and coordination by the BRLMs for various activities in the Offer are as follows:

S. No.	Activity	Responsibility	Coordinator
1.	Capital structuring, due diligence of the Company including its operations / management / business plans / legal, etc. Drafting and design of the Draft Red Herring Prospectus, this Red Herring Prospectus, the Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI, including finalisation of Prospectus.	Motilal Oswal, Nuvama and BOBCAPS	Motilal Oswal
2.	Drafting and approval of statutory advertisements.	Motilal Oswal, Nuvama and BOBCAPS	Motilal Oswal
3.	Drafting and approval of all publicity material other than statutory advertisements, including corporate advertising, brochures, media monitoring, etc. and filing of media compliance report.	Motilal Oswal, Nuvama and BOBCAPS	BOBCAPS
4.	Appointment of intermediaries such as Registrar to the Offer, advertising agency, Banker(s) to the Offer, Sponsor Bank, printer and other intermediaries, including coordination of all agreements to be entered into with such intermediaries.	Motilal Oswal, Nuvama and BOBCAPS	Nuvama
5.	International institutional marketing of the Offer, which will cover, among other things: • Institutional marketing strategy; • Finalizing the list and division of international investors for one-to-one meetings; and	Motilal Oswal, Nuvama and BOBCAPS	Nuvama

S. No.	Activity	Responsibility	Coordinator
	• Finalizing international road show and investor meeting schedule. Preparation of road show marketing presentation and frequently asked questions.		
6.	Domestic institutional marketing of the Offer, which will cover, among other things: • Institutional marketing strategy; • Finalizing the list and division of domestic investors for one-to-one meetings; and • Finalizing domestic road show and investor meeting schedule.	Motilal Oswal, Nuvama and BOBCAPS	Motilal Oswal
7.	Retail and Non-Institutional marketing of the Offer, which will cover, among other things: • Finalising media, marketing, public relations strategy and publicity; • Budget including list of frequently asked questions at retail road shows; • Finalising collection centres; • Finalising application form; and • Finalising centres for holding conferences for brokers etc. Follow-up on distribution of publicity and issue material including form, Red Herring Prospectus/ Prospectus and deciding on the quantum of the issue material.	Motilal Oswal, Nuvama and BOBCAPS	BOBCAPS
8.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading, anchor coordination, anchor CAN and intimation of anchor allocation.	Motilal Oswal, Nuvama and BOBCAPS	BOBCAPS
9.	Managing the book and finalization of pricing in consultation with the Company.	Motilal Oswal, Nuvama and BOBCAPS	Nuvama
10.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with registrar, SCSBs and Bankers to the Offer, intimation of allocation and dispatch of refund to bidders, etc. Post-Offer activities, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising our Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-Offer activity such as registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit (if any) and submission of all post-Offer reports including the initial and final post-Offer report to SEBI.	Motilal Oswal, Nuvama and BOBCAPS	Nuvama

Syndicate Members

Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)
801 -804, Wing A, Building No 3 Inspire BKC
G Block Bandra Kurla Complex
Bandra East
Mumbai 400 051
Maharashtra, India
Telephone:+91 22 4009 4400
E-mail: png.ipo@nuvama.com
Website:www.nuvama.com
Contact Person: Prakash Boricha
SEBI Registration Number: INZ000166136

Motilal Oswal Financial Services Limited
Motilal Oswal Tower
Rahimtullah Sayani Road
Opposite Parel ST Depot
Prabhadevi
Mumbai 400 025
Maharashtra, India
Telephone: +91 22 7193 4200 / +91 22 7193 4263

Email: ipo@motilaloswal.com / santosh.patil@motilaloswal.com
Website: www.motilaloswal.com
Contact Person: Santosh Patil
SEBI Registration Number: INZ000158836

Legal Counsel to the Company as to Indian Law

Trilegal
DLF Cyber Park,
Tower C, 1st Floor,
Phase II, Udyog Vihar,
Sector 20, Gurugram
Haryana 122008, India
Telephone: +91 12 4625 8598

Registrar to the Offer

Bigshare Services Private Limited
S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri East, Mumbai – 400093,
Telephone: 022 62638200
E-mail: ipo@bigshareonline.com
Investor Grievance E-mail: investor@bigshareonline.com
Website: www.bigshareonline.com
Contact person: Vinayak Morbale
SEBI Registration no: INR000001385

Bankers to the Offer

Escrow Collection Bank

ICICI Bank Limited
Capital Market Division
163, 5th Floor, H.T.Parekh Marg
Backbay Reclamation, Churchgate,
Mumbai – 400020,
Maharashtra
Telephone: +91 022 68052182
E-mail: varun.badai@icicibank.com
Website: www.icicibank.com
Contact Person: Varun Badai

Public Offer Account Bank

HDFC Bank Limited
FIG-OPS Department - Lodha,
I Think Techno Campus, 0-3 Level,
Next to Kanjurmarg Railway Station,
Kanjurmarg (East), Mumbai - 400042,
Maharashtra
Telephone: +91 022 3075 2929/2928/ 2914
E-mail: siddharth.jadhav@hdfcbank.com, sachin.gawade@hdfcbank.com, eric.bacha@hdfcbank.com, tushar.gavankar@hdfcbank.com, pravin.teli2@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Eric Bacha, Sachin Gawade, Pravin Teli, Siddarth Jadhav, Tushar Gavankar

Refund Bank

ICICI Bank Limited
Capital Market Division
163, 5th Floor, H.T.Parekh Marg

Backbay Reclamation, Churchgate,
Mumbai – 400020,
Maharashtra
Telephone: +91 022 68052182
E-mail: varun.badai@icicibank.com
Website: www.icicibank.com
Contact Person: Varun Badai

Sponsor Banks

HDFC Bank Limited
FIG-OPS Department - Lodha,
I Think Techno Campus, 0-3 Level,
Next to Kanjurmarg Railway Station,
Kanjurmarg (East), Mumbai - 400042,
Maharashtra
Telephone: +91 022 3075 2929/2928/ 2914
E-mail: siddharth.jadhav@hdfcbank.com, sachin.gawade@hdfcbank.com, eric.bacha@hdfcbank.com, tushar.gavankar@hdfcbank.com, pravin.teli2@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Eric Bacha, Sachin Gawade, Pravin Teli, Siddarth Jadhav, Tushar Gavankar

ICICI Bank Limited
Capital Market Division
163, 5th Floor, H.T.Parekh Marg
Backbay Reclamation, Churchgate,
Mumbai – 400020,
Maharashtra
Telephone: +91 022 68052182
E-mail: varun.badai@icicibank.com
Website: www.icicibank.com
Contact Person: Varun Badai

Statutory Auditors to our Company

GDA & Associates, Chartered Accountants
Ramkamal, 484/74, Mitra Mandal Society,
Parvati, Pune- 411009,
Maharashtra, India.
Email: gdaassociates@gmail.com
Telephone: +91 98509 63596
Peer Review Certificate No.: 015825
Firm Registration No.: 135780W

Changes in auditors

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

Particulars	Date of change	Reason for change
G. D. Apte & Co., Chartered Accountants GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road. Pune - 411 038. **Telephone:** +91 20 6680 7200 **E-mail**: audit@gdaca.com **Firm Registration No**: 100515W **Peer Review Certificate No**: 135780W	August 31, 2023	Resignation upon completion of term as the statutory auditors of the Company.
GDA & Associates, Chartered Accountants Ramkamal, 484/74, Mitra Mandal Society, Parvati, Pune- 411009, Maharashtra, India. **Telephone:** +91 98509 63596 **E-mail**: gdaassociates@gmail.com **Firm registration number**: 135780W	August 31, 2023	Appointment as the statutory auditors of the Company.

Bankers to our Company

Saraswat Co-Operative Bank Limited
C-2, Kohinoor Estate CHS
Plot No -12, Mula Road
Sangamwadi
Pune – 411003
Telephone: +91 20-4142 2212
E-mail: prajakta.khadilkar@saraswatbank.com
Website: www.saraswatbank.com
Contact person: Prajakta Khadilkar

Karnataka Bank Limited
1369, Siddhi Platinum
Natu Baug Chowk
Sadashiv Peth
Pune – 411030
Telephone: +91 20-2445 0884
E-mail: pune.main@ktkbank.com
Website: www.karnatakabank.com
Contact person: Badari Prasad / Ramchandra Dalal

Janata Sahakari Bank Limited
1444, Shukrawar Peth
Thorale Bajirao Road
Pune – 411002
Telephone: +91 20-2445 3258, +91 20-2445 3259,
+91 20-2445 2894
E-mail: jsbho@janatabankpune.com
Website: www.janatabankpune.com
Contact person: Mandar Arun Deshpande

HDFC Bank Limited
5th Floor, Marathon IT Park
Bund Garden Road
Pune – 411001.
Telephone: +91 20 6769 4648
E-mail: vishu.gupta@hdfcbank.com
Website: www.hdfcbank.com
Contact person: Vishu Gupta

State Bank of India
Industrial Finance Branch
Pune, Tara Chambers
Pune – 411003
Telephone: +91 20-2561 8211
Email: rm1.ifbpune@sbi.co.in
Contact person: Prabhakar Kumar Singh

Bank of Baroda
MIDC Corporate Branch
Erandwane
Pune – 411004
Telephone: +91 20-2570 5906
Email: midpne@bankofbaroda.com
Website: www.bankofbaroda.com
Contact person: Rashmi Bisen

Axis Bank Limited
Axis Bank Limited I Loan Center
I S No.-108/7, Ist Floor I Pride House
Shivaji Nagar I University Road, Opp NIC
Pune – 411016
Telephone: +91 73910 96711
Email: vinay.chaudhari@axisbank.com
Contact person: Vinay Chaudhari

Central Bank of India
317, Zonal Office Building
M G Road, Pune Camp
Pune – 411001
Telephone: +91 992320 0362
Email: bmpune3863@centralbank.co.in
Website: www.centralbankofindia.co.in
Contact person: Manoj Pande

Bandhan Bank Limited
Bhandarkar Road Branch, AL/2, Herekar Park
Ketkar Road, Off Kamla Nehru Park
Pune – 411004
Telephone: +91 20-2567 1080
Email: CTMC.Pune@bandhanbank.com
Website: www.bandhanbank.com
Contact person: Nikhil Mandalkar

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which an ASBA Bidder (other than UPI Bidders using the UPI Mechanism), not bidding through Syndicate/ Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Bidders (other than RIBs) is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Self-Certified Syndicate Banks and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders using the UPI Mechanism may only apply through the SCSBs and mobile applications whose names appears on the website of the SEBI, which may be updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI Mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and is also available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for SCSBs and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 for mobile applications or at such other websites as may be prescribed by SEBI from time to time.

Syndicate Self-Certified Syndicate Banks Branches

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stockbroker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Grading of the Offer

No credit agency registered with SEBI has been appointed for grading for the Offer.

Monitoring Agency

Our Company has appointed ICRA Limited, a credit rating agency registered with SEBI as the monitoring agency prior to the filing of this Red Herring Prospectus in accordance with Regulation 41 of SEBI ICDR Regulations, for monitoring of the utilisation of the proceeds from the Fresh Issue. For details in relation to the proposed utilisation of the proceeds from the Fresh Issue, please see "*Objects of the Offer*" on page 98.

ICRA Limited
B-710, Statesman House 148,
Barakhamba Road
New Delhi-110001
Delhi, India

Telephone: 011-23357940-45
Email: shivakumar@icraindia.com
Contact Person: Mr. L Shivakumar

Expert

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

Our Company has received written consent dated August 26, 2024 from GDA & Associates, Chartered Accountants, Statutory Auditors, holding a valid peer review certificate from ICAI, to include their name as required under Section 26 (5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Red Herring Prospectus, and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated August 24, 2024 relating to the Restated Consolidated Financial Information and (ii) the statement of tax benefits dated August 26, 2024 included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has also received written consent dated September 4, 2024,from Neha Patel, Independent Architect, to include her name as required under Section 26 of the Companies Act, 2013 in this Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in her capacity as an architect, in relation to her certificate and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has also received written consent dated August 26, 2024 from Technopak Advisors Private Limited to include their name as required under Section 26 of the Companies Act, 2013 in this Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in relation to the Technopak Report and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Credit Rating

As the Offer is of Equity Shares, credit rating is not required.

Debenture Trustees

As the Offer is of Equity Shares, the appointment of debenture trustees is not required.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from Bidder on the basis of this Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band and the minimum Bid lot which will be decided by our Company, in consultation with the BRLMs and advertised in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and the Pune edition of Loksatta (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective website. The Offer Price shall be determined by our Company in consultation with the BRLMs after the Bid/Offer Closing Date.

All Investors (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs, or in the case of UPI Bidders, by using the UPI Mechanism. In addition to this, the UPI Bidders may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer

Closing Date. Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bid/Offer Period. Except Allocation to Retail Individual Bidders, Non-Institutional Bidders and the Anchor Investors, Allocation in the Offer will be on a proportionate basis. For further details on the Book Building Process and the method and process of Bidding, see *"Terms of the Offer"*, *"Offer Procedure"* and "*Offer Structure*" on pages 349, 359 and 356, respectively.

The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI and is subject to change. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid in the Offer.

Investors should note the Offer is also subject to obtaining final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment within three Working Days of the Bid/Offer Closing Date or such other time as prescribed under applicable law.

For an illustration of the Book Building Process, price discovery process and allocation, see "*Offer Procedure*" on page 359.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company, and the Promoter Selling Shareholder will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten by each BRLM shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(The Underwriting Agreement has not been executed as on the date of this Red Herring Prospectus. This portion has been intentionally left blank and will be completed before filing of the Prospectus with the RoC)

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

The underwriting commitments are indicative and will be finalised after pricing of the Offer, the Basis of Allotment and actual allocation in accordance with provisions of the SEBI ICDR Regulations.

The abovementioned Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. Our Board/ IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company. Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

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

(in ₹, except share data)

S.No.	Particulars	Aggregate nominal value	Aggregate value at Offer Price*
A)	**AUTHORISED SHARE CAPITAL**(1)		
	200,000,000 Equity Shares of face value of ₹ 10	2,000,000,000	-
	Total	**2,000,000,000**	
B)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	118,000,000 Equity Shares of face value of ₹ 10	1,180,000,000	-
C)	**PRESENT OFFER**(2)		
	Offer of up to [●] Equity Shares	[●]	[●]
	Of which:		
	Fresh Issue of up to [●] Equity Shares of face value of ₹ 10 aggregating up to ₹ 8,500.00 million	[●]	[●]
	Offer for Sale of up to [●] Equity Shares of face value of ₹ 10 by the Promoter Selling Shareholder aggregating up to ₹ 2,500.00 million (3)	[●]	[●]
E)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**+		
	[●] Equity Shares	[●]	[●]
F)	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer		Nil
	After the Offer*		[●]

**To be updated upon finalisation of the Offer Price.*

+ *Assuming full subscription in the Offer.*

(1) *For details in relation to the changes in the authorised share capital of our Company in the last 10 years, see "History and Certain Corporate Matters – Amendments to the Memorandum of Association" on page 198.*

(2) *Our Board has authorised the Offer, including the Fresh Issue, pursuant to its resolution dated March 14, 2024. Our Shareholders have authorised the Fresh Issue pursuant to a special resolution dated March 18, 2024. Further, our Board has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholder pursuant to its resolution dated March 26, 2024.*

(3) *The Promoter Selling Shareholder has specifically confirmed that it has approved inclusion of the Offered Shares in the Offer for Sale. The Promoter Selling Shareholder has confirmed that the Offered Shares have been held by it for a period of at least one year prior to the filing of this Red Herring Prospectus and are accordingly eligible for being offered for sale in terms of Regulation 8 of the SEBI ICDR Regulations. For detail of the consent by the Promoter Selling Shareholder in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures - Authority for the Offer" on page 337.*

Notes to Capital Structure

1. **Equity share capital history of our Company**

   (a) The following table sets forth the history of the Equity share capital of our Company:

[The remainder of this page has been left blank intentionally]

Date of allotment	Nature of allotment	Details of allottees/ shareholders and Equity Shares allotted	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
October 25, 2013[(1)]	Initial subscription to the Memorandum of Association	1,000 Equity Shares of face value of ₹ 10 were allotted to Anant Ganesh Gadgil, 18,000 Equity Shares of face value of ₹ 10 were allotted to Vidyadhar Anant Gadgil, 55,000 Equity Shares were allotted to Saurabh Vidyadhar Gadgil, and 26,000 equity shares were allotted to Parag Yashwant Gadgil	100,000	10	10	Cash	100,000	1,000,000
August 23, 2014	Rights issue in the ratio of 1:455*	25,480,000 Equity Shares of face value of ₹ 10were allotted to Saurabh Vidyadhar Gadgil, 11,830,000 Equity Shares of face value of ₹ 10 were allotted to Parag Yashwant Gadgil, and 8,190,000 Equity Shares were allotted to Vidyadhar Anant Gadgil	45,500,000	10	10	Cash	45,600,000	456,000,000
December 7, 2015	Rights issue in the ratio of 19:4*	5,376,000 Equity Shares of face value of ₹ 10 were allotted to Saurabh Vidyadhar Gadgil, 2,496,000 Equity Shares of face value of ₹ 10 were allotted to Parag Yashwant Gadgil, and 1,728,000 Equity Shares of face value of ₹ 10 were allotted to Vidyadhar Anant Gadgil	9,600,000	10	Not Applicable	Conversion of loan[(2)]	55,200,000	552,000,000
January 10, 2024	Conversion of CCNPS	62,800,000 Equity Shares of face value of ₹ 10 allotted to SVG Business Trust	62,800,000	10	Not Applicable[(3)]	Not Applicable[(3)]	118,000,000	1,180,000,000

** The ratio indicated in the table above is 'a:b', meaning that for every 'a' number of shares held by the shareholder, 'b' number of shares will be allotted.*

[(1)] *The Company was incorporated on October 28, 2013; the Equity Shares were subscribed on October 25, 2013, pursuant to initial subscription to the Memorandum of Association.*

[(2)] *Our Company had availed unsecured loans for an aggregate amount of ₹160.00 million from (i) Saurabh Vidyadhar Gadgil (loan amounting to ₹89.60 million), (ii) Parag Yashwant Gadgil (loan amounting to ₹ 41.60 million), and (iii) Vidyadhar Anant Gadgil (loan amounting to ₹ 28.80 million) (together, the "**Lenders**"). The Board, pursuant to its resolution dated November 10, 2015, approved the conversion of these loans into Equity Shares and preference shares of the Company. Accordingly, the outstanding amount for the unsecured loans was adjusted as the consideration* *to be paid by the allottees for the rights issue of the Equity Shares. Pursuant to the letter of offer dated November 11, 2015, the Company issued 9,600,000 Equity Shares on a rights basis to the equity shareholders. The Board, vide its resolution dated December 7, 2015, allotted 9,600,000 Equity Shares to the Lenders by way of the rights issue.*

(3) *No consideration was paid at the time of allotment of Equity Shares pursuant to conversion of CCNPS; the terms of the preference shares issued by our Company were changed from NCRPS into CCNPS, which CCNPS were then converted into Equity Shares. For details in relation to build-up of 62,800,000 NCRPS allotted to SVG Business Trust, please see "Capital Structure – Notes to Capital Structure - Preference share capital history of our Company" on page 87.*

2. **Preference share capital history of our Company**

Our Company does not have any outstanding preference shares, as of the date of this Red Herring Prospectus. The following table sets forth the history of the preference share capital of our Company:

Date of allotment	Nature of allotment	Details of allottees/ shareholders and preference shares allotted	Number of preference shares allotted	Face value per preference share (₹)	Issue price per preference share (₹)	Nature of consideration	Cumulative number of preference shares
August 23, 2014	Rights issue in the ratio of 1:304*	17,024,000 8% Non-Convertible Redeemable Preference Shares ("**NCRPS**") were allotted to Saurabh Vidyadhar Gadgil, 7,904,000 NCRPS were allotted to Parag Yashwant Gadgil, and 5,472,000 NCRPS were allotted to Vidyadhar Anant Gadgil	30,400,000 NCRPS	10	10	Cash	30,400,000
December 7, 2015	Rights issue in the ratio of 19:4*	3,584,000 NCRPS were allotted to Saurabh Vidyadhar Gadgil, 1,664,000 NCRPS were allotted to Parag Yashwant Gadgil, and 1,152,000 NCRPS were allotted to Vidyadhar Anant Gadgil	6,400,000 NCRPS	10	Not Applicable	Conversion of Loan(1)	36,800,000
September 12, 2016	Rights issue in the ratio of 92:65*	14,560,000 NCRPS were allotted to Saurabh Vidyadhar Gadgil, 6,760,000 NCRPS were allotted to Parag Yashwant Gadgil, and 4,680,000 NCRPS were allotted to Vidyadhar Anant Gadgil	26,000,000 NCRPS	10	10	Cash	62,800,000

** The ratio indicated in the table above is 'a:b', meaning that for every 'a' number of shares held by the shareholder, 'b' number of shares will be allotted.*

(1) *Our Company had availed unsecured loans for an aggregate amount of ₹160.00 million from (i) Saurabh Vidyadhar Gadgil (loan amounting to ₹89.60 million), (ii) Parag Yashwant Gadgil (loan amounting to ₹ 41.60 million), and (iii) Vidyadhar Anant Gadgil (loan amounting to ₹ 28.80 million) (together, the "**Lenders**"). The Board, pursuant to its resolution dated November 10, 2015, approved the conversion of these loans into Equity Shares and preference shares of the Company. Accordingly, the outstanding amount for the unsecured loans was adjusted as the consideration to be paid by the allottees for the rights issue of the preference shares. Pursuant to the letter of offer dated November 11, 2015, the Company issued 6,400,000 preference shares on a rights basis to the Lenders. The Board, vide its resolution dated December 7, 2015, allotted 6,400,000 preference shares to the Lenders by way of the rights issue.*

Our Company had issued NCRPS which were redeemable upon completion of its term of 12 years. Pursuant to the special resolution passed by the holders of NCRPS of our Company and the consent of the shareholders of our Company, both dated March 19, 2021, our Company varied the terms of the preference shares issued by our Company from NCRPS into CCNPS, which were to be converted into Equity Shares in the ratio of 1:1 upon completion of the term of these preference shares (i.e., 12 years) or at any earlier date as deemed fit by our Board. Further, pursuant to the consent of the holder of CCNPS and resolution passed by the Board, each dated December 6, 2023, and resolution passed by the shareholders of our Company at the extra-ordinary general meeting of our Company dated December 28, 2023, our Company varied the terms of the CCNPS by reducing the period of conversion of the CCNPS into Equity Shares from 12 years to on or before March 31, 2024, in the ratio of 1:1. Pursuant to the resolution passed by the shareholders of our Company at the extra-ordinary general meeting of our Company dated December 28, 2023, approval was granted for conversion of 62,800,000 CCNPS into 62,800,000 Equity Shares of our Company. The Board, *vide* its resolution dated January 10, 2024, allotted 62,800,000 Equity Shares to the erstwhile holder of the CCNPS, i.e., SVG Business Trust. Accordingly, as of the date of this Red Herring Prospectus, no preference shares are outstanding.

3. **Shares issued for consideration other than cash**

Except as disclosed below, our Company has not issued any shares for consideration other than cash since its incorporation.

Equity Shares

Date of allotment	Details of allottees/ shareholders and equity shares allotted	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration
December 7, 2015	5,376,000 Equity Shares of face value of ₹ 10 were allotted to Saurabh Vidyadhar Gadgil, 2,496,000 Equity Shares of face value of ₹ 10 were allotted to Parag Yashwant Gadgil, and 1,728,000 Equity Shares were allotted to Vidyadhar Anant Gadgil	9,600,000	10	Not Applicable	Conversion of Loan *

Our Company had availed unsecured loans for an aggregate amount of ₹160.00 million from (i) Saurabh Vidyadhar Gadgil (loan amounting to ₹89.60 million), (ii) Parag Yashwant Gadgil (loan amounting to ₹ 41.60 million), and (iii) Vidyadhar Anant Gadgil (loan amounting to ₹ 28.80 million) (together, the "Lenders**"). The Board, pursuant to its resolution dated November 10, 2015, approved the conversion of these loans into Equity Shares and preference shares of the Company. Accordingly, the outstanding amount for the unsecured loans was adjusted as the consideration to be paid by the allottees for the rights issue of the Equity Shares. Pursuant to the letter of offer dated November 11, 2015, the Company issued 9,600,000 Equity Shares on a rights basis to the equity shareholders. The Board, vide its resolution dated December 7, 2015, allotted 9,600,000 Equity Shares to the Lenders by way of the rights issue. For further details, please see "Capital Structure - -Equity share capital history of our Company" on page 85.*

Preference Shares

Date of allotment	Details of allottees/ shareholders and preference shares allotted	No. of preference shares allotted	Face value per preference share (₹)	Issue price per preference share (₹)	Nature of consideration
December 7, 2015#	3,584,000 NCRPS were allotted to Saurabh Vidyadhar Gadgil, 1,664,000 NCRPS were allotted to Parag Yashwant Gadgil, and 1,152,000 NCRPS were allotted to Vidyadhar Anant Gadgil	6,400,000 NCRPS	10	Not Applicable	Conversion of Loan ^

*^Our Company had availed unsecured loans for an aggregate amount of ₹160.00 million from (i) Saurabh Vidyadhar Gadgil (loan amounting to ₹89.60 million), (ii) Parag Yashwant Gadgil (loan amounting to ₹ 41.60 million), and (iii) Vidyadhar Anant Gadgil (loan amounting to ₹ 28.80 million) (together, the "**Lenders**"). The Board, pursuant to its resolution dated November 10, 2015, approved the conversion of these loans into Equity Shares and preference shares of the Company. Accordingly, the outstanding amount for the unsecured loans was adjusted as the consideration to be paid by the allottees for the rights issue of the preference shares. Pursuant to the letter of offer dated November 11, 2015, the Company issued 6,400,000 preference shares on a rights basis to the Lenders. The Board, vide its resolution dated December 7, 2015, allotted 6,400,000 preference shares to the Lenders by way of the rights issue. For further details, please see "Capital Structure – Preference share capital history of our Company" on page 87.*

4. **Shares issued out of revaluation reserves**

Our Company has not issued any shares out of revaluation reserves since its incorporation.

5. **Issue of equity shares pursuant to Sections 230 to 234 of the Companies Act, 2013**

Our Company has not allotted any equity shares pursuant to any scheme approved under Sections 391-394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act, 2013, each as amended.

6. **Issue of Shares at a price lower than the Offer Price in the last year**

Other than as disclosed in "*Capital Structure – Equity share capital history of our Company*" on page 85, our Company has not issued any Equity Shares or preference shares at a price which may be lower than the Offer Price during a period of one year preceding the date of this Red Herring Prospectus.

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

As on the date of this Red Herring Prospectus, our Company has no employee stock option scheme. Accordingly, our Company has not issued any shares pursuant to the exercise of options which have been granted under any employee stock option scheme.

8. **History of the share capital held by the Promoters'**

As on the date of this Red Herring Prospectus, our Promoters hold, in aggregate, 117,999,600 Equity Shares, which constitute 99.99% of the issued, subscribed and paid-up Equity Share capital of our Company. All the Equity Shares held by our Promoters are in dematerialised form. The details regarding our Promoters' shareholding are set forth below.

a) Build-up of Promoters' shareholding in our Company

Set forth below is the build-up of our Promoters' equity shareholding since the incorporation of our Company.

Date of allotment/ transfer	Number of equity shares allotted/ transferred	Face value per equity share (₹)	Issue/ acquisition/ transfer price per equity share (₹)	Nature of consideration	Nature of transaction	% of the pre-Offer equity share capital	% of the post-Offer equity share capital
Saurabh Vidyadhar Gadgil							
October 25, 2013[(1)]	55,000	10	10	Cash	Initial subscription to the Memorandum of Association	Negligible	[●]
February 28, 2014	1,000	10	Not Applicable	Other than cash	Transmission of Equity Shares from Anant Ganesh Gadgil	Negligible	[●]
August 23, 2014	25,480,000	10	10	Cash	Rights issue in the ratio of 1:455	21.59%	[●]
February 4, 2015	(1)	10	10	Cash	Transfer of Equity Shares to Neha Anil Yadav	Negligible	[●]
February 4, 2015	(1)	10	10	Cash	Transfer of Equity Shares to Sandesh Hanumant Deodikar	Negligible	[●]
December 7, 2015	5,376,000	10	Not Applicable	Other than Cash	Rights issue in the ratio of 19:4	4.56%	[●]
January 11, 2016	(25,536,000)	10	10	Cash	Transfer of Equity Shares to SVG Business Trust	21.64%	[●]
February 26, 2016	1	10	10	Cash	Transfer of Equity Shares from Neha Anil Yadav	Negligible	[●]
February	1	10	10	Cash	Transfer of	Negligible	[●]

Date of allotment/ transfer	Number of equity shares allotted/ transferred	Face value per equity share (₹)	Issue/ acquisition/ transfer price per equity share (₹)	Nature of consideration	Nature of transaction	% of the pre-Offer equity share capital	% of the post-Offer equity share capital
26, 2016					Equity Shares from Sandesh Hanumant Deodikar		
May 9, 2016	(5,376,000)	10	10	Cash	Transfer of Equity Shares to SVG Business Trust	4.56%	[●]
March 20, 2023	100	10	23.22	Cash	Transfer of Equity Shares from PYG Family Trust	Negligible	[●]
Total (A)	**100**					**Negligible**	**[●]**
Radhika Saurabh Gadgil							
March 20, 2023	100	10	23.22	Cash	Transfer of Equity Shares from PYG Family Trust	Negligible	[●]
Total (B)	**100**					**Negligible**	
SVG Business Trust							
January 11, 2016	25,536,000	10	10	Cash	Transfer of Equity Shares from Saurabh Vidyadhar Gadgil	21.64%	[●]
January 11, 2016	8,208,000	10	10	Cash	Transfer of Equity Shares from Vidyadhar Anant Gadgil	6.96%	[●]
May 9, 2016	5,376,000	10	10	Cash	Transfer of Equity Shares from Saurabh Vidyadhar Gadgil	4.56%	[●]
May 9, 2016	1,728,000	10	10	Cash	Transfer of Equity Shares from Vidyadhar Anant Gadgil	1.46%	[●]
March 20, 2023	14,351,400	10	23.22	Cash	Transfer of Equity Shares from PYG Family Trust	12.16%	[●]
January 10, 2024	62,800,000	10	Not Applicable	Not Applic	Conversion of CCNPS	53.22%	[●]

Date of allotment/ transfer	Number of equity shares allotted/ transferred	Face value per equity share (₹)	Issue/ acquisition/ transfer price per equity share (₹)	Nature of consideration	Nature of transaction	% of the pre-Offer equity share capital	% of the post-Offer equity share capital
				able(2)	into Equity Shares		
Total (C)	**117,999,400**					99.99%	[●]
Total (A+B+C)	**117,999,600**					**99.99%**	**[●]**

(1) The Company was incorporated on October 28, 2013; the Equity Shares were subscribed on October 25, 2013, pursuant to initial subscription to the Memorandum of Association.

(2) No consideration was paid at the time of allotment of Equity Shares pursuant to conversion of CCNPS, the terms of the preference shares issued by our Company were changed from NCRPS into CCNPS, which CCNPS were then converted into Equity Shares.

As of the date of this Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged or are otherwise encumbered.

b) Shareholding of our Promoters and member of our Promoter Group

Except as disclosed below, as on the date of this Red Herring Prospectus, none of the members of the Promoter Group hold any Equity Shares.

Name	Pre-Offer		Post-Offer*^	
	Number of Equity Shares	Percentage of pre-Offer Equity Share capital	Number of Equity Shares	Percentage of post-Offer Equity Share capital
Promoters				
SVG Business Trust(1)	117,999,400	99.99%	[●]	[●]
Saurabh Vidyadhar Gadgil	100	Negligible	[●]	[●]
Radhika Saurabh Gadgil	100	Negligible	[●]	[●]
Total (A)	**117,999,600**	**99.99%**	**[●]**	**[●]**
Promoter Group				
Vaishali Vidyadhar Gadgil	100	Negligible	[●]	[●]
Aditya Saurabh Gadgil	100	Negligible	[●]	[●]
Saurabh Vidyadhar Gadgil HUF(2)	100	Negligible	[●]	[●]
SVG Family Trust(3)	100	Negligible	[●]	[●]
Total (B)	**400**	**Negligible**	**[●]**	**[●]**
Total (A+B)	**118,000,000**	**100%**	**[●]**	**[●]**

* To be included in the Prospectus.

^ Subject to basis of Allotment.

(1) Equity Shares held by Radhika Saurabh Gadgil on behalf of the SVG Business Trust.

(2) Equity Shares held by Saurabh Vidyadhar Gadgil in the capacity of being the karta of the HUF.

(3) Equity Shares held by Vaishali Vidyadhar Gadgil on behalf of the SVG Family Trust.

c) Details of minimum Promoters' contribution locked in for three years or any other period as may be prescribed under applicable law

d) Pursuant to Regulation 14 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post Offer Equity Share capital of our Company held by our Promoters shall be considered as minimum promoters' contribution and, pursuant to Regulation 16 of the SEBI ICDR Regulations, shall be locked-in for a period of three years, from the date of Allotment ("**Promoters' Contribution**"). Our Promoters' shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of one year from the date of Allotment.

e) The details of Equity Shares held by our Promoters, which will be locked-in for a period of three years, from the date of Allotment as Promoters' Contribution are set forth below:

Name of the Promoter	Number of Equity Shares held	Date up to which Equity Shares are subject to lock-in	Number of Equity Shares locked-in**	Date of allotment/ transfer#	Face value per Equity Share (₹)	Allotment/ Acquisition price per Equity Share (₹)	Nature of transaction	% of the pre-Offer paid-up capital	% of the post-Offer paid-up Capital
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Note: To be updated at the Prospectus stage.
 # Equity Shares were fully paid-up on the respective dates of allotment/acquisition, as the case may be.
*** Subject to finalisation of Basis of Allotment.*

Our Promoters have given their consent to include such number of Equity Shares held by them as disclosed above, constituting 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoters' Contribution. Our Promoters have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of this Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoters' Contribution under Regulation 15 of the SEBI ICDR Regulations. For details of the build-up of the share capital held by our Promoter, see "*Capital Structure – History of the share capital held by the Promoters*" on page 90.

In this connection, we confirm the following:

(i) The Equity Shares offered for Promoters' Contribution shall not consist of Equity Shares acquired during the three years preceding the date of this Red Herring Prospectus (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets, or (b) as a result of bonus shares issued by utilization of revaluation reserves or unrealised profits or from bonus issue against Equity Shares which are otherwise in-eligible for computation of Promoters' Contribution;

(ii) The Equity Shares offered for Promoters' Contribution shall not consist of Equity Shares acquired during the one year preceding the date of this Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(iii) The Equity Shares offered for Promoters' Contribution shall not consist of Equity Shares held by the Promoters that are subject to any pledge or any other form of encumbrance; and

(iv) Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm;

f) Details of share capital locked-in for six months or any other period as may be prescribed under applicable law

In terms of Regulation 17 and 16(1)(b) of the SEBI ICDR Regulations, except for:

(i) the Promoters' Contribution and any Equity Shares held by our Promoters in excess of Promoter's Contribution, which shall be locked in as above; and

(ii) the Equity Shares successfully transferred by the Promoter Selling Shareholder pursuant to the Offer for Sale;

the entire pre-Offer Equity Share capital of our Company, shall, unless otherwise permitted under the SEBI ICDR Regulations, be locked in for a period of six months from the date of Allotment in the Offer. In terms of Regulation 17(c) of the SEBI ICDR Regulations, Equity Shares held by a venture capital fund or alternative investment fund of category I or category II or a foreign venture capital investor shall not be locked-in for a period of six months from the date of Allotment, provided that such Equity Shares shall be locked in for a period of at least six months from the date of purchase by such shareholders.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in pursuant to Regulation 16 of the SEBI ICDR Regulations, may be transferred amongst our Promoters or any member of the Promoter Group or to any new promoter, subject to continuation of lock-in in the hands of the transferees for the remaining period and compliance with provisions of the Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired. The Equity Shares held by persons other than our Promoters and locked-in pursuant to Regulation 17 of the SEBI ICDR Regulations, may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the provisions of the Takeover Regulations.

In terms of Regulation 21(a) of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked-in as per Regulation 16(1)(a) of the SEBI ICDR Regulations, may be pledged only with scheduled commercial banks or public financial institutions or systemically important non-banking finance companies or deposit taking housing finance companies as collateral security for loans granted by such entity, for the purpose of financing one or more of the objects of the issue, provided that such pledge of the Equity Shares is one of the terms of the sanctioned loan. In terms of Regulation 21(b) of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked-in as per Regulation 16(1)(b) of the SEBI ICDR Regulations, may be pledged only with scheduled commercial banks or public financial institutions or systemically important non-banking finance companies or deposit taking housing finance companies as collateral security for loans granted by such entity, provided that such pledge of the Equity Shares is one of the terms of the sanctioned loan. However, such lock-in will continue pursuant to any invocation of the pledge and the transferee of the Equity Shares pursuant to such invocation shall not be eligible to transfer the Equity Shares until the expiry of the lock-in period stipulated above.

g) **Recording of non-transferability of Equity Shares locked-in**

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

h) **Lock-in of Equity Shares Allotted to Anchor Investors**

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

i) **Sales or purchases of Equity Shares or other specified securities of our Company by our Promoters, members of our Promoter Group and/or our Directors and their relatives during the six months immediately preceding the date of this Red Herring Prospectus**

None of our Promoters, members of our Promoter Group, our Directors or their relatives have sold or purchased any Equity Shares of our Company during the six months preceding the date of this Red Herring Prospectus.

9. ***Our shareholding pattern***

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

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V) + (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Number of Equity Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of voting rights – Equity Shares	**Total**	**Total as a % of (A+B + C)**			**Number (a)**	**As a % of total Shares held (b)**	**Number (a)**	**As a % of total Shares held (b)**	
(A)	Promoter and Promoter Group	7	118,000,000	-	-	118,000,000	100%	118,000,000	118,000,000	100%	-	100%	-	-	-	-	118,000,000
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**7**	**118,000,000**	**-**	**-**	**118,000,000**	**100%**	**118,000,000**	**118,000,000**	**100%**	**-**	**100%**	**-**	**-**	**-**	**-**	**118,000,000**

10. As on the date of this Red Herring Prospectus, our Company has seven equity shareholders.

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

Except as stated below, none of our Directors or Key Managerial Personnel or Senior Managerial Personnel hold any Equity Shares.

Name	Number of Equity Shares	Percentage of pre-Offer Equity Share capital
Saurabh Vidyadhar Gadgil	100	Negligible
Radhika Saurabh Gadgil	100	Negligible
Total	**200**	**Negligible**

12. ***Details of shareholding of the major shareholders of our Company***

(a) Set forth below are details of shareholders holding 1% or more of the paid-up share capital of our Company as on the date of this Red Herring Prospectus:

Sr. No.	Name of Shareholder	Number of Equity Shares	Percentage of pre-Offer Equity Share capital
1.	SVG Business Trust	117,999,400	99.99%
	Total	**117,999,400**	**99.99%**

(b) Set forth below are details of shareholders holding 1% or more of the paid-up share capital of our Company as of 10 days prior to the date of this Red Herring Prospectus:

Sr. No.	Name of Shareholder	Number of Equity Shares	Percentage of pre-Offer Equity Share capital
1.	SVG Business Trust	117,999,400	99.99%
	Total	**117,999,400**	**99.99%**

(c) Set forth below are details of shareholders holding 1% or more of the paid-up share capital of our Company as of one year prior to the date of this Red Herring Prospectus:

Sr. No.	Name of Shareholder	Number of Equity Shares	Percentage of pre-Offer Equity Share capital
1.	SVG Business Trust	55,199,400	99.99%
	Total	**55,199,400**	**99.99%**

(d) Set forth below are details of shareholders holding 1% or more of the paid-up share capital of our Company as of two years prior to the date of this Red Herring Prospectus:

Sr. No.	Name of Shareholder	Number of Equity Shares	Percentage of pre-Offer Equity Share capital
1.	SVG Business Trust	40,848,000	74%
2.	PYG Family Trust	14,352,000	26%
	Total	**55,200,000**	**100%**

13. There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors or any of their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Red Herring Prospectus.

14. Our Company, our Directors and the BRLMs have not entered into any buy-back arrangement for purchase of the Equity Shares being offered through the Offer.

15. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Red Herring Prospectus. The Equity Shares to be issued or transferred pursuant to the Offer shall be fully paid-up at the time of Allotment.

16. None of the BRLMs and their respective associates (as defined under the SEBI (Merchant Bankers) Regulations, 1992) hold any Equity Shares in our Company as on the date of this Red Herring Prospectus.

17. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares of our Company, as on the date of this Red Herring Prospectus.

18. No person connected with the Offer shall offer or make payment of any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

19. Except for the allotment of Equity Shares pursuant to the Fresh Issue there will be no further issue of specified securities whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of this Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.

20. Except for the Equity Shares to be allotted pursuant to the Fresh Issue there is no proposal or intention, negotiations or consideration by our Company to alter its capital structure by way of split or consolidation of the Equity Shares or issue of Equity Shares or convertible securities on a preferential basis or issue of bonus or rights or further public offer of such securities, within a period of six months from the Bid/Offer Opening Date.

21. Neither the BRLMs or any associates of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs or AIFs sponsored by entities which are associates of the BRLMs or FPIs other than individuals, corporate bodies and family offices which are associates of the BRLMs or pension funds sponsored by entities which are associates of the BRLMs) shall apply in the Offer under the Anchor Investor Portion. Further, an Anchor Investor shall be deemed to be an associate of the BRLMs, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs.

22. Our Company shall ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

23. Our Company is in compliance with the Companies Act, 1956 and Companies Act, 2013, to the extent applicable, with respect to issuance of securities from the date of incorporation of our Company until the date of filing of this Red Herring Prospectus.

24. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time. All transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of this Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.

25. As on the date of this Red Herring Prospectus, our Company does not have any shareholders which are either directly or indirectly related to the BRLMs or their respective associates (as defined in the SEBI Merchant Bankers Regulations).

26. The Book Running Lead Managers and their associates may engage in the transactions with and perform services for our Company in the ordinary course of business, and have engaged or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

OBJECTS OF THE OFFER

The Offer comprises of a Fresh Issue by our Company and an Offer for Sale by the Promoter Selling Shareholder. We intend to deploy the Net Proceeds towards the Objects as disclosed in the table below. However, the requirement of funds are based on our current business plan, internal management estimates based on the prevailing market conditions, and also based on quotations obtained from certain contractors/vendors, certificate from an independent architect for the estimated costs relating to the new stores. These funding requirements or deployments have not been appraised by any bank or financial institution."

Offer for Sale

The Promoter Selling Shareholder will be entitled to the proceeds of the Offer for Sale after deducting its proportion of the Offer related expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale. Further, the proceeds received from the Offer for Sale will not form part of the net proceeds, i.e., gross proceeds of the Fresh Issue less the Offer related expenses applicable to the Fresh Issue ("**Net Proceeds**").

The details of the Offer for Sale are set out below:

Name of Selling Shareholder	Date of consent	Number of Offered Shares
SVG Business Trust	March 24, 2024	Up to [●] Equity Shares aggregating up to ₹ 2,500 million

**The Promoter Selling Shareholder has confirmed its participation in the Offer for Sale. The Offered Shares have been held by the Promoter Selling Shareholder for a period of at least one year prior to the filing of this Red Herring Prospectus with the RoC and are eligible for being offered for sale pursuant to the Offer in terms of Regulation 8 of the SEBI ICDR Regulations.*

Net Proceeds

The details of the Net Proceeds are set out in the table below:

(*in ₹ million*)

Particulars	Estimated Amount
Gross proceeds of the Fresh Issue	Up to ₹ 8,500.00
(Less) Offer related expenses to the extent applicable to the Fresh Issue (only those apportioned to our Company)*	[●]**
Net Proceeds	[●]**

* *See 'Offer related expenses' below.*
** *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

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

1. Funding expenditure towards setting-up of 12 new stores in Maharashtra ("**New Stores**");

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

3. General corporate purposes.

(collectively, referred to herein as the "**Objects**").

In addition to the aforementioned Objects, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges including enhancement of our Company's visibility, brand image among our existing and potential customers and creation of a public market for our Equity Shares in India.

The main objects clause and objects incidental and ancillary to the main objects as set out in the Memorandum of Association enables our Company to undertake (i) its existing activities, (ii) the activities proposed to be funded from the Net Proceeds, and (iii) the activities towards which the loans proposed to be repaid or pre-paid from the Net Proceeds were utilised.

Utilisation of Net Proceeds

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

(In ₹ million)

Sr. No.	Particulars	Total estimated amount/expenditure
I.	Funding expenditure towards setting-up of 12 New Stores in Maharashtra, India ("**New Stores**")	3,925.68
II.	Repayment or pre-payment, in full or part, of certain borrowings availed by our Company	3,000.00

Sr. No.	Particulars	Total estimated amount/expenditure
III.	General Corporate Purposes [(1)]	[●]
	Net Proceeds	**[●]**

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

Proposed schedule of implementation and deployment of Net Proceeds

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

(₹ in million)

Sr. No.	Particulars	Total estimated cost	Estimated deployment of Net Proceeds in Fiscal 2025	Estimated deployment of Net Proceeds in Fiscal 2026
I.	Funding expenditure towards setting-up of 12 New Stores	3,925.68	2,944.26	981.42
II.	Repayment or pre-payment, in full or part, of certain borrowings availed by our Company	3,000.00	3,000.00	-
III.	General Corporate Purposes [(1)]	[●]	[●]	[●]
	Net Proceeds	**[●]**	**[●]**	**[●]**

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

We intend to deploy the Net Proceeds towards the Objects, in accordance with the business needs of our Company. However, the actual deployment of funds will depend on a number of factors, including the timing of completion of the Offer, market conditions, our Board's analysis of economic trends and business requirements, competitive landscape any other commercial considerations, as well as general factors affecting our results of operations and financial condition. Depending upon such factors, we may have to reduce or extend the deployment period for the stated Objects, at the discretion of our management, and in accordance with applicable laws. In the event that the estimated utilization of the Net Proceeds in a scheduled Fiscal is not completely met, including due to the reasons stated above, the same shall be utilized in the next Fiscal, as may be determined by our Company, in accordance with applicable laws.

The above requirement of funds are based on our current business plan, internal management estimates based on the prevailing market conditions, and also based on quotations obtained from certain contractors/vendors a certificate from the Independent Architect for the estimated fit-out costs relating to the New Stores and a certificate from the Statutory Auditor showing the computation of average inventory cost for the New Stores on the basis of the average inventory cost per store for the Fiscals 2024, 2023 and 2022. These funding requirements or deployments have not been appraised by any bank or financial institution. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as change in costs, including due to inflation or increase in the rate of taxation, revision in quotations at the time of actual expenditure, change in financial and market conditions, our management's analysis of economic trends and our business requirements, fund requirements in the operations of our Company, competitive landscape as well as general factors affecting our results of operations, financial condition, business and strategy and interest/exchange rate fluctuations or other external factors, which may not be within the control of our management. This may entail rescheduling (including preponing the deployment of Net Proceeds) and revising the funding requirement for a particular Object or increasing or decreasing the amounts earmarked towards any of the aforementioned Objects at the discretion of our management, subject to compliance with applicable law.

In case of any surplus amount after utilization of the Net Proceeds towards any of the aforementioned Objects, we may use such surplus amount towards (i) other Objects as set out above; and/ or (ii) general corporate purposes, provided that the total amount to be utilized towards general corporate purposes does not exceed 25% of the gross proceeds in accordance with applicable law. Further, in case of a shortfall in meeting the aforementioned Objects, we may explore a range of alternate funding options including utilizing our internal accruals and/or availing future debt from lenders. We believe that such alternate funding arrangements would be available to fund any such shortfalls. For details, see "*Risk Factors - **Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in this Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.***." on page 49.

Means of finance

The fund requirements for all the Objects of the Offer are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue or through existing identifiable internal accruals.

Details of the Objects

1. **Funding expenditure towards setting-up of 12 New Stores**

We primarily sell our products through our physical stores, and therefore our stores form an important part of our multi-channel distribution strategy. Purchasing jewellery is a personal experience, which requires customers to physically examine jewellery products, assess quality, and try the products to ensure perfect fit and style. We try to enhance our in-store experience through presence of our sales executives at each store, which provides on-ground assistance to our customers on aspects related to availability of design, sizes, materials and quality or customization of size and designs, which helps fostering relationships and trust that translate into sales and brand loyalty. Our stores also allow us to better showcase intricate design elements and curated displays showcasing the craftsmanship and quality.

As at July 31, 2024, we had 39 stores, which included 38 stores across 21 cities in Maharashtra and Goa and one store in the U.S. with an aggregate retail area of approximately 1,08,282 sq. ft. Our stores are primarily in three formats (a) large format stores (with an area of more than 2,500 sq. ft.); (b) medium format stores (with an area of 1,000 sq. ft. to 2,500 sq. ft) and (c) small format stores (with an area less than 1,000 sq. ft.). All of our stores are operated and managed by us with 28 being owned stores and 11 franchisee stores, on a franchisee owned and company operated model. We believe that the company operated model allows us to exercise control over the quality of our products and ensure that our customers receive consistent experience and service across all our stores. Most of our company owned and company operated stores are on a leasehold basis pursuant to various lease agreements or leave and license agreements and under such agreements, we are under an obligation to make lease payments to our lessors/ licensors. In line with our strategy of further expanding our presence in western India, we aim to invest towards the setting-up of 12 New Stores to serve more customers in Maharashtra and strengthen our brand recall and to increase our penetration and further expand our presence in western India. For further details, see "*Our Business – Our Strategies – Expand our retail network in western India by leveraging our brand*" on page 177.

From the Net Proceeds, we propose to utilize an aggregate of ₹ 3,925.68 million towards expenditure for fit-outs and inventory costs for setting-up 12 New Stores in Maharashtra. Such New Stores will be company owned and company operated, proposed to be set up in Fiscals 2025 and 2026. We plan to set-up these stores as a mix of large format and medium format stores, depending on our business requirements and estimates of our management. However, if the estimates and actual costs may differ and the aggregate cost for setting up of New Stores exceeds ₹ 3,925.68 million, such additional cost shall be funded entirely through internal accruals.

Details of expenditure for setting-up New Stores

Our Company proposes to set up the following number of New Stores (across large and medium formats) in Maharashtra in Fiscals 2025 and 2026 from the Net Proceeds:

Particulars	Fiscal 2025	Fiscal 2026
New Stores*	9	3

**Four stores are proposed to be opened in Pune, four stores in Mumbai, and one each in Nashik, Aurangabad, Solapur and Satara.*

Our Company proposes to expand in the state of Maharashtra through COCO model out of the Net Proceeds of the Offer in the coming two years. In Fiscal 2025, our Company has already identified the places where COCO stores will be set up. All the 12 New Stores will be based on the Company's strategic decision to open stores on the COCO model.

In the last three Fiscals, our Company closed 5, including stores in Hinjewadi (Pune, Maharashtra), Vasai (Mumbai, Maharashtra), Indore (Madhya Pradesh) and Dubai (UAE), out of which Dubai (UAE) was closed due to COVID-19 pandemic and the Indore store was closed due to our strategic method of concentrating in expansion only in the state of Maharashtra. The COCO stores in Hinjewadi and Vasai are in the process of relocation due to a better combination of factors including an analysis primarily focused on, among others, the demographics of such location, existing businesses in the surrounding areas, the site quality such as site visibility, footfall generation, accessibility and parking and the feasibility of the location to the customers.

	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
COCO			
Number of existing stores at the beginning of the year	21	22	22
Opened during the year	4	0	0
Closed during the year	0	1	0
Number of stores at the end of the year	**25**	**21**	**22**
FOCO			
Number of existing stores at the beginning of the year	13	10	10

	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Opened during the year	2	3	0
Closed during the year	4	0	0
Number of stores at the end of the year	**11**	**13**	**10**

While our Company has currently not identified the precise locations where the new stores will be established, the same will be undertaken basis a combination of factors including an analysis primarily focused on, among others, the demographics of such location, existing businesses in the surrounding areas, the site quality such as site visibility, footfall generation, accessibility and parking and the feasibility of the location to the customers. While we currently propose each of such premise to be taken on a leasehold basis, we may consider opening the New Stores on owned properties, based on certain commercial considerations. Our Company will fund all costs in relation to lease of such premises (such as security deposits and advance rentals) from internal accruals. Our Board by its resolutions dated March 26, 2024 and August 24, 2024 has approved the proposal to set up the 12 New Stores.

Our Company will be required to incur various fit-out costs for making these New Stores operational. The estimated cost for the fit outs will depend on the format and the estimated size of such store. The size of our stores varies across regions and is dependent on various factors such as the availability of suitable locations, addressable market, lease rentals, etc. We have assumed an average store size of 3,500 square feet for the purpose of calculating the fit-out costs on the basis of average size of the existing stores. However, the size and format of each New Store may vary based on factors such as locations, rental costs, target addressable market, estimated demand and other related commercial considerations.

The estimated expenditure for fit-outs to be installed in the New Stores for setting-up the New Stores and base inventory costs are set out below:

(in ₹ million)

Particulars	Estimated cost towards New Stores
Cost of fit-outs to be installed in the New Stores	222.84
Inventory costs	3,702.84
Total	**3,925.68**

The above estimated costs may increase or decrease depending on the revised commercial terms, rate of inflation or other macro-economic factors, amongst others. In the event of any increased estimated cost, such additional cost shall be funded entirely through internal accruals.

The expenditure at the time of establishing a New Store generally comprises the following:

Costs	Particulars
Expenditure for fit-outs	(i) Civil Work; (ii) Furniture and fixtures; (iii) Equipment; and (iv) IT hardware and software.
Inventory costs	This comprises of store inventory required for commencing sales from the New Stores

We have not entered into any lease/license agreements for the New Stores as on the date of this Red Herring Prospectus.

Methodology for computation

Our estimated costs for opening of the New Stores are based on (i) a certificate dated September 4, 2024, from Neha Patel, independent architect, for the purposes of certifying the expenditure requirements for setting-up New Stores; (ii) quotations received from certain contractors or vendors; and (iii) a certificate from the Statutory Auditor showing the computation of average inventory cost for the New Stores on the basis of the average of the opening and closing inventories per store for the Fiscals 2024, 2023 and 2022.

A detailed breakdown of these estimated costs is set out below.

1. Capital expenditure for fit-outs

A detailed break-down of the expenditure for fit-outs of a single New Store, based on certificate dated September 4, 2024, issued by Neha Patel, independent architect, is as follows:

Sr. No.	Particulars	Average estimated amount (₹ million)	Quotations received from	Date of quotation	Validity of quotation
1.	**Civil works** [(1)]	**5.79**			

Sr. No.	Particulars		Average estimated amount (₹ million)	Quotations received from	Date of quotation	Validity of quotation
	-	Flooring and granite work	2.34	Neha Patel	August 26,2024	6 months
	-	POP work	0.51	Neha Patel	August 26,2024	6 months
	-	Plumbing work	0.33	Neha Patel	August 26,2024	6 months
	-	Painting and polishing work	0.33	Neha Patel	August 26,2024	6 months
	-	Electrical work	1.63	Neha Patel	August 26,2024	6 months
	-	Light fixtures	0.66	Neha Patel	August 26,2024	6 months
2.	**Furniture and fixtures** (2)		**6.55**			
	-	Carpentry work	6.55	Neha Patel	August 26,2024	6 months
3.	**Equipment** (3)		**5.77**			
	-	FAS system	0.08	Prescient Group	August 3, 2024	6 months
	-	Security system	0.06	Prescient Group	August 3, 2024	6 months
	-	Audio system	0.07	Prescient Group	August 3, 2024	6 months
	-	HVAC high side	1.03	Prescient Group	August 3, 2024	6 months
	-	HVAC low side	0.98	Prescient Group	August 3, 2024	6 months
	-	Signage board	0.81	Mark Neon	August 2, 2024	6 months
	-	DG Set (82.5KVA)	1.01	D.V. Bramhe & Sons Sales & Service Pvt. Ltd.	August 3, 2024	6 months
	-	Karat meter	0.48	Maxsell	August 6, 2024	6 months
	-	Weighing scale	0.36	Genius technology	August 2, 2024	6 months
	-	Security safe	0.66	Maharashtra Enterprises	August 1, 2024	6 months
	-	UPS and batteries	0.15	ERAM Magnaflux	August 2, 2024	6 months
	-	EPABX system and telephones	0.06	Pelican Telecom Pvt. Ltd.	August 6, 2024	6 months
	-	Water dispenser	0.01	Ram Agencies	August 4, 2024	6 months
	-	LED TV's	0.03	Ram Agencies	August 4, 2024	6 months
4.	**IT hardware and software** (4)		**0.46**			
	-	Network System	0.08	Prescient Group	August 3, 2024	6 months
	-	CCTV Hikvision IP	0.38	Prescient Group	August 3, 2024	6 months
5.	**Total cost per store (assuming 3,500 square feet area) – A**					**18.57**
6.	**Number of Stores – B**					**12**
7.	**Total Amount – C (A*B)**					**222.84**

The above costs exclude applicable taxes.
(1) Civil works includes work undertaken in each New Store towards flooring and granite work, plaster of paris (POP) work, plumbing, electrical work, light fixture and painting and polishing work.
(2) Furniture and fixtures includes carpentry work for new counters for gold, silver, diamond and other items, partition work for cabin for manager, diamond rest room, server room and pantry, laminate finish for karigar table and back table, manager table, toilet door, fire door, karat meter table and pantry area, and work for entrance glass.
(3) Equipment includes purchase of FAS system, security system, audio system, HVAC (high side and low side) and assets such as signage board, diesel generator set, karat meter, weighing scale, security safe, uninterrupted power supply (UPS) and batteries, electronic private automatic branch exchange (EPABX) system and telephones, water dispenser, LED televisions, melting machine, karigar tools, cash counting machine and fire extinguisher.
(4) IT hardware and software includes network system and CCTV IP.

The actual cost incurred for fit outs by the Company for the stores opened in Fiscal 2024 are as under:

Particulars	Amount *(in ₹ million)*
Store located at Itwari, Nagpur, Maharashtra (area – 2,700 square feet)	13.47
Store located at Aundh, Pune, Maharashtra (area – 4,080 square feet)	22.45

The actual cost incurred for fit-outs by the Company for the stores opened in Fiscal 2025 (until the date of this Red Herring Prospectus) are as under:

Particulars	Amount *(in ₹ million)*
Store located at Akola, Maharashtra (area – 2,762 square feet)	17.24
Store located at Ghodbandar, Mumbai, Maharashtra (area – 3,296 square feet)	18.78

If there is any increase in the costs of equipment/ fit-outs, the additional costs shall be paid by our Company from its internal accruals. The quantity of equipment/ fit-outs to be purchased is based on the present estimates of our management. We shall have the flexibility to deploy such equipment/ fit-outs according to the business requirements.

2. Inventory costs

We try to ensure that all our stores have a well-curated and well stocked with inventory of our designs catering to different price points, styles, and target audiences. During the initial phase of a newly opened store, we are required to ensure the optimum inventory mix which balances a diverse selection of our designs, while ensuring manageable stock levels. For our newly opened stores, our inventory costs would include cost of procuring initial stock of the various designs of jewellery (in gold, platinum, silver, diamond, precious and semi-precious stones) typically retailed at our stores. The average inventory cost per store is based on the average cost incurred by the Company towards store inventory for Fiscals 2024 and 2023 and Fiscal 2022.

The average inventory cost for the Fiscals 2024, 2023 and 2022, is as follows:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Average inventory cost *(in ₹ million)*	7,778.71	6,502.12	6,708.74
Number of owned stores	25	21	22
Average inventory cost per store during the reporting period (*in ₹ million*)	311.15	309.62	304.94
Average inventory cost* (*in ₹ million*)		308.57	

Certified by the Statutory Auditor pursuant to its certificate dated September 4, 2024.
** Average inventory cost is average of opening and closing inventories for the relevant Financial Year.*

Based on the historical average inventory cost per store, as provided above, the cost of inventory for the New Stores is as follows:

Particulars	Fiscal 2025	Fiscal 2026	Total
Average inventory cost per store (*in ₹ million*)	308.57	308.57	308.57
Total number of New Stores to be opened	9	3	12
Aggregate inventory cost for the proposed New Stores to be funded from the Net Proceeds (*in ₹ million*)	**2,777.13**	**925.71**	**3,702.84**

Government Approvals

Our New Stores will have to be registered under the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 and/or obtain trade licences under the respective municipalities of the Maharashtra. The New Stores may also have to obtain GST registration, contract labour registration, and other registrations as required under applicable laws. Our Company will apply for the relevant approvals in due course and in accordance with applicable laws. For further details, see "*Key Regulations and Policies in India*" and "*Government and Other Approvals*" on pages 192 and 335 respectively.

2. **Repayment or pre-payment, in full or part, of certain borrowings availed by our Company**

Our Company has entered into various financing arrangements with banks and financial institutions. The loan facilities availed by our Company includes borrowing in the form of, *inter alia*, term loans, working capital facilities, cash credit and gold loans. As on July 31, 2024 our total outstanding borrowings amounted to ₹ 3,489.66 million (including public deposits of ₹ 12.20 million). For further details, see "*Financial Indebtedness*" on page 296. Our Company proposes to utilise an estimated amount of ₹ 3,000.00 million from the Net Proceeds towards full or partial repayment or pre-payment of certain borrowings availed by our Company. Our Company may avail further loans and/or draw down further funds under existing loans from time to time.

The selection of borrowings proposed to be repaid or pre-paid amongst our borrowing arrangements availed will be based on various factors including (i) cost of borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil or obtain waiver for such requirements, and (iii) other commercial considerations including, the amount of the loans outstanding and the remaining tenor of the loan. Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under these borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of the existing borrowings prior to Allotment. Accordingly, our Company may utilise the Net Proceeds for part prepayment of any such refinanced facilities or repayment of any additional facilities obtained by our Company. However, the aggregate amount to be utilised from the Net Proceeds towards repayment and/or prepayment, in part or full of certain borrowings would not exceed ₹ 3,000.00 million. In light of the above, at the time of filing this Red Herring Prospectus, the table below shall be suitably updated to reflect the revised amounts or loans, as the case may be.

We believe that such repayment and/or pre-payment will help reduce our outstanding indebtedness, improve our debt-to-equity ratio and enable utilisation of our accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business. The loan facilities are listed below in no particular order of priority.

The following table provides the details of borrowings availed by our Company and outstanding amounts, as of July 31, 2024, which we have identified to repay or prepay, in full or in part, from the Net Proceeds and have been certified by our Statutory Auditors pursuant to their certificate dated September 4, 2024:

S. No.	Name of Lender	Nature of Borrowing	Principal loan amount sanctioned (in ₹ million)	Amount disbursed (in ₹ million)	Principal amount outstanding as on July 31, 2024(in ₹ million)	Interest rate as On July 31, 2024 (in % p.a.)	Repayment schedule/ tenor	Prepayment Penalty/ conditions	Purpose	Date of sanction letter/ offer letter	Amount proposed to be repaid from the Net Proceeds
1	State Bank of India	Cash Credit/ WCDL	500.00	500.00	345.18	10.55%	1 Year	2% of the outstanding amount being taken over	General business purpose	November 10, 2023	345.18
2	HDFC Bank Limited	Cash Credit/ WCDL	500.00	500.00	500.00	10.34%	1 Year	-	General business purpose	March 12, 2024	500.00
3	Janata Sahakari Bank Limited	Cash Credit/ WCDL	500.00	500.00	500.00	10.30%	1 Year	-	General business purpose	May 17, 2023	87.97
4	Janata Sahakari Bank Limited	Ad-Hoc Facility for 3 Months	100.00	100.00	86.86	12.30%	3 months	-	General business purpose	January 23, 2024	86.86
5	Saraswat Co-Operative Bank Limited	Cash Credit/ WCDL	200.00	200.00	198.89	10.50%	1 Year	4% Prepayment charges on outstanding amount in case of take over by bank and nil if funding from own fund.	General business purpose	October 16, 2023	198.89
6	Bandhan Bank Limited	Cash Credit/ WCDL	250.00	250.00	247.34	10.50%	1 Year	2% on the sanctioned limit on pre-closure of the facility or take over of the facility by other bank.	Working capital	March 17, 2023	247.34
7	Central Bank of India	Cash Credit/ WCDL	250.00	250.00	249.66	10.65%	1 Year	2% on the sanctioned limit on pre-closure of the facility or take over by other bank.	General business purpose	March 31, 2023	249.66
8	Bank of Baroda[#]	Cash Credit/ WCDL	500.00	300.00	299.62	10.25%	1 Year	-	General business purpose/ Working Capital Requirement	November 9, 2023	299.62
9	Karnataka Bank Limited	Term Loan	223.60	223.60	21.43	11.55%	60 Months	2% if take over of liabilities by bank and nil if funding from own source	General business purpose	April 16, 2019	21.43
10	Karnataka Bank Limited	Term Loan	200.00	200.00	138.15	11.75%	120 Months	2% if take over of liabilities by bank and nil if funding from own source	General business purpose	June 28, 2021	138.15
11	Karnataka Bank Limited	Term Loan	170.00	170.00	109.08	11.85%	84 Months	2% if take over of liabilities by bank and nil if funding from own source	General business purpose	January 11, 2022	109.08
12	Karnataka Bank Limited	Term Loan	250.00	250.00	212.28	10.55%	120 Months	2% if take over of liabilities by bank and nil if funding from own source	General business purpose	January 13, 2023	212.28

S. No.	Name of Lender	Nature of Borrowing	Principal loan amount sanctioned (in ₹ million)	Amount disbursed (in ₹ million)	Principal amount outstanding as on July 31, 2024(in ₹ million)	Interest rate as On July 31, 2024 (in % p.a.)	Repayment schedule/ tenor	Prepayment Penalty/ conditions	Purpose	Date of sanction letter/ offer letter	Amount proposed to be repaid from the Net Proceeds
13	Karnataka Bank Limited	Term Loan	100.00	100.00	94.16	10.70%	120 Months	2% if take-over of liabilities by bank and nil if funding from own source	General business purpose	November 8, 2023	94.16
14	Saraswat Co-Operative Bank Limited	Term Loan	97.50	97.50	73.13	9.50%	60 Months	4% Part Prepayment charges on outstanding amount if take over by bank and nil if funding from own fund.	General Business Purpose	June 13, 2022	73.13
15	HDFC Bank Limited	Term Loan	130.00	130.00	56.88	9.60%	60 Months	-	Working capital Requirement	January 13, 2021	56.88
16	State Bank of India	Term Loan	90.70	90.70	42.31	7.95%	5 Years	2% of the pre-paid amount	General business purpose	March 17, 2021	42.31
17	Axis Bank Limited	Term Loan	65.90	65.90	63.10	8.75%	180 Months	3% part prepayment charges on outstanding principal, nil if funding from own source	General business purpose	March 17, 2023	63.10
18	Axis Bank Limited	Term Loan	116.90	116.90	111.90	8.75%	180 Months	3% part prepayment charges on outstanding principal, nil if funding from own source	General business purpose	March 17, 2023	111.90
19	Axis Bank Limited	Term Loan	23.50	23.50	22.54	8.75%	180 Months	3% part prepayment charges on outstanding principal, nil if funding from own source	General business purpose	March 17, 2023	22.54
20	Axis Bank Limited	Term Loan	41.30	41.30	39.52	8.75%	180 Months	3% part prepayment charges on outstanding principal, nil if funding from own source	General business purpose	March 17, 2023	39.52
	Total				**3,412.03**						**3,000.00**

** In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, our Statutory Auditors by way of their certificate dated September 4, 2024, have confirmed the utilisation of the borrowings, specified above, for the purposes availed, as per the sanction letters/loan agreements issued by the respective lenders.*

 # BOB Capital Markets Limited is appointed as one of the BRLMs to the Offer and is related to one of our lenders, namely Bank of Baroda. However, on account of this relationship, BOB Capital Markets Limited does not qualify as an associate of our Company in terms of Regulation 21(A)(1) of the SEBI Merchant Bankers Regulations read with Regulation 23(3) of the SEBI ICDR Regulations. Further, in this connection, please note that the loan provided by Bank of Baroda to our Company is part of their ordinary course of lending business. Accordingly, we do not believe that there is any conflict of interest in terms of the SEBI Merchant Banking Regulations, as amended or any other applicable law.

For the purposes of the Offer, our Company has obtained waiver and consents, and notified the relevant lenders, as is respectively required under the relevant facility documentation for undertaking the Offer. Further, to the extent our Company may be subject to the levy of prepayment penalties or premiums, depending on the facility being repaid/prepaid, the conditions specified in the relevant documents governing such credit facility and the amount outstanding/being pre-paid/repaid, as applicable, payment of such penalty or premium shall be made from the Net Proceeds. If the Net Proceeds are insufficient to the extent required for making payments for such prepayment penalties or premiums, such excessive amount shall be met from our internal accruals.

General corporate purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] million (net of the expenses in relation to the Offer) towards general corporate purposes, subject to such utilisation not exceeding 25% of the gross proceeds of the Offer, in compliance with Regulation 7(2) of the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise the Net Proceeds include strategic initiatives, meeting our long term and short-term working capital requirements, security deposit on lease, marketing, advertising expenditures and business development expenses, expansion of facilities, payment of salaries and allowances, rent, administration, insurance, repairs and maintenance, payment of taxes, duties and meeting expenses incurred by our Company in the ordinary course of business. In addition to the above, our Company may utilise the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and as approved periodically by the Board or a duly constituted committee thereof, subject to compliance with necessary provisions of the Companies Act or other applicable laws.

The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of the Board, shall have flexibility in utilising surplus amounts, if any. In the event that we are unable to utilise the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilise such unutilised amount in the next Fiscal *i.e.* either Fiscal 2026 or Fiscal 2027, as the case may be.

Offer related expenses

The total expenses in relation to the Offer are estimated to be approximately ₹ [●] million. The expenses in relation to the Offer include, among others, listing fees, underwriting fees, selling commission, fees payable to the BRLMs, fees payable to legal counsel, fees payable to the Registrar to the Offer, Banker(s) to the Offer, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

All charges, fees and expenses associated with and incurred in connection with the Offer will be shared pro-rata between the Company and the Promoter Selling Shareholder in line with Section 28 of the Companies Act, except (i) listing fees, fees payable to the Statutory Auditor for the annual audit of our Company's financial statements in accordance with the provisions of the Companies Act, 2013 and any corporate communication or publicity undertaken by our Company which is not connected to the Offer, each of which shall be borne by our Company; and (ii) fees and expenses in relation to the legal counsel to the Promoter Selling Shareholder which will be borne by the Promoter Selling Shareholder. The Promoter Selling Shareholder shall bear its portion of the expenses in proportion to the number of Equity Shares being offered and sold by the Promoter Selling Shareholder, in the offer for sale in the Offer.

All the above payments shall be made first by the Company. Upon the successful completion of the Offer, the Promoter Selling Shareholder will reimburse the Company in proportion to its portion of the Equity Shares sold in the Offer from the proceeds of the Offer for Sale due and payable to the Promoter Selling Shareholder, for any expenses incurred by our Company on behalf of the Promoter Selling Shareholder. In the event the Offer is withdrawn or unsuccessful or if the Offer fails to open during the period of validity of the final observations issued by SEBI, the Promoter Selling Shareholder shall reimburse our Company for any expenses incurred by our Company on behalf of the Promoter Selling Shareholder. Additionally, upon failure or delay in listing of the Equity Shares on the Stock Exchanges, the fees and expenses in relation to the Offer other than as provided above, shall be shared by our Company and the Promoter Selling Shareholder on a pro rata basis.

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

Sr. No	Activity	Estimated amount(1) (*in ₹ million*)	As a % of total estimated offer expenses(1)	As a % of Offer Size(1)
1.	BRLMs' fees and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
2.	Selling commission/processing fee for SCSBs,	[●]	[●]	[●]

Sr. No	Activity	Estimated amount[(1)] (*in ₹ million*)	As a % of total estimated offer expenses[(1)]	As a % of Offer Size[(1)]
	Banker(s) to the Offer, Sponsor Bank(s) and fee payable to the Sponsor Bank(s) for Bids made by RIBs[(2)(3)(7)]			
3.	Bidding charges for members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs[(4)(5)(6)(7)]	[●]	[●]	[●]
4.	Fees payable to the Registrar to the Offer	[●]	[●]	[●]
5.	Other expenses:			
	(i) Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
	(ii) Printing and stationery	[●]	[●]	[●]
	(iii) Advertising and marketing expenses	[●]	[●]	[●]
	(iv) Fee payable to legal counsel	[●]	[●]	[●]
	(v) Fee payable to statutory auditors	[●]	[●]	[●]
	(vi) Fee payable to architect	[●]	[●]	[●]
	(vii) Miscellaneous	[●]	[●]	[●]
	Total estimated Offer Expenses	**[●]**	**[●]**	**[●]**

[(1)] Amounts will be finalised and incorporated in the Prospectus on determination of Offer Price. Offer expenses include applicable taxes, where applicable. Offer expenses are estimates and are subject to change.

[(2)] Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:

*Portion for Retail Individual Bidders**	*0.35% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*0.20% of the Amount Allotted (plus applicable taxes)*

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*
Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid book of BSE or NSE.
No processing fees shall be payable by our Company and the Promoter Selling Shareholder to the SCSBs on the applications directly procured by them.

[(3)] Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/CRTAs/ CDPs and submitted to SCSB for blocking, would be as follows.

*Portion for Retail Individual Bidders**	*₹10.00 per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹10.00 per valid application (plus applicable taxes)*

**Processing fees payable to the SCSBs for capturing Syndicate Member/Sub-syndicate (Broker)/Sub-broker code on the ASBA Form for Non-Institutional Investors and Qualified Institutional Bidders with bids above ₹0.5 million would be ₹10 plus applicable taxes, per valid application.*
Notwithstanding anything contained above the total processing fee payable under this clause will not exceed ₹1.00 million (plus applicable taxes) and in case if the total processing fees exceeds ₹ 1.00 million (plus applicable taxes) then processing fees will be paid on pro-rata basis for portion of (i) Retail Individual Bidders (ii) Non-Institutional Bidders, as applicable

[(4)] Selling commission on the portion for Retail Individual Bidders (up to ₹0.20 million) and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, CRTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their Sub-Syndicate Members) would be as follows.

*Portion for Retail Individual Bidders**	*0.35% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*0.20% of the Amount Allotted (plus applicable taxes)*

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*
The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined

(i) for Retail Individual Bidders and Non-Institutional Bidders (up to ₹0.50 million), on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member, and;
(ii) for Non-Institutional Bidders (above ₹0.50 million), Syndicate ASBA Form bearing SM Code & Sub-Syndicate Code of the application form submitted to SCSBs for Blocking of the Fund and uploading on the Exchanges platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the Syndicate / Sub Syndicate members and not the SCSB.

[(5)] Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members) on the applications made using 3-in-1 accounts would be ₹10.00 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members). Bidding charges payable to SCSBs on the QIB Portion and Non-Institutional Bidders (excluding UPI Bids) which are procured by the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSBs for blocking and uploading would be ₹10.00 per valid application (plus applicable taxes).
Notwithstanding anything contained above the total uploading charges payable under this clause will not exceed ₹ 3.00 million (plus applicable taxes) and in case if the total uploading charges exceeds ₹ 3.00 million (plus applicable taxes) then processing fees will be paid on pro-rata basis for portion of (i) Retail Individual Bidders (ii) Non-Institutional Bidders, as applicable.

[(6)] Selling commission/ uploading charges payable to the Registered Brokers on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

*Portion for Retail Individual Bidders**	*₹ 10.00 per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹ 10.00 per valid application (plus applicable taxes)*

** Based on valid applications*

The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

Notwithstanding anything contained above the total Selling Commission/ Uploading Charges payable under this clause will not exceed ₹0.50 million (plus applicable taxes) and in case if the total uploading charges exceeds ₹ 0.50 million (plus applicable taxes) then Selling commission/ uploading charges will be paid on pro-rata basis for portion of (i) Retail Individual Bidders (ii) Non-Institutional Bidders, as applicable.

(7) *Uploading charges/ Processing fees for applications made by UPI Bidders using the UPI Mechanism would be as under:*

Members of the Syndicate (including their sub syndicate members) / RTAs / CDPs / Registered Brokers	*₹ 30.00 per valid application (Plus applicable taxes)*
Sponsor Bank	*HDFC Bank Limited - Nil* *ICICI Bank Limited – NIL charges up to 0.40 million UPI Mandates, Above 0.40 million UPI mandates - Rs. 6.5+GST per UPI mandate accepted.* *The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.*

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

The total uploading charges / processing fees payable to members of the Syndicate, RTAs, CDPs, Registered Brokers will be subject to a maximum cap of ₹ 5.00 million (plus applicable taxes). In case the total uploading charges/processing fees payable exceeds ₹5.00 million, then the amount payable to members of the Syndicate, RTAs, CDPs, Registered Brokers would be proportionately distributed based on the number of valid applications such that the total uploading charges / processing fees payable does not exceed ₹5.00 million.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / sub-Syndicate Member shall not be able to Bid the Application Form above ₹ 0.50 million and the same Bid cum Application Form need to be submitted to SCSB for blocking of the fund and uploading on the Stock Exchange bidding platform. To identify bids submitted by Syndicate / sub-Syndicate Member to SCSB a special Bid-cum application form with a heading / watermark "Syndicate ASBA" may be used by Syndicate / sub-Syndicate Member along with SM code and broker code mentioned on the Bid-cum

Application Form to be eligible for brokerage on allotment. However, such special forms, if used for Retail Individual Investor and Non-Institutional Investor Bids up to ₹ 0.50 million will not be eligible for brokerage

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/l/M dated March 16, 2021.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in compliance with the SEBI RTA Master Circular, in a format as prescribed by SEBI, from time to time and in accordance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement. Further, the processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

Interim use of Net Proceeds

Our Company, in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Net Proceeds , subject to and in accordance with applicable laws. The Net Proceeds shall be retained in the Public Offer Account until receipt of the listing and trading approvals from the Stock Exchanges by our Company. Pending utilisation of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934 as may be approved by the Board. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge financing facilities

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

Monitoring utilisation of funds

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company has appointed ICRA Limited, a monitoring agency to monitor the utilisation of the Gross Proceeds prior to filing of this Red Herring Prospectus with the RoC. Our Board and Audit Committee along with the Monitoring Agency will monitor the utilization of the Gross Proceeds and the Monitoring

Agency, shall submit the report required under Regulation 41(2) of the SEBI ICDR Regulations, on a quarterly basis, until such time as the Net Proceeds have been utilized in full. Further, our Company shall provide details, information and certifications obtained from its Statutory Auditors on the utilization of the Net Proceeds to the Monitoring Agency.

Our Company will disclose and continue to disclose the utilization of the Gross Proceeds, including interim use under a separate head in our balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable law, clearly specifying the purposes for which the Gross Proceeds have been utilized, until the time any part of the Fresh Issue proceeds remains unutilized. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Gross Proceeds that have not been utilized, if any, of such currently unutilized Gross Proceeds. Further, our Company, on a quarterly basis, shall include the deployment of Gross Proceeds under various heads, as applicable, in the notes to our consolidated financial results.

Pursuant to Regulation 32(3) and Part C of Schedule II of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds, which shall discuss, monitor and approve the use of the gross proceeds along with our Board. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in this Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilized in full. Further, our Company, on a quarterly basis, shall include the deployment of Gross Proceeds under various heads, as applicable, in the notes to our financial results including provide item by item description for all the expense heads under each Objects of the Offer. The statement shall be certified by the Statutory Auditor of our Company and such certification shall be provided to the Monitoring Agency. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Fresh Issue from the Objects; and (ii) details of category wise variations in the actual utilization of the proceeds of the Fresh Issue from the Objects.

Variation in the Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, read with Regulation 59 and Schedule XX of the SEBI ICDR Regulations and applicable rules, our Company shall not vary the Objects, including the proposed locations of the new stores mentioned above, without our Company being authorised 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 ("Notice") shall specify the prescribed details, including justification for such variation and be published and placed on website of our Company, as required under the Companies Act, 2013 read with applicable rules. The Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, being the vernacular language of the jurisdiction where the Registered Office is situated. Pursuant to Section 13(8) of the Companies Act, 2013, the Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the Objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations.

Appraising agency

None of the Objects of the Offer for which the Net Proceeds will be utilised has been appraised by any agency, including any bank or financial institutions.

Other confirmations

No part of the Net Proceeds will be paid by our Company as consideration to the Promoters, members of the Promoter Group, the Directors, the Key Managerial Personnel, Senior Managerial Personnel or the Group Companies. Our Company has not entered into and is not planning to enter into any arrangement/agreements with the Promoter, the Promoter Group, Directors, Key Managerial Personnel, Senior Managerial Personnel and Group Companies in relation to the utilisation of the Net Proceeds. Further, there is no existing or anticipated transactions in relation to utilization of Net Proceeds by our Company with the Promoters, members of the Promoter Group, the Directors, the Key Managerial Personnel or the Group Companies.

BASIS FOR OFFER PRICE

The Price Band, Floor Price and Offer Price will be determined by our Company, in consultation with the BRLMs, based on assessment of market demand for the Equity Shares offered through the Book Building Process and based on the quantitative and qualitative factors described below. The face value of the Equity Shares is ₹ 10 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to "*Our Business*", "*Risk Factors*", "*Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 174, 29, 230 and 301, respectively, to have an informed view before making an investment decision.

Qualitative factors

We believe that some of the qualitative factors which form the basis for computing the Offer Price are:

- Well established and trusted legacy brand in Maharashtra;
- Second largest organised retail jewellery player and one of the fastest growing brand in Maharashtra;
- Diversified product portfolio across categories and price points;
- Experienced Promoter and management team with proven execution capabilities; and
- Strong historical financial results.

For further details, see "*Our Business – Our Strengths*" on page 177.

Quantitative factors

Certain information presented below relating to our Company is derived from the Restated Consolidated Financial Information. For further information, see "*Restated Consolidated Financial Information*" on page 230.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

I. Restated earnings / (loss) per share (₹) for continuing and discontinued operations ("EPS")

Fiscal/Period	Basic EPS* (₹)	Diluted EPS (₹)	Weight
March 31, 2022	12.59	5.89	1
March 31, 2023	16.97	7.94	2
March 31, 2024	21.59	13.08	3
Weighted Average	18.55	10.17	

Notes: Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).

II. Price/Earning ("P/E") ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share (1):

Particulars	P/E at the lower end of the Price Band (number of times)	P/E at the higher end of the Price Band (number of times)
Based on basic EPS for Fiscal 2024	[●]	[●]
Based on diluted EPS for Fiscal 2024	[●]	[●]

(1 To be updated upon the finalisaton of the price band)

III. Industry Peer Group P/E ratio

Particulars	P/E Ratio
Highest	101.53
Lowest	42.89
Average	63.31

Note: The industry high and low has been considered from the industry peer set provided later in this section. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section. For further details, see "Comparison with Listed Industry Peers" below.

IV. Return on Net Worth ("RoNW")

Fiscal	RoNW (%)	Weight
March 31, 2022	22.48%	1

Fiscal	RoNW (%)	Weight
March 31, 2023	25.09%	2
March 31, 2024	28.88%	3
Weighted Average	**26.55%**	

Notes: Return on Net Worth = Restated net profit/(loss) after tax for the years/period / Equity attributable to owners of the Company.

V. Net asset value per Equity Share (face value of ₹ 10 each)

Net Asset Value per Equity Share	(₹)
As on March 31, 2024	45.29
After the Offer	
(i) Floor Price	[●]
(ii) Cap Price	[●]
(iii) Offer Price	[●]

Notes: Net Asset Value per share = Restated equity attributable to owners of the Company / Weighted average number of equity shares outstanding during the period

VI. Comparison of Accounting Ratios with Listed Industry Peers

Name of the company	Face value per equity share (₹)	P/ E	Revenue from operations (in ₹ million)	EPS (Basic) (₹)	EPS (Diluted) (₹)	Net worth (in ₹ million)	RoNW (%)	Net Asset Value per Equity Share (₹)	Closing Share Price as on August 23, 2024 (₹ per equity share)
P N Gadgil Jewellers Limited*	10.00	[●]	61,109.45	21.59	13.08	5,343.77	28.88%	45.29	NA
Listed peers*									
Kalyan Jewellers India Limited	10.00	101.53	1,85,482.86	5.80	5.80	41,890.57	14.23%	40.67	588.90
Senco Gold Limited	10.00	45.50	52,414.43	24.06	23.98	13,655.42	13.26%	175.74	1,091.15
Thangamayil Jewellery Limited	10.00	42.89	38,267.80	44.91	44.91	4,931.8	24.99%	179.74	1,926.10

**For Fiscal 2024.*

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

Notes in relation to our Company:

- *Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).*
- *Net worth is calculated as the sum of Share capital, other equity and reserves of a disposal group held for sale.*
- *Net Asset Value per share is calculated by dividing Restated equity attributable to owners of the Company by Weighted average number of equity shares outstanding during the period.*
- *Return on Net Worth (%) = Restated net profit/(loss) after tax for the years/period attributable to the owners of the Company / Equity attributable to owners of the Company.*
- *P/E Ratio for the peer group has been computed based on the closing market price of equity shares on NSE as on August 23, 2024, divided by the diluted EPS.*

VII. Key performance indicators ("KPIs")

The table below sets forth the details of our KPIs that our Company considers having a bearing for arriving at the basis for Offer Price. The KPIs disclosed below have been historically used by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of our business in comparison to our peers, and other relevant and material KPIs of the business of our Company that have a bearing for arriving at the Basis for Offer Price. The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational KPIs, to assess our Company's performance.

The KPIs set forth below, have been approved by the Audit Committee pursuant to its resolution dated August 24, 2024 and the Audit Committee has confirmed that other than the KPI set out below, our Company has not disclosed any other KPIs to investors at any point of time during the three years period prior to the date of this Red Herring Prospectus. Additionally, the KPIs have been subjected to verification and certification by GDA & Associates, Chartered Accountants, Statutory Auditors of our Company, by their certificate dated August 26, 2024.

A list of our KPIs for the Fiscals 2024, 2023, and 2022 is set out below:

Particulars	Unit	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023	For the financial year ended March 31, 2022
Revenue from operations	(₹ in million)	61,109.45	45,075.19	25,556.34
Revenue from operations per store	(₹ in million)	1,697.48	1,325.74	798.64

Particulars	Unit	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023	For the financial year ended March 31, 2022
Revenue from operations per square feet	(₹)	602,974.08	473,953.25	279,733.14
EBITDA	(₹ in million)	2,774.26	1,745.20	1,419.83
EBITDA Margin	(%)	4.54	3.87	5.56
EBITDA per store	(₹ in million)	77.06	51.33	44.37
PAT	(₹ in million)	1,543.43	937.01	695.15
PAT Margin	(%)	2.53	2.08%	2.72%
PAT per store	(₹ in million)	42.87	27.56	21.72
ROE	(%)	28.88%	25.09%	22.48%
ROCE	(%)	27.31%	23.29%	19.89%
Working capital days	Days	51	41	80
Marketing expenses	(₹ in million)	419.47	299.60	91.62
Yield on marketing expenses	(times)	145.68	150.45	278.94
Inventory days	(days)	63	53	111

Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company is below:

Sr. No.	KPI	Manner of calculation	Explanation
1.	Revenue from operations	Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements	Revenue from Operations is used to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of the business
2.	Revenue per store	Revenue per store is calculated as Revenue from operations divided by the Closing store count	Revenue per store signifies average revenue earned from the total number of stores and a high "per store revenue" represents strong operational performance in the industry.
3.	Revenue per square feet	Revenue per square feet signifies average revenue earned from the total number of square feet and a high "per square feet revenue" represents strong operational performance in the industry	Revenue per square feet signifies average revenue earned from the total number of square feet and a high "per square feet revenue" represents strong operational performance in the industry.
4.	EBITDA	EBITDA refers to sum of EBIT and depreciation and amortization expense	EBITDA provides information regarding the operational efficiency of the business.
5.	EBITDA Margin	EBITDA margin is calculated as EBITDA divided by the Revenue from Operations	EBIT margin provides information regarding the core operational efficiency of the business after excluding depreciation as a % of revenue.
6.	EBITDA per store	EBITDA per store is calculated as EBITDA divided by Closing store count.	EBITDA per store signifies average revenue earned from the total number of stores and a high "per store EBITDA" represents strong operational performance in the industry.
7.	PAT		Profit after tax (PAT) is the net income of a company after deducting all applicable taxes from its total revenue.
8.	PAT Margin	Profit after tax margin is calculated as the percentage of restated profit after tax for the period/ year divided by total income.	PAT margin provides information regarding the core operational efficiency of the business after excluding depreciation as a % of revenue.
9.	PAT per store	Pat per store is calculated as PAT divided by closing store count	PAT per store signifies average revenue earned from the total number of stores and a high "per store PAT" represents strong operational performance in the industry.
10.	ROE	PAT/Average Net worth	ROE provides how efficiently the Company generates profits from shareholders' funds.
11.	ROCE	EBIT/Capital Employed	ROCE provides how efficiently the Company generates earnings from the capital employed in the business
12.	Working capital days	Working capital days are calculated as net working capital *365 divided by revenue from operations. ((Inventory + Receivables minus Payables) * 365/ Revenue from Operations)	Working capital days represent the average number of days it takes for a company to convert its working capital into revenue or sales
13.	Marketing expenses		Marketing expense provides information regarding advertisement and publicity expenditure for the business.

Sr. No.	KPI	Manner of calculation	Explanation
14.	Yield on marketing expenses	Yield is calculated as Revenue from Operations divided by Marketing expenses	Yield on marketing expenses provides how efficiently company generates earnings by spending on the promotional activities
15.	Inventory days	Inventory days calculated as average inventories divided by cost of materials multiplied by 365 days for the full year	Inventory days measures how long a company keep its inventory before it is sold.

We believe that the KPIs, disclosed above, are the only relevant and material KPI pertaining to our Company which may have a bearing on the Offer Price.

The other operational metrics of our Company have been disclosed in "*Our Business*" and "*Industry Overview – Details of jewellery retailers operating in India*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 174, 160 and 301, respectively.

Our Company confirms that it shall continue to disclose all the KPIs included above, at least once in a year after the date of listing of the Equity Shares or for any lesser period as determined by the Board of Directors of our Company until such time as may be required under the SEBI ICDR Regulations.

VIII. Comparison with listed industry peers

(a) Comparison of Operational Parameters of Fiscal 2024 with the Industry Peers

Parameter	Unit	P N Gadgil Jewellers Limited	Joyalukkas India Limited	Malabar Gold Limited	Kalyan Jewellers India Limited	Senco Gold Limited	Thangamayil Jewellery Limited	Titan Limited (Tanishq)
Revenue from operations	(₹ in million)	61,109.45	NA	NA	1,85,482.86	52,414.43	38,267.80	4,22,920.00
Revenue from operations per store	(₹ in million)	1,697.48	NA	NA	772.85	329.65	637.80	NA
Revenue from operations per square feet	(₹)	6,02,974.08	NA	NA	2,64,975.51	4,38,961.57	4,16,933.00	NA
EBITDA	(₹ in million)	2,774.26	NA	NA	13,863.67	4,177.50	2,177.70	NA
EBITDA Margin	(%)	4.54%	NA	NA	7.47%	7.97%	5.69%	NA
EBITDA per store	(₹ in million)	77.06	NA	NA	57.77	26.27	36.30	NA
PAT	(₹ in million)	1,543.42	NA	NA	5,962.85	1,810.04	1,232.40	NA
PAT Margin	(%)	2.53%	NA	NA	3.21%	3.45%	3.22%	NA
PAT per store	(₹ in million)	42.87	NA	NA	24.85	11.38	20.54	NA
ROE	(%)	28.88%	NA	NA	14.23%	13.26%	24.99%	NA
ROCE	(%)	27.31%	NA	NA	15.65%	12.49%	20.27%	NA
Working capital days	Days	51	NA	NA	131	160	112	NA
Marketing expenses	(₹ in million)	419.47	NA	NA	2,705.55	1,033.73	203.20	NA
Yield on marketing expenses	(times)	145.68	NA	NA	68.56	50.70	188.33	NA
Inventory days	Days	63	NA	NA	191	202	128	NA

All Figures are consolidated except for Thangamayil and Joyalukkas
NA: Not Available or can't be calculated due to unavailability, negative numerator, denominator or both.
Titan Company Ltd. (Tanishq) only includes Tanishq metrics, anything which was not available is NA.
The revenue of Titan Company Ltd. (Tanishq) is computed by subtractive the revenue (estimated revenue) of Mia, Zoya and Caratlane from the standalone financial revenue of Titan's Jewellery segment.
Joyalukkas and Tanishq store count considered only stores in India since numbers used are on a standalone basis.
Since consolidated figures of Joyalukkas and Thangamayil are not available, standalone figures of both are considered along with number of stores in India. For rest of the players global store count is considered.
**For Tanishq - revenue per store and revenue per square ft are on estimation basis.*
Revenue per square feet for Kalyan has been calculated basis the approximate retail areas disclosed in the company filings of the respective years in case of FY22, FY23 and FY24.Source: Technopak Report.

(b) Comparison of Operational Parameters of Fiscal 2023 with the Industry Peers

Parameter	Unit	P N Gadgil Jewellers Limited	Joyalukkas India Limited	Malabar Gold Limited	Kalyan Jewellers India Limited	Senco Gold Limited	Thangamayil Jewellery Limited	Titan Limited (Tanishq)
Revenue from operations	(₹ in million)	45,075.19	1,45,134.29	3,95,843.00	1,40,714.47	40,774.04	31,525.50	3,12,713.43
Revenue from operations per store	(₹ in million)	1,325.74	1,649.25	N.A	773.16	299.81	594.82	739.28*
Revenue from operations per square feet	(₹)	4,73,953.25	N.A	N.A	2,31,058.24	99,478.00	3,92,375.00	1,79,720.36*
EBITDA	(₹ in million)	1,745.20	15,296.16	12,425.00	11,519.22	3,477.58	1,562.5	NA
EBITDA Margin	(%)	3.87%	10.54%	3.14%	8.19%	8.53%	4.96%	NA
EBITDA per store	(₹ in million)	51.33	173.82	N.A	63.29	25.57	29.48	NA
PAT	(₹ in million)	937.00	8,993.34	6,851.00	4,319.32	1,584.79	797.40	NA
PAT Margin	(%)	2.08%	6.20%	1.73%	3.07%	3.89%	2.53%	NA
PAT per store	(₹ in million)	27.56	102.20	N.A	23.73	11.65	15.05	NA
ROE	(%)	25.09%	27.10%	22.10%	11.88%	16.76%	20.51%	NA
ROCE	(%)	23.29%	28.05%	4.56%	12.70%	14.22%	15.25%	NA
Working capital days	Days	41	143	37	157	158	112	NA
Marketing expenses	(₹ in million)	299.60	1,492.79	1,468.00	2,049.51	810.36	264.10	NA
Yield on marketing expenses	(times)	150.45	97.22	214.07	68.66	50.32	119.37	NA
Inventory Days	Days	53	181	48	216	201	127	NA

All Figures are consolidated except for Thangamayil and Joyalukkas
NA: Not Available or can't be calculated due to unavailability, negative numerator, denominator or both.
Titan Company Ltd. (Tanishq) only includes Tanishq metrics, anything which was not available is NA.
The revenue of Titan Company Ltd. (Tanishq) is computed by subtractive the revenue (estimated revenue) of Mia, Zoya and Caratlane from the standalone financial revenue of Titan's Jewellery segment.
Joyalukkas and Tanishq store count considered only stores in India since numbers used are on a standalone basis.
Since consolidated figures of Joyalukkas and Thangamayil are not available, standalone figures of both are considered along with number of stores in India. For rest of the players global store count is considered.
**For Tanishq - revenue per store and revenue per square ft are on estimation basis.*
Revenue per square feet for Kalyan has been calculated basis the approximate retail areas disclosed in the company filings of the respective years in case of FY22, FY23 and FY24.Source: Technopak Report.

(c) Comparison of Operational Parameters of Fiscal 2022 with the Industry Peers

Parameter	Unit	P N Gadgil Jewellers Limited	Joyalukkas India Limited	Malabar Gold Limited	Kalyan Jewellers India Limited	Senco Gold Limited	Thangamayil Jewellery Limited	Titan Limited (Tanishq)
Revenue from operations	(₹ in million)	25,556.34	1,02,945.52	3,14,253.00	1,08,179.34	35,346.41	21,930.72	2,38,258.20
Revenue from operations per store	(₹ in million)	798.64	N.A	N.A	702.46	278.32	421.74	612.49*
Revenue from operations per square feet	(₹)	2,79,733.14	N.A	N.A	2,01,451.28	N.A	2,90,797.00	1,58,838.80*
EBITDA	(₹ in million)	1,419.83	12,259.84	11,128.00	8,527.96	2,899.53	878.63	N.A
EBITDA Margin	(%)	5.56%	11.91%	3.54%	7.88%	8.20%	4.01%	N.A

Parameter	Unit	P N Gadgil Jewellers Limited	Joyalukkas India Limited	Malabar Gold Limited	Kalyan Jewellers India Limited	Senco Gold Limited	Thangamayil Jewellery Limited	Titan Limited (Tanishq)
EBITDA per store	(₹ in million)	44.37	N.A	N.A	55.38	22.83	16.90	N.A
PAT	(₹ in million)	695.15	7,001.45	6,942.00	2,240.30	1,291.02	385.43	N.A
PAT Margin	(%)	2.72%	6.80%	2.21%	2.07%	3.65%	1.76%	N.A
PAT per store	(₹ in million)	21.72	N.A	N.A	14.55	10.17	7.41	N.A
ROE	(%)	22.48%	28.94%	29.00%	7.14%	17.78%	11.89%	N.A
ROCE	(%)	19.89%	28.10%	26.20%	9.56%	15.60%	10.70%	N.A
Working capital days	Days	80	154	35	177	136	124	N.A
Marketing expenses	(₹ in million)	91.62	838.98	899.00	1,523.90	505.82	244.15	N.A
Yield on marketing expenses	(times)	278.94	122.70	349.56	70.99	69.88	89.83	N.A
Inventory Days	Days	111	197	43	232	170	139	NA

All Figures are consolidated except for Thangamayil and Joyalukkas
NA: Not Available or can't be calculated due to unavailability, negative numerator, denominator or both.
Titan Company Ltd. (Tanishq) only includes Tanishq metrics, anything which was not available is NA.
The revenue of Titan Company Ltd. (Tanishq) is computed by subtractive the revenue (estimated revenue) of Mia, Zoya and Caratlane from the standalone financial revenue of Titan's Jewelry segment.
Joyalukkas and Tanishq store count considered only stores in India since numbers used are on a standalone basis.
Since consolidated figures of Joyalukkas and Thangamayil are not available, standalone figures of both are considered along with number of stores in India. For rest of the players global store count is considered.
**For Tanishq - revenue per store and revenue per square ft are on estimation basis.*
Revenue per square feet for Kalyan has been calculated basis the approximate retail areas disclosed in the company filings of the respective years in case of FY22, FY23 and FY24.Source: Technopak Report.

IX. Comparison of KPIs over time based on additions or dispositions to the business

Our Company has not undertaken a material acquisition or disposition of assets / business for the periods that are covered by the KPIs and accordingly, no comparison of KPIs over time based on additions or dispositions to the business, have been provided.

X. Disclosures in relation to valuation of our Company

(a) The price per share of our Company based on the primary / new issue of shares (equity / convertible securities)

Details of the primary transactions are set out below:

Sr. No.	Date of allotment	Details of allottee	Nature of allotment	No. of Equity Shares allotted	Face value per Equity Share	Issue price per Equity Share/ CCPS	Form of consideration	Total Consideration (In ₹ Million)
1	January 10, 2024	Allotted to SVG Business Trust	Conversion of Compulsorily Convertible Non-Cumulative Preference Shares	62,800,000	10.00	NA	Not Applicable	843.86
Weighted average cost of acquisition (in ₹)								**13.44**

Consideration for such allotment of Equity Shares, pursuant to conversion of CCNPS, was paid at the time of allotment of NCRPS; the terms of the of preference shares issued by our Company were changed from NCRPS to CCNPS

(b) The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities)

Sr. No.	Date of transfer	Type of Security	Name of transferor	Name of transferee	Nature of transaction	No. of Equity Shares/ convertible preference shares	Face value per Equity Shares/ convertible	Transfer price per Equity Share/ convertible	Form of consideration	Total Consideration (In ₹ Million)

							preferenc e	preferenc e shares		
1	March 20, 2023	Equity Shares	PYG Family Trust	SVG Business Trust	Secondary Sale	1,43,51,400	10.00	23.22	Cash	333.24
2	March 20, 2023	CCNPS	PYG Family Trust	SVG Business Trust	Secondary Sale	16,328,000	10.00	23.22	Cash	379.14
	Weighted average cost of acquisition (in ₹)									**23.22**

(c) Price per share based on last five primary or secondary transactions

Not Applicable

XI. Weighted average cost of acquisition, floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor price (i.e., ₹ [•])	Cap price (i.e., ₹ [•])
WACA of Primary Transactions	13.44	[•] times	[•] times
WACA of Secondary Transactions	23.22	[•] times	[•] times

Note: As certified by GDA & Associates, Chartered Accountants, Statutory Auditors of our Company, pursuant to their certificate dated September 4, 2024.

XII. Explanation for Offer Price / Cap Price being [●] times of WACA of Primary Issuance (set out in VIII above) along with our Company's key financial and operational metrics and financial ratios for Fiscals 2024, 2023 and 2022.

[•]*

**To be included on finalisation of Price Band.*

XIII. Explanation for Offer Price / Cap Price being [●] times of WACA of Secondary Transactions (set out in VIII above) in view of the external factors which may have influenced the pricing of the Offer.

[•]*

**To be included on finalisation of Price Band.*

XIV. The Offer price is [●] times of the face value of the Equity Shares

The Offer Price of ₹ [●] has been determined by our Company in consultation with the BRLMs based on the demand from investors for the Equity Shares through the Book Building process. Our Company in consultation with the BRLMs is justified of the Offer Price in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with "*Risk Factors*", "*Our Business*", "*Restated Consolidated Financial Information*" and "*Management Discussion and Analysis of Financial Position and Results of Operations*" and on pages 29, 174, 230 and 301, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "*Risk Factors*" on page 29 and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

To

The Board of Directors
P N Gadgil Jewellers Limited
694, PNG House
Kunte Chowk, Laxmi Road
Narayan Peth, Pune 411 030
Maharashtra, India

Subject: Statement of Possible Special Tax Benefits available to the Company and the shareholders of the Company under applicable direct and indirect tax laws in India

Dear Sirs,

We refer to the proposed initial public offering of equity shares of P N Gadgil Jewellers Limited (the "**Company**"). We enclose herewith the statement (the "**Annexure**") showing the current position of special tax benefits available to the Company and the shareholders of the Company as per the provisions of the Indian direct and indirect tax laws, including the Income Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively the "**Taxation Laws**"), including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws and the Foreign Trade Policy 2023-2028 as presently in force and applicable to the assessment year 2024-25 relevant to the financial year 2023-24 for inclusion in this Red Herring Prospectus and the Prospectus (collectively, the "**Offer Documents**") for the proposed initial public offering of shares of the Company, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**SEBI ICDR Regulations**").

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the direct and indirect taxation laws, including the Income Tax Act, 1961. Hence, the ability of the Company or its shareholders to derive these tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of their participation in the offer. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

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

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

We hereby give our consent to include this statement and the enclosed Annexure regarding the special tax benefits available to the Company and the shareholders of the company in the Offer Documents for the proposed public offering of equity shares of the Company, which the Company intends to submit to the Securities and Exchange Board of India, the stock exchanges where the equity shares of the Company are proposed to be listed, and the Registrar of Companies, Maharashtra at Pune, as applicable, provided that the below statement of limitation is included in the Offer Documents.

LIMITATIONS

Our views expressed in the enclosed Annexure are based on the facts and assumptions indicated above. 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. Reliance on the Annexure is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed offer relying on the Annexure. This statement has been prepared solely in connection with the proposed initial public offering of equity shares of the Company under the SEBI ICDR Regulations.

For and on behalf of **M/s GDA & Associates**
Chartered Accountants
Firm Registration Number: 135780W

Name: Kiran D. Kulkarni
Designation: Partner
Membership No. 35916
UDIN: 24035916BKHYTZ9138
Place: Pune

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO P N GADGIL JEWELLERS LIMITED ("THE COMPANY") AND THE COMPANY'S SHAREHOLDERS

The information provided below sets out the possible special tax benefits available to the Company and the shareholders of the Company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares of the Company, under the current tax laws presently in force. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on commercial imperatives a shareholder faces, may or may not choose to fulfill. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THEIR PARTICULAR SITUATION.

STATEMENT OF POSSIBLE DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND TO THE SHAREHOLDERS OF THE COMPANY

Under the Income Tax Act, 1961 (the Act)

I. Special tax benefits available to the Company

A. Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that a domestic company can opt for a rate of 22% (plus applicable surcharge and education cess) from the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified deductions or set–off of losses, depreciation etc., and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year MAT credit will not be available for set –off. The options need to be exercised on or before the due date of filing the income tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

The Company has represented to us that they have opted to apply section 115BAA of the Act from the Assessment Year 2020-21.

B. Deductions from Gross Total Income

Deduction in respect of employment of new employees:

Subject to the fulfillment of prescribed conditions, the Company is entitled to claim deduction of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided under section 80JJAA of the Act.

II. Special tax benefits available to Shareholders

There are no special tax benefits available to the shareholders under the provisions of the Income-tax Act, 1961.

Notes:

1. The benefits in I and II above are as per the current tax law as amended by the Finance Act, 2023.

2. This statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders / investors in the country outside India are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them.

3. Surcharge is to be levied on domestic companies at the rate of 7% where the income exceeds INR one crore but does not exceed INR ten crores and at the rate of 12% where the income exceeds INR ten crores.

4. If the company opts for concessional income tax rate under section 115BAA of the Act, surcharge shall be levied at the rate of 10%.

5. Health and Education Cess @ 4% on the tax and surcharge is payable by all category of tax payers.

6. If the company opts for concessional income tax rate as prescribed under section 115BAA of the Act, it will not be allowed to claim any of the following deductions:

- Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)
- Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation)
- Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund)
- Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or subsection (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)
- Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)
- Deduction under section 35CCD (Expenditure on skill development)
- Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA or section 80M;
- No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;
- No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred above

7. Further, it was also clarified by CBDT vide circular No. 29/ 2019 dated 2 October 2019 that if the Company opts for concessional income tax rate under section 115BAA, the provisions of section 115JB regarding Minimum Alternate Tax (MAT) are not applicable. Further, such Company will not be entitled to claim tax credit relating to MAT.

8. The above statement of possible direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

STATEMENT OF POSSIBLE INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND THE SHAREHOLDERS OF THE COMPANY

I. Special tax benefits available to the Company

The company can avail the benefit of inverted duty structure refund with respect to Input Tax Credit where the tax paid on outputs is 3% and the inputs are higher.

However, we are informed that they do not have major unutilised input tax credit and hence they are not availing refund.

II. Special tax benefits available to Shareholders

There are no special tax benefits available to the shareholders under the provisions of the GST Act, 2017

Notes:

The above statement of possible indirect tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences.

SECTION IV- ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, the information in this section is obtained or extracted from "Industry Report on Jewellery Market in India" dated August 26, 2024 ("**Technopak Report**") prepared and released by Technopak Advisors Private Limited ("**Technopak**") and exclusively commissioned by and paid for by us pursuant to an engagement letter dated January 8, 2024. A copy of the Technopak Report is available on the website of our Company at https://www.pngjewellers.com/investors#corporate-governance. The data included herein includes excerpts from the Technopak Report and may have been re-classified by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed issue) that has been left out or changed in any manner. 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, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on, this information. Financial information used herein is based solely on the audited financials of the Company and other peers. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. See also, "Risk Factors – Certain sections of this Red Herring Prospectus disclose information from the industry report which has been commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 57. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that 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. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation –Industry and Market Data" on page 24.*

While preparing its report, Technopak has also sourced information from publicly available sources, including our Company's financial statements available publicly. However, financial information relating to our Company presented in other sections of this Red Herring Prospectus has been prepared in accordance with Ind AS and restated in accordance with the SEBI ICDR Regulations. Accordingly, the financial information of our Company in this section is not comparable with Ind AS financial information presented elsewhere in this Red Herring Prospectus.

GLOBAL ECONOMIC OVERVIEW

Global GDP Growth

The global GDP is forecasted to grow from USD 90.1 trillion in CY 2021 to USD 127.5 trillion in CY 2027. The global economy registered a CAGR of 1.88% from CY 2013 to CY 2021. The GDP (at current price) of the major economies in the world is presented in the table below:

Exhibit 1.1: GDP at current prices (In USD Tn) of Key Global Economies

Country	CY 2013	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023P	CY 2027P	CAGR (2013-2021)	CAGR (2021-2027)
USA	16.8	17.5	18.2	18.7	19.6	20.6	21.4	20.9	23	25.5	26.9	31.4	4.00%	5.34%
China	9.6	10.5	11.1	11.2	12.3	13.9	14.3	14.7	17.5	18.1	19.4	22.3	7.79%	4.11%
Japan	5.2	4.9	4.4	5	4.9	5	5.1	5	4.9	4.2	4.4	4.9	-0.74%	-0.10%
Germany	3.7	3.9	3.4	3.5	3.7	4	3.9	3.8	4.2	4.1	4.3	5.3	1.60%	4.05%
India*	**1.4**	**1.6**	**1.7**	**1.9**	**2.1**	**2.4**	**2.5**	**2.5**	**2.9**	**3.4**	**3.7**	**5.8**	**9.53%**	**12.25%**
UK	2.8	3.1	2.9	2.7	2.6	2.9	2.8	2.7	3.2	3.1	3.2	4.3	1.68%	5.19%
Brazil	2.5	2.5	1.8	1.8	2.1	1.9	1.9	1.4	1.6	1.9	2.1	2.6	-5.43%	8.65%
Russia	2.3	2.1	1.4	1.3	1.6	1.7	1.7	1.5	1.8	2.2	2.1	2.0	-3.02%	1.52%
Indonesia	0.9	0.9	0.9	0.9	1	1	1.1	1.1	1.2	1.3	1.4	2.0	3.66%	8.43%
Turkey	1	0.9	0.9	0.9	0.9	0.8	0.8	0.7	0.8	0.9	1.0	1.5	-2.75%	11.05%
Saudi Arabia	0.7	0.8	0.7	0.6	0.7	0.8	0.8	0.7	0.8	1.1	1.1	1.2	1.68%	7.43%
South Africa	0.4	0.4	0.3	0.3	0.3	0.4	0.4	0.3	0.4	0.4	0.4	0.4	0.00%	1.79%
World	***77.6***	***79.7***	***75.1***	***76.4***	***81.4***	***86.4***	***87.7***	***84.9***	***90.1***	***100.2***	***105.6***	***127.5***	***1.88%***	***5.96%***

Source: World Bank Data, IMF, RBI; India Data from RBI, Future growth rate from OECD data, Technopak research
1 USD= ₹ 80
Data in CY
**For India, CY 2013 means FY 2014 and so on.*

India is ranked fifth in the world in terms of nominal gross domestic product ("GDP") in FY 2023 and is the third largest economy in the world in terms of purchasing power parity ("PPP"). Between FY 2014–2022, India's nominal GDP has grown at a CAGR of 9.53%, surpassing growth rates of USA and China. India is expected to be a ~USD 5.8 trillion economy by FY 2028, growing at a CAGR of 12.25% between FY 2022–2028.

GDP Growth- Global, US, UK, Japan, China, India

Major economies like the United States and Germany reported GDP growth rates of 2.1% and 1.8% respectively in CY 2022. The economies of India and China witnessed good growth in Real GDP during CY 2021 and CY 2022, following the COVID-19 pandemic. India demonstrated a substantial growth rate of 9.1% in CY 2021 and 7.2% in CY 2022. China, on the other hand, registered a growth rate of 8.4% in CY 2021 and 3% in CY 2022. The growth rate of India slightly went down in CY 2023 to 6.7%, yet it was higher than any of the other top 5 economies in the world. The real GDP growth rates for some of the major economies in the world are given in the table below:

Exhibit: 1.2: Real GDP growth (Y-o-Y) (in %) – World, U.S., China, Japan, Germany, India, UK (CY)

Country	**CY 2013**	**CY 2014**	**CY 2015**	**CY 2016**	**CY 2017**	**CY 2018**	**CY 2019**	**CY 2020**	**CY 2021**	**CY 2022**	**CY 2023P**	**CY 2027P**
USA	1.8	2.3	2.7	1.7	2.2	2.9	2.3	-2.8	5.9	2.1	2.1	2.1
China	7.8	7.4	7	6.9	6.9	6.8	6	2.2	8.4	3	5	3.7
Japan	2	0.3	1.6	0.8	1.7	0.6	-0.4	-4.2	2.2	1	2	0.4
Germany	0.4	2.2	1.5	2.2	2.7	1	1.1	-3.8	3.2	1.8	-0.5	1.3
India*	6.4	7.4	8	8.3	6.8	6.5	3.9	-5.8	9.1	7.2	6.7	6.5
UK	1.8	3.2	2.4	2.2	2.4	1.7	1.6	-11	7.6	4.1	0.5	1.8
World	3.4	3.5	3.4	3.2	3.8	3.6	2.8	-2.8	6.3	3.5	3	3.1

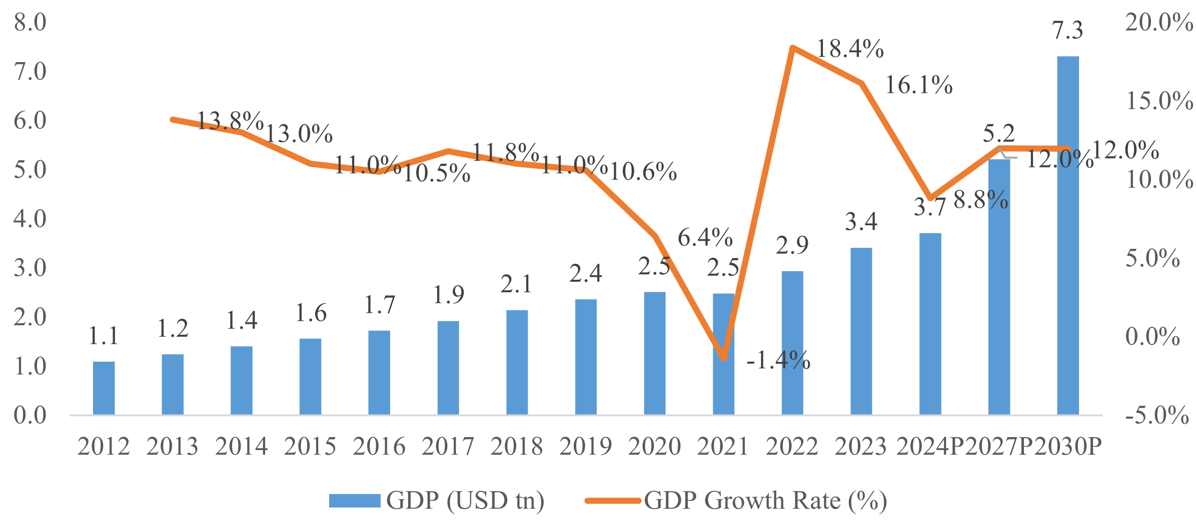
Source: IMF, RBI Data of India is based on financial year (April-March) basis.

OVERVIEW OF THE MACROECONOMIC SCENARIO IN INDIA

India GDP, GDP Growth (real and nominal)- historical, current & projected trajectory

India's nominal GDP has grown at a CAGR of 10.9% between FY 2012 and FY 2023 and is expected to register a CAGR of 11.2% for 5-year period from FY 2023 to FY 2028. India's nominal GDP contracted by 1.4% in FY 2021 followed by a 18.4% growth in FY 2022 and 16.1% growth in FY 2023. India's nominal GDP is expected to reach USD 5.8 trillion by FY 2028.

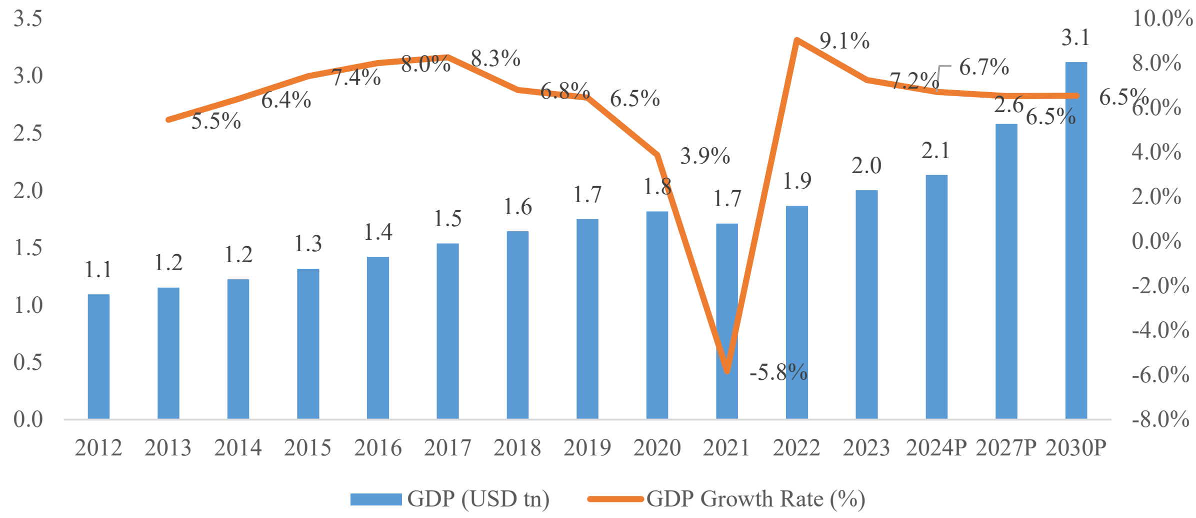
Exhibit.2.1: India's GDP at current prices (Nominal GDP) (In USD Tn) and GDP growth rate (%) (FY)



Source: World Bank, IMF, RBI, Technopak Analysis
Note: 1USD = ₹ 80

India's real GDP is expected to grow at a CAGR of 6.5% between FY 2023 and FY 2028. India is also estimated to be the third largest economy, surpassing Germany, and Japan by FY 2028.

Exhibit. 2.2: India's GDP at constant prices (Real GDP) (In USD Tn) and GDP growth rate (%) (FY)

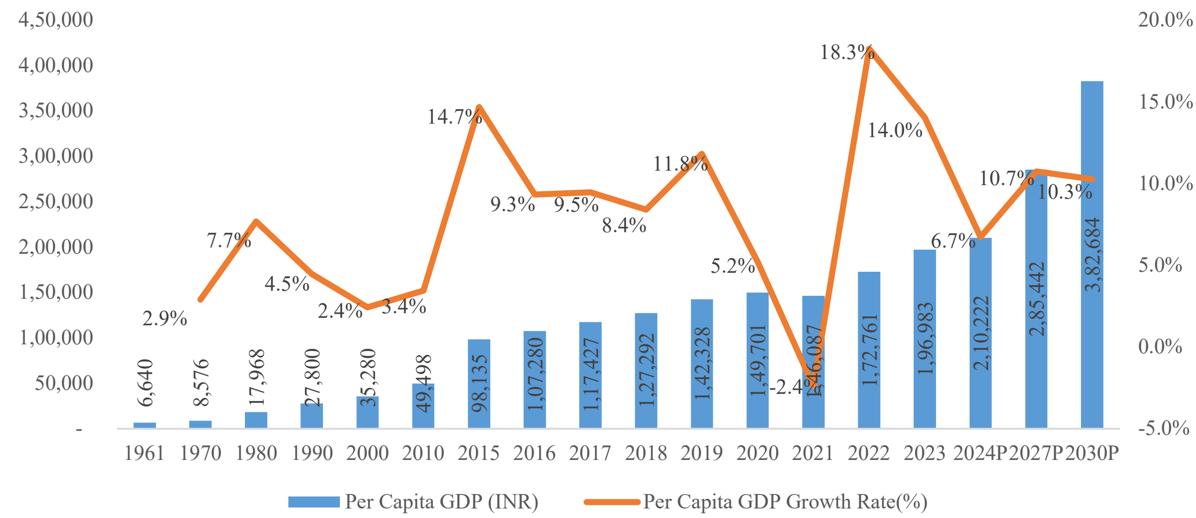


Source: Technopak Analysis
Note: 1USD = ₹ 80, Base Year for calculating Real GDP is 2011-12

Review and Outlook- Y-o-Y GDP & GSP per capita growth in India

India's Per Capita GDP has almost doubled from FY 2015 to FY 2023, indicating that the Indian economy has been growing at a fast pace. The per capita GDP for India stands at ₹ 1,72,761 in FY 2022 and is estimated to reach ₹ 1,96,983 in FY 2023, marking a ~76% increase (CAGR of ~8.4%) from ₹ 98,135 in FY 2015 to FY 2022. It is projected to grow with a CAGR of 10.0% between FY 2023 and FY 2030.

Exhibit. 2.3: India's per capita GDP (FY) (at current prices) and y-o-y growth rate (%) (FY)



Source: Ministry of Statistics and Program Implementation, World Bank, IMF, Technopak Research & Analysis
Note: 1 USD= ₹ 80

State-wise per capita growth

State-wise, the per capita income of some of the key states has been given below. The per capita income of Delhi grew by 14.2% in FY 2022-23. Maharashtra's per capita income grew by 12.6% in FY 2022-23. The upward growth in per capita income of different states has been growing over the years and this trend is expected to continue in the coming years.

Exhibit: 2.4: State wise Per Capita Income of Key States (in ₹)

State	2021-22	2022-23
Delhi	3,89,529	4,44,768
Haryana	2,64,835	2,96,685
Karnataka	2,65,623	3,01,673
Gujarat	2,50,100	NA

State	2021-22	2022-23
Tamil Nadu	2,41,131	2,73,288
Maharashtra	2,15,233	2,42,247

Source: Ministry of Statistics and Programme Implementation, Secondary Data

Exhibit: 2.5: y-o-y Growth in Per Capita Income of Key States

State	2021-22	2022-23
Delhi	17.6%	14.2%
Haryana	15.6%	12.0%
Karnataka	20.0%	13.6%
Gujarat	17.5%	NA
Tamil Nadu	13.6%	13.3%
Maharashtra	17.2%	12.6%

Source: Ministry of Statistics and Programme Implementation, Secondary Data

Factors affecting recovery/reduction

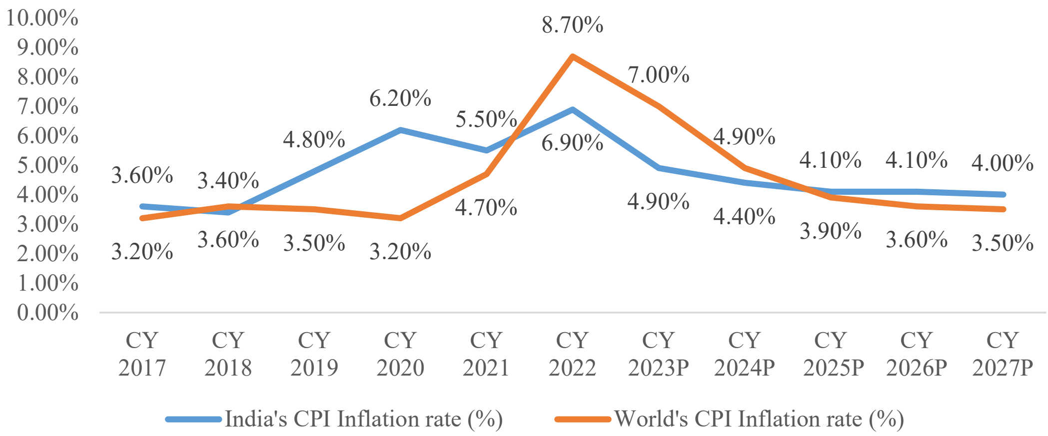
Several factors have contributed to this quick recovery post the pandemic, and these factors are likely to contribute to economic growth in the long term. These include favourable demographics, reduced dependency ratio, rapidly rising education levels, steady urbanization, growing young & working population, IT revolution, increasing penetration of mobile & internet infrastructure, government policies, increasing aspirations and affordability etc.

Inflation and its effect on GDP

The economies of both India and the world are undergoing a recovery process following the impact of the COVID-19 pandemic. However, the speed of their recovery is influenced not only by the severity of the COVID-19 impact but also by their ability to handle the challenges arising from the economic consequences of the geopolitical conflict between Russia and Ukraine.

Due to a substantial increase in global crude oil and commodity prices, India along with other developed countries faced significant challenges related to high levels of inflation in the previous fiscal year. Further, the pandemic has led to disruptions in global supply chains, affecting the availability of goods and raw materials. In response to this inflationary pressure, these countries are compelled to raise their domestic interest rates. RBI has been working towards reducing inflation by increasing the repo rate to control the supply and demand of goods and services. The RBI had increased the repo rate by a cumulative 250 basis points, from 4% in April 2022 to 6.5% in April 2023, to tackle the current inflation scenario in India.

Exhibit.2.6: India's CPI inflation rate (%) Vs World's CPI inflation rate (%) (CY)



Source: IMF projections
Note: CY 2017 for India refers to FY 2018 data

The CPI inflation rate in India has been above the Reserve Bank of India (RBI) medium-term target of 6%. The CPI inflation in India is expected to fall from 6.9% in FY 2023 to 4.9% in FY 2024 and further drop to 4.4% during the year FY 2025.

Exhibit.2.7: Global inflation rate, average CPI (%): US, UK, China, Japan, India, Germany

Inflation rate (CPI%)	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023P	CY 2024P	CY 2025P	CY 2026P	CY 2027P
China	1.6%	2.1%	2.9%	2.4%	0.9%	2.2%	2.2%	1.9%	2.0%	2.0%	2.0%
India	**3.6%**	**3.4%**	**4.8%**	**6.2%**	**5.5%**	**6.9%**	**5.1%**	**4.4%**	**4.1%**	**4.0%**	**4.0%**
Japan	0.5%	1.0%	0.5%	0.0%	-0.2%	2.0%	1.4%	1.0%	1.0%	1.0%	1.0%
Germany	1.7%	1.9%	1.4%	0.4%	3.2%	8.5%	7.2%	3.5%	2.6%	2.0%	2.0%
UK	2.7%	2.5%	1.8%	0.9%	2.6%	9.1%	9.0%	3.7%	1.8%	2.0%	2.0%
USA	2.1%	2.4%	1.8%	1.2%	4.7%	8.1%	3.5%	2.2%	2.0%	2.0%	2.0%
World	**3.3%**	**3.6%**	**3.5%**	**3.2%**	**4.7%**	**8.8%**	**6.6%**	**4.3%**	**3.6%**	**3.4%**	**3.3%**

Source: IMF Projections

Insights on the Rural Economy

The market share of rural merchandise retail has exhibited consistent growth over the years and is anticipated to reach USD 578 billion by FY2026, expanding at a Compound Annual Growth Rate (CAGR) of 7.9% from FY 19 to FY 26P. Various recent trends have played a pivotal role in accelerating this growth in rural India. These include:

- Increased internet penetration and smartphone usage
- Financial inclusion efforts through Government-Led initiatives
- Strengthening Infrastructure: Initiatives such as the Pradhan Mantri Gram Sadak Yojana have led to enhanced road connectivity, along with comprehensive efforts to overhaul and expand railway connectivity.
- Heightened Investment: Growing opportunities in the Agri-Tech space are attracting increased investment from investors.

Exhibit. 2.8: Rural Share in Total Merchandise Retail

All number in USD Bn	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY2024	FY2025	FY2026
Total Merchandise Retail	680.3	746.5	722.0	844.0	950.8	1062.5	1162.3	1284.8
Rural Share	340.2	373.2	346.5	405.1	456.4	499.4	534.7	578.2
Urban Share	340.2	373.2	375.4	438.9	494.4	563.1	627.7	706.6

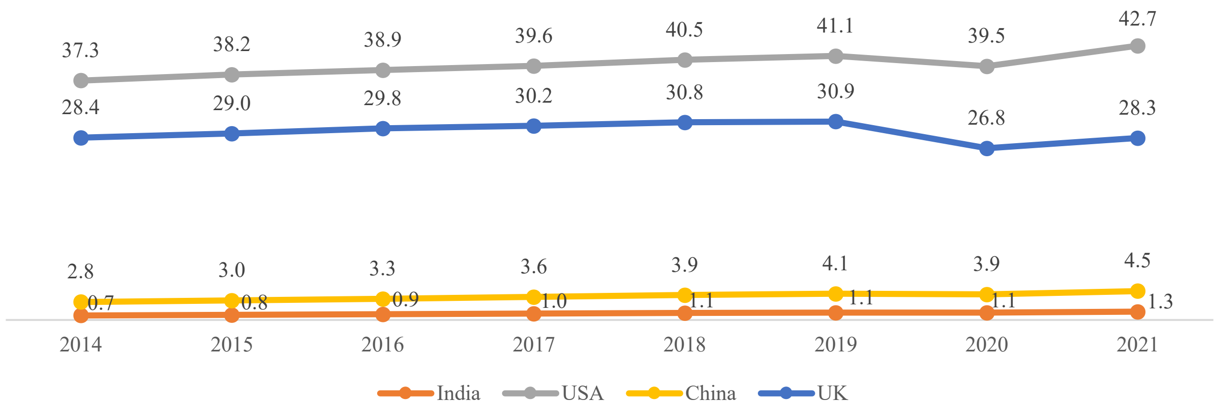
Source: Technopak Analysis

The government has taken several initiatives to enhance rural incomes and elevate the quality of life in rural areas through proactive measures in: A) Skill Development; B) Women Empowerment; C) Housing for All; D) Sanitation and Water.

Per capita consumption expenditure

The Per Capita Final Consumption Expenditure showed a significant growth pre COVID. In CY 20, the average Per Capita Final Consumption expenditure was valued to be around USD 1,141, a steep increase from USD 715 in CY15. Due to the emergence of COVID-19 in CY 20, there was an approximately 3% drop in the Per Capita Final Consumption Expenditure, to USD 1,110 but it recovered at a rate of 16% to reach USD 1,287 in CY 22.

Exhibit. 2.9: Per Capita Consumption Expenditure in CY (in '000 USD)



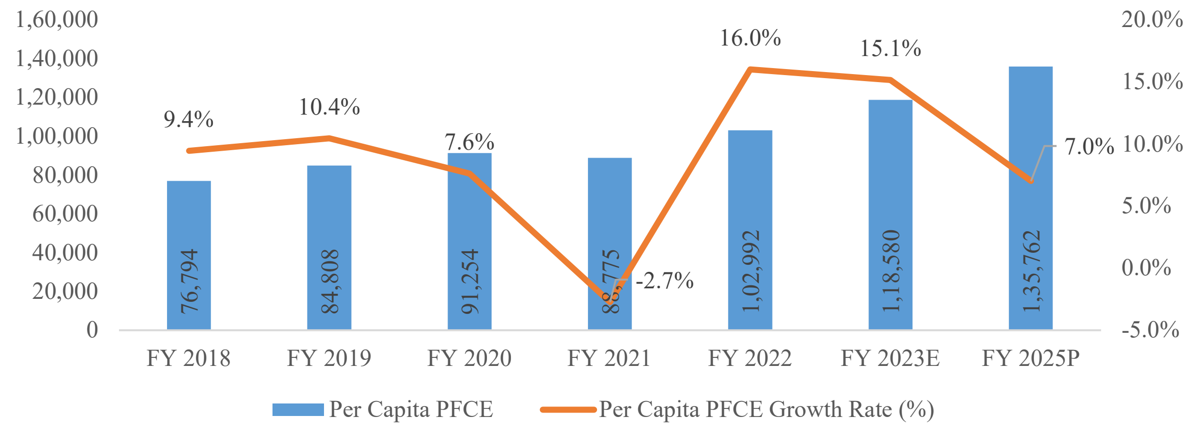
Source: RBI, World Bank, note: Per capita consumption for countries other than India include per capita final consumption expenditure for NPISHs and households
Note: India's per capita consumption is at current prices while for other countries, it is at constant 2015 USD prices.

Note: CY 2014 represents FY 2015 and so on for India.
1USD = ₹ 80

Per Capita Private Final Consumption Expenditure of India

India's Per Capita Private Final Consumption Expenditure had shown significant growth pre-COVID. In FY 2020, the average Per Capita Private Final Consumption expenditure was estimated at ₹ 91,254, a steep increase from ₹ 76,794 in FY 2018. Due to the emergence of COVID-19 in FY 2020, there was an approximately 2.7% drop in the Per Capita Private Final Consumption Expenditure to ₹ 88,775 in FY 2021. However, it recovered during FY 2022 to ₹ 1,02,992 and is estimated to reach ₹ 1,18,580 in FY 2023 respectively.

Exhibit 2.10: India's Per Capita Private Final Consumption Expenditure (at current prices) and growth (%) in ₹ (FY)

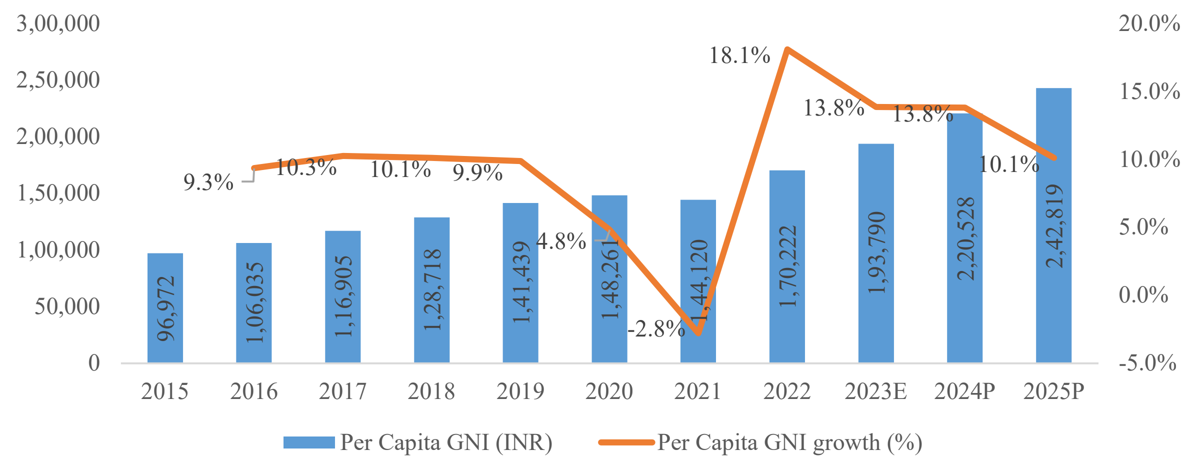


Source: Ministry of Statistics and Program Implementation , Technopak Research & Analysis

Evolution of per capita income

India's income growth is one of the strongest drivers for higher private consumption trends. In recent years, the rate of growth of per capita Gross National Income (GNI) has accelerated indicating that the Indian economy has been growing at a faster rate. The per capita GNI for India stands at ₹ 1,70,222 in FY 2022, marking a ~33% increase from ₹ 1,28,718 in FY 2018, exhibiting a CAGR of 7.3% during the period.

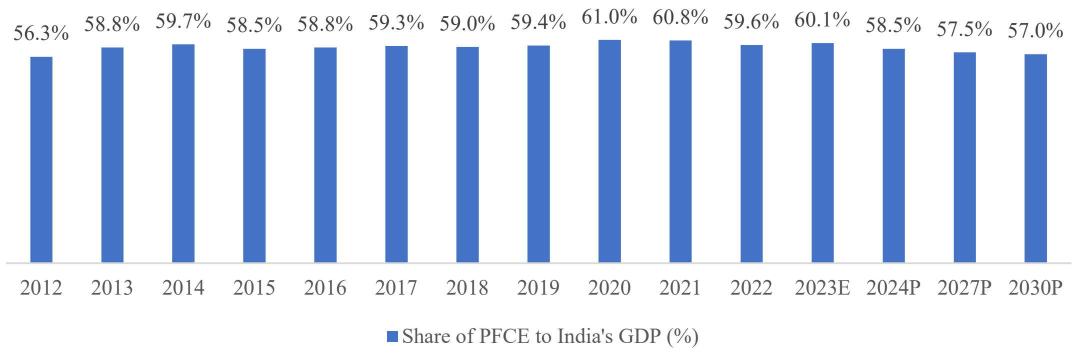
Exhibit 2.11: India's Per Capita GNI (₹) (Current Prices) and Y-o-Y growth trend (FY)



Source: Ministry of Statistics and Program Implementation , Technopak Research & Analysis

Share of private consumption / household consumption in India's GDP

Exhibit 2.12: Share of Private Final Consumption Expenditure to India's GDP (%) (FY)



Source: Ministry of Statistics and Program Implementation

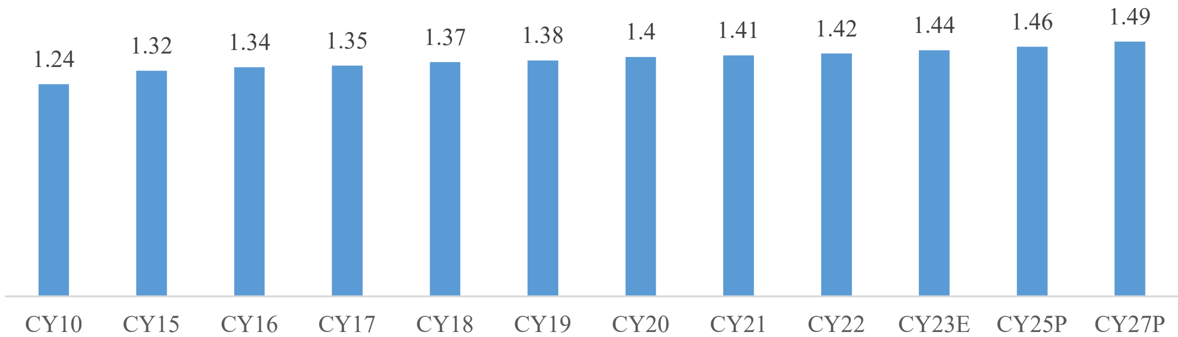
A high share of private final consumption expenditure to GDP indicates that an economy is driven by consumer spending, which can be a positive sign for economic growth. However, if the share of private consumption expenditure is excessively high, it may lead to inflationary pressures and an unsustainable economy. India's share of PFCE to GDP has increased over the years, reaching 59.6 % in FY 2022, up from 56.3% in FY 2012. According to the Ministry of Statistics and Program Implementation, the share of India's PFCE to GDP is expected to decrease from 60.1% in FY 2023 to approximately 57.0% by FY 2030.

Indigenous advantages resulting in a stronger economic growth rate in the longer term.

Growing Population

India's population has been steadily growing over the years. In CY 2010, the population stood at 1.2 billion, which reached 1.42 billion in CY 2022. India has surpassed China's population in April 2023, thus making it the most populus country in the world. Further projections suggest that India's population will continue to increase, reaching 1.46 billion by CY 2025 and further rising to 1.49 billion in CY 2027.

Exhibit 2.13: Evolution of India's population over the years (in billion)



Source: IMF Projection

Women in Workforce

The share of women workforce in the services sector has increased from 17.5% in CY 2010 to 25.1% in CY 2021. This increase of women in the workforce has seen a shift of patterns in terms of household activity, including an upward trend towards purchase of branded products including fashion and lifestyle.

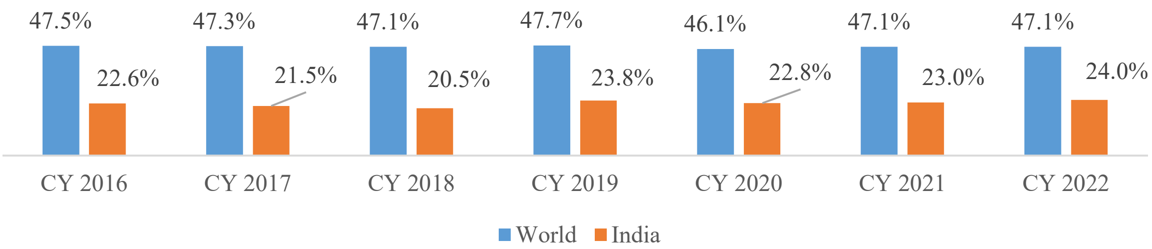
Exhibit 2.14: Sector wise split of female employment (CY)

Sector	CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021
Agriculture	67.0%	63.6%	60.0%	59.4%	58.7%	57.9%	57.2%	56.4%	55.5%	54.7%	53.6%	58.2%
Industry	15.5%	17.1%	18.8%	18.4%	18.2%	18.0%	17.7%	17.5%	17.3%	17.4%	17.9%	16.6%
Services	17.5%	19.3%	21.3%	22.2%	23.2%	24.1%	25.1%	26.1%	27.2%	28.0%	25.7%	25.1%

Source: World Bank Data

The percentage of Indian women labour force above 15 years of age has observed a slight increase from 22.6% in the year 2016 to 24.0% in 2022. With the increase in the percentage of women participating in the workforce, it can lead to increased household income and economic growth overall. With greater financial resources, families may be more likely to spend money on higher quality goods and services, such as education, healthcare, and childcare. This could have a positive impact on the well-being and development of individuals and communities.

Exhibit 2.15: Labor workforce participation rate, world & India (% of female population 15+ years age) (CY)

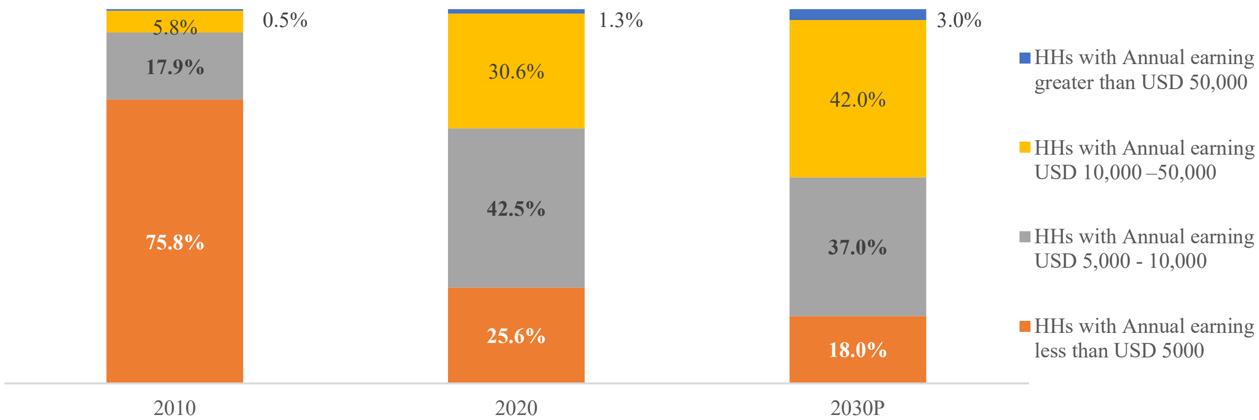


Source: World Bank Data

Increasing middle class income

Increase in number of households with annual earnings of USD 10,000 to USD 50,000 will drive the Indian economy by enhancing demand for more goods, better services, houses, health, education etc. Households with annual income between USD 10,000 and USD 50,000 form a minor stake of 5.8% of the total population in FY 10. This share has increased to 30.6% in FY 20 and is expected to continue its growth momentum and increase to 42% of the total population by FY 30. With the growing middle-class sector in India comes an increasing appetite for premiumization and overall consumption of goods and services, construction, housing services, financial services, telecommunication, and retail.

Exhibit 2.16: Household Annual Earning Details



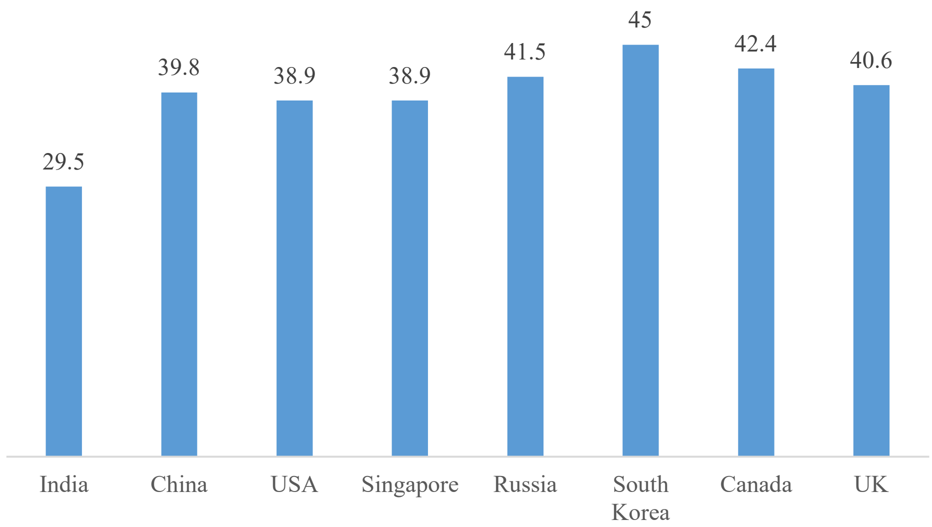
Source: EIU, Technopak Estimates

Favorable Demographics

Age wise population break-up

India has one of the youngest populations globally compared to other leading economies. The median age in India is estimated to be 28.7 years for FY 2023 as compared to 38.5 years and 38.1 years in the United States and China, respectively, and is expected to remain under 30 years until 2030.

Exhibit. 2.17: Median Age: Key emerging & developed economies in (CY 2023)

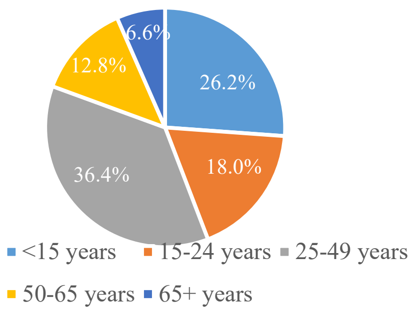


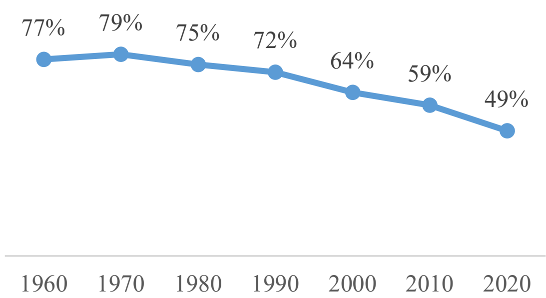
Source: World Population Review, Secondary research

More than 80% of India's population falls below the 50 years age bracket

As of April 2023, India is the most populated country in the world, home to 1.42 billion people, which is about one sixth of the world's population. More than 54% of the total population is between the age group of 15 to 49 years while 80% of the population is below 50 years old.

Exhibit 2.18: India's population distribution, by age (%) (FY 2023)

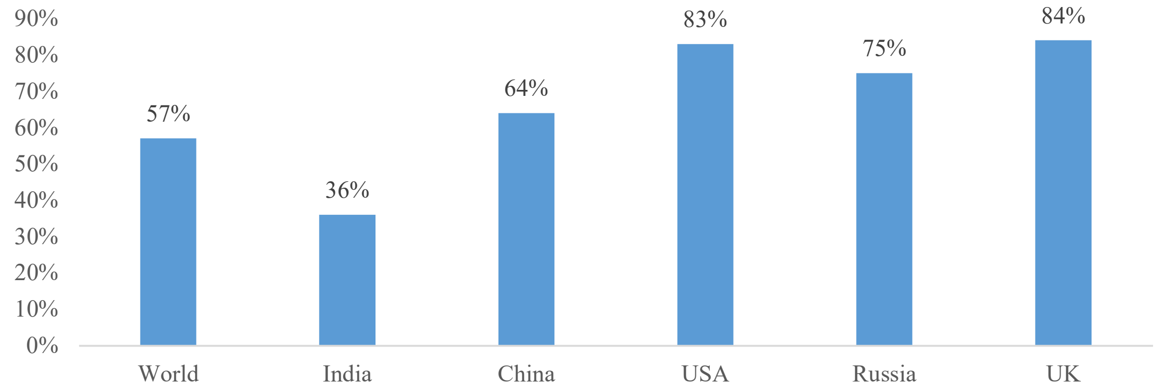




Urbanization

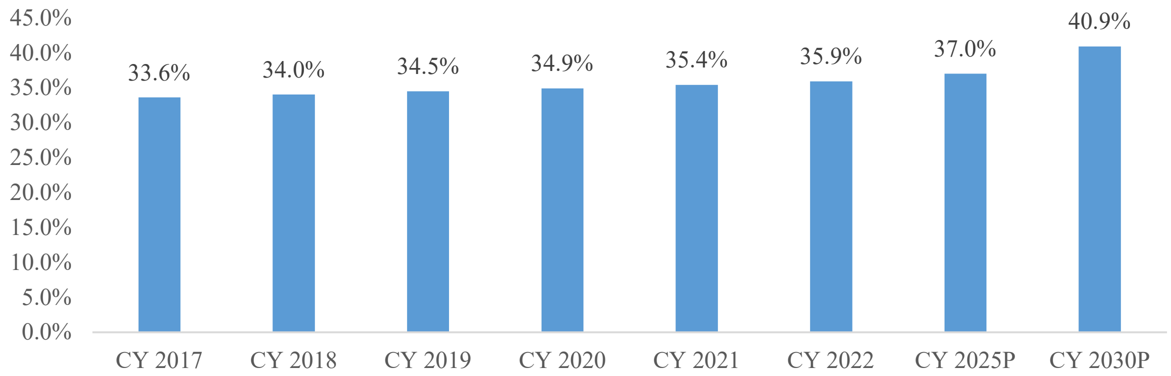
Urbanization is one of the most important pillars of India's growth story as these areas are the core drivers for consumption. India had the second largest urban population in the world in absolute terms at 508 million in CY 2022, second only to China. However, only 36% of India's population is classified as urban compared to a global average of ~57%. However, it is the pace of India's urbanization that is a key trend fuelling India's economic growth. Currently, urban population contributes 63% of India's GDP. Going forward, it is estimated that 37% (541 million) of India's population will be living in urban centres by CY 2025 and is expected to contribute 75% of India's GDP in CY 2025. This trend is expected to continue with approximately 41% and 50% of India's population expected to be living in urban centres by CY 2030 and CY 2050 respectively. India is the second largest urban system in the world with ~11% of the total global urban population living in its cities.

Exhibit 2.19: Urban population as a percentage of total population of key economies (CY 2022)



Source: World Bank

Exhibit 2.20: India's increasing urban population as a percentage of total population over the years (CY)

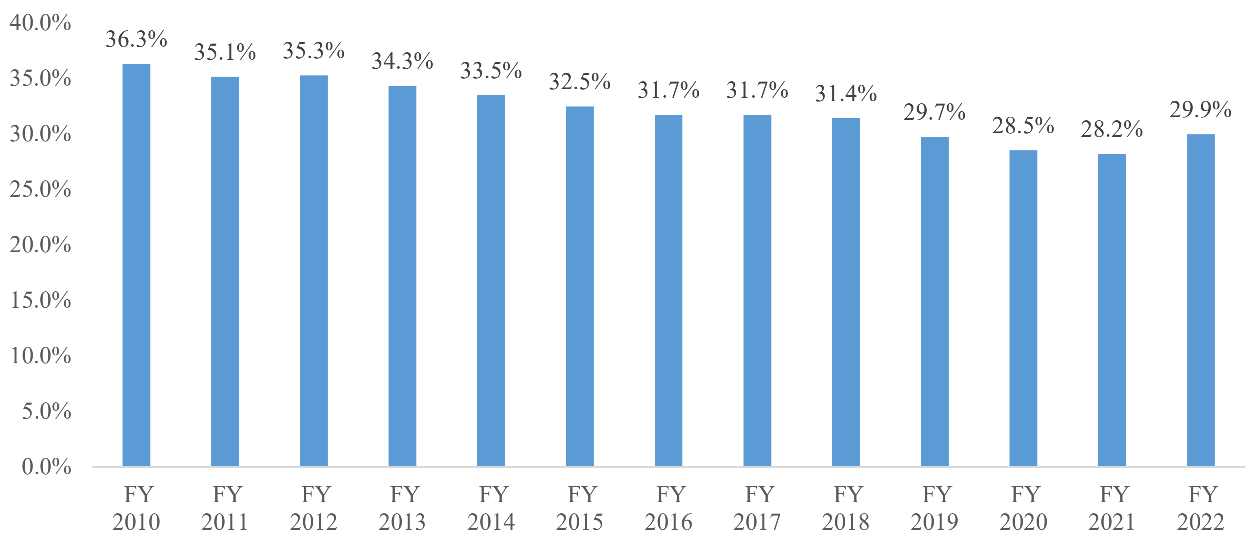


Source: Technopak Analysis

India's household savings

Over the past decade, there has been a downward trend in the savings rate within the Indian economy and a decrease in the proportion of gross domestic savings (GDS) relative to the GDP. This decrease in gross savings was a global trend observed across most of the major economies. By the end of FY 2021, gross savings in India had further decreased to 28.2%, primarily due to increased individual spending. Despite this decline, India's domestic savings remained higher than the global average of 27.1% in CY 2021 and this trend continued in 2022 as gross savings as a percentage of GDP reached 29.9%. Upward trend has been witnessed in the post pandemic period, it is expected that the savings % will range between 29-31% in the next five years.

Exhibit 2.21: India's gross savings as a percentage of GDP over the years.



Source: World Bank Data

Regional Market in India - High Per Capita Income – Maharashtra

The per capita income of Maharashtra has increased by 12.6% in FY2022-23 to ₹ 2,42,247 from ₹ 2,15,233 in FY2021-22. The Gross State Domestic Product (GSDP) of Maharashtra for 2023-23 (at current prices) is projected to be ₹ 38,79,792 crores amounting to growth of 10% over 2022-23.

Exhibit 2.22: Maharashtra's per capita income (in ₹)

State	FY 2020-21	FY 2021-22	FY 2022-23
Maharashtra	1,83,704	2,15,233	2,42,247

Source: Ministry of Statistics and Program Implementation, Technopak Analysis

Retail Consumption - Retail consumption across key categories

Retail Market in India was valued at USD 461 billion in FY 2015 and reached a value of USD 746 billion in FY 2020, growing at 10.1% CAGR over this period. Currently, the Retail Market in India is valued at USD 951 billion (₹ 76,06,572 Cr) in FY 2023 and is expected to grow at a CAGR of 10.5% to reach USD 1,417 billion (₹ 1,13,39,918 Cr) by FY 2027.

Exhibit 2.23: Share of various categories in overall Indian retail basket

Type of Categories	Categories	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2027 (P)	CAGR FY 2019-FY 2023	CAGR (FY 2023 -FY 2027P)
	Total Retail (₹ Cr)	49,04,000	54,48,100	59,71,700	57,75,700	67,51,700	76,06,600	1,13,39,900	**8.7%**	**10.5%**
Need based	Food and Grocery	66.0%	65.0%	64.7%	70.6%	67.6%	65.1%	59.4%	**8.8%**	**8.0%**
	Pharmacy & Wellness	2.9%	2.9%	2.9%	3.1%	3.0%	3.0%	3.2%	**9.6%**	**12.0%**
Discretionary	Apparel & Apparel Accessories	7.5%	7.4%	7.5%	5.3%	6.1%	7.2%	9.4%	**8.0%**	**18.2%**
	Non-Apparel Accessories*	0.6%	0.6%	0.6%	0.4%	0.5%	0.6%	0.7%	**8.7%**	**14.8%**
	Jewellery	**7.3%**	**7.5%**	**7.5%**	**5.6%**	**6.6%**	**7.3%**	**8.7%**	**8.0%**	**15.5%**
	Consumer Electronics	6.2%	6.3%	6.4%	5.7%	6.3%	6.7%	7.8%	**10.1%**	**15.0%**
	Watches	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	**6.5%**	**15.2%**
	Home & Living	4.3%	4.3%	4.3%	3.2%	3.7%	4.0%	4.6%	**6.9%**	**14.2%**
	Footwear	1.2%	1.2%	1.2%	0.8%	1.0%	1.0%	1.3%	**3.8%**	**18.1%**
	Others	4.4%	4.7%	4.7%	5.1%	5.0%	4.9%	4.7%	**10.1%**	**9.0%**
	Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**		

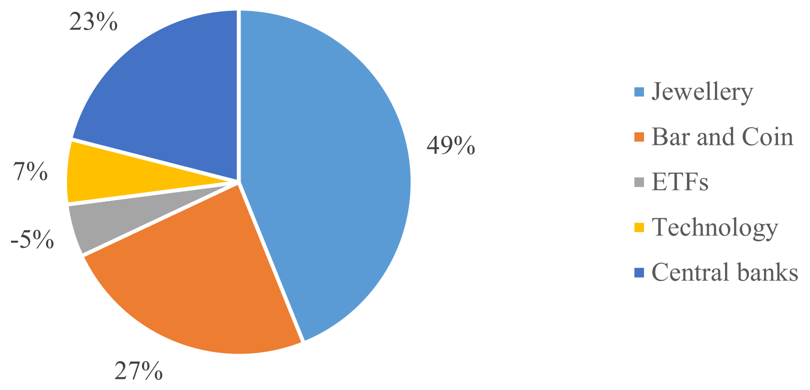
Source: Technopak Analysis and other secondary sources
**Accessories includes Bags, Belts, Watches and Wallets; Others include Books & Stationery, Toys, Eyewear, Sports Goods, Alcoholic Beverages & Tobacco etc. Source: Technopak analysis; Year Indicates FY. 1USD = ₹ 80*

Overview of Global Gems & Jewellery Industry

Global Gold Demand

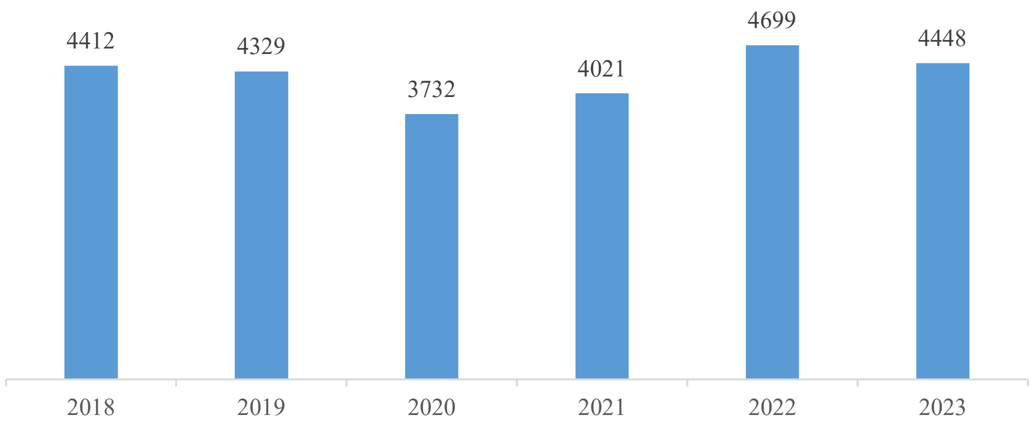
The global gold market is estimated at 4,448 tons valued in CY 2023 at close to USD 305.6 billion at an average value of LBMA gold price of USD 1,940.5 per ounce. Demand for gold gets its highest contribution from jewellery retail with 49% of the share of overall gold demand. Investment demand in terms of gold coins and bars and ETFs contributed close to 21% of demand with the rest coming from the central bank and electronics and other technology-led sectors. However, COVID has led to a change in the distribution of shares across different segments. In a normal year, jewellery contributes 49% of the demand whereas investment demand in terms of gold coins and bars and ETFs contributes 21% of the total demand. Central bank contribution has been close to 23% with the remaining contribution from technology.

Exhibit 3.1: Global gold demand by sector in CY 2023 (4448 tonnes)



Source: Secondary research, Technopak Analysis, WGC

Exhibit 3.2: Global gold demand volume in tonnes (Years in CY)

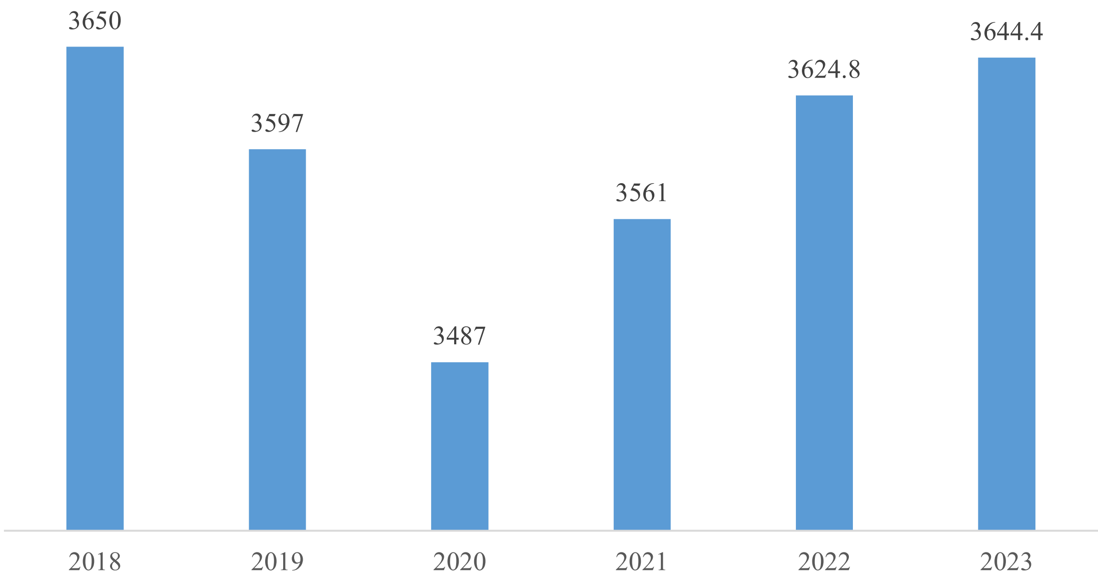


Source: Secondary research, Technopak Analysis
Global markets were impacted by the Covid-19 due to restrictions by the governments of many countries including India, which has taken preventive measure like imposing lockdowns, travel restrictions and restrictions on businesses. This led to impact in the domestic as well as global markets. Post Covid, the growth in gold demand in global markets was backed by the pent-up demand due to Covid-19 restrictions and factors related to supply chain disruptions.

Global gold supply trends

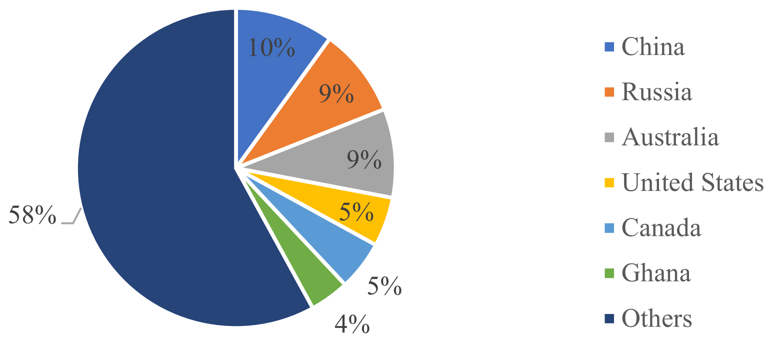
Gold mining meets close to 74.7% of the world's gold demand with the remaining 25.3% coming from recycling of gold. The top five countries contribute close to 38% of total gold mining industry output. The top three including China, Russia and Australia contribute close to 28% of total gold mining output.

Exhibit 3.3: Gold mine production trends (value in tonnes) (Years in CY)



Source: Secondary research, Technopak Analysis

Exhibit 3.4: Share of top gold mining countries CY 2023 (Total value 3,644 tonnes)

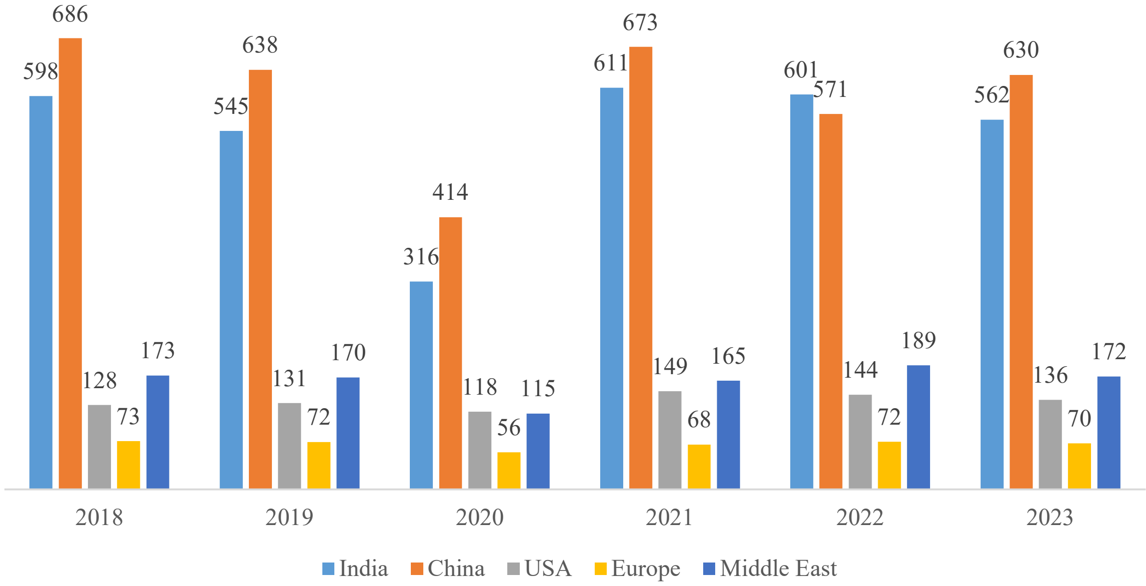


Source: Secondary research, Technopak Analysis

Gold demand overview in India – Trends

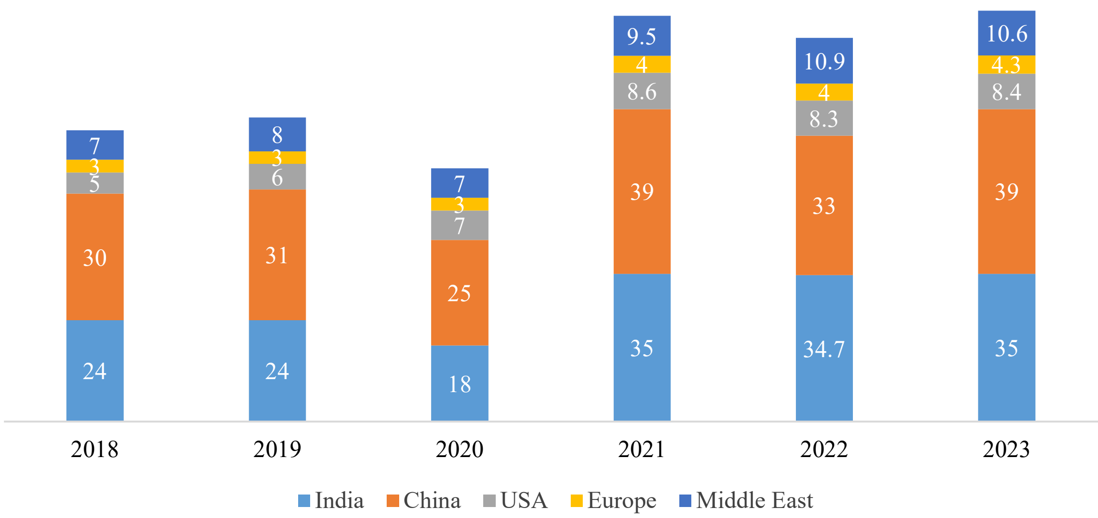
China became the largest consumer of gold jewellery in CY 2023. India which takes the second place consumed 562 tonnes of gold jewellery in CY 2023, a fall of 6% from 600 tonnes consumption in CY 2022. China also saw a drop in the jewellery demand. India and China together contribute 57% of global gold consumption demand.

Exhibit 3.5: Jewellery demand region wise- in tonnes (Volume terms) - (CY)



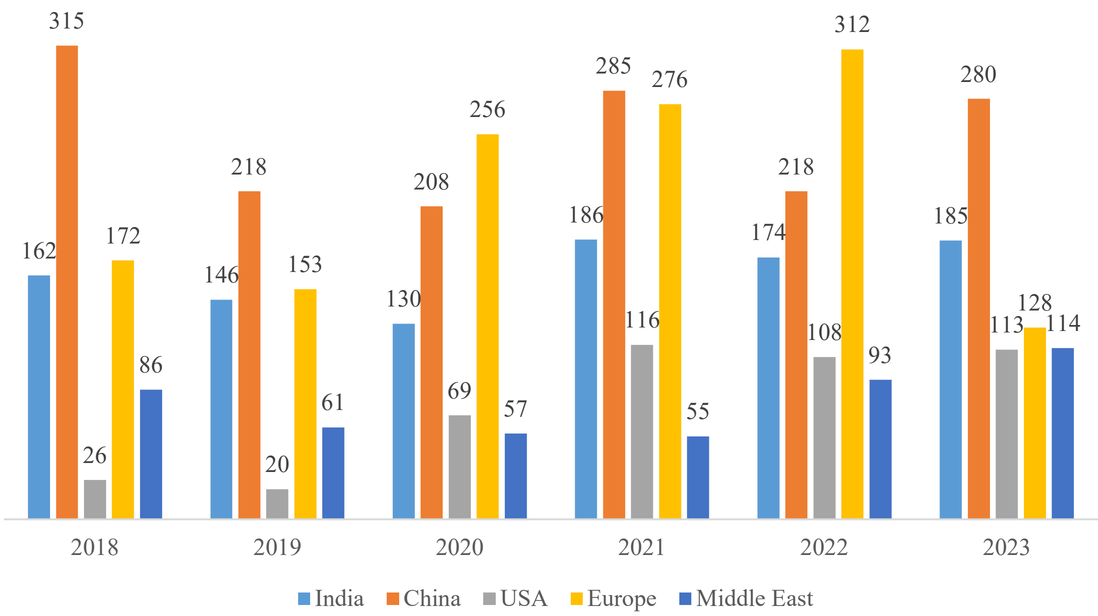
Source: Secondary research, Technopak Analysis, WGC
The Middle East includes Saudi Arabia, the UAE, Kuwait, Egypt, Iran, and others.
Europe includes France, Germany, Italy, Spain, the UK, Switzerland, Austria, and others.

Exhibit 3.6: Jewellery demand region wise- in USD billion (Value terms) - (CY)



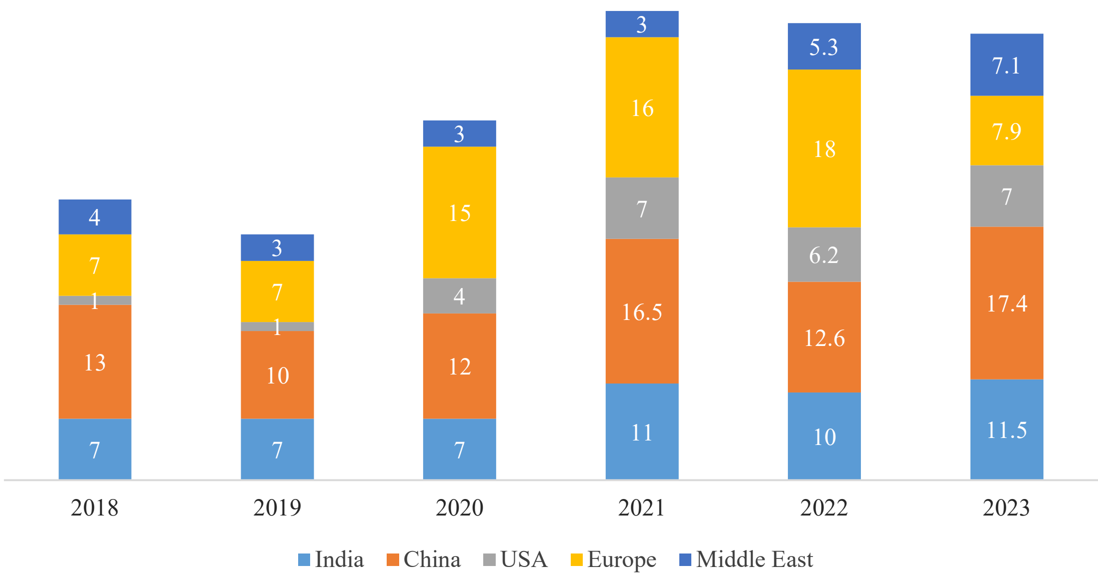
Source: Secondary research, Technopak Analysis, WGC
The Middle East includes Saudi Arabia, the UAE, Kuwait, Egypt, Iran, and others.
Europe includes France, Germany, Italy, Spain, the UK, Switzerland, Austria, and others.

Exhibit 3.7: Bars and coins demand region- wise- in tonnes (Volume terms) - (CY)



Source: Secondary research, Technopak Analysis, WGC
The Middle East includes Saudi Arabia, the UAE, Kuwait, Egypt, Iran, and others.
Europe includes France, Germany, Italy, Spain, the UK, Switzerland, Austria, and others.

Exhibit 3.8: Bars and coins demand region- wise- in USD billion (Value terms) – (CY)



Source: Secondary research, Technopak Analysis, WGC
The Middle East includes Saudi Arabia, the UAE, Kuwait, Egypt, Iran, and others.
Europe includes France, Germany, Italy, Spain, the UK, Switzerland, Austria, and others.

Stable gold prices are key to positive customer demand for gold jewellery

Gold prices are affected by multiple factors both from the supply and demand side. Jewellery may be the biggest segment for gold but its prominence as an asset class and a hedging instrument against inflation or unstable geopolitical environment makes its pricing not limited to consumption trends.

Among the supply-side factors, mining centres and gold recycling trends are the most important. Supply of gold being controlled by a select group of countries, as highlighted requires that factors specific to the mining sector and overall geopolitical factors including sustainability issues in these countries are stable. Any disruption in the supply chain can lead to spiralling of prices. Recycling of gold is more local and the availability of gold for recycling is more secondary, linked to rising prices of gold.

Gold being used by central banks as an asset class with its value in hedging risks with other asset classes is another important factor with close to 18% of gold being held by central banks. A high inflationary pressure may generally lead to higher allocation to gold by central banks.

An integrated world market for gold with limited opportunity to earn arbitrage with well-established gold standards is also key to stable gold prices. This also ensures that the grey market is kept under control. India as a market is evolving to be truly integrated with the world market and the industry will benefit from the same in the long run. Customer demand for the jewellery market will always be led by broader economic strength including GDP growth and a stable price environment. Growing income will ensure that discretionary spending increases as spending in sectors which are traditionally favoured. A stable price environment will ensure that it is affordable and gives value for money.

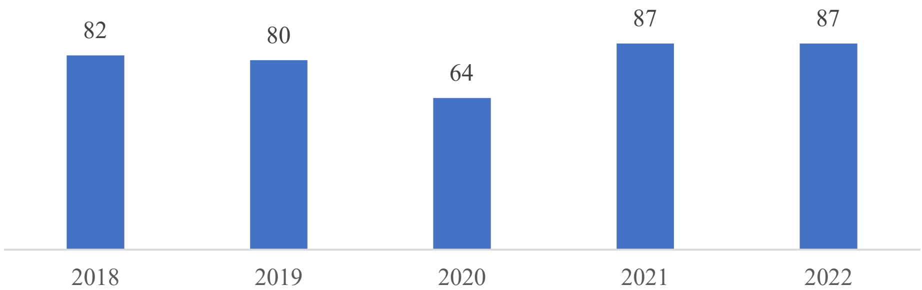
However, what makes gold unique is the fact that people may still invest in gold in difficult economic scenarios given its ability to preserve value as compared to other asset classes.

Global Diamond Jewellery Market Overview

After witnessing the high growth in global diamond jewellery demand in CY 2021, the demand has remained stable at USD 87 billion in CY 2022 from CY 2021. US, saw marginal growth while India saw growth in terms of value. The primary reason for the growth in the diamond industry is the rising demand for diamond jewellery that is grown in laboratories. The other factor is the increase in commitment of trustworthy brands in the diamond industry has raised the diamond market size substantially. Quality, assurance, and uniqueness provided by trusted brands and manufacturers have attracted customers to purchase more. The increase in acceptance of Metaverse and technologies like AR (augmented reality) has created a link between the real and virtual world, providing a new space in the diamond industry and giving new opportunities for the brands to have new sources of revenue, brand equity, and customer purchase. With the increasing importance of digital, omnichannel is the future for diamond jewellery retail.

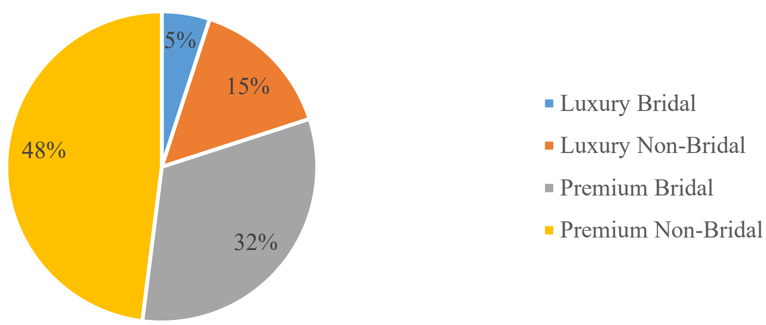
The US is the biggest market for diamond jewellery, contributing more than 50% of the market share. China is the second largest market followed by Europe, Japan, India & GCC countries. The market for diamond jewellery has a lower share of bridal wear at 37%. The share of luxury wear in the diamond jewellery segment is close to 20%.

Exhibit 3.9: Global diamond jewellery market (CY): Value in USD billion



Source: Secondary research, Technopak Analysis

Exhibit 3.10: Global diamond jewellery market (CY 2022): Total value USD 87 billion.



Source: Secondary research, Technopak Analysis

Global Diamond Supply Chain

The average production of rough diamonds from 2015 onwards is 135 million carats in volume and USD 14 billion dollars in value. 25% of the volume of production including medium and large diamonds (0.4 carats onwards) contributes to 75% in the value of the total diamond industry. Russia, Botswana, the Democratic Republic of Congo (DRC), Australia and Canada are the largest diamond producing countries.

India is the biggest center for cutting and polishing rough diamonds contributing 95% in volume. China is a very distant second, handling 3% of total rough diamonds. Antwerp in Belgium is another important center for cutting and polishing of rough diamonds and handling large size and complex rough diamonds. India's dominance in midstream processes is primarily due to the low-cost structure and low manpower cost. Therefore, mid to low-range diamond studded jewellery is primarily manufactured in India and high-end jewellery is manufactured in Europe.

Diamond jewellery sales are regional in nature with top international brands contributing close to 10% of the market. However, as per industry estimates, branded diamond jewellery is to grow by an annual growth rate of 8-12% against the overall industry growth of 3-4 % in the next five years.

Exhibit 3.11: Global Diamond Supply Chain

Value Chain	Upstream	Midstream	Downstream
Activity	Production/Mining	Cutting/Polishing	Retailing
Product	rough diamond	Polished diamond	Diamond jewellery
Market size ($ billion)	9-9.5	12-13	62-65
Key Players/markets	• Alrosa • De Beers • Rio Tinto • Petra Diamonds	• India • China • Belgium	• USA • China • Europe • Japan • India • GCC

Source: Secondary research, Technopak Analysis

Factors - Gold price movement

- **Currency Fluctuations** - The price of gold is negatively related to the difference between the US dollar. The dollar's strength has been attributed to a decline in risk aversion while economic growth has been observed. This caused gold prices to fall because gold was seen as a haven.

- **Key Consuming Nations** - The USA, India and China account for half of global gold demand. In India, gold jewellery is the most popular because buying gold is considered auspicious on occasions such as festivals, marriages, and births. Gold is also considered a safe investment option. In China, gold symbolizes wealth.

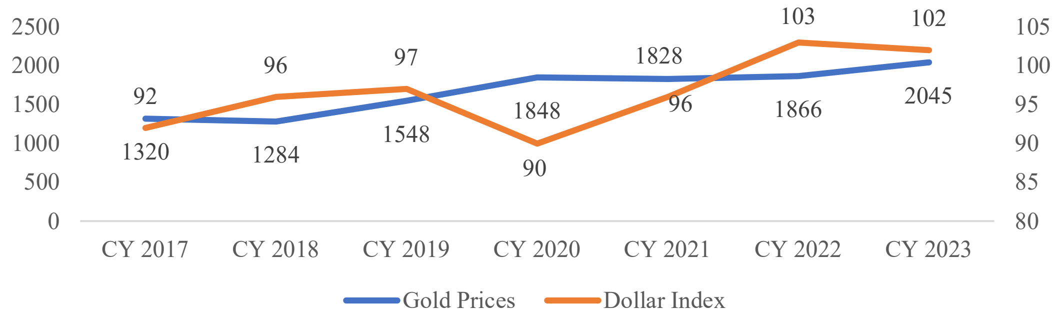
- **Geopolitical Events** - Geopolitical tensions or issues may cause prices to rise as gold is a safe haven. For example, a few years ago the United States announced tariffs on Chinese imports worth approximately USD 50 billion. China retaliated by announcing tariffs on approximately USD 3 billion worth of US imports. When Russia-Ukraine tensions escalated, the aforementioned factors gradually waned in their impact on gold prices, leading to an upward trend. Gold prices have surged by 10% since January 2022 due to the invasion of Ukraine by Russia, which heightened inflation expectations through increased prices of oil, gas, wheat, and other commodities.

- **Volatility and performance of other assets** - Volatility in the stock market has led to increased investment demand for gold as a hedging asset. High return potential in other assets could negatively impact the gold market, which could in turn affect gold demand and prices. Rising interest rates also cause investors to choose other investment options instead of gold.

- **Inflation** - Gold acts as a protection against inflation. People buy gold when currency depreciation reduces purchases. Gold is viewed as an international store of value and therefore protects against inflation.

- **International gold prices are inversely correlated with the dollar index** – Compared to other currencies, the international gold price has a negative correlation with the trend of the US dollar (USD index).

Exhibit 3.12: Correlation – Gold prices (USD/Troy/ounce) Vs Dollar Index



Source: Secondary research, Trading economics

Key Trends – Global gems and jewellery market

- **Asian countries became the biggest consumers of gold** - Asian countries, especially China and India, became the biggest consumers of gold in the world. The combined gold demand of these two countries accounts for more than 50% of the total gold demand. China has also become the largest producer of gold and has gained a valuable position in the global gold market by optimizing production and investing across the entire value chain.

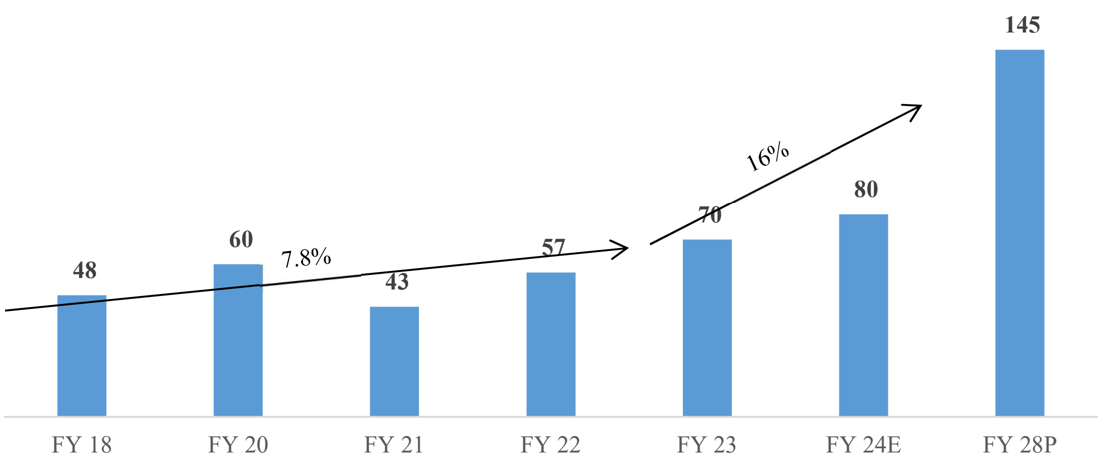
- **Global economic growth is returning** - There was a decline in all major economies of the world in 2020, except China (2.2% growth). However, despite reduced mobility, signs of improvement are visible as the business adapts to new ways of working. The increase in financial support from major economies, especially developing countries, also improved the general outlook. The global economy is expected to grow 6.0% in 2021 and improve annually in 2022, as vaccinations in countries increase, movement restrictions and aid decrease, and the population learns to prevent the spread. However, in 2022, growth will be slower than in previous years due to factors such as inflation, fuel and supply excess, as well as the crisis in Europe caused by the war in Russia and Ukraine. China and India, the largest gold consumers, are expected to see stable trade in the future. Overall, rapid growth bodes well for gold consumption and capital demand.

OVERVIEW OF THE JEWELLERY MARKET IN INDIA

Indian jewellery market size

The Indian jewellery retail sector's size in FY 2023 was close to USD 70 billion. Within this landscape, organized retail accounted for about 37%, encompassing both national and regional players. The remainder of the jewellery retail sector continued to be dominated by the unorganized segment, comprising over 500,000 local goldsmiths and jewellers. Projections indicate that the jewellery retail market is poised for growth, expected to reach approximately USD 145 billion by FY 2028. This optimistic outlook is attributed to the expanding economy, increased disposable income, a surge in consumer demand for gold, the upward trajectory of gold prices, and a rising interest in other categories such as diamonds, other precious stones, and costume jewellery.

Exhibit 4.1: Indian domestic jewellery market size – By Value (USD billion)

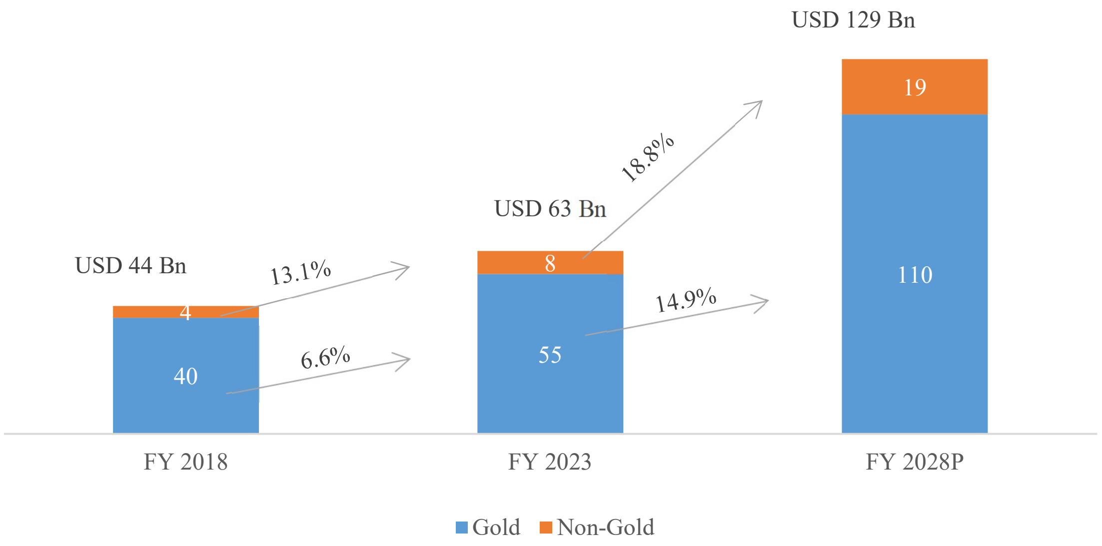


Source: Technopak Analysis, Secondary Research
**Jewellery Market includes jewellery made of gold, diamond, silver, precious stones, and fashion jewellery*

Numbers in percentage represents CAGR
1 USD= ₹ 80

The fine jewellery segment in India constitutes ~90% of the overall jewellery market. It is further categorized into Gold and Non-Gold categories, with Non-Gold encompassing Diamond, Platinum, Silver, Platinum, and other materials. Projections indicate that the Non-Gold market is poised to expand at a CAGR of 18.8% from FY 2023 to FY 2028, reaching a market valuation of USD 19 billion.

Exhibit 4.2: Breakup of Indian Fine Jewellery Market into Gold and Non-Gold



Source: Technopak Analysis, Secondary Research
**Non Gold includes jewellery made of diamond, silver, precious stones, platinum and others*
Numbers in percentage represents CAGR
1 USD= ₹ 80

India a predominantly gold jewellery market

India has traditionally been a market predominantly inclined towards gold jewellery, witnessing a gradual rise in the popularity of studded jewellery. Regional preferences play a pivotal role in the acceptance of studded jewellery, influenced by cultural, religious, and trust factors. These varied considerations contribute to the enduring prominence of gold jewellery in the Indian market

1. **Gold jewellery as a prominent savings asset class**: The purchase of jewellery transcends mere fashion and holds a prominent savings connotation, particularly in rural areas, where limited access, lower literacy rates, and a preference for traditional savings methods further solidify gold jewellery's role as a valuable asset.

2. **Price discovery of gold is more transparent than studded jewellery:** Gold prices, with their easy availability and universal acceptance, facilitate transparent price discovery. This transparency enhances liquidity and assures a more predictable return, a characteristic not necessarily shared by studded jewellery, where price discovery is less transparent and resale values are comparatively restricted.

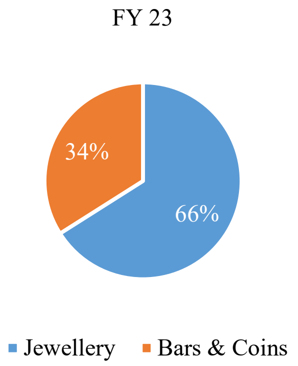
3. **Limited exposure and understanding of diamonds:** Jewellery being a big-ticket item for majority and limited understanding of diamonds including size, cut and illumination leads to lesser trust value and higher perceived risk.

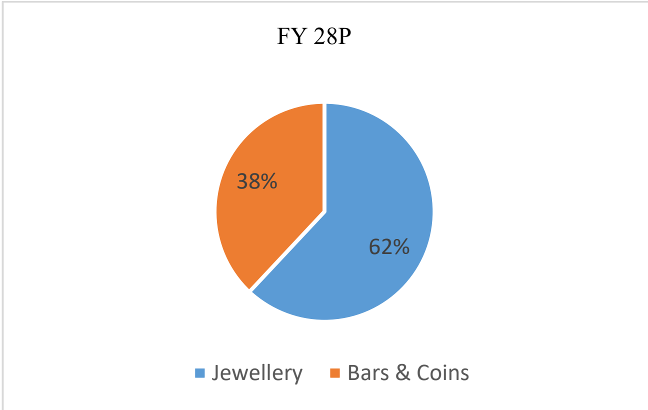
Breakup of Gold Consumption in India

The total gold consumption in India 66% was attributed to jewellery and remaining 34% to bars & coins in FY 2023. Despite the projected decline in share, the jewellery segment is anticipated to register a growth rate of 17% over the next five-year period to reach a market share of 62%. This is mainly due to deep cultural and social significance that gold have in India, playing a pivotal role in festivals, weddings, and gifting traditions.

On the other hand, bars & coins, a perceived safe haven asset is projected to grow at CAGR of 21% to reach a market share of 38% in FY 2028. Investors looking to diversify their portfolios may find gold bars & coins appealing, contributing to the growth of this segment.

Exhibit 4.3: Breakup of gold consumption by jewellery and bars & coins- By Value



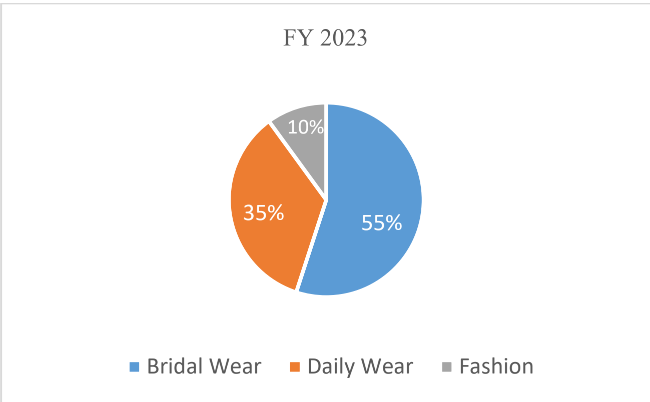


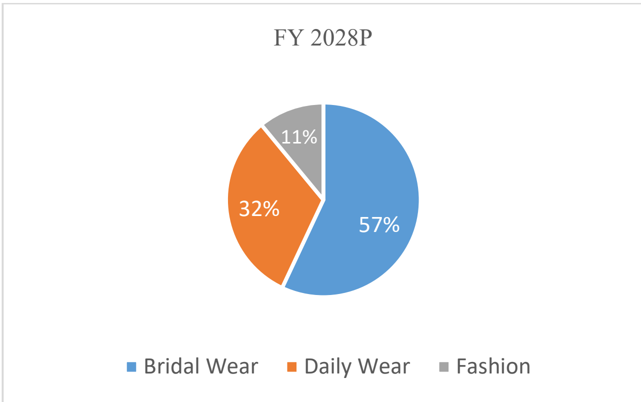
Source: Technopak Analysis, Secondary Research

Breakup of jewellery by occasion

The intricate interplay of cultural significance, evolving market dynamics, and changing consumer preferences shapes the landscape of the Indian jewellery market, with distinct focus areas on bridal jewellery, daily wear pieces, and the fashion jewellery segment. In FY 23 bridal wear accounted for a majority 55% market with weddings and festivals emerging as primary drivers for gold purchases. Daily wear jewellery accounted for 35% of the Indian jewellery market. Manufacturers are strategically focusing on producing lightweight pieces to cater to the preferences of younger consumers, particularly those desiring daily wear gold jewellery that complements western-style attire. Fashion jewellery on the other hand contributed nearly 10% to the Indian jewellery market in FY 23. Expectations indicate continued growth especially among the youth seeking diverse, affordable products. Fashion jewellery, available across various value segments, materials, craftsmanship, and designs, caters to different preferences and purposes.

Exhibit 4.4: Breakup of jewellery market by occasion- By Value





Source: Technopak Analysis, Secondary Research

Breakup of Jewellery by Product Category

In jewellery consumption in India, bangles and chains are the primary contributors, accounting for approximately 60-70% of total sales. Following closely, necklaces contribute around 15-20% to the sales volume, with their significance heightened during special occasions such as festivals and weddings. Bangles and chains, on the other hand, are preferred for everyday wear by women. The residual 5-15% of sales are attributed to rings and earrings.

Exhibit 4.5: Breakup of jewellery market by product category

	Bangles	Chains	Necklaces	Earrings	Rings
					
Average Weight	8-25 grams	10-50 grams	25-250 grams	2-30 grams	2-15 grams

	Bangles	Chains	Necklaces	Earrings	Rings
% of Retail Sales	30-40%	30-40%	15-20%	5-15%	5-15%

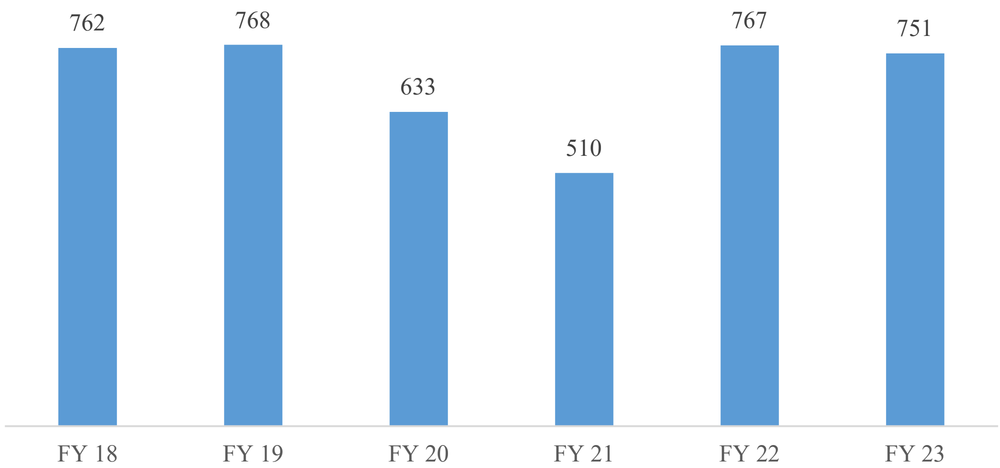
Source: Technopak Analysis, Secondary Research
**Images are just for representation purpose only*

Demand and price growth in domestic gold market

Following an increase in FY 2020, domestic gold prices saw a subsequent rise of approximately 30% in FY 2021, aligning with the upward trajectory of international prices and the impact of rupee depreciation. This price surge, however, had repercussions on demand of gold. The onset of the pandemic triggered a notable reduction in demand, driven by lower discretionary spending. The closure of stores for a significant portion and intermittent lockdowns in select states during that period further exacerbated the decline. The festive season acted as a catalyst, contributing to a recovery in demand. This positive trend persisted due to increased wedding-related purchases, and an improvement in overall consumer sentiment. Despite these improvements, the overall demand for gold witnessed a substantial decline of 19% in volume terms during FY 2021. In FY 2022, there was a notable increase in volume demand for gold to 767 tonnes from 510 tonnes in FY 2021, propelled by heightened discretionary spending, and the gradual easing of the pandemic's impact. The deferral of weddings due to the pandemic meant that pent-up demand materialized during FY 2022, contributing to a substantial 50% rise in overall demand.

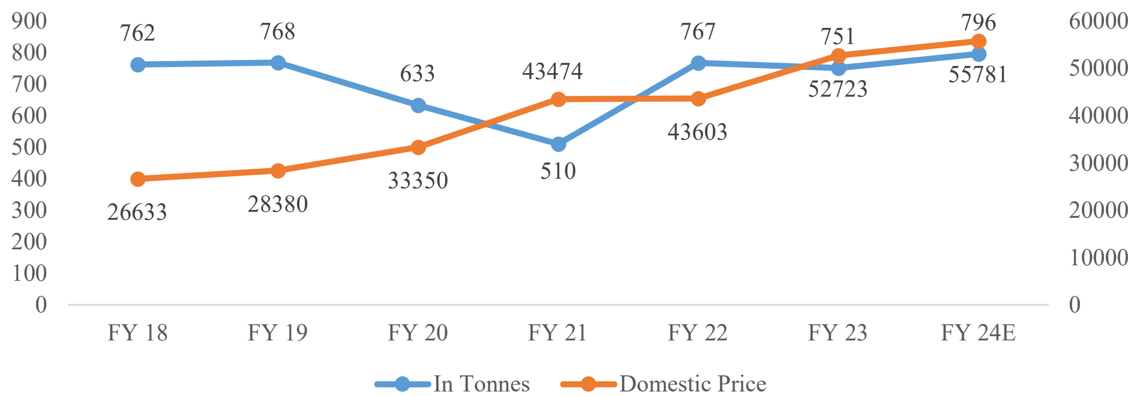
However, FY 2023 witnessed a marginal decline in domestic gold demand, attributed to the escalation of import duty from 7.5% to 12.5% starting June 30. The initial quarter of FY 2023 experienced growth in gold demand, driven by a low baseline and heightened purchases related to festivities and weddings. Nevertheless, the augmented import duty led retailers to pass on the increased costs to customers, impacting discretionary purchases.

Exhibit 4.6: Domestic gold demand in volume (in tonnes)



Source: Technopak Analysis, Secondary Research

Exhibit 4.7: Domestic gold demand (in tonnes) and Price (in ₹/10 grams) Correlation



Source: Technopak Analysis, Secondary Research, World Gold Council,
Domestic Gold Prices are as per World Gold Council calculated by averaging the prices of 12 months and is measured in ₹/10 gm

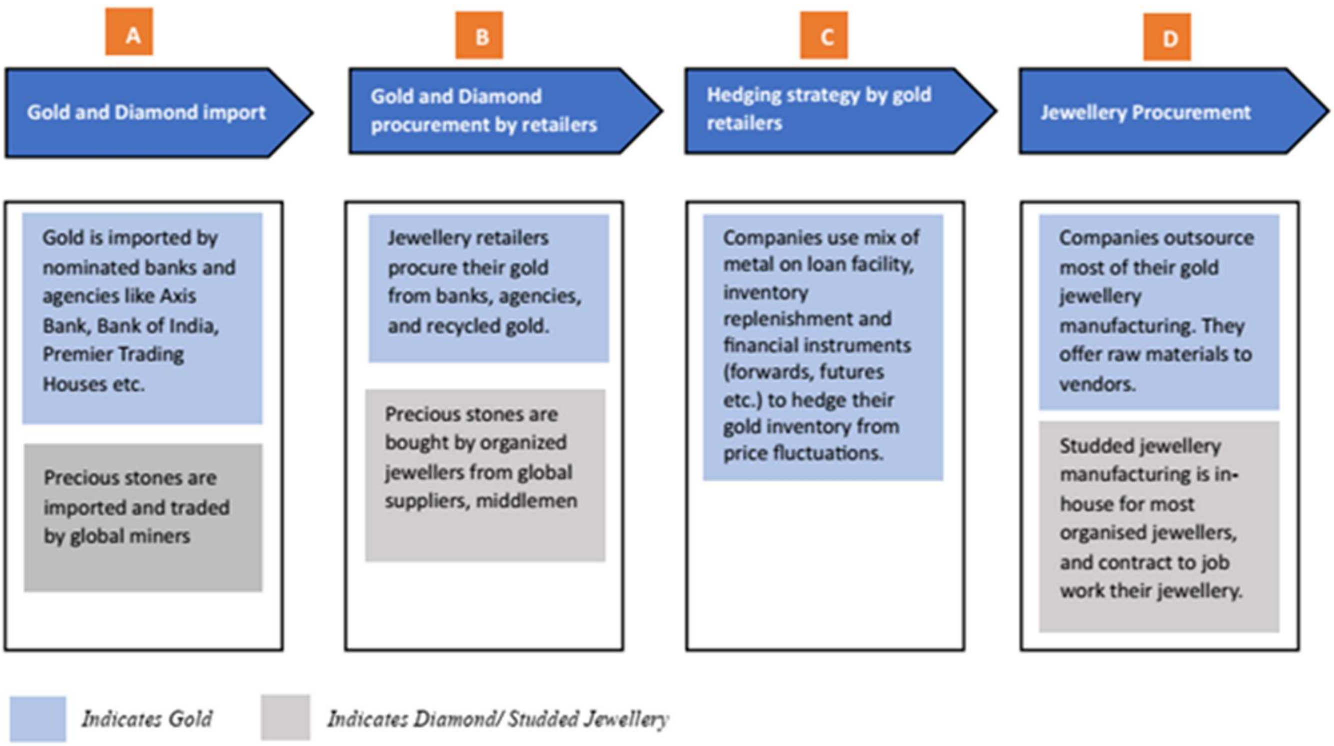
Challenges to demand

- ***Market Sensitivity to Economic Factors:-*** The demand for gems and jewellery, particularly in the context of jewellery exports, is closely tied to the growth rates and income levels in target markets. Economic slowdowns, increasing inflation, and slow income growth within our domestic markets may reduce consumers' disposable incomes and affect their willingness to spend on non-essential items such as jewellery.

- ***Commodity Price Volatility:-*** The inherent volatility in the prices of precious commodities, notably gold and diamonds, presents a substantial impediment to the steady demand for gems and jewellery. The unpredictable oscillations in price introduce an element of uncertainty, exerting an influence on consumer confidence and exerting an impact on purchasing decisions.

Procurement value chain for organized jewellers

Exhibit 4.8: Procurement value chain for organized jewellers in India



Source: Secondary Research, Technopak Analysis

A. Gold and diamond import in India

Open General License (OGL) scheme introduced by government in 1997 allowed banks to import gold in India. The RBI authorizes banks for importing gold. The foreign trade policy (FTP) regulates agencies which are licensed by the DGFT for gold import. Banks import gold on a consignment basis, whereas nominated agencies such as STHs (Star Trading Houses) and PTHs (Premier Trading Houses) are only allowed to import gold on a direct payment basis. Gold is imported in India through 11 airports that are close to key jewellery manufacturing and trading hubs namely:

- North: New Delhi
- West: Mumbai, Ahmedabad, Jaipur
- South: Bengaluru, Chennai, Cochin, Coimbatore, Hyderabad, Trivandrum
- East: Kolkata

India imported 767 tonnes in CY 2023 as compared to 767 tonnes of gold in CY 2022. India's average monthly gold imports during April 2022-February 2023 stood at 58.33 tonnes, which is lower than the average gold imports of 76.57 tonnes in April 2021-February 2012, 80.86 tonnes in April 2018-February 2019 and 62.88 tonnes in April 2019-February 2020.

B. Procurement of gold and precious stones by jewellery retailers

Jewellery retailers procure their gold from certified banks and agencies & recycled gold. Under the gold-on-lease scheme, jewellers lease gold for 180 days with a lease interest rate between 3% and 8% p.a. The scheme acts as a natural hedge against the price volatility of gold and enhances the return on capital of jewellers, reducing their interest on capital employed (i.e., 10% per annum). Jewellers can also procure gold from nominated agencies using bank guarantees/ demand draft /banker's cheque etc). Jewellers also use recycled gold to meet their demand. The sources of recycled gold are recycled jewellery, manufacturing scrap and industrial scrap. In FY 2018, 11% of Indian gold demand was met by recycled gold, which reached 15.6% in FY 2023 due to an increase in gold recycling in India, owing to higher commodity prices and a decrease in consumption.

C. Hedging strategies

Companies use a mix of metal on loan facilities and financial instruments (forwards, futures etc.) to hedge their gold inventory from price fluctuations.

Gold-on-lease facility: Earlier jewellers imported gold through upfront payment without any credit. This put a strain on their working capital. The fluctuation of gold prices and the dollar-₹ exchange rate further worsened their woes. Purchased gold is reflected as inventory in their balance sheet. Under the gold-on-lease scheme, jewellers lease gold for typically 180 days with a lease interest rate between 3% and 8%.

However, the effective interest rate sometimes moves up to 10% because of price fluctuations and differences in local and international prices of gold. The benefits of gold **Gold-on-lease** are as follows:

- Natural hedging mechanism
- No inventory risks
- Relatively lower interest expense
- Improved efficiency

Financial Instruments: Organized players use financial instruments like futures, forwards, options etc. to protect their margins from price fluctuations of precious metals. A regulatory framework such as income tax exemption for hedging also encourages hedging by organized players.

D. Gold jewellery procurement

The majority of gold jewellery manufacturing is unorganized. Only 5-10% of jewellery units operate as organized large-scale manufacturers. Due to low capital requirements for small workshops, this sector has remained unorganized. These workshops do not own the gold and precious gems on which they work.

- Organized players outsource most of their gold jewellery manufacturing to vendors at pre-determined prices for predefined designs. Brands have their design team for identifying the latest designs. These teams also buy designs from independent design houses. They have dedicated procurement teams that manage the subsequent sourcing process. They outsource manufacturing to multiple vendors and provide raw materials to these vendors. The following factors influence this outsourcing approach:

  (i) Sales projection of the products

  (ii) Type of products

  (iii) Relationship with the vendor

  (iv) Vendor capacity for specific type of Jewellery

  (v) Volume of products being sourced to vendor

  (vi) Payment terms with the vendor

(vii) Urgency of product requirement

- Most leading players outsource their gold jewellery manufacturing. This approach enables them to access specialized local vendors/manufacturers to fulfil regional demand. Leading players track their store-level inventory, predict item-wise demand, and consolidate their orders for vendors. This results in higher manufacturing order volume from them in comparison to the order volume from local jewellers and enables them to better-sourcing margins.

- Large jewellery players with high procurement volume and timely and fair payment terms typically attract the best of the artisans and the designers. Some of these artisans work exclusively for these companies.

India's superior craftsmanship: A boon for the nation

India boasts a long and rich tradition of craftsmanship, with skilled artisans renowned for their meticulous techniques and exquisite creations. The availability of this superior skill set brings a multitude of benefits and impacts on India across various facets:

Economic Boom

1. ***Global Leader:*** India's skilled artisans have positioned the country as the world's largest diamond processor, cutting and polishing a staggering 80% in carats and 90% in pieces of the global diamond market. This dominance translates into significant export earnings and foreign exchange reserves.

2. ***Top Exporter:*** India is the top exporter of cut and polished diamonds globally, exporting to major markets like the US, Belgium, Hong Kong, and the UAE. This sustained leadership position indicates international trust and demand for Indian-made jewellery.

3. ***Value Growth:*** While India dominates in volume, it's worth noting that the value share of its diamond exports is around 58%. This shows a growing focus on high-quality, intricate designs and artistry, fetching premium prices in the international market.

4. ***Cost-Effectiveness:*** India's craftsmen combine expertise with meticulousness, offering high-quality work at competitive prices. This cost efficiency makes Indian gems and jewellery highly attractive in the global market, further boosting exports and creating a competitive edge.

5. ***Job Creation:*** The gems and jewellery sector offers millions of skilled and unskilled jobs across the country, from mining and polishing to design and retail. This job creation alleviates poverty, empowers communities, and drives economic growth**.**

Cultural Impact

1. ***Preserving Heritage:*** The skills employed by Indian artisans are the legacy of generations, meticulously passed down through families and workshops. This preservation of traditional cutting and polishing techniques keeps India's rich cultural heritage alive and well.

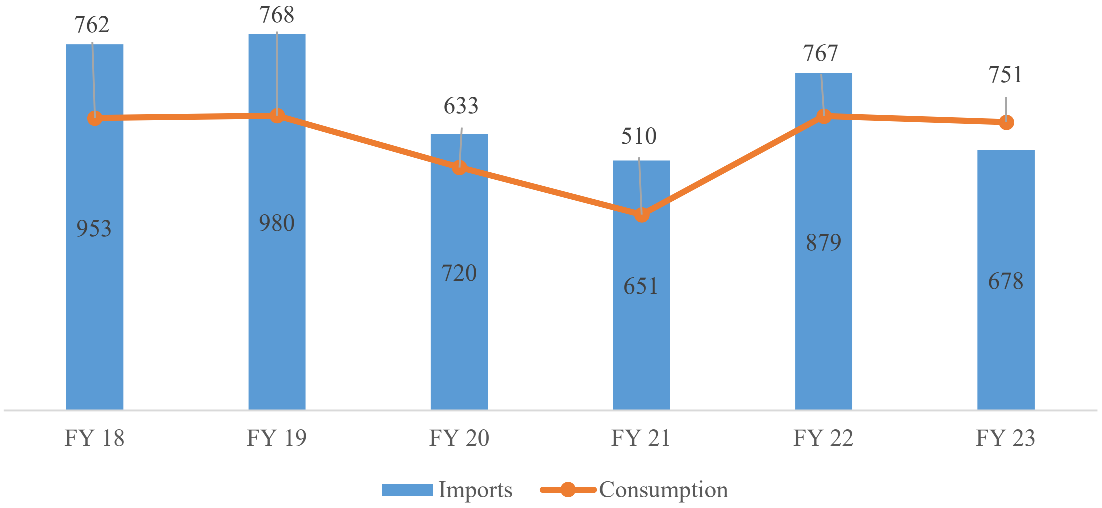
2. ***Boosting Tourism***: India's vibrant gems and jewellery sector attracts tourists eager to witness the magic firsthand. Visiting bustling cutting centers like Surat, the world's largest diamond hub, becomes a unique cultural experience, generating revenue and creating jobs in the tourism sector.

3. ***Global Recognition:*** India's craftsmanship in gems and jewellery transcends borders, earning international acclaim for its quality, artistry, and innovation. This recognition brings immense pride to the nation and strengthens its soft power on the global stage. Luxury brands like Cartier and Bulgari collaborate with Indian jewellers, emphasizing the global appeal of Indian design aesthetics. Leading publications like Vogue and Harper's Bazaar regularly feature Indian jewellery designers, underscoring their increasing influence on the global fashion stage

India’s gold supply is dominated by imports

The gold market experienced notable fluctuations in imports from FY 2018 to FY 2020, reaching 980 tonnes in FY 2019 before declining to 720 tonnes in FY 2020. This volatility was propelled by various factors, including declines in global gold prices, buoyant economic conditions leading to heightened disposable incomes, and substantial demand for gold driven by traditional celebrations and weddings. However, in FY 20, a significant drop occurred, attributable to escalating import duties and the initial stages of an economic slowdown. Recovery signs emerged in FY 2022, marked by an import increase to 879 tonnes. Factors contributing to this rebound included gold's appeal as an inflation hedge and the release of pent-up demand following the easing of pandemic restrictions. However, in FY 2023, imports experienced a slight reduction to 678 tonnes, possibly influenced by government measures aimed at managing the current account deficit and promoting domestic gold recycling.

Exhibit 4.9: Import and consumption of gold in tonnes



Source: Secondary research, Gem & Jewellery Export Promotion Council (GJEPC)

There is a strong positive correlation between international and domestic gold prices in India. This means that when international gold prices go up, domestic gold prices also tend to go up, and vice versa. This strong correlation arises from several factors:

1. ***Import Dependence***: Over 95% of gold demand in India is fulfilled through imports, primarily from Switzerland, UAE, and South Africa. Consequently, international gold price fluctuations directly translate into domestic price movements. A rise in the London Bullion Market Association (LBMA) gold price, the global benchmark, translates to a corresponding upward adjustment in Indian markets.

2. ***Dollar-denominated pricing:*** International gold pricing is denominated in US dollars. While domestic prices are quoted in rupees, a depreciating rupee acts as a cost multiplier, amplifying the impact of global price changes on Indian consumers.

3. ***Market transparency and global influence:*** The Indian gold market is relatively transparent and well-connected to global markets. This means that changes in international price trends are quickly reflected in domestic prices. Additionally, global factors like economic uncertainty and geopolitical tensions can simultaneously impact both international and Indian gold prices.

4. ***Federal Reserve's Baton:*** The US Federal Reserve's interest rate decisions act as a conductor, influencing the global economic tempo. When rates rise, the opportunity cost of holding non-yielding assets like gold increases, potentially dampening demand and driving prices down. Conversely, rate cuts can act as a spotlight, illuminating gold's safe-haven appeal and pushing prices up.

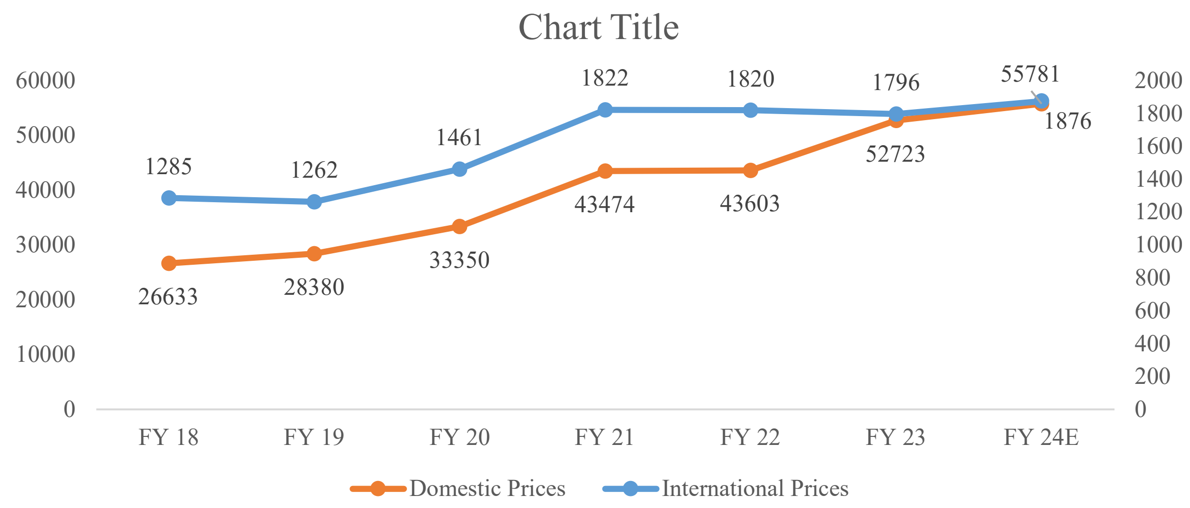
5. ***Geopolitical Turmoil:*** When the world stage grapples with geopolitical tensions and conflicts, investors often seek refuge in gold's perceived stability. This surge in demand, particularly during events like the recent Russia-Ukraine war, can send gold prices soaring, impacting both international and Indian markets.

6. ***Economic Downturns:*** During periods of global economic slowdown, gold tends to exhibit heightened appeal. In the face of looming recessionary concerns, investors frequently turn to gold as a safeguard against inflation and market volatility, thereby causing an upswing in prices. This phenomenon, notably observed during the 2008 financial crisis, intensifies the correlation between international and Indian gold prices, as both markets respond to the broader global deceleration.

7. ***Import duty and taxes:*** Government policies like import duty changes and taxes can add additional costs to imported gold, further impacting domestic prices. For example, the import duty hike in 2022 contributed to a rise in domestic prices despite a decline in international prices.

In FY 2023, international gold prices experienced a marginal decline of approximately 1%. However, the depreciation of the rupee and an augmentation in the import duty on gold contributed to an elevation in domestic gold prices. The government, aiming to address India's current account deficit, implemented a 5% increase in import duty, raising it to 12.5%. This policy move supported the upward trajectory of domestic gold prices. Anticipations for FY 2024 indicate a further ascent in domestic gold prices, propelled by both higher international prices and an expected 1-3% rupee depreciation. Moreover, the import duty on gold, raised on July 1, 2022, is projected to contribute to year-on-year growth in prices during FY 2024.

Exhibit 4.10: Domestic prices and international prices of gold prices correlation



Source: Secondary Research, World Gold Council
International Gold Prices are measured in USD/Troy/Ounce and Domestic Gold Prices are measured in ₹/10 gram

India's export trend

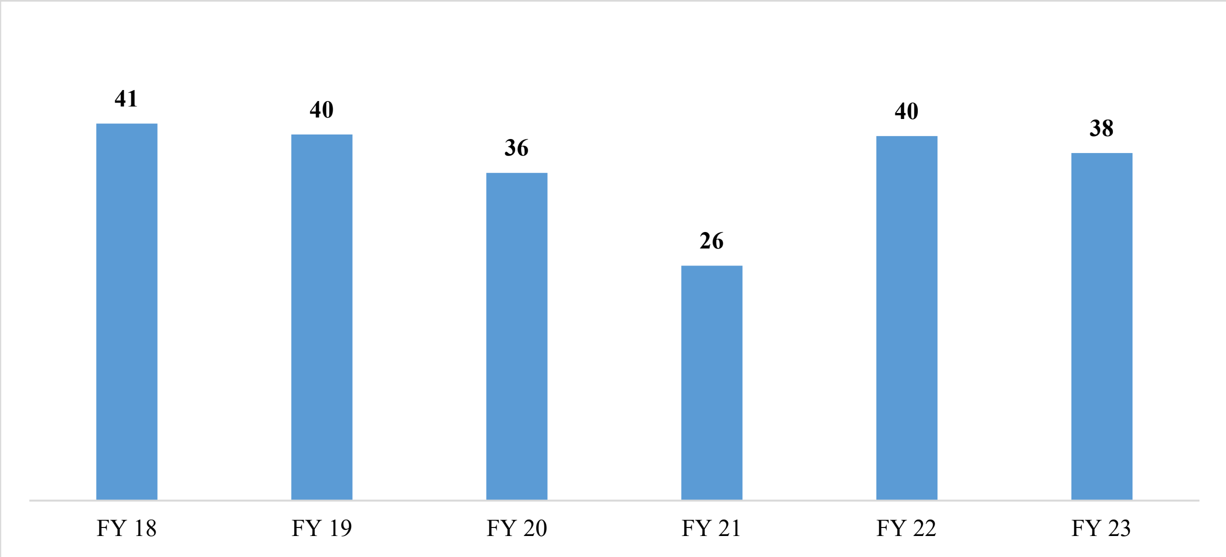
The gems and jewellery industry is a key contributor to India's total exports. These exports include several product segments, such as cut and polished diamonds, gold jewellery and medallions, rough diamonds, gemstones, pearls, synthetic stones and fashion jewellery. Of these, cut and polished diamonds accounted for 58% in FY 2023, while gold jewellery (plain and studded) accounted for 25% of the total exports.

Contractionary Phase: In FY 2021, the initial year of the pandemic witnessed a 29% decline in overall gem and jewellery exports. This downturn was primarily attributed to the recessionary environment in key consumer markets, leading to suppressed global demand and disruptions in international trade. Despite a low base, the latter half of the fiscal year offered some respite with a modest 2% growth in exports, fueled by renewed demand from major destinations like the US and Hong Kong.

Rebound and Recovery: FY 2022 marked a significant 51% surge in export volume, driven by a confluence of factors. Primarily, the low base established in the previous year contributed to this robust performance. Additionally, the gradual easing of pandemic restrictions and improving global economic sentiment boosted demand for luxury goods, including gems and jewellery. Furthermore, the shift towards increased domestic expenditure on celebratory gifting and personal adornment during the pandemic period, instead of travel and hospitality expenses, further bolstered Indian exports.

Moderated Growth with Segmental Divergence: In FY 23, the overall export landscape witnessed a decline of ~5%. This downturn is primarily attributed to the significant challenges faced by the cut & polished diamond segment, which constitutes up to 58% of total gem and jewellery exports. Recessionary pressures and elevated inflation in key consumer markets like the US resulted in dampening demand for high-end diamond products, leading to a 10% decline in the segment's export value. However, the gold jewellery segment exhibited a moderate growth of 3% in FY 2023. This positive outlook is fuelled by sustained demand from the Middle East region, supported by the recently implemented Free Trade Agreement (FTA) between India and the United Arab Emirates. The elimination of the 5% import duty on gold jewellery within the UAE market is expected to significantly enhance Indian export competitiveness in this segment.

Exhibit 4.11: India's export market in USD billion



Source: Secondary research, Gem & Jewellery Export Promotion Council (GJEPC)

JEWELLERY RETAILING MARKET IN INDIA

Evolution of jewellery retail in India

Exhibit 5.1: Evolution of jewellery retail in India

Till 1994	1994-2000	2001-2007	2008-2016	2016 – Present
Dominance of Family Jewellers	**Initiation of Organized Retail**	**Growth of Organized Retail**	**Emergence of Industry Leaders**	**Supply side reforms aided the growth of Organized Retail**
1. Family Jewellers served captive customers 2. Offerings restricted to standard local designs 3. High transaction cost marred by opaque pricing and inaccurate purity	1. Reference creation for organized retail with the launch of Tanishq by Titan 2. Local players foray into regional expansion	1. Brand Building efforts by Organized Retail on planks of trust and transparency Karatometer and Jewellery exchange schemes introduced certificate of authenticity and buy-back schemes 2. Micro-segmentation of the market and launch of sub-brands 3. Growth of franchise model	1. Tanishq emerges as leading players with stores across all regions of country 2. Focus on rural and semi-urban demand 3. Initiation of E-commerce for jewellery retail	1. Demonetization 2. Introduction of GST 3. Compulsory hallmarking of gold jewellery 4. Mandatory PAN Card for transactions above ₹ 2 lacs
Share of Organized Jewellery Retailing in various phases of growth				
0%	**0% -> 2%**	**~2% -> 6%**	**7% ->27%**	**~27% ->37%**

Source: Secondary Research, Technopak Analysis

- **Dominance of unorganized jewellers (Till 1994):** Family jewellers largely dominated the space of Indian Jewellery retailing. These jewellers operate based on trust and flexible credit scheme for their customers. The unorganized jewellery sector was plagued with practices like under-caratage of gold, misrepresentation of quality, opaque pricing and tax evasion.

- **Initiation of organized players (1994-2000)**: Brand 'Tanishq' was launched by Titan with the aim to fill these need gaps. It focused on purity, fashion, product design and marketing. In 1995, Gitanjali launched branded jewellery under 'GILI' brand. With the concept of BIS hallmarking of gold emerging in 2001, some organized players started selectively offering BIS hallmarked jewellery that differentiated them from unorganized retail in terms of product purity. Some also introduced gold purity checking machines called Karatometers in their retail stores to reinforce customers trust and launched buyback/exchange schemes to expand their customer base.

- **Growth of organized pie (2000-2007):** Tanishq turned profitable and reported profit of ₹ 2.07 Cr on the sales of ₹ 188 Cr in FY2001 for the first time since its inception. Dominant local players started their regional expansion and in 2001, TBZ opened their first showroom outside Mumbai in Hyderabad. In 2005, Malabar opened its first store outside Kerala in Bangalore. Organized players like Tanishq and Gitanjali deployed franchise model to expand their retail footprints. This period was also marked by the launch of multiple sub-brands by organized retailers to address the demand heterogeneity. Brands such as Nakshatra (2000), Nirvana (2002), Sangini (2004) etc. were launched by Gitanjali and GoldPlus (2005), Zoya (2007) and Mia (2011) were launched by Tanishq.

- **Emergence of industry leaders (2008-2016):** Tanishq adopts a nearly uniform product and retailing approach that caters to uniform urban need with mid to premium price positioning. On the other hand, players like Malabar and Joyalukkas succeed to scale up beyond regional footprint by focusing on mass to mid-price positioning with designs localized for different regions. Tanishq initiates a push towards rural markets with Gold Plus. The majority of top jewellers have gold saving scheme in place.

- **Reforms aiding the growth of organized jewellery retail (2016 onwards):** Reforms like GST and compulsory hallmarking of gold Jewellery create a natural advantage for organized retailers. These initiatives make unorganized retailing of jewellery untenable based on under-caratage and bullion trading. Further, demonetization and use of PAN card on transactions over ₹ 2 lakhs make unorganized jewellery retailers an unattractive destination for investment purposes.

- **Gold hallmarking becomes mandatory, a push from unorganised to organized jewellery retail:** Three compulsory hallmarking for gold jewellery which took effect from 1st April 2023 has given an advantage for organized retailers. At present only 30% of the Indian gold jewellery is hallmarked. The new norms will help the customer get a fair value for their new purchases and the old jewellery (without hallmark) can be sold to the jewellery manufacturer by the customer and that can be hallmarked while making new jewellery.

Unique advantages of gold retailing

Gold has special place in Indian culture. It is used for traditional purposes like marriage, religious rituals, and gifting. In India gold jewellery has an aspirational value. It serves a dual purpose of ornamentation and investment.

- Selling gold in form of jewellery, bar and coin does not require a push like other lifestyle retail categories such as footwear and apparel.

- There is no inventory obsolescence risk in jewellery retailing as products can be recycled to make new ones.

- Jewellery being a high-ticket item, means the relative cost as the percentage of revenue on rent, employees, and promotions with respect to footwear and apparel is low. Much of the cost of setting up jewellery store goes into inventory.

Exhibit 5.2: Unit economics for retail segments (Modern Formats)

	Pharma Retailing	Food & Grocery Retailing	Jewellery Retailing	Apparel Retailing	Food Services (QSR)
Typical order Value (₹)	250-500	500-1000	20,000-1,00,000	2,000-3,000	500-550
Typical store Area (sq. ft)	~500	1,500-2,500	3,000-5,000	1,000-1,500	1,200-1,600
Typical store Revenue per month (₹)	10-15 Lakhs	30-50 Lakhs	4-6 Cr	15-25 Lakhs	25-35 Lakhs
Average Revenue per sq. ft (₹)	~42,000	~24,000	~1,40,000	~20,000	~26,000
Inventory Cost (₹)	10-15 Lakhs	28-30 Lakhs	30 Cr-40 Cr	~70 Lakhs	10-15 Lakhs
Inventory Turns	9-15 times	12-15 times	2 times	3-4 times	24
Promotional expense as % of store revenue	~1%	1-2%	1-3%	5-7%	4-5%
Employee Cost as % of store revenue	4-5%	5-8%	1-2%	8-10%	9-12%
Capex per store (₹)	4-8 Lakhs	32-35 Lakhs	3-4 Cr	30-35 Lakhs	1.5 -2.5 Cr.
Share of Private Labels	10-15%	15-20%	100%	Varies	100%
Number of SKUs	5,000-15,000	4,000-5,000	1000-1500	500-600*	35-40***
Pay Back Period	~3 years	~3-4 years	~3-5 years	~2-4 years	~3-4 years
Steady State RoCE	40-50%	30-35%	20-25%	25-40%	25-35%

Sources: Secondary research, Primary Interviews, Technopak Research
**SKUs for clothing does not include size variants. Only colour and style options*
**** Combos/meals and Size variations are not included in the SKUs*

SWOT analysis of Indian jewellery retail

- ***Strengths*** – Large diamond & jewellery players and having an international presence with strong marketing & distribution network makes the jewellery sector strong in terms of retail presence in India and globally. The gold jewellery sector has a successful track record of both launching new products in the domestic market but also catering to the various markets based on the insights from local consumers making a strong brand equity and awareness. Gold jewellery can easily grow in the domestic market with minimum innovation and gold in Indian market is also considered as the investment when compared to other economies.

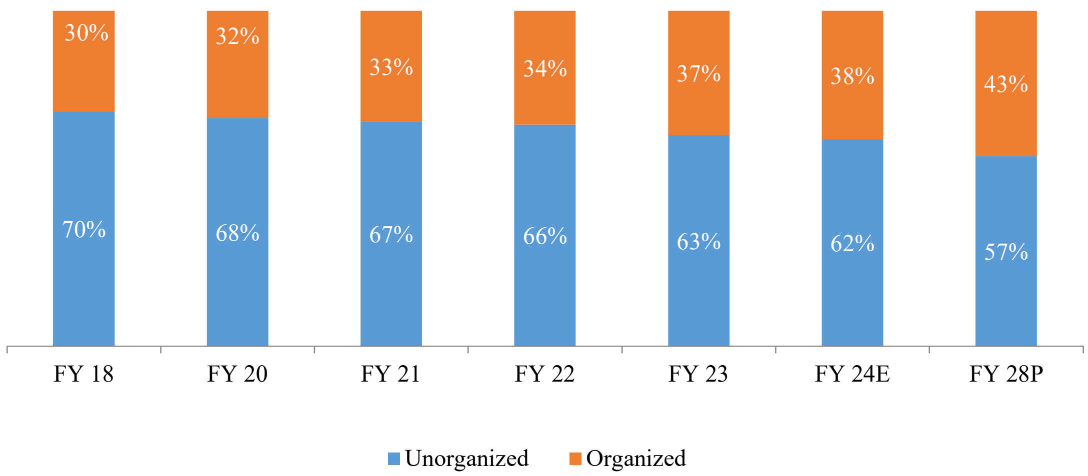
- ***Weakness*** – There is a conflict of interest between organized and unorganized players. This is because the raw material needs to be imported, and key players stock large quantities, resulting in higher inventory costs. Additionally, technology is still evolving in the Indian market compared to markets like China. There are possibilities for expansion into various segments such as watches and luxury goods, as the disposable income of people is rising. This can impact the demand and potentially lead to a shift towards other products. It is worth considering the increase in prices of both gold and diamonds as a factor here. Organized players can also focus on areas where they can enhance the customer purchase and post-purchase experience.

- ***Opportunities*** –The gold jewellery sector has the potential to create a new business model, leveraging the rise in disposable income and increased buying power of customers who seek premium and personalized products. By adopting evolving e-commerce and social media-based business models, gold jewellery players can effectively engage with local suppliers and artisans, thereby reducing the barriers to entry in new markets. This presents opportunities for both regional players to expand nationwide and for pan India players to venture into international markets.

- ***Threats*** – In recent times, there has been a noticeable rise in customer bargaining power. This has exerted pressure on industry players to lower their prices. However, gold jewellery has the advantage of utilizing cost-effective methods, such as e-commerce and social media, to reach customers. This opens up opportunities for both domestic and international competition.

Transition of jewellery retailing towards organized retail

Exhibit 5.3: Organized and Unorganized jewellery market breakup (FY)



Sources: Secondary research

Reasons for accelerated growth of organized jewellery retail

Demand side factors

- **Widespread presence across cities and locations:** National and regional jewellery retailers often have a wider presence across multiple cities and locations compared to smaller, independent counterparts. By strategically expanding through their own stores and franchised outlets, they can capitalize on the growing consumer appreciation for quality, brand recognition, and evolving design trends. This approach allows them to gain market share from the unorganized segment within the jewellery industry, while maintaining their commitment to excellence.

- **Urbanization and migration**: The rapid economic opportunities brought about by urbanization have resulted in the emergence of new households and influx of people into cities and towns. As a consequence, migrating consumers find their longstanding association with family jewellers disrupted, forcing them to seek trusted brands that can provide transparency, purity, and captivating designs.

- **Price transparency and product quality:** Indian jewellery consumers are becoming increasingly mindful of brands and are developing more refined tastes when it comes to their jewellery preferences. They are now exposed to a wide range of global and national luxury brands. These consumers expect the same level of transparency and product quality when it comes to their jewellery purchases. They want to understand the pricing methodology, including the cost of materials such as gold, silver, and precious stones, as well as making charges. Moreover, they seek assurance of the final product's quality, which can only be provided by organized retailers. Tanishq and Joyalukkas are among the trailblazers in the Indian jewellery market, as they have consistently adhered to the highest quality standards and introduced price transparency into their products.

- **Growing rural market being catered by organised players**: The rural market in India continues to account for 58% of the demand for jewellery. However, rural consumers face challenges in accessing quality products, transparent pricing, and appealing designs. Despite the increase in gold prices over the past decade, rural buyers have not reduced their purchases of gold for occasions like weddings and post-harvest festivities, as they see gold as an investment for the future. Some organized players have successfully tapped into the rural market by establishing physical retail stores, including small and mid-sized outlets in rural areas.

- **India's Demographics**: With over 65% of its population under the age of 35 and more than 308 million women aged 20 to 49, India boasts a youthful demographic. While traditional gold-based wedding and daily jewellery continue to dominate the market, these consumers are increasingly influenced by global trends. They seek studded jewellery, better designs, and triggers for purchases that span throughout the year, such as gifting. They are well-informed and prioritize quality, authenticity, and purity during their jewellery buying process. These shifting consumer trends present a natural advantage for organized players who can cater to these evolving needs.

- **Service Expectations**: Jewellery represents not only a beautiful adornment but also a lifetime investment. As a result, consumers now expect jewellery purchases to be accompanied by comprehensive after-sales services, including fair product buybacks, transparent billing, and product customization. These demands necessitate a holistic approach to retailing, and organized players are better positioned to meet these expectations. Additionally, organized jewellers offer ready-made products, eliminating wait times for customers.

- **Enhanced Inventory Management**: National and regional players excel in inventory management, with robust systems spanning multiple stores across diverse regions. This enables dynamic allocation of stock, transferring slow-moving items to areas with higher demand for similar styles. Furthermore, sophisticated tracking systems allow for swift adaptation to regional preferences, enhancing customer satisfaction and ensuring well-stocked shelves with desired pieces.

- **Efficient Raw Material Sourcing**: India's limited domestic gold reserves place heavy reliance on international imports for raw materials. However, large organized players leverage their volume advantage to secure better credit terms and negotiate preferential rates, optimizing their cost structures. This translates to more competitive pricing and greater profitability, solidifying their position in the market.

- **Launch of New Collections and Brands**: With their considerable scale, national and regional jewellery retailers have the capacity to tailor designs to regional preferences and global trends. Their size allows for frequent launches of new collections and brands, providing customers with a diverse range of choices.

- **Ability to Attract Top Talent**: Well-established brand names, promising growth opportunities, and competitive salaries make organized retailers magnets for top talent. This influx of skilled personnel fuels continued innovation, operational excellence, and exceptional customer service that sets them apart.

- **Impact of Promotional Campaigns and Brand Building Efforts**: Organized jewellery retailing has been on a sustained brand building trajectory since 2000. Jewellers now adopt a multi-pronged marketing approach, leveraging social media, print, television, PR, and radio. This comprehensive strategy educates customers about purity, transparency, and trust, helping to build their brand and capture the growing incremental demand.

- **Enhanced Retailing Experience**: Organized jewellery retailing today signifies ready-made ornaments, a wide product range that offers diverse designs and selections, and a superior showroom experience that aligns with changing consumer expectations. The ability to offer an exceptional retailing experience has shifted jewellery consumption demand in favor of organized retailers.

Supply Side Factors

- **Demonetization**: This policy led to the widespread adoption of digital payment methods in the jewellery sector, bringing about increased transparency. Organized players in the market benefitted from capturing market share previously held by unorganized players heavily reliant on cash transactions, particularly in the wedding and high-value jewellery segments.

- **Goods and Services Tax (GST)**: Implemented on July 1, 2017, GST revolutionized the jewellery market by enforcing tax compliance and promoting transparency. This system favors organized players who can effectively manage prescribed processes.

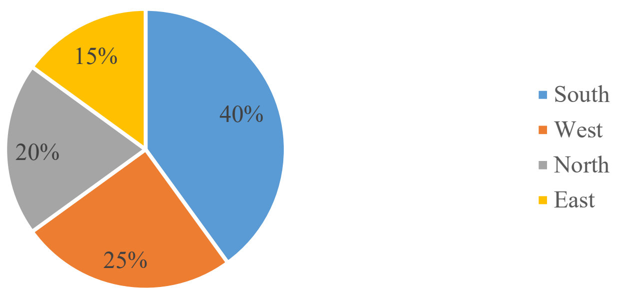
- **Compulsory hallmarking of Gold Jewellery**: For a long time, under-caratage has posed a challenge for jewellery retailers in India, providing an unfair advantage to unorganized retailers who were not required to disclose purity standards. The introduction of compulsory hallmarking, effective from April 1, 2023, imposes additional costs and process requirements on unorganized players, aiming to address this issue and further shift business towards the organized jewellery segment.

- **Mandatory Permanent Account Number (PAN) Card for jewellery purchases over ₹ 200,000**: The government's decision to require a PAN card for such transactions, effective from January 1, 2016, aims to combat undisclosed income (black money) flowing into the jewellery market. This requirement ensures the buyer's identity is established, making it more challenging for unorganized retailers to operate.

Break up of domestic jewellery demand by region

Indian consumers jewellery consumption is influenced by multiple factors such as region, income, cultural notions and generally vastly differs across states. Southern states contribute 40% of the Indian gold jewellery market followed by the western region constituting 25% of the jewellery market in India.

Exhibit 5.4: Region-wise contribution to jewellery market in India FY 23 (Total value USD 70 billion)



Source: Technopak Analysis, Secondary Research

Exhibit 5.5: State-wise contribution to jewellery market in India FY 23 (Total value USD 70 billion)

Region	FY 2023 Market Size (in USD billion)	FY 2023 Regional Share
NORTH		
Haryana	1.9	14%
Punjab	1.7	12%
Uttar Pradesh	4.4	31%
Rajasthan	3.2	23%
Other states in Northern Region	2.9	20%
SOUTH		
Andhra Pradesh	2.5	9%

Karnataka	3.4	12%
Kerala	14.4	52%
Tamil Nadu	5.7	20%
Telangana	2.0	7%
EAST		
West Bengal	8.8	84%
Bihar	0.5	4%
Chhattisgarh	0.4	4%
Assam	0.1	1%
Other states in Eastern Region	0.6	6%
WEST		
Maharashtra	8.1	46%
Madhya Pradesh	2.8	16%
Gujarat	6.5	37%
Goa	0.1	1%

Source: Technopak Analysis, Secondary Research

Maharashtra holds 46% share of the market in India's west region, and is among the largest state markets in India for jewellery.

The consumption of jewellery by Indian consumers is influenced by various factors, including region, income, cultural beliefs, and varies significantly across states. Southern states account for 40% of the Indian gold jewellery market, while the Eastern states contribute 15%. For instance, in Kerala, the bride wears more than twice the amount of gold compared to a bride in Gujarat, highlighting the influence of cultural factors over per capita income when it comes to regional differences in jewellery purchases in India. Additionally, customer service expectations also differ from one region to another. The demand for wedding jewellery is influenced by local traditions and designs. In Uttar Pradesh, the average weight of wedding jewellery purchased is 200 gm, whereas in Kerala, it is 350 gm. In southern states, consumers tend to gravitate towards traditional plain gold jewellery, which typically yields lower margins. On the other hand, consumers in the Northern and Western regions of India are more inclined towards studded jewellery and impulse-driven purchases of lighter-weight jewellery (14k, 18k). The gross margins for plain gold jewellery usually range from 10% to 14%, while diamond-studded jewellery boasts higher gross margins ranging from 30% to 35%. As a result, retailers focusing on the southern market are incentivized to expand towards the north, west, and east as the proportion of studded jewellery in their revenue increases, leading to improved profitability.

Exhibit 5.6: Illustrative regional jewellery demand and preferences

Region	North	East	West	South
Market Share*	20%	15%	25%	40%
Dominant Categories	Ring, Pendants, necklaces	Bangles, Necklace, Rings	Pendants, Earrings	Pendants, Necklace, Earrings
Gold Type	White & yellow	Yellow	White & yellow	Yellow
Diamond Quality	S1-I1	VVS, Lower colours	VS, all colours	VVS, Better colours
Preferred Caratage	22k, 18k, 14k	22k	22k, 18k, 14k	22k
Important Centres	New Delhi, Jaipur	Kolkata	Mumbai, Ahmedabad	Chennai, Hyderabad, Cochin, Bangalore

*Source: Secondary Research, Industry Reports, Technopak Analysis *Contribution to gold jewellery sales*

Exhibit 5.7: Illustrative regional jewellery demand and preferences

Jewellery Type	Market Share	Caratage	Size
Bridal wear	55%	22k, 18k	30gms-350gms
Daily wear	35%	22k, 18k	5gms-30gms
Fashion wear	10%	18k, 14k	5gms-20gms

Source: Secondary Research, Industry reports, Technopak Analysis

Exhibit 5.8: Illustrative regional jewellery demand and preferences (For Weddings)

State	Large Sets	Small Necklace	Bangles, Earrings, and Chains	Gross Weight (In gm)
Kerala	Kazuthulia, Kasu Mala, Lakshmi Mala, Mulla Motu	Kingini Mala, Manga Mala	Kolkata Bangle, Machine cut Bangle, Thoda Bangles, Jhimki, Kurumulaka Mala, Patthakam	350
Andhra Pradesh and Telangana	Nakshi Haram	Kandabaranam	Kangan, Gajalu, Buttalu, Sutaru Golusu	300
Tamil Nadu	Lakshmi Haram, Muthu Haram	Vella Kal Mookhuthi	Muthu Valayal, Lakhsmi Valayal, Kemu Valayal, Kempu Kal Jhimkki, Mangal Sutra	300
Karnataka	Akki Sara, Malliga Sara		Lakshmi Bale, Coorgi Bale, Kembina Bale, Jhimki, Mangal Sutra, Mohan Sara	280
Rajasthan	Rani Haar	Thewa	Bangdi, Kada, Rajputi Bangdi, Kundan Butti	190
Gujarat		Chandan Haar	Bangdi, Kundan Bangdi, Kundan Butti, Mangal Sutra	180
Maharashtra	Chapla Haar, Laxmi Haar	Tushi	Tode, Patli, Jhumke, Mangal Sutra	250
West Bengal	Sita Haar	Gola Chik	Plai Bala, Mugh Bala, Chitra Bala, Jhumka	210
Uttar Pradesh	Choker	Choker	Kundan Kangan, Kaan Matti and Mangal Sutra	200
Punjab	Diamond Haar		Mangalsutra, Kundan Kangan, Vala, Maang Teeka, Nathni, Bajo da Kado	200
All India				225-250

Source: Secondary Sources, Technopak Analysis

Seasonality of demand a key trend in jewellery sector

Seasonal variations in jewellery purchases have a significant impact on the demand landscape in different regions of India. Weddings, festivals, and agricultural activities drive the demand, and their seasonal nature ensures that jewellery demand varies across months and seasons. Notably, the demand for jewellery reaches its peak during wedding months like May-June and September-January. In Tier 2 and Tier 3 towns, agricultural output and monsoon patterns influence the demand for gold. A favorable monsoon leads to increased crop yields, injecting funds into the rural economy and driving up the demand for gold. Rural households often invest their harvest proceeds in gold jewellery between September-November and January-March. Additionally, auspicious religious occasions like Diwali/Dhanteras in October and November, and Akshaya Trithiya and Ugadi in April and May, further augment the demand for gold and silver jewellery.

Exhibit 5.9: Seasonality in gold buying

	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec
Gold Buying												
Festivals												
Marriages												
Harvests												

Source: Primary Research, Technopak Analysis

Represents months of high jewellery demand

The strong regional preferences present a formidable obstacle for organized retail to expand from a regional to a national level. This challenge necessitates a deep understanding of diverse consumer preferences in local markets, effective marketing strategies tailored to different audiences, localized sourcing and product strategies, as well as substantial working capital. Operating at a significant scale in each micro market and attracting talented artisans demand concerted efforts from organized players. Consequently, only a handful of local players have successfully transitioned into regional players, and even fewer have achieved national expansion.

Distribution by urban and rural

Urban India accounts for approximately 42% (~USD 29 billion) of gold jewellery demand and the rest 58% (~USD 41 billion) is contributed by rural India as of FY23. Gold ownership is higher in rural India, rising with income levels. The tendency to save more is higher in semi urban and rural areas with limited options for investment esp. during weddings and post-harvest. Rural and Urban India can be considered as two distinct markets. Rural consumers prefer investing in gold jewellery, while urban consumers invest in bars and coins.

The government's intervention in reviving the rural economy through investments, agri-reforms, increasing MNREGA allocation, provision of essential supplies and restoring opportunities for workers will improve conditions in villages going forward and as that happens, jewellery demand will benefit both because of its cultural significance and safety element as a store of value.

The share of organized retailing in rural jewellery retail continues to be low. This is because rural demand is dispersed which increases the cost of retailing for organized retailers. Hence, organized retailers have adopted a two-pronged approach. The first is to increase their presence beyond Tier 1 cities into Tier 2 and Tier 3 towns to capture rural demand from the vicinity of these towns and therefore, organized retailers with a better mix of stores in favour of non-Tier 1 towns are advantaged in capturing this demand. Second, a few organized retailers have also been refining their retailing models to directly tap into the rural demand. Tanishq launched GoldPlus in 2005 and created a presence in rural and semi-urban focused retail play in 30 towns across 5 states.

Key demand drivers for jewellery in India

- **Indian Tradition**: Gold holds a profound cultural significance in India, deeply ingrained in the hearts and minds of its people. The practice of acquiring gold in small quantities over time, through advance purchase schemes, is a testament to their foresight. This tradition extends beyond bridal jewellery, encompassing personal consumption by friends and families. Festivals like Akshaya Tritiya, Navratri/Durga Puja, Ugadi, Karva Chauth, Onam, and Diwali Dhanteras witness a surge in gold purchases, symbolizing wealth and prosperity. The cultural sentiment driving the preference for gold jewellery is expected to persist, overshadowing investments in gold bars and coins.

- **Diversification into Other Jewellery Types**: India ranks as the second-largest consumer of gold globally, just behind China. While gold remains a dominant choice, there is a growing awareness among consumers about alternative jewellery types like diamonds and pearls. Retailers are responding by offering a range of products, including lightweight and affordable options.

- **Growing Working-Age Population**: The proportion of India's working-age population within the overall population has increased from approximately 65% in CY 2013 to around 68% in CY 2022. With a rising share of the working-age population, particularly among the younger generation entering the workforce, there is an anticipated surge in demand for lightweight, everyday fashion jewellery, contributing significantly to the overall demand for gold.

- **Economic Prosperity and Disposable Income**: The demand for jewellery in India is closely tied to the rise in disposable income. The positive correlation between gold consumption and per-capita income growth, combined with the increasing earning potential of millennials and Gen Z, augurs well for jewellery retailers.

- **Rise in Working Women**: Traditionally, Indian women have been key decision-makers and consumers of gold. The increasing participation of women in the workforce translates into greater spending power, further fueling the demand for jewellery brands that cater to their modern, everyday needs.

- **Competitive Edge**: India's gems and jewellery sector enjoys a competitive advantage due to its skilled artisans and lower production costs. Coupled with expertise in handling smaller diamonds, this positions India as a strong contender in the global market, surpassing countries like Belgium and Israel.

- **Focus on Skill Development**: Government-backed gems and jewellery training institutes play a vital role in nurturing a skilled workforce proficient in contemporary aspects of jewellery design, manufacturing, and gemology. These institutes foster continuous product innovation, aligning with evolving global preferences. Currently, there are seven educational institutes in five cities (Mumbai, Delhi, Jaipur, Varanasi, and Udupi), along with four gemological laboratories under the GJEPC umbrella.

- **Government Support Initiatives**: The government's support, through measures like duty drawbacks and import duty waivers, serves as a catalyst for industry growth. The establishment of diamond bourses and special economic zones further empowers small and unorganized players, solidifying India's position in the global gems and jewellery landscape.

Key threats and challenges for the Company and other players in the jewellery sector in India

- **Working capital intensity:** In the jewellery sector, where inventories are high and sales can be seasonal, a prolonged cycle can tie up significant amounts of cash. Any further extension of this cycle could negatively affect liquidity and overall financial risk

- **Impact of fierce competition on revenue and profitability:** The domestic jewellery market is characterized by its fragmentation, with numerous regional family jewellers. The aggressive expansion of branded players, both in ownership and through franchises, poses a challenge to unorganized competitors. Organized players, benefiting from brand recognition, diverse designs, hallmarking, robust marketing, and enhanced in-store experiences, may influence the revenue and margins of unorganized counterparts.

- **Economic influences on demand:** Jewellery demand, particularly for exports, is contingent on growth rates and incomes in target markets. Domestically, factors like rising inflation, economic slowdowns, and limited income growth may curtail consumers' disposable incomes, impacting their inclination to spend on discretionary items like jewellery. Additionally, demand is susceptible to volatility in gold and diamond prices.

- **Failure to keep up with changing trends:** Approximately 55% of the jewellery made in India is hand-made. India faces a deficit in designing capabilities for machine-made jewellery, particularly in styles like lightweight jewellery, everyday jewellery. In India as the majority of the retail market is driven by millennials and GenZ, failure to keep pace with evolving consumer preferences and a delayed response could significantly affect the revenue of jewellery manufacturers.

- **High ticket item:** High share of bridal wear and gold makes jewellery purchase high ticket price merchandise. This kind of demand gravitates towards retail formats that convey a strong perception of trust and currently brick retail stores manifest this trust better than online shopping.

- **Threat from diamond-producing countries:** There is historical pressure from African diamond-producing countries for forward integration due to the economic benefits associated with diamond cutting and polishing. This poses a potential threat to the traditional diamond mining industry.

- **Impact of unanticipated regulatory changes:** Unforeseen regulatory changes, such as increased import duties or bans on gold leasing, can have significant repercussions on demand, margins, and working capital requirements within the gems and jewellery industry. The sector needs to be vigilant and adaptable to navigate potential shifts in regulations.

Recent trends in retailing of gems and jewellery market in India

1. Emergence of the online format

E-tail in India has witnessed a rapid growth trajectory and is expected to reach approximately 12% (USD 188 billion) of total retail by FY 2028 from 7% in FY 2023 (USD 67 billion). In FY 2012, the e-tail pie was only USD 0.6 billion with key categories of Electronics, Books, Stationery, and Music catering to nearly 50% of the pie.

Exhibit 5.10: E-tail penetration of Key Categories

Categories	FY 2023			FY 2028P			CAGR FY 2023-28P
	Retail Size USD Billion	E-tail Size USD billion	E-tail Penetration	Retail Size USD billion	E-tail Size USD billion	E-tail Penetration	
Food & Grocery	619	14	2%	907	47	5%	27.4%
Jewellery	**70**	**4**	**6%**	**145**	**14**	**10%**	28.5%
Apparel & Accessories	76	16	21%	182	45	25%	23.0%
Footwear	10	2	20%	21	5	24%	20.1%
Pharmacy & Wellness	28	1.4	5%	50	5	10%	29.0%
Electronics	63	19	30%	130	47	36%	19.9%

Categories	FY 2023			FY 2028P			CAGR FY 2023-28P
	Retail Size USD Billion	E-tail Size USD billion	E-tail Penetration	Retail Size USD billion	E-tail Size USD billion	E-tail Penetration	
Home & Living	38	6	16%	72	16	22%	21.7%
Others	47	4	9%	72	9	13%	17.6%
Overall Market	951	67	7%	1579	188	12%	22.9%

Source: Secondary research, Industry reports, Technopak Analysis; 1 USD= ₹ 80

The online/e-commerce jewellery market is one of the fastest growing industries in India. The industry has been driven by various factors like the growing number of internet users, competitive prices of jewellery etc. The consumers can easily compare the products offered online with various brands, specifications and discounts offered. The market has evolved over the last 5 years with major cities like Delhi, Mumbai, Bangalore, Chennai, etc. driving the growth in Jewellery industry.

Young population in age group 23-35 are the target population/consumers. Few of the e-commerce companies operating in the domain are CaratLane, Candere by Kalyan, Bluestone, and other organized players operating in domain many govern the online market.

Exhibit 5.11: Comparison of Online Vs Over the counter Sales

	Online	Over the Counter/Offline
Average Ticket Size	₹ 15,000 - 25,000	₹ 50,000 - 2.5 Lakhs and above
Type of Jewellery	Daily Wear, Office Wear, Gifting Jewellery	Occasion Wear, Wedding Jewellery, Customize Jewellery
Preferred SKUs	Ear Studs, Chains, Rings, etc.	Necklace, Temple Jewellery, Bridal Jewellery
Assisted Sales	Low	High
Options of Brand & Products	High	Medium
Touch & Feel Experience	Low	High
Discounts & Other offers	High	Medium
Customization	Low	High

Source: Secondary research, Industry reports, Technopak Analysis

Evolving online jewellery businesses have encouraged people to shop for a variety of jewellery like gold, silver, diamond, platinum etc. at the click of a button. With convenient delivery options and easy payment options has made jewellery shopping easy and stress free. Though online jewellery plays a crucial role in influencing offline sales, as the digital shift will happen and remain present. But over the counter / offline sales will remain strong for large ticket size jewellery where touch and feel experience play an important role for customers.

2. Increasing preference for lightweight jewellery

With the increasing number of working women and their exposure to global designs, there is a growing preference among younger consumers for lightweight jewellery as a fashion statement rather than an investment. This shift in preference has led to a decline in the popularity of traditional bulky pieces and an increased demand for contemporary lightweight fashion jewellery that is suitable for everyday wear. Jewellery retailers are responding to this trend by crafting exquisite lightweight pieces that cater to the needs of the modern consumer.

3. Availability of BIS hallmark/ accredited jewellery

The government has made it mandatory for jewellers to sell only hallmarked jewellery, starting with the 256 districts that have assaying marking centres. However, jewellers with an annual turnover of up to ₹ 40 lakh are exempt from this requirement. The BIS hallmark certification plays a crucial role in ensuring the quality and caratage of the jewellery, providing buyers with the assurance they need when making their purchasing decisions. As of May 2023, more than 150,000 stores have registered with BIS to sell hallmarked gold jewellery, further enhancing consumer trust in the industry.

Exhibit 5.12: Illustrative symbols for gold jewellery hallmarking

BIS Mark		BIS Standard Mark
Purity of Gold	**22K916**	Purity in carat and fineness for gold
Hallmarking Unique ID or HUID	**AAA111**	Six-digit Alphanumeric code which will be unique for every jewellery article

4. **Buyback schemes**

Various market players provide buyback options for their jewellery, subject to specific terms and conditions regarding timing and valuation. This not only underscores the product's quality but also provides buyers with a level of flexibility.

5. **Monthly investment plans**

Monthly investment plans have gained traction as a significant offering among jewellery retailers. In this scheme, customers make equated monthly instalments, which are converted into a purchase at the end of the payment cycle. By opting to pay in advance, customers receive additional value benefits from retailers over the course of the instalment payments, facilitating the acquisition of high-value products.

6. **National/ regional chains invest in advertising to strengthen their brand image**

The marketing approach adopted in recent times has been aimed at achieving following objectives:

- To position organized jewellers as a trusted destination on quality, price, and transparency
- To amplify bridal wear jewellery positioning
- To subtly induce demand for diamond/ studded jewellery

Marketing Approaches for Brand Building

- Television, although an expensive medium, offers the widest audience reach. National-level jewellery chains utilize this platform to raise customer awareness and announce upcoming promotions, catering to the cyclical demand for new products and schemes. They strategically run ads during various occasions and festivals, showcasing their diverse range of products and enticing offers.

- Celebrity endorsement plays a pivotal role in brand building for jewellery retailers in India. By enlisting popular celebrities as brand ambassadors, jewellery chains and online jewellers align their choice with their price positioning, regional or national focus, and fashion or bridal offerings. The star power of these celebrities adds glamour and prestige to store openings, creating a captivating brand presence.

Exhibit 5.13: Celebrity brand ambassadors (past and present)

Brand	Brand Ambassador(s) past and present
Titan Company Ltd. (Tanishq)	Deepika Padukone, Nayanthara
Malabar Gold & Diamonds	Alia Bhatt, Kareena Kapoor, Dulquer Salmaan, Tamannaah Bhatia, Mohanlal, Suriya Sivakumar
Joyalukkas	Kajol, Kangana Ranaut, Meera Jasmine, Bhoomika Chawla, Madhavan, Shreya Ghoshal, Suresh Gopi, Kiccha Sudeep, Allu Arjun, Hrithik Roshan
Kalyan Jewellers	Amitabh Bachchan, Jaya Bachchan, Shweta Bachchan-Nanda, Katrina Kaif, Akkaineni Nagarjuna, Prabhu Ganesan, Manju Warrier, Shiva Rajkumar, Wamiqa Gabbi, Pooja Sawant, Ritabhari Chakraborty
PNG Jewellers	Madhuri Dixit, Salman Khan
Senco Gold	Kiara Advani, Ishaa Shah, Sourav Ganguly, Vidya Balan, Dutee Chand

Source: Primary Research, Secondary Research, Company Website; The list captures key brands ambassadors and is not exhaustive.
Note: ex-Brand Ambassador*

- **Print media like Newspapers & Magazines** – This channel is used by many jewellery brands usually to inform customers about upcoming promotions and announce offers around festivals and wedding seasons.

- **Movie Tie-ups/Corporate Tie-ups** – This channel is used by jewellery chains to promote their brand and allow customers to associate their brand with heritage, artistry, and quality of craftsmanship. For eg: Deepika Padukone is seen promoting Tanishq jeweller in the movie, Padmavat. Tribhovandas Bhimji Zaveri associated with Dharma Production for the movie, Kalank.

Tactical Marketing Approaches for Short Term Demand

- **Radio** – Some jewellery brands use popular radio stations like Radio Mirchi & Radio City in India to inform customers about their brand. For eg: Tanishq created a series of radio advertisements on Radio Sharda 90.4 FM.

- **New store launches** – Most jewellery chains hire a celebrity ambassador to launch a new showroom. This allows them to generate a buzz and the initiative has proven to be an inexpensive publicity vehicle.

- **Special promotions** – Jewellery chains use their personnel to educate and entice customers to make further purchases, usually at the point of sales.

- **Special events** – Often various jewellery chains hold unique events to build brand awareness and promote their jewellery range. For eg: To promote Gold Plus (Tanishq), a TATA Nano car was adorned with gold that emphasized 5000 years of Indian jewellery-making tradition. This car travelled across 30 cities promoting Goldplus (Tanishq).

- **In-store and mall activations** – Jewellery chains utilize this channel primarily for educating consumers about their brand and products. Some jewellery stores try to bring an experiential factor by persuading customers to try out their jewellery.

- **Research & Marketing Activities –** Regional players like PNG Jewellers have established location-based target marketing and established "Parampara Exhibitions" to create the brand awareness in the nearby towns. They have also developed campaigns to promote seasonal and new festive jewellery during the festive season. Some of the campaigns are as "Magalsutra Mahotsav" and "Painjan Mahotsav".

Digital Marketing Activities

Jewellery chains are increasingly using social media websites like Facebook, Instagram and Twitter along with other mediums like advertisement on You tube and other websites to target millennial customers. Brands actively use browser data for retargeting customers through search engines and social media sites.

Established brands like PC Jewellers, Joyalukkas, Tanishq, Malabar and online focused brands like Caratlane and BlueStone have high social media presence on Facebook, the primary digital marketing channel. Tanishq, Kalyan, Joyalukkas and Caratlane are the most popular brands across all social media channels. Social media platforms, display networks advertisements, YouTube and Google advertisements are being extensively used for promotions. It helps brands micro-segment the consumers and use data analytics to target them optimally.

Even during the period of lockdown, when consumers were actively consuming digital content, the brands sustained their engagement though these channels. Creatively crafted marketing campaigns had been designed about the topical issue to express empathy, positivity, and sense of responsibility as a business.

Details of jewellery retailers operating in India

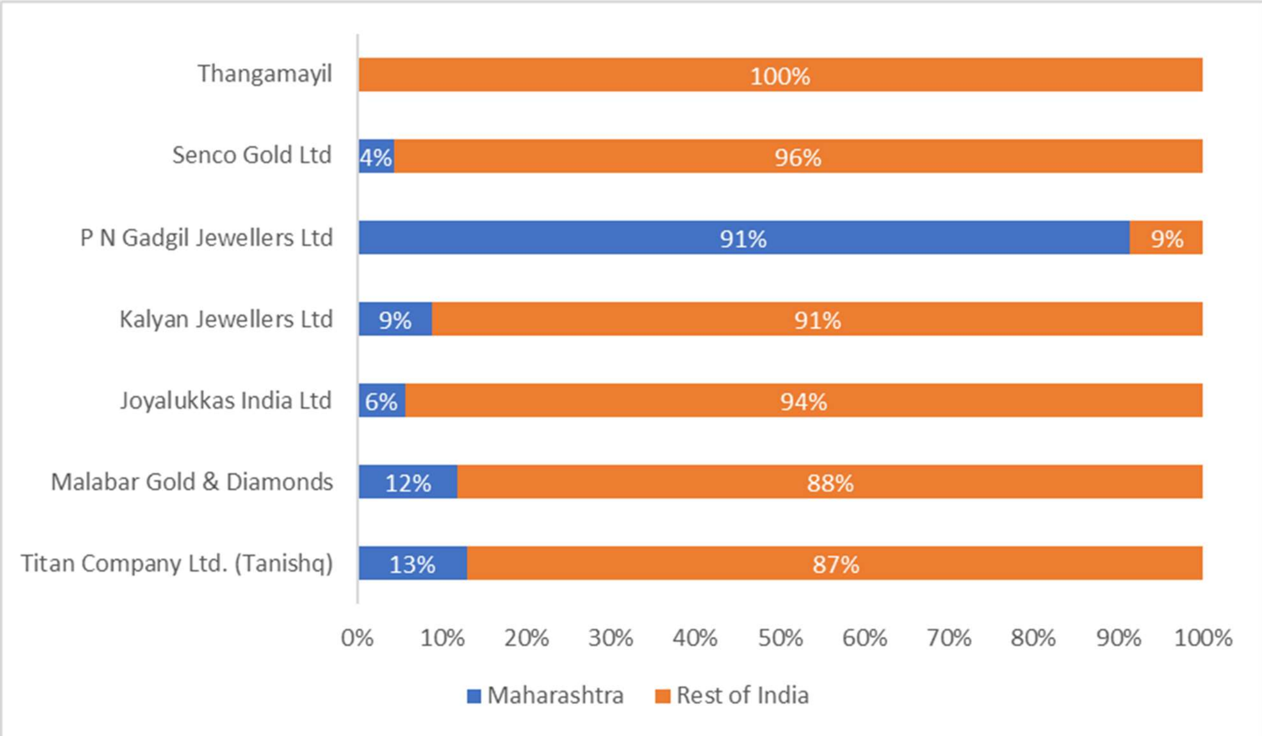
Players	Year of establishment	Description	Key Product Segments	Store Count	Presence
Titan Company Ltd. (Tanishq)	1994	Titan Company Ltd. has transitioned from being an integrated watch manufacturer to a leading premium lifestyle entity, offering a diverse range of products including jewellery, watches, fragrances, eyewear, and Indian attire. Its prominent jewellery brands, Tanishq and CaratLane, serve distinct markets: Tanishq emphasizes a retail-based model with 423 stores across over 240 cities, while CaratLane operates primarily in the e-commerce sector.	Gold, Diamond, Gemstone, Solitare and Digital Gold	423	Pan India
Malabar Gold and Diamonds	1993	Established in 1993, Malabar Gold & Diamonds is a leading global jewellery retailer, offering a wide range of exquisite gold, diamond, platinum, and gemstone collections. Renowned for craftsmanship and ethical practices, it has a vast retail presence, symbolizing opulence and tradition.	Diamond, gold, gemstone, uncut diamond and platinum	203	Pan India; majorly South India
Joyalukkas	1987	Joyalukkas is a renowned global jewellery retail chain headquartered in Kerala, India, known for its exquisite craftsmanship and extensive range of jewellery collections. With a legacy spanning over six decades, Joyalukkas has earned a reputation for offering high-	Diamond, gold, gemstone, uncut jewellery	88	Pan India; majorly South India

Players	Year of establishment	Description	Key Product Segments	Store Count	Presence
		quality gold, diamond, and gemstone jewellery, backed by exceptional customer service and a commitment to timeless elegance.	and platinum		
Kalyan Jewellers	1993	Established in 1993, Kalyan Jewellers is a prominent Indian jewellery brand known for its extensive range of gold, diamond, and gemstone ornaments. With a commitment to craftsmanship and customer trust, Kalyan Jewellers has grown into a trusted name in the jewellery industry.	Gold, diamond, pearl, gemstone, white gold and platinum	204	Pan India; majorly South India
P. N. Gadgil Jewellers	**2013**	**P. N. Gadgil Jewellers was incorporated in 2013, P. N. Gadgil brand has a rich heritage dating back to 1832. This iconic Indian jewellery brand boasts a legacy spanning over a century. Renowned for its impeccable craftsmanship, P. N. Gadgil Jewellers specializes in a diverse range of meticulously crafted gold, diamond, and platinum ornaments, epitomizing timeless elegance and tradition.**	**Gold, diamond, platinum and silver jewellery**	**35**	**West India**
Senco Gold Limited	1994	Established in August 1994 as a private limited company, SGL transitioned to a public limited company in 2007. Specializing in the production and retail of plain and studded gold, diamond, platinum, and silver jewellery, SGL also exports its exquisite collections to wholesalers in Singapore, Dubai, and Malaysia.	Gold, diamond and platinum	159	Pan India; majorly East India
Thangamayil	2000	Thangamayil Jewellery Ltd. is a prominent jewellery retailer known for its wide-ranging collections and commitment to quality craftsmanship. With a strong presence in the southern Indian market, Thangamayil offers an array of gold, diamond, and gemstone jewellery to cater to diverse consumer preferences.	Gold, Diamond, Gemstone and Silver	58	South India

Presence of key players in Maharashtra vs rest of India

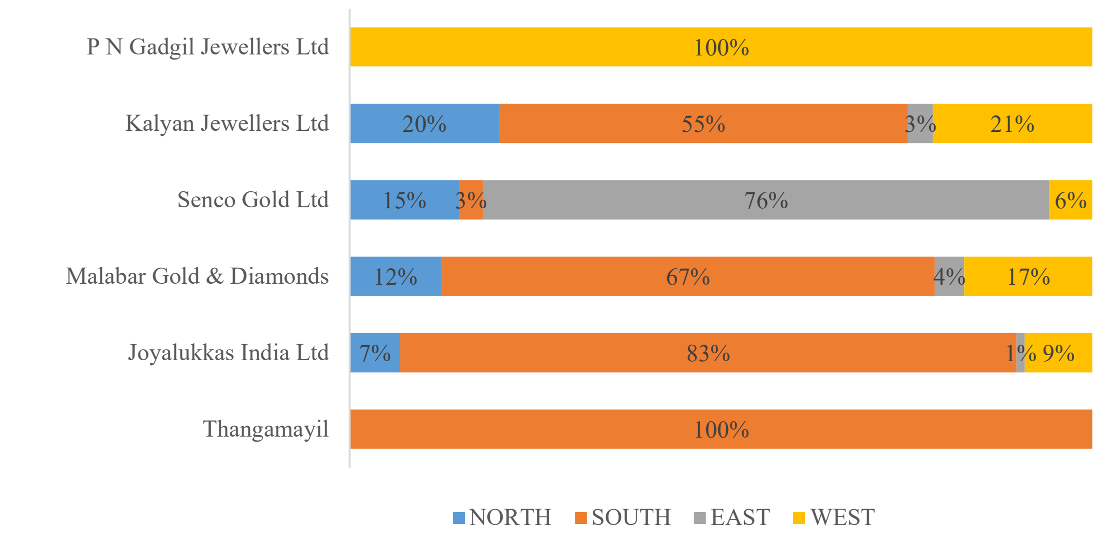
The presence of jewellery stores in Maharashtra is substantial, with the state boasting a vibrant and diverse market for both traditional and contemporary jewellery. Cities like Mumbai, Pune, and Nagpur serve as significant hubs for jewellery retail, attracting customers with a wide array of designs and choices. However, the jewellery market extends beyond Maharashtra, and several reputable stores operate successfully outside the state. These establishments contribute to the rich tapestry of the Indian jewellery industry, catering to diverse preferences and demands in regions across the country. Brands such as P.N. Gadgil will leverage their strong brand recognition in Maharashtra to extend their reach beyond the state, targeting regions where they anticipate a growing demand for their products, particularly in the jewellery sector.

Exhibit 5.14: Presence of stores in Maharashtra vs rest of India



Source: Secondary sources, Store locator of brands, Technopak Analysis
Note: The store presence calculated for Titan Company Ltd. (Tanishq) only includes the stores operated by Tanishq.

Exhibit 5.15: Store presence across regions



Source: Secondary sources, Store locator of brands, Technopak Analysis
Note: Region wise presence of Titan Company Limited (Tanishq) is not available.

Typical store size

The jewellery market has average store size ranging from 1500 to 8500 square feet. Kalyan Jewellers has the highest average store size, but number of stores compared to key jewellery players are marginally low.

Exhibit 5.16: Average store size in Sq. Ft.

Company	Average Store Size (Sq Ft)
Titan Company Ltd (Tanishq)	4,200
Malabar Gold Pvt Ltd	5,500
Joyalukkas	5,000

Company	Average Store Size (Sq Ft)
Kalyan Jewellers India Ltd	6,500
P.N.Gadgil Jewellers	3,500
Senco Gold Ltd	2,500
Thangamayil Jewellery	1,500

Source: Secondary sources, Technopak Analysis.

Financial metrics

Revenue from operations

Revenue registered in FY 2021 indicate that most of the players had a negative impact of COVID 19, but revenue registered after FY 2021 (FY 2022-24) indicates that all were able to bounce back from this as all players had improving revenue for the period. PNG is the fastest growing jewellery brand amongst the key organised jewellery players in India, based on the revenue growth between Fiscal 2022 and Fiscal 2024.

Exhibit 5.17: Revenue from Operations (INR Mn) (Years in FY)

Player	2021	2022	2023	2024	CAGR 2022-2024
Titan Company Ltd. (Tanishq)	NA	2,38,258.20*	3,12,713.43*	4,22,920.00**	33.23%*
Malabar Gold*	2,39,029.00	3,14,253.00	3,95,843.00	NA	Na(1)
Joyalukkas	80,662.93	1,02,945.52	1,45,134.29	NA	Na(1)
Kalyan	85,733.05	1,08,179.34	1,40,714.47	1,85,482.86	30.94%
P. N. Gadgil Jewellers	**19,300.63**	**25,556.34**	**45,075.19**	**61,109.45**	**54.63%**
Senco	26,603.79	35,346.41	40,774.04	52,414.43	21.77%
Thangamayil	18,186.19	21,930.72	31,525.50	38,267.80	32.10%

Source: Annual Reports, Secondary Research, Technopak Analysis, MCA reports
Our Analysis focuses on scaled up jewellery players, especially those with revenue exceeding INR 3,000 Crores.
All Figures are consolidated except for Thangamayil and Joyalukkas
FY 2024 figures for Malabar gold and Joyalukkas are not available in public domain.
NA: Not Available, Na(1): Can't be calculated due to unavailability, negative numerator, denominator or both.
CAGR for companies is calculated for the years available rest is calculated for FY 2022-24.
Titan Company Ltd. (Tanishq) only includes Tanishq metrics, anything which was not available is NA.
**The revenue of Titan Company Ltd. (Tanishq) is computed by subtractive the revenue (estimated revenue) of Mia, Zoya and Caratlane from the standalone financial revenue of Titan's Jewelry segment.*
***This is the total revenue of Jewellery division of titan(FY 24). This includes revenue of Tanishq, Mia, Zoya and Caratlane. Tanishq's revenue share was 91.7% of the total revenue in FY 2023.*

Revenue per store indicates efficiency of the store or retail outlet. High revenue from operations with limited number stores results into highest revenue per store. P. N. Gadgil Jewellers in FY 2024 had revenue per store of INR 1697.48 Mn which was highest among key organised jewellery players. In terms of revenue per square feet, P. N. Gadgil has revenue per square feet of INR 6,02,974.07 in fiscal 2024 which was the highest among key organised jewellery players in India.

Exhibit 5.18: Revenue Per Store and Revenue Per Square Feet (₹ Mn) for FY 2024

Player	2021		2022		2023		2024	
	Revenue per store (INR Mn.)	Revenue per sq ft (INR)	Revenue per store (INR Mn.)	Revenue per sq ft. (INR)	Revenue per store (INR Mn.)	Revenue per sq ft. (INR)	Revenue per store (INR Mn.)	Revenue per sq ft. (INR)
Titan Company Ltd. (Tanishq)	NA	NA	612.49	1,58,838.80	739.28	1,79,720.36*	NA	NA
Malabar Gold*	NA	NA	NA	NA	NA	NA	NA	NA
Joyalukkas*	950.00	2,37,244.00	NA	NA	1,649.25	NA	NA	NA
Kalyan	587.21	1,62,373.20	702.46	2,01,451.28	773.16	2,31,058.24	772.85	2,64,975.51
P. N. Gadgil Jewellers	603.14	2,12,811.07	798.64	2,79,733.19	1,325.74	4,73,953.27	1,697.48	6,02,974.07
aSenco	237.53	NA	278.32	NA	299.81	99,478.00	329.65	4,38,961.57
Thangamayil	386.94	2,85,055.00	421.74	2,90,797.00	594.82	3,92,375.00	637.80	4,16,933.00

Source: Annual Reports, Secondary Research, Technopak Analysis, MCA report
All Figures are consolidated except for Thangamayil and Joyalukkas.
For P.N. Gadgil 36 stores were considered as the revenue is on consolidated basis
***Per store & per square feet revenue numbers for FY21 for Joyalukkas are considered as disclosed in the DRHP.*

Joyalukkas and Tanishq store count considered only stores in India since numbers used are on a standalone basis.
FY 2024 figures for Malabar gold and Joyalukkas are not available in public domain.
Note: Since consolidated figures of Joyalukkas and Thangamayil are not available, standalone figures of both are considered along with number of stores in India. For rest of the players global store count is considered.
**For Tanishq - revenue per store and revenue per square ft are on estimation basis.*
Titan Company Ltd. (Tanishq) only includes Tanishq metrics, anything which was not available is NA.
Revenue per square feet for Kalyan

EBITDA and EBITDA Margin

EBITDA margins have also increased due to a change in the accounting methodology (IND-AS 116). P N Gadgil Jewellers achieved an EBITDA growth of 56.50% for the period FY 2022-2024, which is among the highest in key jewellery players.

Exhibit 5.19: EBITDA (₹ Mn) and EBITDA Margin (%) (Years in FY)

Player	2021		2022		2023		2024		CAGR 2022-2024
	EBITDA	Margin	EBITDA	Margin	EBITDA	Margin	EBITDA	Margin	
Titan Company Ltd. (Tanishq)	NA	NA	NA	NA	NA	NA	NA	NA	Na(1)
Malabar Gold*	9,334.00	3.90%	11,128.00	3.54%	12,425.00	3.14%	NA	NA	Na(1)
Joyalukkas*	9,520.08	11.80%	12,259.84	11.91%	15,296.16	10.54%	NA	NA	Na(1)
Kalyan	6,396.75	7.46%	8,527.96	7.88%	11,519.22	8.19%	13,863.67	7.47%	27.50%
P. N. Gadgil Jewellers	**712.50**	**3.69%**	**1,419.83**	**5.56%**	**1,745.20**	**3.87%**	**2,774.26**	**4.54%**	**39.78%**
Senco	1,898.69	7.14%	2,899.53	8.20%	3,477.58	8.53%	4,177.50	7.97%	20.03%
Thangamayil	1,493.47	8.21%	878.63	4.01%	1,562.50	4.96%	2,177.70	5.69%	57.43%

Source: Annual Reports, Secondary Research, Technopak Analysis, MCA reports.
All Figures are consolidated except for Thangamayil and Joyalukkas
FY 2024 figures for Malabar gold and Joyalukkas are not available in public domain.
EBITDA= (Finance Cost + D&A + PBT)
EBITDA Margin = EBITDA before exceptional items/Revenue, NA: Not Available
Note: CAGR for companies is calculated for the years available rest is calculated for FY 2022-24.
NA: Not Available, Na(1): Can't be calculated due to unavailability, negative numerator, denominator or both.
Titan Company Ltd. (Tanishq) only includes Tanishq metrics, anything which was not available is NA.

Exhibit 5.20: EBITDA Per Store for FY 2024 (₹ Mn)

Player	2021	2022	2023	2024
Titan Company Ltd. (Tanishq)	NA	NA	NA	NA
Malabar Gold	NA	NA	NA	NA
Joyalukkas	NA	NA	173.82	NA
Kalyan	43.81	55.38	63.29	57.77
P. N. Gadgil Jewellers	**22.27**	**44.37**	**51.33**	**77.06**
Senco	16.95	22.83	25.57	26.27
Thangamayil	31.78	16.90	29.48	36.30

Source: Annual Reports, Secondary Research, Technopak Analysis, Revenue Annual Reports
All Figures are consolidated except for Thangamayil and Joyalukkas
For P.N. Gadgil 36 stores were considered as the revenue is on consolidated basis
NA: Not Available
Note: Since consolidated figures of Joyalukkas and Thangamayil are not available, standalone figures of both are considered along with number of stores in India. For rest of the players global store count is considered.
Titan Company Ltd. (Tanishq) only includes Tanishq metrics, anything which was not available is NA.

PAT and PAT Margin

PAT margins have also increased due to a change in the accounting methodology (IND-AS 116).

Exhibit 5.21: PAT (₹ Mn) and PAT Margins (Years in FY)

Player	2021		2022		2023		2024		CAGR 2022-2024
	PAT	Margin	PAT	Margin	PAT	Margin	PAT	Margin	
Titan Company Ltd. (Tanishq)	NA	NA	NA	NA	NA	NA	NA	NA	Na(1)
Malabar Gold*	5,394.00	2.26%	6,942.00	2.21%	6,851.00	1.73%	NA	NA	Na(1)

Joyalukkas*	4,717.53	5.85%	7,001.45	6.80%	8,993.34	6.20%	NA	NA	Na(1)
Kalyan	-60.73	-0.07%	2,240.30	2.07%	4,319.32	3.07%	5,962.85	3.21%	63.15%
P. N. Gadgil Jewellers	**-67.10**	**-0.35%**	**695.15**	**2.72%**	**937.00**	**2.08%**	**1,543.42**	**2.53%**	**49.01%**
Senco	614.82	2.31%	1,291.02	3.65%	1,584.79	3.89%	1,810.04	3.45%	18.41%
Thangamayil	865.84	4.76%	385.43	1.76%	797.40	2.53%	1,232.40	3.22%	78.82%

Source: Annual Reports, Secondary Research, Technopak Analysis, MCA reports.
All Figures are consolidated except for Thangamayil and Joyalukkas.
PAT = Profit before Tax – Tax
PAT Margin= PAT/Revenue from operation
FY 2024 figures for Malabar gold and Joyalukkas are not available in public domain.;
Note: CAGR for companies is calculated for the years available rest is calculated for FY 2022-24.
NA: Not Available, Na(1): Can't be calculated due to unavailability, negative numerator, denominator or both.
Titan Company Ltd. (Tanishq) only includes Tanishq metrics, anything which was not available is NA.

Exhibit 5.22: PAT Per Store (₹ Mn) for FY 2024

Player	2021	2022	2023	2024
Titan Company Ltd. (Tanishq)	NA	NA	NA	NA
Malabar Gold	NA	NA	NA	NA
Joyalukkas	NA	NA	102.2	NA
Kalyan	-0.42	14.55	23.73	24.85
P. N. Gadgil Jewellers	-2.10	21.72	27.56	42.87
Senco	5.49	10.17	11.65	11.38
Thangamayil	18.42	7.41	15.05	20.54

Source: Annual Reports, Secondary Research, Technopak Analysis, Revenue Annual Reports
NA: Not Available
For P.N. Gadgil 36 stores were considered as the revenue is on consolidated basis
Note: Since consolidated figures of Joyalukkas and Thangamayil are not available, standalone figures of both are considered along with number of stores in India. For rest of the players global store count is considered.
Titan Company Ltd. (Tanishq) only includes Tanishq metrics, anything which was not available is NA.

Return on Equity

Several key players in the Indian Jewellery market witnessed large increase in their **ROE** (Return on Equity). Players like Joyalukkas, have shown high decreases in ROE because of increased expenses which have led to their its lower net income and hence the stakeholders' equity's profitability being reduced and, Kalyan Jewellers and Senco have shown a sharp increase in its ROE from FY 2022 to FY 2024. Among its key organised jewellery players in India, P. N. Gadgil Jewellers had the maximum increase in ROE from FY 2022 to FY 2024.

Exhibit 5.23: Return on Equity (ROE) (Years in FY)

Player	2021	2022	2023	2024
Titan Company Ltd. (Tanishq)	NA	NA	NA	NA
Malabar Gold	29.72%	29.00%	22.10%	NA
Joyalukkas	27.42%	28.94%	27.10%	NA
Kalyan	-0.21%	7.14%	11.88%	14.23%
P. N. Gadgil Jewellers	**-2.65%**	**22.48%**	**25.09%**	**28.88%**
Senco	10.20%	17.78%	16.76%	13.26%
Thangamayil	29.06%	11.89%	20.51%	24.99%

Source: Annual Reports, Secondary Research, Technopak Analysis, MCA reports.
All Figures are consolidated except for Thangamayil and Joyalukkas
FY 2024 figures for Malabar gold and Joyalukkas are not available in public domain.; NA = Not Available;
ROE = PAT/Closing Shareholder's Equity attributable to owners
*Note: Brands marked * are calculated for time period FY 2022 due to unavailability of FY 2023 financials.*
Titan Company Ltd. (Tanishq) only includes Tanishq metrics, anything which was not available is NA.

Return on Capital Employed

ROCE (Return on capital employed) indicates a company's efficiency because it measures the company's profitability after factoring in the capital that has been used to achieve that profitability. ROCE is a better gauge for the performance or profitability of the company over long periods. P. N. Gadgil jewellers has Return on capital employed (ROCE) of 23.29% in FY 23.

Exhibit 5.24: Return on Capital Employed (ROCE) (Years in FY)

Player	2021	2022	2023	2024
Titan Company Ltd. (Tanishq)	NA	NA	NA	NA
Malabar Gold	31.04%	26.20%	4.56%	NA
Joyalukkas	26.65%	28.10%	28.05%	NA
Kalyan	6.69%	9.56%	12.70%	15.65%
P. N. Gadgil Jewellers	**8.08%**	**19.89%**	**23.29%**	**27.31%**
Senco	13.24%	15.60%	14.22%	12.49%
Thangamayil	24.69%	10.70%	15.25%	20.27%

Source: Annual Reports, Secondary Research, Technopak Analysis MCA reports.
All Figures are consolidated except for Thangamayil and Joyalukkas
FY 2024 figures for Malabar gold and Joyalukkas are not available in public domain.; NA = Not Available;
ROCE = EBIT/ Capital Employed; Capital Employed= Closing Shareholder's Equity attributable to owners+ Current Borrowings + Non-Current Borrowings+ Gold Metal Loan
Titan Company Ltd. (Tanishq) only includes Tanishq metrics, anything which was not available is NA

Working capital days

Working Capital Days measures how efficiently a company converts its working capital into revenue or cash, calculated by dividing average working capital by average daily revenue. A lower figure indicates effective working capital management and quicker conversion, while a higher figure may suggest inefficiencies or liquidity challenges. This metric aids in assessing operational efficiency and cash flow management. P. N. Gadgil Jewellers standing at 41 has the lowest working capital days amongst key organised jewellery players in FY 2023.

Exhibit 5.25: Working Capital Days (Years in FY)

Player	2021	2022	2023	2024
Titan Company Ltd. (Tanishq)	NA	NA	NA	NA
Malabar Gold	37	35	37	NA
Joyalukkas	146	154	143	NA
Kalyan	201	177	157	131
P. N. Gadgil Jewellers	**113**	**80**	**41**	**51**
Senco	138	136	158	160
Thangamayil	128	124	112	112

Source: Annual Reports, Secondary Research, Technopak Analysis, MCA reports.
All Figures are consolidated except for Thangamayil and Joyalukkas
FY 2024 figures for Malabar gold and Joyalukkas are not available in public domain.;
*NA =Not Available; Working Capital Days= (Trade Receivables+ Inventory – Trade Payables)*365/Revenue*
Titan Company Ltd. (Tanishq) only includes Tanishq metrics, anything which was not available is NA.

Inventory Days

Inventory days measure the average number of days a company takes to sell its inventory during a specific period. It is calculated by dividing the average inventory by the cost of goods sold (COGS) and then multiplying by the number of days in the period. Lower inventory days indicate efficient inventory management, while higher values may suggest overstocking or slow sales. P. N. Gadgil Jewellers had inventory days of 63 days which was the lowest among key organised jewellery players in FY 2024.

Exhibit 5.26: Inventory Days (Years in FY)

Player	2021	2022	2023	2024
Titan Company Ltd. (Tanishq)	NA	NA	NA	NA

Malabar Gold	44	43	48	NA
Joyalukkas	208	197	181	NA
Kalyan	272	232	216	191
P. N. Gadgil Jewellers	**133**	**111**	**53**	**63**
Senco	166	170	201	202
Thangamayil	149	139	127	128

Source: Annual Reports, Secondary Research, Technopak Analysis, MCA reports.
All Figures are consolidated except for Thangamayil and Joyalukkas
FY 2024 figures for Malabar gold and Joyalukkas are not available in public domain.; NA =Not Available;
*Inventory Days= (Inventory/Cost of Goods Sold)*365*
Titan Company Ltd. (Tanishq) only includes Tanishq metrics, anything which was not available is NA.

Marketing Expense and Yield on Marketing

Advertising Spend as a percentage of Revenue, or advertising to sales ratio indicates the efficacy of advertising strategies of the company. The expense is dependent on scale and the player's national/ regional coverage. Most Jewellery brands have advertising spend in the range of 0.5-2.5% of their revenue. Advertising expense of the national players is relatively higher than a regional player as national players rely heavily on Above the Line (ATL) medium like TVCs and Print Media while regional players focus on local marketing and other promotions. P. N. Gadgil Jewellers had advertising spend of ₹ 299.60 Mn which was 0.66% of their revenue from operations in FY 2024.

Exhibit 5.27: Marketing Expense (₹ Mn) and Yield (Years in FY)

Player	2021			2022			2023			2024		
	Expense	% of Revenue	Yield	Expense	% of Revenue	Yield	Expense	% of Revenue	Yield	Expense	% of Revenue	Yield
Titan Company Ltd. (Tanishq)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Malabar Gold	453.00	0.19%	527.66	899.00	0.29%	349.56	1468.00	0.37%	214.07	NA	NA	NA
Joyalukkas	511.67	0.63%	157.65	838.98	0.81%	122.70	1,492.79	1.03%	97.22	NA	NA	NA
Kalyan	1,110.49	1.30%	77.20	1,523.90	1.41%	70.99	2,049.51	1.46%	68.66	2,705.55	1.46%	68.56
P. N. Gadgil Jewellers	**59.75**	**0.31%**	**323.02**	**91.62**	**0.36%**	**278.94**	**299.60**	**0.66%**	**150.45**	**419.47**	**0.69%**	**145.68**
Senco	261.87	0.98%	101.59	505.82	1.43%	69.88	810.36	1.99%	50.32	1,033.73	1.97%	50.70
Thangamayil	136.82	0.75%	132.93	244.15	1.11%	89.83	264.10	0.84%	119.37	203.20	0.53%	188.33

Source: Annual Reports, Secondary Research, Technopak Analysis, MCA reports.
All Figures are consolidated except for Thangamayil and Joyalukkas
NA: Not Available, Na(1): Can't be calculated due to unavailability, negative numerator, denominator or both.
Marketing Yield = Revenue/Marketing Spent
*% of Revenue= (Marketing Spent/Revenue)*100*
FY 2024 figures for Malabar gold, Senco and Joyalukkas are not available in public domain.; NA =Not Available
Titan Company Ltd. (Tanishq) only includes Tanishq metrics, anything which was not available is NA.

Industry regulations

CY 2014

1. 80:20 rule

In August 2013, the government made it mandatory for at least 20% of imported gold to be re-exported after processing (the 80:20 rule), in order to curb India's rising current account deficit. In May 2014, the RBI allowed star/premier trading houses to import gold in accordance with the 80:20 rule. However, at the end of November 2014, the government scrapped the 80:20 gold import rule to reduce incidences of gold smuggling. Further, the scrapping of the 80:20 rule eased the supply of gold into the domestic market, pulling down premiums. In February

2015, the RBI issued further clarifications related to gold imports, making it clear that banks could import gold on a consignment basis without showing any end use.

CY 2015

2. Gold-on-lease scheme

In July 2013, the RBI imposed a ban on the gold-on-lease scheme to curb imports. This was subsequently revoked in May 2014 and a few banks were allowed to offer gold on lease. However, in February 2015, the RBI allowed all banks to provide gold on credit. In the same month, the RBI lifted the ban on imports of gold coins and medallions. However, restrictions on banks selling coins and medallions remain in place.

3. Sovereign gold bond scheme and gold deposit scheme (GDS)

In September 2015, the Indian government announced two schemes – the sovereign gold bond scheme and the GDS – in order to channelize investments in gold into more productive sectors of the economy. Under the sovereign gold bond scheme, gold bonds denominated in grams of gold are issued to individuals by the RBI, in consultation with the Ministry of Finance. The scheme aims to convert investment demand for physical gold into demand for paper gold.

4. Gold monetization scheme

The gold monetization scheme is a form of GDS and gold metal loan launched in November 2015. GDS creates a financial asset equivalent to gold for investment purposes, and the interest on the value is invested. This reduces dependence on gold imports and eases the trade balance. Designated banks accept gold deposits under a short term (1-3 years) bank deposit, as well as medium (5-7 years) and long (12-15 years) term deposits.

CY 2016

5. PAN card made mandatory

On January 1, 2016, the government announced that PAN would be mandatory for bulk transactions of more than ₹ 2 lakh, against ₹ 5 lakh earlier.

6. 1% excise duty on gold

In February 2016, the government introduced a 1% excise duty on non-silver jewellery items, including gold and diamond jewellery. However, in May 2016, the government decided to roll back the duty after the country witnessed widespread strikes by jewellers for 45 days. Also, demand for gold dropped by 35-40%, coupled with an increase in gold prices. In July 2016, the government said that 1% excise duty would be applicable on traders with turnover above ₹ 15 crore.

7. Gold demand impacted by cash shortage

On 8th November 2016, Govt. of India announced Demonetization of ₹ 500 and ₹ 1,000 currency notes of Mahatma Gandhi series that accounted for ~86% of total currency value. This step was taken to curtail shadow economy and use of counterfeit cash to fund illegal activities such as terrorism. This measure had temporarily led to a cash shortage in the economy and has boosted digital mode of payment and cashless economy.

- Demonetization helped organized players to penetrate the wedding market and the high-value jewellery segment by capturing market share of unorganized players, who operated mainly in cash thereby creating a level playing field.

- It led to the adoption of plastic/digital money in the jewellery sector. The adoption of the cashless transaction has brought transparency and efficiency to the sector. It pushed unorganized players to adopt cashless mode of payment.

- The cashless mode of payment has resulted in adherence of regulatory compliance by unorganised retailers. This levels the playing field and to some extent favours organised retailers as they were already bearing the cost of regulatory compliance, while it increased the cost of doing business for unorganised retailers.

CY 2017

8. Revised hallmarking standards

In January 2017, the BIS revised the standard on gold hallmarking in India. Gold jewellery hallmarks now had to carry a BIS mark, purity in carat and fineness, as well as the unit's identification and the jeweller's identification mark. Hallmarks were available in three grades of 14, 18 and 22 carats, as opposed to 23, 22, 21, 18, 17, 14 and 9 carats earlier.

9. GST impact

During the first half of fiscal 2018, the sector faced disruptions owing to GST implementation. Pre-GST, gems and jewellery exports were exempt from tax. However, in the new regime, taxes have to be paid on manufacture or purchase, refunds for which can be claimed only after goods have been exported out of India.

The government rolled out GST on July 1, 2017. GST on gems and jewellery was 3%, and a 5% tax was levied on making charges. Import duty was kept unchanged at 10%. This increased the net effective tax rate to ~14% under the GST regime from ~12% earlier, which included 10% import duty, 1% excise duty, and ~1% VAT. Excise and VAT were subsumed under GST. The new rates increased retail gold jewellery prices by 1-2%, which is unlikely to have affected demand. GST's overarching impact is a perceptible shift in the industry from unorganised to organised play.

CY 2019

10. Increase in import duty on gold

The government increased the import duty on gold to 12.5% in Union Budget 2019-20 from 10%. This resulted in a 2.3% price increase at the end-consumer level and affected demand.

CY 2021

11. Import duty reduced on gold

Though custom duty on gold was reduced to 7.5% from 12.5% in Union Budget 2021-22, an additional agriculture infrastructure and development cess of 2.5% was levied. This is expected to have led to a 2-3% decrease in gold prices.

12. Mandatory hallmarking of gold jewellery

The government has made it mandatory for jewellers to sell only hallmarked jewellery. However, initially, hallmarking started in 256 districts of the country that have assaying and marking centres. Moreover, jewellers with an annual turnover up to ₹ 40 lakh will be exempt from mandatory hallmarking. Historically, customers buying jewellery from the informal sector have been mired with problems such as impure gold, inaccurate weight or grammage of stones, non-transparent making charges, and pilferage. The government has said that hallmarking of jewellery/artefacts will enhance credibility of gold jewellery and ensure customer protection through third-party assurance for the marked purity/fineness of gold. This will also help develop India as a leading global gold market.

This regulation is expected to significantly reduce the price differential between organised and unorganised players. Currently, owing to the lack of awareness among consumers, unorganised retailers often sell non-hallmarked items with lower-than-stated caratage. This enables them to maintain profitability, despite low charges, compared with organised players. Proper implementation of this rule is likely to impact the profitability of unorganised players, which will then have to raise their making charges.

CY 2022

13. Increase in import duty on gold

The government increased the import duty on gold to 12.5% from 7.5% from June 30, 2022 with effective duty on gold at 15%.

CY 2023

14. Mandatory Hallmark Unique Identification for gold jewellery

The government mandated a Hallmark Unique Identification (HUID) number, six-digit alphanumeric code made up of numbers and letters, for gold jewellery and other items from 1 April 2023. The hallmarking will ensure a uniform standard of gold quality across India, which is the second-largest consumer of gold in the world. As the HUID is a unique identification number for every piece of jewellery sold in the country, it will enable the tracking and auditing for the government, thereby helping in controlling unaccounted transactions. Besides, it will also ensure standard quality of the product for the consumer.

OVERVIEW OF JEWELLERY MARKET IN MAHARASHTRA

Jewellery market in West India

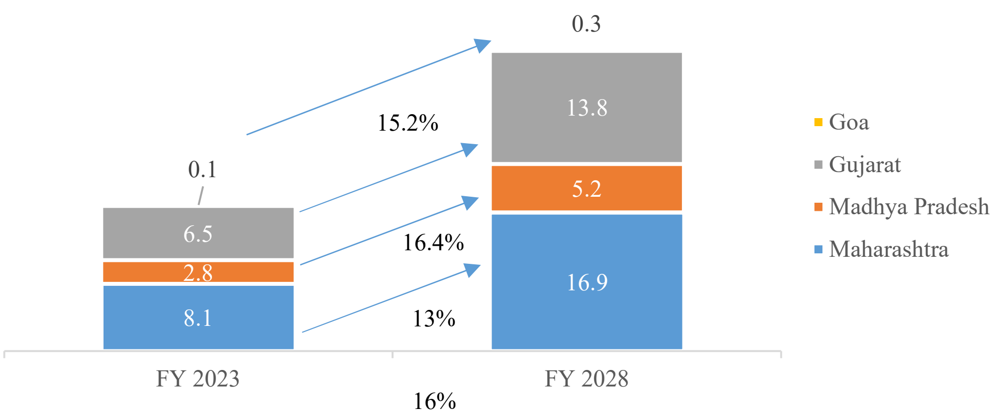
Total Domestic Jewellery Market - USD 70 Bn in FY 2023

4 Western states make up 25% of the Indian jewellery market.

The jewellery sector in Maharashtra, with its rich heritage and strategic location, plays a pivotal role in shaping the industry landscape in West India. Encompassing Maharashtra, Gujarat, Madhya Pradesh, and Goa, this region accounts for a quarter of India's jewellery market, a USD 17.5 billion industry. The region's jewellery industry benefits from a robust infrastructure and specialized expertise, contributing significantly to the region's dominance. From Surat, renowned as the Diamond City where the majority of the world's rough diamonds are processed, to Mumbai, the financial and branding capital, enhancing its status with marketing expertise and luxury retail infrastructure, and Jaipur, a gem within the region, contributing its legacy of intricate gold jewellery and precious gemstones, the West India jewellery market offers a diverse landscape catering to every taste and budget. Consumers in the western regions of India are more receptive to studded jewellery and impulse-led lighter-weight jewellery purchases (14k, 18k jewellery).

Western India enjoys a strategic edge in gold imports owing to multiple factors. With 3 out of the 11 entry ports situated in this region, its well-established ports and logistics infrastructure efficiently manage high volumes. Mumbai, a prominent financial hub, facilitates gold trading and financing activities. Moreover, the region's sizable and affluent consumer base further strengthens the demand for imported gold. While the future consumption is increasing in these states with Maharashtra and Gujrat growing at a CAGR of ~16% and 16.4% respectively. Together, these elements underscore the pivotal role of western India as the primary gateway for gold inflows into the nation. Brands like P.N. Gadgil, firmly established in Maharashtra, have the potential to utilize their brand recognition to expand their market reach into Tier II and Tier III cities throughout western India. These regions demonstrate a comparatively limited presence of organized retail, offering considerable opportunities for growth and expansion.

Exhibit: 6.1: Western India jewellery market size (USD Bn) (FY 2023) and (FY 2028P)



Source: Technopak Analysis

Maharashtra hosts a significant number of jewellery stores, contributing to a vibrant and diverse market for both traditional and contemporary jewellery within the state. As of January 2024, P. N. Gadgil Jewellers ranks as the second largest among the prominent organized jewellery players in Maharashtra, based on the number of stores located in Maharashtra, P.N. Gadgil has 94% of its stores (29 stores) located in Maharashtra.

Exhibit: 6.2: Key Players and their presence in West India

Company Name	Maharashtra	Rest of India	Total	Share of stores in Maharashtra
Titan Company Ltd. (Tanishq)	60	363	**423**	14%
Malabar Gold & Diamonds	24	178	**202**	12%
Joyalukkas India Ltd	5	83	**88**	6%
Kalyan Jewellers Ltd	18	191	**209**	9%
P. N. Gadgil Jewellers Ltd	29	2	**31**	94%
Senco Gold Ltd	7	148	**155**	5%

Source: Secondary sources, Store locator of brands, Technopak Analysis
Total number of stores taken is the number of stores present in India, global store count is excluded from the total number.
Note: Thangamayil has no presence in Maharashtra
Store count number is of January 2024.

Micro Market Study of Maharashtra

Maharashtra is a key economic powerhouse in India, boasting a diverse economy with agriculture, industry, and services sectors. With a nominal Gross State Domestic Product (GSDP) of around USD 435 billion in FY23, Maharashtra stands as the largest economy in India, contributing significantly to the nation's overall economic growth. The state represents 12.92% of India's GDP and enjoys a higher per capita income compared to the national average, driven by a robust industrial foundation, skilled labour force, and favorable business climate.

Maharashtra hosts a variety of industries like automobiles, textiles, chemicals, and pharmaceuticals that play a vital role in propelling its economic progress. Mumbai, the state capital, serves as India's financial hub and houses the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE), ranking among the world's largest stock exchanges. Agriculture remains a crucial sector in Maharashtra, with the state being a major producer of pulses, fruits, vegetables, cotton, and sugarcane. Leveraging modern agricultural practices such as drip irrigation, hybrid seeds, and organic farming has boosted productivity, leading to self-sufficiency in food production.

As of February 2024, India boasts of over 400,000 jewellery outlets, with over 150,000 of these are registered for selling hallmarked gold jewellery. Maharashtra, accounting for ~17% of this total, hosts over 25,000 registered stores, establishing itself as the largest market for BIS-registered outlets nationwide. Moreover, Maharashtra leads in the number of BIS-hallmarking centres, with ~239 facilities operating in the state. Maharashtra leads the retail spending accounting approx.15% of the total retail spends in India which was USD 951 Bn in FY 2023.

GST collections serve as a pivotal metric of economic vitality, being a consumption-based tax. Maharashtra consistently maintains its position as the foremost contributor to SGST revenues, constituting 21% of the total SGST collection in the FY 2022-23, growing at a CAGR of 26.7% during the period FY 2021-23.

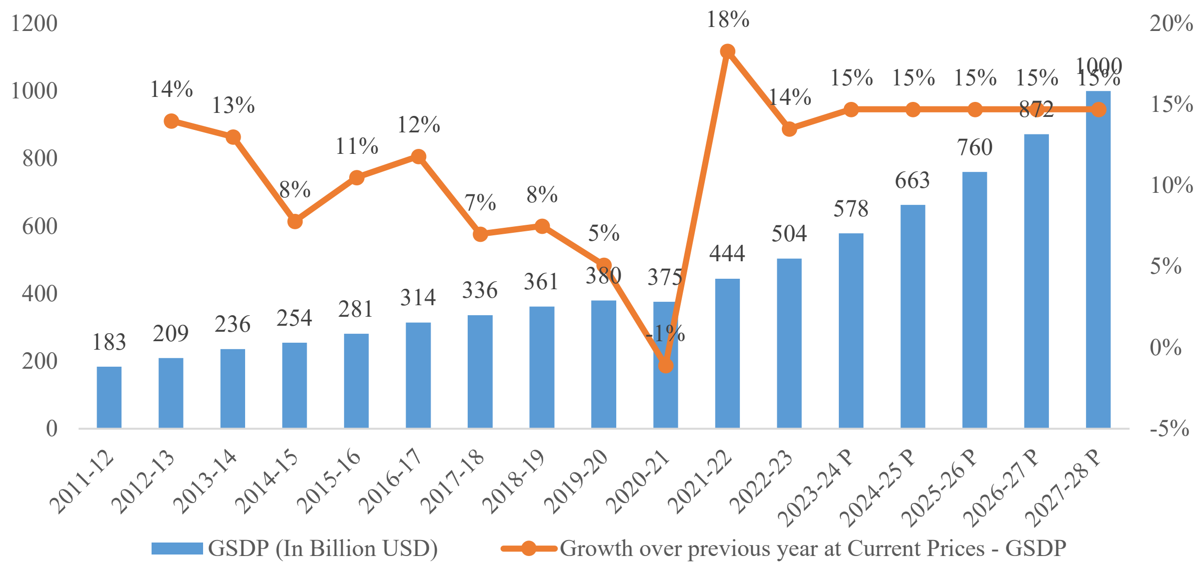
Exhibit 6.3: SGST Revenue Collection in USD Billion

States	FY 2020-21	FY 2021-22	FY 2022-23
Maharashtra	6.7	8.8	10.7
Gujarat	3.1	4.1	4.7
Tamil Nadu	3.0	3.7	4.5
Karnataka	2.9	3.6	4.4
Uttar Pradesh	2.5	3.0	3.4

Source: Secondary Research, GST Portal

GSDP of Maharashtra has seen a gradual and steady increase from 2011-12 to 2022-23. This indicates how the state has developed healthy growth in their economies. The GSDP at current prices for the state are moving in an upward trajectory. Despite the pandemic taking place in 2021 the state has maintained a forward-moving economy. The year-on-year growth rate for the GSDP (current prices) for Maharashtra has shown a bit of staggered movement and has plummeted in FY 2021 due to the pandemic.

Exhibit 6.4: GDSP (Current Prices) in USD Bn and Year on Year (YoY) Growth rate in GSDP



Source: Government of Maharashtra
1USD = ₹ 80

Key districts in Maharashtra

The gems and jewellery industry is one of the key sectors of the state of Maharashtra. Mumbai is the hub and most important centre of diamond cutting and polishing and one of the key exporters in the country. The key hubs of gems and jewellery are Mumbai, Aurangabad, Nanded and Kolhapur.

Source: Secondary Research

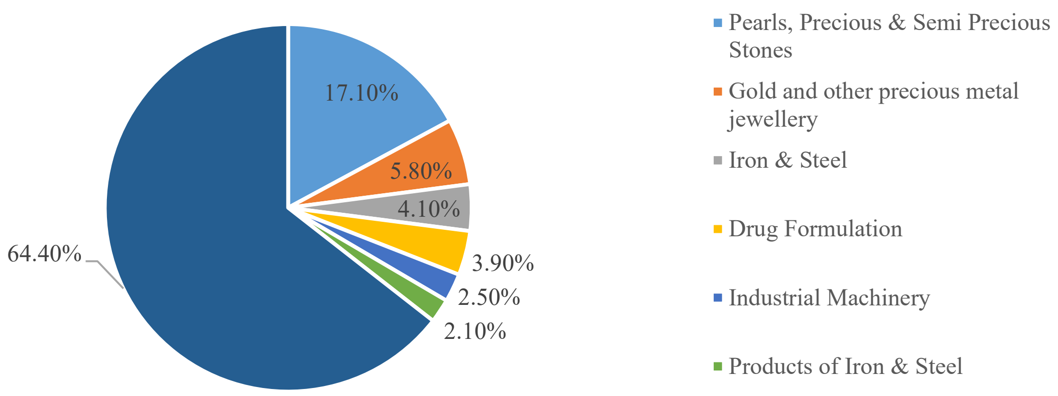
Investments and FDI

Maharashtra has emerged as a significant hub for foreign direct investments (FDI) in recent years. From October 2019 to March 2023, the state attracted a total FDI inflow of USD 53,971 million. In 2020, Maharashtra ranked second, following Gujarat, in FDI reception. During the Magnetic Maharashtra 2.0 event in June 2020, the state garnered investment proposals worth USD 15.23 billion, aiming to generate over 2.5 lakh job opportunities. In 2021, through the Magnetic Maharashtra 2.0 initiative, the Maharashtra Industrial Development Corporation (MIDC) facilitated investment commitments amounting to USD 17.73 billion between June 2020 and June 2021. Additionally, MIDC inked 56 MOUs with major corporations from countries like the US, the UK, Spain, Japan, Singapore, and South Korea. MIDC played a pivotal role in bridging investors and the state government by implementing various reforms and offering conducive infrastructure for investors. These advancements underscore Maharashtra's dedication to establishing a business-friendly atmosphere and nurturing economic progress.

Commodity Export

The state's total exports reached USD 73.11 billion in FY 22. However, USD 31.65 billion in till August 2022. Maharashtra shipped out significant products like pearls, precious and semi-precious stones, gold and other precious metal jewellery, iron and steel, and drug formulations.

Exhibit 6.5: Commodities exported in FY 2022



Source: Directorate General of Commercial Intelligence and Statistics

Population

The population of Maharashtra in the year 2022-23 is 126.5 million and it is the second largest state in terms of population after Uttar Pradesh. Approximately 9% of India's population lives in Maharashtra, with Mumbai being the state and financial capital of India is the most populated city in Maharashtra with over 20 million people.

Exhibit 6.6: Population of Maharashtra

State	Urban – Rural Split	Urban %age	Rural %age	Total Population (Mn)
Maharashtra	2022-23	45%	55%	126.5

Literacy Rate

In the year 2020-21, Maharashtra had a total of 9,700 AICTE-approved institutes and earmarked 17.2% of its education budget of USD 10.18 billion which has been allocated to education, sports, arts and cultural sectors.The National Education Policy 2020 (NEP 2020) was unveiled in July 2020 to drive transformative changes in the school and higher education systems nationwide.

Exhibit 6.7: Literacy rate of Maharashtra

Literacy Rate	Overall	Male	Female	Urban	Rural
Maharashtra	82.3%	88.4%	75.9%	91.7%	79.4%

OUR BUSINESS

Unless otherwise stated, references in this section to the "Company" or "our Company" means "P N Gadgil Jewellers Limited", and "we", "our" or "us" (including in the context of any financial information) (i) for any period prior to March 29, 2023, is a reference to our Company together with our Subsidiaries, Erstwhile Subsidiary and our Erstwhile Joint Venture which existed as of and for the relevant year/period covered by the Restated Consolidated Financial Information, on a consolidated basis, and (ii) for any period on or after March 29, 2023, is a reference to the Company, along with its Subsidiaries, on a consolidated basis.

To obtain a complete understanding of us and our businesses, prospective investors should read this section in conjunction with "Risk Factors", "Industry Overview", "Management's Discussions and Analysis of Financial Condition and Results of Operations" and "Restated Consolidated Financial Information" on pages 29, 123, 301 and 230 of this Red Herring Prospectus, respectively, as well as financial and other information contained in this Red Herring Prospectus as a whole. Additionally, please refer to "Definitions and Abbreviations" on page 2 of this Red Herring Prospectus for certain terms used in this section.

*Unless otherwise indicated, industry and market data used in this section have been derived from the report titled "Industry Report on Jewellery Market in India" dated August 26, 2024 (the "**Technopak Report**"), prepared and released by Technopak Advisors Private Limited, which has been exclusively commissioned and paid for by our Company pursuant to an engagement letter dated January 8, 2024, for the purpose of understanding the industry in which we operate, in connection with this Offer. A copy of the Technopak Report shall be available on the website of our Company at https://www.pngjewellers.com/investors#corporate-governance from the date of this Red Herring Prospectus till the Bid Offer/Closing Date. Unless otherwise indicated, financial, operational, industry and other related information derived from the Technopak Report and included herein with respect to any particular year refers to such information for the relevant financial / calendar year. See "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation" and "Risk Factors –**Certain sections of this Red Herring Prospectus disclose information from the industry report which has been commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.**" on pages 24 and 57 of this Red Herring Prospectus, respectively.*

Some of the information set out in this section, especially information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled "Forward Looking Statements" on page 27 of this Red Herring Prospectus for a discussion of the risks and uncertainties related to those statements and also the section titled "Risk Factors" on page 29 of this Red Herring Prospectus for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. We have included various key operational and financial performance indicators in this Red Herring Prospectus, some of which may not be derived from our Restated Consolidated Financial Information or otherwise subjected to an examination, audit or review or any other services by our Statutory Auditor, or any other expert. The manner of calculation and presentation of some of the operational and financial performance indicators, and the assumptions and estimates used in such calculation, may vary from that used by other companies in India and other jurisdictions.

Our financial year ends on March 31 of every year, so all references to a particular financial year are to the twelve-month period ended March 31 of that year. Unless otherwise indicated or the context otherwise requires, financial information for the financial years ended March 31, 2024, 2023 and 2022 included herein is derived from the Restated Consolidated Financial Information included in this Red Herring Prospectus. For further information, see "Restated Consolidated Financial Information" on page 230 of this Red Herring Prospectus.

Overview

We are the second largest among the prominent organised jewellery players in Maharashtra, in terms of the number of stores as on January, 2024, which is the largest market for BIS-registered outlets in India (*Source: Technopak Report*). We are also the fastest growing jewellery brand amongst the key organised jewellery players in India, based on the revenue growth between Fiscal 2022 and Fiscal 2024. Our CAGR for revenue from operations for the period between Fiscal 2022 and Fiscal 2024 was 54.63%. We achieved an EBITDA growth of 39.78% between Fiscal 2022 and Fiscal 2024, which is the second highest in key organised jewellery players in India. We also had the highest revenue per square feet in Fiscal 2024 among the key organised jewellery players in India. Maharashtra leads the retail spending in India and accounted for approximately 15% of the overall retail spend on jewellery in India in Fiscal 2023. (*Source: Technopak Report*)

The '*PNG*' brand derives its legacy from the '*P N Gadgil*' brand, which has a rich heritage dating back to 1832 and a legacy of over a century (*Source: Technopak Report*). Leveraging the legacy and heritage of the '*PNG*' brand, we have created a strong brand recall and presence in Maharashtra offering a wide range of precious metal / jewellery products including gold, silver, platinum and diamond jewellery, across various price points and designs which cover the need of our customers and include collections that are specifically designed for special occasions, such as weddings, engagements, anniversaries and festivals, as well as everyday wear jewellery. Our products are primarily sold under our flagship brand, '*PNG*', and various sub – brands, through multiple channels, including our 39 retail stores (as on July 31, 2024) and various online marketplaces, including our website.

As on July 31, 2024, we had expanded to 39 stores, which includes 38 stores across 21 cities in Maharashtra and Goa and one store in the U.S. with an aggregate retail area of approximately 108,282 sq. ft. All our stores are operated and managed by us with 28 being owned stores and 11 franchisee stores, on a franchisee owned and company operated ("**FOCO**") model. We believe that the Company operated model allows us to exercise control over the quality of our products and ensure that our customers receive consistent experience and service across all our stores. Of these stores, 22 stores are large format stores (with an area of 2,500 sq. ft. or more), 13 stores are medium format stores (with an area between 1,000 sq. ft. to 2,500 sq. ft.) and 4 stores are small format stores (with an area of less than 1,000 sq. ft.). We plan to further expand our stores network by opening 12 new stores in Maharashtra by Fiscal 2026, the establishment of all of which is proposed to be financed through the Net Proceeds. For further details, please see "*Objects of the Offer – Funding expenditure for fit-outs and inventory cost towards setting-up of 12 New Stores*" on page 100.

Owing to our multi-channel approach, we complement our in – store experience with our digital presence through our own website and other major online marketplaces. Additionally, we have launched our mobile application "*PNG Jewellers*", in March 2022. Our digital presence allows us to keep our customers updated on new designs and collections and familiarise them with our product portfolio, which enhances our customers' in-store experience.

We continue to build on the '*PNG*' brand, which, we believe, has developed a strong brand recall. The strong brand recall of the '*PNG*' brand complimented by our continued focus on quality and customer service has allowed us to maintain the patronage of our customers. Our Company and our promoter, Saurabh Vidyadhar Gadgil's experience in the jewellery sector enables us to leverage the knowledge and understanding of the preferences and needs of customers, which allows us to curate a broad portfolio of designs across different ranges and price points, which is specifically targeted to cater to the aesthetic and functional preferences and requirements of consumers. For instance, our wedding jewellery collection under the *Swarajya* sub-brand is designed to incorporate aspects of traditional Maharashtrian designs along with modern jewellery styles, in order to specifically cater to the customers in Maharashtra.

As on July 31, 2024, we have eight sub-brands which cater to gold jewellery collections for different occasions, two sub-brands which cater to the diamond jewellery collections and two sub- brands which cater to platinum jewellery collections. In addition to the sale of our branded jewellery products, we also provide 'make to order' jewellery options to our customers. The table below sets forth the sub-brands and range of products offered across our different design categories:

Jewellery type	Sub-brand	Type of offering	Approximate price range
Gold	*Saptam*	Wedding and festive collection, which include hand crafted elements.	₹ 500,000 to ₹ 1,250,000
Gold	*Swarajya*	Wedding collection with fusion of traditional Maharashtrian designs and modern jewellery styles.	₹ 450,000 to ₹ 2,000,000
Gold	*Rings of Love*	Wedding collection, which includes gold rings created using laser and computer numerical count making techniques.	₹ 25,000 to ₹ 70,000
Gold	*The Golden Katha of Craftmanship*	Wedding collection, which includes Necklaces and bangles with Gokak Karagiri made from 100 years old dies.	₹ 300,000 to ₹ 1,000,000
Gold	*Flip*	*'Mangalsutra'* collection for weddings.	₹ 500,000 to ₹ 800,000

Jewellery type	Sub-brand	Type of offering	Approximate price range
Gold	*Litestyle*	Daily wear jewellery featuring youthful, elegant, functional and contemporary designs.	₹ 6,500 to ₹ 300,000
Diamond	*Eiina*	Diamond jewellery for women.	₹ 750,000 to ₹ 1,750,000
Diamond	*PNG Solitaire*	Solitaire collection for men and women.	₹ 110,000 to ₹ 1,700,000
Platinum	*Men of Platinum*	Platinum jewellery for men	₹ 150,000 to ₹ 300,000
Platinum	*Evergreen Love*	Platinum jewellery for weddings and couples	₹ 17,000 to ₹ 65,000
Gold	*Pratha*	Include all kinds of jewellery for celebration of weddings.	₹ 550,000 to ₹ 1,350,000
Gold	*Yoddha*	Gold chains and rings for men	₹ 50,000 to ₹ 4,00,000

We regularly interact with a team of designers deployed at the *Karigars'* facilities for introducing new and innovative design for our jewelleries. Our design team also helps customize jewellery catering to individual requirements in terms of design, size, polish and weight. The manufacturing of all our jewellery is carried out by more than 75 experienced and skilled artisans in and outside Maharashtra (*Karigars*). Our brand presence and stores in Maharashtra has helped us gaining access to, and maintaining a long-standing relationship with, the *Karigars*, who have been working with our Company for several years.

To enhance brand awareness and strengthen the brand recall for our brands and sub-brands, we utilise a diverse array of promotional and marketing strategies, including location based marketing, event focused campaigns, engaging brand ambassadors and digital marketing. As a part of our location based marketing strategy, we ensure that all of our stores participate in our '*Parampara Exhibitions*' campaign held on a periodic basis, which are designed to spread brand awareness in areas which are in proximity of our stores, in order to increase store footfalls and for strengthening our brand recall. Our event based strategy focusses on leveraging important festivities, such as *Akshaya Tritiya*, *Navratri*, *Gudi Padwa*, *Guru Purnima*, *Dhanteras*, *Diwali*, *Gurupushyamrut*, *Ganapati* festival and *Dusshera.* Given our long lineage and predominant market presence in Maharashtra, we also focus on leveraging celebratory events (mahotsavs) such as *Mangalsutra Mahotsav* and *Painjan Mahotsav*, when it is typical for people in Maharashtra to buy jewellery. We also regularly engage celebrities as brand ambassadors to promote our brand and sub-brands and also endorse specific design collections. We have currently engaged Madhuri Dixit, as our brand ambassador to promote our brand and our collections such as *Saptam*, *Swarajya* and *Eiina*. We also collaborate with movie producers and contribute jewellery for Hindi and Marathi movies, and curate marketing campaigns aimed at generating demand for the jewellery designs contributed for such movies. As a part of our marketing strategy, we also run social media campaigns, which are aimed at building our brand narrative by utilising various social media platforms. We have won various awards for our marketing campaigns including the '*Most Innovative Marketing Campaign*' award by Informa Markets – Green Lab Diamonds for the year 2022 and '*Being Inspiring Leader of Indian Jewellery Retail*" award by All India Gem and Jewellery Domestic Council India for the year 2023. We have won various awards for our social media campaigns, for instance our '*Pratha Collection'* social media campaign won the '*Best Social Media Marketing Campaign Award*' by Employer Branding Institute of India in 2022 and a short film produced by us, '*MotherIndia*', won the award for the 'Best Ad Film of the Year 2020' at the 8th Indian Cine Film Festival. During the Fiscals 2024, 2023 and 2022, we incurred expenses of ₹ 419.47 million, ₹ 299.60 million, and ₹ 91.62 million respectively, on advertising and sales promotion representing 0.69% %, 0.66% and 0.36 % respectively of the revenue from operations for the respective years/ period.

We believe that the trust of our customers in our brand is critical for our success. We also operate majority of our stores in Maharashtra, which is the largest market for BIS-registered outlets in India. (*Source: Technopak Report*) We stringently follow hallmarking process for our gold jewellery and undertake regular quality checks to validate the quality of gold on a monthly basis. Although BIS hallmarking of gold jewellery was made mandatory in 2021, we have voluntarily adopted and implemented BIS hallmark standards for our gold products since 2007 in order to ensure that our products comply with the highest industry standards. Our diamond jewellery is certified by various agencies including Gemological Science International and we procure diamonds from vendors who provide a certification that the diamonds provided to us are compliant with the Kimberley certification as conflict free. This process prevents the 'conflict diamonds' (*i.e.* an uncut diamond mined in armed conflict zone or region) from entering the mainstream rough diamond market. Our rigorous quality control which forms an integral part of our procurement policy, inventory management and sales processes, help us maintain stringent quality standards for products sold to our customers.

Our Promoter, Saurabh Vidyadhar Gadgil, is a sixth generation entrepreneur and has over 25 years of experience in the jewellery manufacturing industry in India. As the managing director of our Company, he has been instrumental in transforming the traditional family business into a contemporary brand. His leadership has been instrumental in transforming the business operations and increase the growth of the operations and he brings to our Company his vision and leadership which we believe has been instrumental in transforming our business operations. Our Company has seen significant growth under his leadership, both in terms of revenues and the store count. Our Promoter, Saurabh Vidyadhar Gadgil, is ably supported by our professional management team, which has helped scale our operations and includes professionals with extensive experience in the retail and jewellery industry as well as finance and marketing.

We have experienced robust growth in our operations over the years:

- We achieved an EBITDA growth of 39.78% between Fiscal 2021 and Fiscal 2023, which the highest among the key organised jewellery players in India.
- Our revenue per square feet in Fiscal 2024 was the highest among the key organised jewellery players in India.
- We had the lowest working capital days among the key organised jewellery players in Fiscal 2024.

(*Source: Technopak Report*)

Our Strengths

Well established and trusted legacy brand in Maharashtra

The legacy of the '*PNG*' brand has allowed us to be well positioned in Maharashtra. By leveraging the heritage of the '*PNG*' brand, we have created a contemporary brand which offers a wide spectrum of designs and products for different occasions and purpose. As on July 31, 2024, we have expanded to 39 stores, which includes 38 stores across 21 cities in Maharashtra and Goa and one store in the U.S. Our product offerings cover the unique aesthetics and designs of traditional jewellery for special occasions such as weddings, engagements and festivities and modern and functional jewellery designs for everyday wear purpose, in gold, diamond, silver and platinum. As of July 31, 2024, we had eight sub-brands which cater to gold jewellery collections for different occasions, two sub-brands which cater to the diamond jewellery collections and two sub-brands which cater to platinum jewellery collection. These include, '*Saptam*', '*Swarajya*', '*Rings of Love*', '*The Golden Katha of Craftmanship*', '*Flip*', '*Litestyle*', '*Eiina*', '*PNG Solitaire*', '*Pratha*', *'Evergreen love', 'Men of Platinum',* and *'Yoddha'.* Due to our legacy and experience in jewellery industry, we also understand the changing customer preferences and trends which allows us to have collections that cater to all price points for different occasions.

We believe that our commitment to quality and transparency has enabled us to maintain the trust of our customers in our brand and customer loyalty and patronage across generations. In order to ensure that our customers receive quality products, we have established stringent quality control processes during the procurement and inventory stage. We sell only hallmarked gold jewellery and have voluntarily adopted and implemented BIS hallmark standards for our gold products since 2007, although BIS hallmarking of gold jewellery was made mandatory only in 2021. Further, we validate the purity of metal by melting a piece of jewellery from each vendor on a monthly basis. Our diamond jewellery is certified by various agencies including Gemological Science International and we procure loose diamonds from vendors who provide a certification that the diamonds provided to us are compliant with the Kimberley certification as conflict free. We also regularly undertake quality checks of the inventory at the head office level on a monthly basis and undertake labelling of the jewellery only once we are satisfied that the jewellery complies with our quality standards.

Our marketing schemes vary as per occasions, seasons and needs of the customer. The marketing activities are either brand driven campaign or sales promotional tactical campaigns. We regularly engage celebrities as brand ambassadors to promote our brand and sub-brands and also endorse specific design collections. We have currently engaged with Madhuri Dixit, as our brand ambassador to promote our brand and our collections such as *Saptam*, *Swarajya* and *Eiina*. We also collaborate and contribute jewellery for Hindi and Marathi movies, and curate marketing campaigns aimed at generating demand for the jewellery designs contributed for such movies. We have won various awards for our marketing campaigns including the '*Most Innovative Marketing Campaign*' award by Informa Markets – Green Lab Diamonds for the year 2022 and '*Being Inspiring Leader of Indian Jewellery Retail"* award by All India Gem and Jewellery Domestic Council India for the year 2023. We have won various awards for our social media campaigns, for instance our '*Pratha Collection'* social media campaign won the '*Best Social Media Marketing Campaign Award*' by Employer Branding Institute of India in 2022 and a short film produced by us, '*MotherIndia*', won the award for the 'Best Ad Film of the Year 2020' at the 8th Indian Cine Film Festival. As part of our location based marketing strategy, we conduct '*Parampara Exhibitions*' campaigns in order to spread brand awareness in areas which are in proximity of our stores, in order to increase store footfalls and for strengthening our brand recall. Our event based strategy focusses on leveraging important festivities, such as *Akshaya Tritiya*, *Navratri*, *Gudi Padwa*, *Guru Purnima*, *Dhanteras* and *Diwali*, *Gurupushyamrut*, *Ganapati* festival, *Dusshera* along celebratory events (mahotsavs) such as *Mangalsutra Mahotsav* and *Painjan Mahotsav*. when it is typical for people in Maharashtra buy jewellery. For details, refer to 'Our Business – *Marketing model and tie-ups*' on page 186.

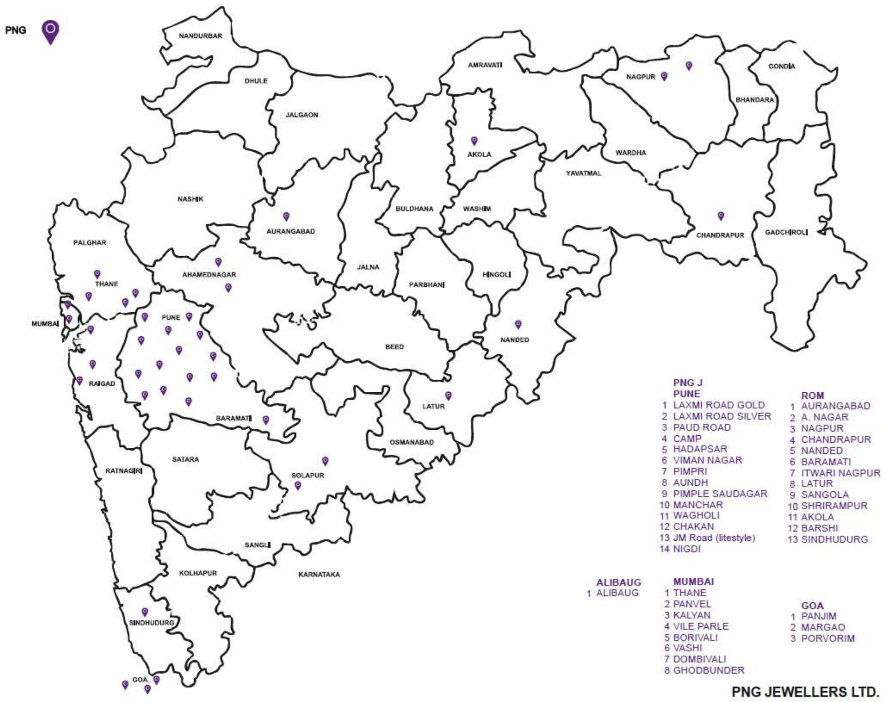
In furtherance of our 'customer first' approach, we have formulated specific loyalty and Future Purchase Plan ("**FPP**") to facilitate our customers to gradually acquire jewellery over a period of time. Under FPP, our customers are required to pay instalments for a period of 10 months and thereafter redeem the aggregate amount at the end of their scheme period at our store by purchasing jewellery at a discounted price. Under our 'Dajikaka Promise Plan', our customers can buy jewellery at the prevailing market rate in future as per their requirement by paying one bullet instalment in advance, which can be redeemed anytime within a period of 12 months. As of March 31, 2024, we had a deposit of ₹ 2,180.54 million under these schemes. For details, refer to 'Our Business – *Marketing model and tie-ups*' on page 186. We believe that these loyalty and FPP incentivize continued purchases and provide our customers additional benefits like discounts and free making charges, thereby helping us in fostering and maintaining long-term relationships with our customers.

Second largest organised retail jewellery player and one of the fastest growing brand in Maharashtra

We are the second largest among the prominent organised jewellery players in Maharashtra, in terms of the number of stores as on January, 2024, which is the largest market for BIS-registered outlets in India (*Source: Technopak Report*). We are also the fastest growing jewellery brand amongst the key organised jewellery players in India, based on the revenue growth between Fiscal 2022 and Fiscal 2024. Our CAGR for revenue from operations for the period between Fiscal 2022 and Fiscal 2024 was 54.63%. We achieved an EBITDA growth of 39.78% between Fiscal 2022 and Fiscal 2024, which is the second highest in key organised jewellery players in India. We also had the highest revenue per square feet in Fiscal 2024 among the key organised jewellery players in India. Maharashtra leads the retail spending in India and accounted for approximately 15% of the overall retail spend on jewellery in India in Fiscal 2023. (*Source: Technopak Report*)

The Indian jewellery retail sector's size in Fiscal 2023 was approximately US$ 70.00 billion, of which the organized retail accounted for about 37%, encompassing both national and regional players. The remaining jewellery retail sector continued to be dominated by the unorganized segment, comprising over 500,000 local goldsmiths and jewellers. The jewellery retail market is expected to grow to reach US$ 145.00 billion by Fiscal 2028. As of February 2024, India had over 400,000 jewellery outlets, with over 150,000 of these are registered for selling hallmarked gold jewellery. Maharashtra, accounted for 17% of the total jewellery outlets in India, with over 25,000 registered stores, establishing itself as the largest market for BIS-registered outlets in India. Moreover, Maharashtra leads in the number of BIS-hallmarking centres, with 239 facilities. Maharashtra also leads the retail spending accounting approximately 15% of the total retail spends of US$ 951.00 billion in Fiscal 2023. (*Source: Technopak Report*).

Between Fiscal 2022 and Fiscal 2024, we opened nine new stores at an average of approximately three stores opening per year across multiple regions. Set forth below is the map indicating the number of our stores across Maharashtra and Goa:



Our 39 stores are spread across 21 cities in Maharashtra and Goa and one store in the U.S. having an aggregate retail area of approximately 108,282 sq. ft. All of our stores are operated and managed by us with 28 being owned stores and 11 franchisee stores, on a FOCO model. We believe that the Company operated model allows us to exercise control over the quality of our products and ensure that our customers receive consistent experience and service across all our stores. Of these stores, 22 stores are large format stores (with an area of 2,500 sq. ft. or more), 13 stores are medium format stores (with an area between 1,000 sq. ft. to 2,500 sq. ft.) and 4 stores are small format stores (with an area of less than 1,000 sq. ft.).

As part of our growth strategy, we have leveraged our brand strength in Maharashtra to strategically expand to under-served markets in Maharashtra (especially Tier II and Tier III cities) to cater to the demand supply gap in such markets. We select our store locations strategically to ensure a well – diversified presence across larger and smaller cities, semi – urban regions. For Fiscal 2024, approximately 10852.80 Million and 17.76% of our revenue from operations was generated from sales outside of Tier – I cities. In order to cater to the evolving shopping habits of customers and penetration of digital and e – commerce sales channel in the jewellery space, as well as to extend our operations and cater to the geographies and regions where we do not have physical presence, we launched our e – commerce operations in the year 2014. Besides our own website, we have recently launched our mobile application "*PNG Jewellers*" in March 2022 and our products are also listed on other major online marketplaces in India. In the Fiscals 2024, 2023 and 2022, our revenue from online sales was as follows:

Channel-wise revenue:

(in ₹ millions)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
(i) Physical stores	59,972.25	44,995.99	25,430.58
(ii) Online marketplaces*	1,116.38	62.22	112.60
Total	61,088.63	45,058.21	25,543.28

**Includes revenue from Company's own website and other online marketplaces*

We are strategically positioned to capitalize on the significant growth potential of the Indian jewellery market. We believe that our strong brand recall, scalable business model, effective operational processes, position us well to capitalise on this market opportunity.

Diversified product portfolio across categories and price points

As of March 31, 2024, our product portfolio comprises over 10,000 SKUs in gold, over 1,200 SKUs in silver, over 2,700 SKUs in platinum and over 24,000 SKUs in diamond jewellery designs, including a wide range of gold, diamond, silver and platinum products across different price points.

As of July 31, 2024, we had eight sub – brands which cater to gold jewellery collections for different occasions, two sub – brands which cater to the diamond and two sub – brands which cater to the platinum jewellery collections. Our sub-brands *Saptam, Swarajya, Rings of Love, The Golden Katha of Craftsmanship, Flip, Lifestyle, Eiina, PNG Solitaire, Men of platinum, Evergreen love, Pratha and Yoddha* are designed to cater to specific customer niches across a spectrum of traditional wedding and everyday wear jewellery and contemporary platinum and diamond jewellery. Our products cater to different occasions including special occasions, such as weddings engagements, festivals and daily-wear jewellery for women and men. Our products are available in multiple jewellery options, including rings, earrings, pendants, bracelets, necklaces, chains, waist bands and bangles.

Being a part of the '*PNG*' brand lineage enables us to leverage the knowledge and understanding of the preferences and needs of consumers in Maharashtra, which allows us to curate a broad portfolio of designs across different ranges and price points, which is specifically targeted to cater to the aesthetic and functional preferences and requirements of consumers in Maharashtra. For instance, our wedding jewellery collection under the *Swarajya* sub-brand is designed to incorporate aspects of traditional Maharashtrian designs along with modern jewellery styles, such as *mangalsutra*, *necklace*, *earrings*, *rings* and *bangles*, in order to specifically cater to the consumers in Maharashtra.

Our diverse range of products across different designs and categories (including all types of precious metals, diamonds and precious stones) and availability across different price points, enables us to serve as a "one-stop-shop", with consumers across all income levels and age groups purchasing our products. In order to cater to evolving consumer demands, we seek to constantly develop and launch new designs and products by leveraging our vast experience, market knowledge and design capabilities. We regularly interact with a team of designers deployed at the *Karigar's* facilities for introducing new and innovative design for our jewelleries. We have been innovating and introducing new designs and products in order to grow our revenues and profit. For instance, in our *The Golden Katha of Craftsmanship* collection we use 100 years old dyes and in our *Saptam* collection we use seven layers of jewellery sets for wedding. During the Fiscals 2024, 2023 and 2022, we launched 291, 159 and 106 new designs, respectively.

Experienced Promoter and management team with proven execution capabilities

Our Promoter and Managing Director, Saurabh Vidyadhar Gadgil, has over 25 years of experience in the jewellery business and is instrumental in creating the vision and overall direction to our business based on his long experience of understanding customer preferences and demands in the industry in which we operate.

We have an experienced and dedicated senior management team that comprises Parag Yashwant Gadgil, Executive Director and Kiran Prakash Firodiya, Executive Director and Chief Financial Officer. Our senior management team are responsible for the overall strategic planning and business development of our Company and have helped us in the expansion of our store network and creating our sales and marketing strategy.

Strong historical financial results

We have been continuously growing our business through increase in sales, and opening new stores and product offerings. Our operational efficiencies have enabled better control of expenses and thereby resulted in an increase in our profit after tax. The table below shows certain information of our stores for the periods indicated.

Particulars	**Fiscal**		
	2024	**2023**	**2022**
No. of stores opened*	6	3	0
No. of stores closed*	4	1	0
Total no. of stores	36	34	32

* *Includes stores operated on COCO model and FOCO model*

Our revenue from operations increased from ₹ 25,556.34 million in Fiscal 2022 and ₹ 45,075.19 million in Fiscal 2023, and ₹ 61,109.45 million in Fiscal 2024 at a CAGR of 54.63%. Our profit for the year also increased from ₹ 695.15 million in Fiscal 2022, ₹ 937.01 million in Fiscal 2023 and ₹ 1543.43 million in Fiscal 2024. This is attributable to our continued focus on innovative designs, new product launches, product quality and process improvement and competitive pricing.

We have experienced robust growth in our operations over the years:

- We achieved an EBITDA growth of 39.78% between Fiscal 2022 and Fiscal 2024, which the second highest among the key organised jewellery players in India.
- Our revenue per square feet in Fiscal 2024 was the highest among the key organised jewellery players in India.
- We had the lowest working capital days among the key organised jewellery players in Fiscal 2024.

(*Source: Technopak Report*)

The following table sets forth certain key performance indicators for the periods indicated below:

Particulars	Unit	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023	For the financial year ended March 31, 2022
Revenue from operations	(₹ in million)	61,109.45	45,075.19	25,556.34
Revenue from operations per store	(₹ in million)	1,697.48	1,325.74	798.64
Revenue from operations per square feet	(₹)	6,02,974.08	4,73,953.25	2,79,733.14
EBITDA	(₹ in million)	2,774.26	1,745.20	1,419.83
EBITDA Margin	(%)	4.54%	3.87%	5.56%
EBITDA per store	(₹ in million)	59.71	33.15	14.82
PAT	(₹ in million)	1,543.43	937.01	695.15
PAT Margin	(%)	2.53%	2.08%	2.72%
PAT per store	(₹ in million)	33.22	17.80	7.26
ROE	(%)	28.88%	25.09%	22.48%
ROCE	(%)	27.31%	23.29%	19.89%
Working capital days	Days	51	41	80
Marketing expenses	(₹ in million)	419.47	299.60	91.62
Yield on marketing expenses	(times)	145.68	150.45	278.94
Inventory days	(days)	63	53	111

We believe that our operational and financial position illustrates not only growth of our operations over the years, but also effectiveness of our capital and strong working capital management across our business.

Strategies

Expand our retail network in western India by leveraging our brand

We believe that our scalable business model, effective operational processes and proven track record of profitable expansion, positions us well to capitalise on the future market opportunity in India, and accordingly we intend to further expand our network of stores. The following table sets forth below the number of stores for the periods indicated:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
COCO	25	21	22
FOCO	11	13	10

Some of the key terms and conditions of our FOCO agreements are set out below:

Tenure: The tenure of the our franchisee arrangement is usually five years, which can be extended for a further period as may be agreed mutually.

Consideration: The franchisee pays a management or license fee for operating the FOCO stores. In addition, the franchisee is required to pay royalty to our Company. The franchisee is also required to deposit a refundable security deposit for due observance and performance of the terms and conditions of the agreement.

Other covenants: Our Company requires consent from the franchisee for granting a franchise to any other person/entity within a specified distance of the relevant Franchisee Showroom. Further, our Company is prohibited from establishing/opening/running/operating a FOCO store within a certain distance of the premises of the relevant Franchisee Showroom. The franchisees are obligated to obtain relevant government approvals and licenses for operating such FOCO stores.

Termination: The FOCO agreements can be terminated by our Company or the franchisee by giving a six-month prior notice after the expiry of the lock-in period. The FOCO agreement shall be deemed to be terminated without notice on the happening of certain events specified in the relevant agreement.

Our presence in Maharashtra allows us to leverage our brand recall and further penetrate in Tier II and Tier III cities in western India, where the penetration of the organized retail sector is particularly low. We intend to open an additional 9 stores by Fiscal 2025 and 3 stores by Fiscal 2026, all of which are proposed to be financed through the Net Proceeds, pursuant to which we expect the number of stores in western India to increase to 51 stores. For further details in relation to our objects, see section "*Objects of the Offer – Funding expenditure for fit-outs and inventory cost towards setting-up of 12 New Stores*" on page 100.

We also intend to use the brand strength in Maharashtra and expand our presence outside Maharashtra, where we perceive potential demand for further expansion of our products due to the demand of jewellery in such regions.

We believe that we will continue to adopt our tested methodology in evaluating and selecting new territories where we intend to expand. We generally aim to enter under-served jewellery markets where we can potentially gain market share from local jewellers by carving a niche through offering a diverse product mix, designs and price structure and utilizing our brand and goodwill. We also look at factors such as local population density, rental lease rates, market potential, accessibility and proximity to our competitors. We aim to establish showrooms to tailor to local preferences, with comprehensive offerings from our various product ranges, to target various customer and price segments as well as to provide custom made jewellery.

Continue to invest in our marketing and brand building initiatives

We utilise a diverse array of promotional and marketing strategies, including location-based marketing, event focused campaigns, engaging brand ambassadors and digital marketing. During the Fiscals 2024, 2023 and 2022, we incurred expenses of ₹ 419.47 million, ₹ 299.60 million and ₹ 91.62 million, respectively, on advertising and sales promotion representing 0.69%, 0.66% and 0.36%, respectively of the revenue from operations for the respective years / period. We also regularly engage celebrities as brand ambassadors to promote our brand and sub-brands and endorse specific design collections. We have currently engaged Madhuri Dixit, actor, as our brand ambassador to promote our brand and our collections such as *Saptam*, *Swarjya* and *Eiina*. We also collaborate and contribute jewellery for Hindi and Marathi movies, and curate marketing campaigns aimed at generating demand for the jewellery designs contributed for such movies.

We have implemented certain customer-oriented schemes and policies, for example, under the ‘Future Purchase Plan’ (“**FPP**”), our customers are required to pay instalments for a period of 10 months and thereafter redeem the aggregate amount at the end of their scheme period at our store by purchasing jewellery at a discounted price. Under our ‘Dajikaka Promise Plan’, our customers can buy jewellery at the prevailing market rate in future as per their requirement by paying one bullet instalment in advance, which can be redeemed anytime within a period of 12 months. As of March 31, 2024, we had a deposit of ₹ 2,180.54 million from these members. Additionally, our Company offers various other services such as lifetime buyback policy with payment against gold buyback, 15 day return policy in case of manufacturing defects in the jewellery.

We believe our branding strategy and customer oriented incentives and loyalty schemes help us to retain existing customers and attract new customers. We intend to continue investing in our marketing initiatives and brand building exercise, including advertising through various media. We also continue to provide effective training for our sales personnel in sales techniques and product knowledge. We believe that effective marketing is important for future revenue growth, enhancing our brand visibility, to establish relationships with target customers and to sell our products in a competitive cost-effective manner.

Focus on increasing footfalls in our existing stores and increasing the average transaction value

Our existing store footfall grew by 27.70% between Fiscal 2022 and Fiscal 2024. The average transaction value of our transactions for gold, diamond and silver products increased at a CAGR of for gold jewellery is 16.46%, for diamond jewellery is 22.69% and for silver jewellery is 3.05% between Fiscal 2022 and Fiscal 2024. We believe that increasing same store footfall and average transaction value will result in higher profits per store. We intend to achieve this by increasing our marketing and outreach programmes and focussing and increasing the subscription for customers availing our incentive and loyalty schemes.

We also intend to optimise our product mix and promote premium and higher value products and designs, while at the same time ensuring that we maintain the same level of trust and transparency to ensure strengthen customers’ confidence in our brand and ensure repeat purchases.

Increase our digital presence to increase customer base and sales

With the increasing internet usage in India and the increased adoption of online marketplace platforms by consumers in India, we believe that we will be able to expand our customer reach and increase our sales through the digital channel without incurring significant investments. Our increased digital presence also allows to assess demand for our products and assists us in informed decision making in respect of expanding our physical presence in such territories. Further, our digital presence also enhances our brand awareness among internet users and allows us to cater to a wider audience and consumer segments. We have launched our online platform, www.pngjewellers.com through which we offer our jewellery products to a diverse range of customers. Further, we also sell our products on websites of various online marketplaces. Additionally, we have launched our own mobile application “*PNG Jewellers*” in March 2022. Our digital presence allows us to keep our customers updated on new designs and collections and familiarise them with our product portfolio, which enhances our customers’ in – store experience.

We aim to continue to increase our presence in the digital space through our online platform as well as through online marketplaces. With the increasing use of the internet in India and the continued development of online channels, we believe that we will be able to expand our customer reach and increase our sales through the digital channel with relatively low investments.

Our Operations

Stores Network

We operate and undertake expansion of our stores through two models, the company owned and company operated ("**COCO**") model and franchisee owned and company operated ("**FOCO**") model. Accordingly, all our stores are operated and managed by us. As of July 31, we had 39 stores which includes 38 stores across 21 cities in Maharashtra and Goa and one store in the U.S. with an aggregate retail area of approximately 108,282 sq. ft. Further, of the total 39 stores, 28 stores are owned by us, and 11 stores are operated on a FOCO model.

Our stores are divided into three formats, primarily on account of the size of the store *i.e.* large format stores, medium format stores and small format stores. Of the 39 stores, 22 stores are large format stores (with an area of 2,500 sq. ft. or more), 13 stores are medium format stores (with an area between 1,000 sq. ft. and 2,500 sq. ft.) and 4 stores are small format stores (with an area of less than 1,000 sq. ft.).

Our revenue from sale of products split between the COCO model and FOCO model is as follows, for the periods indicated:

Particulars	As at / For the Financial Year 2024		As at / For the Financial Year 2023		As at / For the Financial Year 2022	
	Revenue from sale of products (in ₹ million)	% of total Revenue from sale of products	Revenue from sale of products (in ₹ million)	% of total Revenue from sale of products	Revenue from sale of products (in ₹ million)	% of total Revenue from sale of products
COCO	56534.59	92.55%	41,129.11	91.28%	23,353.81	91.43%
FOCO	4554.04	7.45%	3,929.10	8.72%	2,189.37	8.57%

For the purposes of operating in the FOCO model, our Company, in its ordinary course of business, enters into franchisee agreements with various third parties, for the retail sale of our jewellery products. Under the terms of the franchise agreements, our franchisees are required to undertake the capital expenditure for setting-up the store, while our responsibilities include deployment of personnel at the stores including the store manager, supplying jewellery at the prevailing market rate in a timely manner and conducting marketing and advertising campaign to increase customer awareness Our franchisees are required to meet purchase targets as agreed with our Company and make advance payments for the procurement of stock except for procurement of stock for the first time or during seasonal spurts or localized spurts of demand. We typically enter into the franchise agreement for a term of 5 years, with a minimum lock-in of three years from the dates of execution of the agreements. Under the agreements, the franchisees are required to, amongst others, maintain insurance for risks, obtain licenses and comply with applicable laws and maintain sufficient inventories. Further, our franchisees are required to pay a fixed amount as signing fees and a further amount as a security deposit.

Products, Design and Process

We design and sell a wide range of jewellery products including gold, silver, platinum and diamond jewellery, across various price points. These include collections that are specifically designed for special occasions, such as weddings, engagements, anniversaries and festivals, as well as daily wear jewellery. Certain products that we offer are as follows:

As of July 31, 2024, we had eight sub-brands which cater to gold jewellery collections for different occasions, two sub – brands which cater to the diamond jewellery collections and two sub – brands which cater to platinum jewellery collections. For details, see '*Our Business - Overview*' on page 177.

The table sets forth below the contribution of each product type to our revenue from sale of products for the periods indicated:

Particulars	As at / For the Financial Year 2024		As at / For the Financial Year 2023		As at / For the Financial Year 2022	
	Revenue from sale of products (in ₹ million)	% of total Revenue from sale of products	Revenue from sale of products (in ₹ million)	% of total Revenue from sale of products	Revenue from sale of products (in ₹ million)	% of total Revenue from sale of products
Gold	56325.50	92.20%	40,933.43	90.85%	23,037.47	90.19%
Silver	2096.90	3.43%	1,634.17	3.63%	1,222.00	4.78%
Diamond	2251.80	3.69%	1,962.91	4.35%	1,044.92	4.09%
Platinum & Other Products	414.43	0.68%	527.70	1.17%	238.79	0.93%

We regularly interact with a team of designers deployed at the *Karigar's* facilities for introducing new and innovative design for our jewelleries. The design team continuously collaborates between the merchandise and purchase teams, regularly and vendors and works to understand the customer requirements through store feedback, in order to innovate new design collections in line with the customer tastes, market trends and preferences. We launch our fresh collections at regular interval with latest design. We maintain an online catalogue, which is updated periodically by us with new designs.

We outsource the manufacturing of our jewellery to experienced and skilled *Karigars* in and around Maharashtra at their workshop. As on July 31, 2024, we had engaged with over 75 *Karigars* on a non-exclusive basis to manufacture our jewellery. While we do not engage the *Karigars* contractually on an exclusive basis, we believe that our scale of operations enables us to commit significant volume of work to *Karigars* ensuring that our *Karigars* are incentivized to offer quality finished products to us at competitive prices and provide their services exclusively to us. We typically enter into agreements with the *Karigars* for a period of five years, on a non – exclusive basis. The agreements entered with the *Karigars* provides for the scope of work of and the quality standards and parameters required to be followed by the *Karigars*. We supply the precious metals, diamonds and other precious and semi-precious stones and metals to the *Karigars* for manufacturing our products based on designs which are approved by us. As a consideration for their service, we pay making charges to the *Karigars*, based on the terms of the respective agreements. We believe that working with local artisans and *Karigars* enables us to create sustainability in manufacturing, have a social impact on the local economy through training and enabling *Karigars* with processes and technology to assist them in upgrading their offering and skills while encouraging a new generation of *Karigars* to join the industry.

Product Pricing

We arrive at a pricing point for each of our products through a detailed mechanism that takes into consideration a range of factors, including costs incurred in sourcing, marketing and operations, amongst other ancillary expenses. We try to ensure that our products remain aspirational yet of value for our customers, and exclusively manage and regulate the prices at which our products are sold. We endeavour to provide consistent pricing of products across various marketplaces. We, from time to time, also provide discounts on our products in certain of our physical stores as well as on our websites.

Sub-Brands:

Our key sub-brands include:

Saptam: The *Saptam* collection caters to festive jewellery comprising of long and choker necklaces, bangles, and rings.

Swarajya: The *Swarajya* collection is an amalgamation of traditional Maharashtrian designs and modern jewellery styles comprising of ornaments such as *Vajratik*, *Nath*, *Thushi*, *Kaan*, *Ambadyache phool*, *kamarpatta* and *rani haars*.

Rings of Love: The Rings of Love collection comprises of bands made in pure gold designed for couples with a simple and modern design catering to the requirement of engagement/ wedding rings.

The Golden Katha of Craftsmanship: Jewellery sold under *the Golden Katha of Craftsmanship* sub-brand represents the traditional techniques and craftsmanship by artisans. This sub-brand focuses on bringing classic motifs and designs in contemporary layouts using century old techniques such as repousse and chasing.

Flip: *Flip* provides mainly for functional *Mangalsutras* above 60-70 grams with front and back designs, giving the consumer two varying looks while wearing the same.

Litestyle: The lifestyle collection comprises of light weight earrings, rings, bracelets and necklaces designed by an innovative technique of laser filigree in fusion with hollow beads and ultra-light CNC cutting hollow diamond beads ensuring everyday use.

Eiina: The *Eiina* collection focuses on launching diamonds with a more elegant and brighter look compared to the rest due to the finer shapes and cuts used to make these diamonds.

Pratha: The *Pratha* collection is aimed mainly on jewellery used during traditional Indian weddings and other related rituals such as engagements.

Raw Material Procurement

We have a centralized system of inventory/ raw material procurement. Raw materials, which we use for our manufacturing purposes, include gold, silver, platinum, diamonds and precious / semi – precious stones. more than 93.34% of our raw material cost for Fiscal 2024. We have entered into arrangements with P N Gadgil Jewellers, members of our Promoter Group, to purchase gold products. For details, refer to '*Restated Consolidated Financial Information – Related Party Disclosures*' on page 287. Additionally, we have arrangements with various vendors from whom we procure diamonds and precious stones as per the requirements of the customer and these vendors purchase gold bars and silver bars from the authorised bullion dealers. Further, our Company has not availed of the Gold-on-lease facility.

Further, our top ten suppliers, based on contribution towards total expenses of the Company in the financial year ended March 31, 2024 are:

S. No.	Name of the Supplier/Vendor	Contribution towards Total Expenses of the Company for the financial year ended March 31, 2024 (in ₹ million)	Contribution towards Total Expenses of the Company for the financial year ended March 31, 2024 (%)
1.	Agroya Bullion Corporation, Pune, Maharashtra	12,205.21	20.65%
2.	P. N. Gadgil Jewellers	6,665.03	11.28%
3.	S. Mahendrakumar Devichand	4,716.31	7.98%
4.	Shree Guru Gold by Subrato Majumdar	2,979.73	5.04%
5.	Swarn Shilp Chains and Jewellers Private Limited	1,281.66	2.17%
6.	Adsilver Bullion Merchant	962.51	1.63%
7.	Rtshah Jewellers Private Limited	804.31	1.36%
8.	Sharankumar Shivshankar Ratkalkar & Company	495.39	0.84%
9.	Supplier 9*	460.38	0.78%
10.	Amrit Gold	433.93	0.73%
Total		**31,004.46**	**52.45%**

**Name of the supplier has not been disclosed as relevant consent for disclosure has not been received from the relevant supplier*

^ Name of the top 10 customers of our Company has not been included as such top 10 customers of our Company do not contribute to more than 50% of the total revenue from operations of our Company (on a consolidated basis)

Quality Control

We have implemented stringent quality control practices to ensure we sell only quality products in line with the quality and purity metrics that we market to our customers. Although BIS hallmarking of gold jewellery was made mandatory in 2021, we have voluntarily adopted and implemented BIS hallmark standards for our gold products since 2007 in order to ensure that our products comply with the highest industry standards. All the jewellery that is produced is initially checked for physical defects, such as structural defects and inconsistencies in polishing and finishing. The hallmark and '*PNG*' stamp on the jewellery is also checked. The purity of the metal is validated every month by melting a piece of jewellery from each vendor. In addition, studded jewellery is also melted to verify the stone weight. Thereafter, such jewellery is stamped with the '*PNG*' label. We also send our jewellery to government-approved hallmarking centres, where our jewellery is analysed and checked in accordance with BIS norms, which are widely – accepted in the Indian jewellery industry. In the case of custom-made jewellery, quality of such jewellery is checked for any deviation from the model ordered by our customer. In case of such deviations, it is communicated to quality control department of our Company for any further corrections to be made in such orders through internal system.

Our loose diamonds are certified by various agencies including Gemological Science International and we procure diamonds from vendors who provide a certification that the diamonds provided to us are compliant with the Kimberley certification as conflict free.

Once we receive completed jewellery from the *Karigars*, we again check the quality of gold, diamonds and gemstones. Our quality control department also checks the finishing of the design at this time. Only upon passing all quality checkpoints a piece of jewellery is distributed to one of our showrooms. In addition, the third party vendors and diamond suppliers are required to certify the adherence to the Kimberley process regarding supply of non-conflict diamonds.

Our procurement teams also report instances of loss or damage to products or raw materials directly to senior management to ensure we work only with the most trusted and quality-focused contract manufacturers. We believe our commitment to stringent quality control has been critical to our success in the Indian jewellery industry and has contributed to customers associating our brand with trust and transparency.

Inventory Management

We have an efficient inventory management system. We plan our inventory procurement by taking into account targeted sales, inventory turnover and aging, and generally endeavour to maintain inventory levels in line with customer demand and seasonal trends. Each and every piece of our jewellery at all locations are bar-coded, monitored and controlled through our inventory and resources management system, which tracks end – to – end movement of each inventory item. We maintain store – wise optimum ideal inventory levels which are pre – defined in the system against all the product categories preventing shortfall of the inventory. We also undertaken daily reconciliation of inventory at our Registered Office based on the stock count at the stores and quantity as reflected in the inventory and resources management system. We regularly analyse our sales results, compare them against our sales targets and adjust jewellery distribution amongst showrooms accordingly.

Furthermore, the fact that our ERP system allows real-time visibility into our inventory provides our management with a useful tool especially during peak seasons, such as *Diwali*, *Dhanteras* or *Akshaya Trithiya*, allows our management to respond quickly to replenish or reallocate inventory based on shifting customer demand patterns.

Store Operations

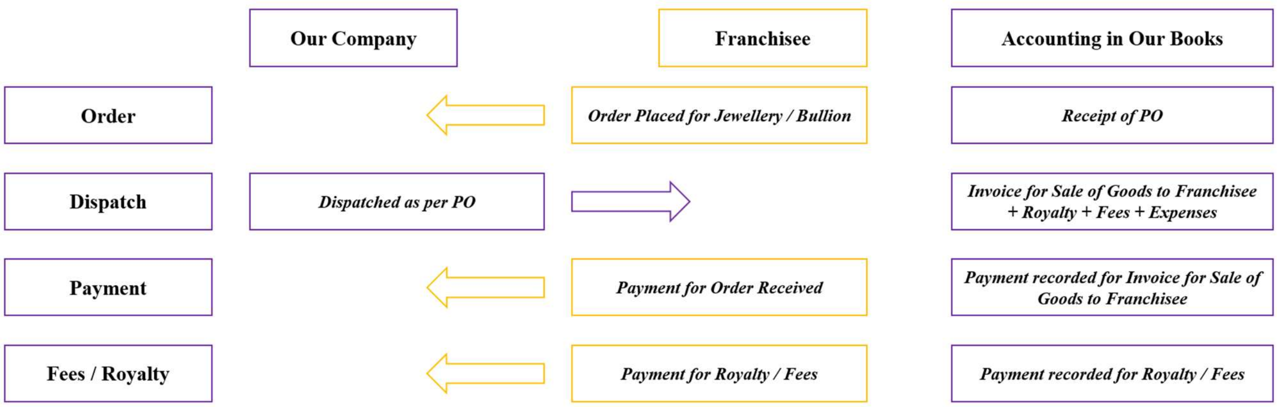
All our stores are operated and managed by us under the supervision of a store manager who is responsible for all store – level operations. Through our centralised system, each level of our management is able to monitor our store – level operations in real-time, including our inventory management, sales and finance functions. Our multiple levels of management are also involved in our systematic approach to inventory control. For further details, see "*Our Business – Our Operations – Inventory Management*" on page 186. We hire staff in our store who speak the relevant local language and understand the local culture in any given region in order to establish rapport and trust with customers and to provide a "local" feel to customers.

We have implemented strict security procedures to ensure our inventory is maintained securely. Each of our stores is equipped with closed-circuit surveillance cameras linked to a digital video recorder. Our stores are equipped with secure vaults with restricted access only for a limited number of selected staff and our jewellery is placed into these vaults at the close of business each day We also have contracts with various reputable private security agencies who provide security guards to all our stores. All our jewellery in transit is fully insured and mostly handled through secure third-party carriers.

Franchisee Operations

We operate on the basis of requirements from the Franchisee and we sell products to them according to those requirements and as per our contractual arrangements with them, we get royalty fees at 0.5% of sales per annum and we receive ₹ 0.5 million per annum as management fees from the franchisees.

The following flow chart represents the flow of transaction by and between our Company and our Franchisees



We have incurred the following expenses, for the salaries of franchisee managers in fiscals 2024, 2023 and 2022 respectively.

Amount in ₹ million

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Sales to Franchisee	4,554.04	3,929.10	2,189.37
Franchisee Fees	20.82	16.98	13.16
(Franchisee Fees includes Royalty & Management Fees)			
Total Revenue	**4,574.86**	**3,946.08**	**2202.53**

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Manager Salary	7.47	6.39	4.36
Total Expenses	**7.47**	**6.39**	**4.36**

Marketing model and tie – ups

We believe that brand value is an increasingly important factor in customers' buying decisions in the jewellery sector and that our brand has established a strong recall in Maharashtra. Our marketing schemes vary as per occasions, seasons and needs of the customer. As part of our marketing strategy, we employ an array of promotional and marketing campaigns, including location-based marketing, event focused campaigns, engaging brand ambassadors and digital marketing. The key channels of marketing include advertisements in newspapers, magazines, hoardings, radio, movie and television collaborations. We have an inhouse marketing team to increase sales and stimulate interest in our product range, thereby, helping us in our efforts to strengthen our position in the jewellery industry.

As a part of our location-based marketing strategy, we ensure that all our stores participate in our '*Parampara Exhibitions*' campaign held on a periodical basis, which are designed to spread brand awareness in neighbouring towns in order to increase store footfalls and for strengthening our brand recall. Our event-based strategy focusses on leveraging important festivities, such as *Akshaya Tritiya*, *Navratri*, *Gudi Padwa*, *Guru Purnima*, *Dhanteras* and *Diwali*, *Gurupushyamrut*, *Ganapati* festival, *Dusshera* along with few Mahotsav such *Mangalsutra Mahotsav*, *Painjan Mahotsav* etc. when people in Maharashtra buy jewellery. We also regularly engage celebrities as brand ambassadors to promote our brand and sub-brands and also endorse specific design collections. We have currently engaged Madhuri Dixit, as our brand ambassador to promote our brand and our collections such as *Saptam*, *Swarjya* and *Eiina*. We also collaborate with movie producers and contribute jewellery for Hindi and Marathi movies, and curate marketing campaigns aimed at generating demand for the jewellery designs contributed for such movies. As a part of our marketing strategy, we also run social media campaigns, which are aimed at building our brand narrative by utilising various social media platforms.

We have a strong online presence with an established platform wherein our jewellery collection is showcased, and facility of trading digital gold is available on the website. We have accounts across various social media platforms for promoting the latest campaigns, events, exhibitions, which helps in driving and increasing the customer interest.

Set forth below is our spend on marketing activities as for the periods indicated:

Metric	As at / For the Financial Year 2024	As at / For the Financial Year 2023	As at / For the Financial Year 2022
Advertisement and publicity (in ₹ million)	419.47	299.60	91.62
As % of total expenses	0.71%	0.67%	0.37%

We believe our branding strategy helps us to retain existing customers and attract new customers. We intend to continue investing in our marketing initiatives and brand building exercise, including advertising through various media.

Information Technology

We have implemented an ERP solution, which allows for virtual connectivity across all our stores to the main office, allowing our management team to obtain information for quicker decision making. We have backup support for all systems, and all our data is protected by security measures. Our servers and database are backed-up on a daily basis after business hours. This helps us to continuously consolidate workloads, maximise server utilization and decrease operational costs. We have also created a website in 2014 and a mobile application "*PNG Jewellers*" in 2022, which is available to our customers to browse, select, purchase, track purchases and interact with customer care. We have adopted the use of social media and e-commerce platforms to increase reach and brand visibility.

Customer Grievance Mechanism

Our company follows a comprehensive customer grievance mechanism. The process involves:

1. **Customer Feedback Collection**: Our feedback team contacts customers after their purchase to gather insights on product quality, service, and overall shopping experience through a standard form.

2. **Complaint Registration**: Customers can register complaints via email, toll-free number, or through our feedback team.

3. **Grievance Data Collection**: Data from all sources is compiled the following day.

4. **Complaint Resolution**: Complaints are forwarded to the respective branch manager, who is expected to resolve them within 48 hours. If not resolved, the issue is escalated via an escalation matrix.

Grievance and good call data (2022 - 2024)

Financial Year	Good Calls	Complaints	Status of grievance redressal
2022	656	16	All resolved
2023	677	440	All Resolved
2024	812	450	All Resolved

**We consider a good call to be where there are no complaints or grievances from the customer.*

Properties

The property on which our Registered Office and Corporate Office is situated is owned by us. As on the date of this Red Herring Prospectus, our stores are both owned and leased by us.

Our Registered Office is located at 694, Narayan Peth, Pune – 411030, Maharashtra, India and our Corporate Office is located at PNG Vishwa, 359, Chitrashala Chowk, Laxmi Road, Narayan Peth, Pune, Maharashtra, India – 411030. Our Company, as on July 31, 2024, has 27 company operated stores and 11 franchisee owned stores, the premises of which have been both owned and leased by us. Further, we also have one store in the U.S.

The table below provides details of the stores, the premises of which, have been owned/leased by us:

Sr. No.	Location	Address of the Store	Owned/ Leased/ Licensed	Term	Approximate Balance Term of Lease as on July 31, 2024
	COCO				
1	Laxmi Road	693 and 694, Bafna Chambers, Narayan Peth, Pune −411030 Maharashtra, India	Leased	May 10, 2022 to May 9, 2027	2.77 years
2	Laxmi Road (Silver)	693Bafna Chambers, Narayan Peth, Pune −411030 Maharashtra, India	Leased	August 1, 2021 to July 31, 2031	7 years
3	Paud	Shop No 5, 6 and 26, Stilt Floor, Commerce Avenue, Plot No. 24, S. No. 127, Mahagnesh Colony, Paud Road, Kothrud, Pune – 411 038 Maharashtra, India	Owned	-	-
4	Camp	Shop No. – 33, 35, 37, 38 and 39, Kumar Pavilion, Ground Floor, 2424 East Street, Camp, Pune – 411001 Maharashtra, India	Licensed	September 9, 2021, till August 31, 2026	2.08 years
5	Hadapsar	Survey No. 147, Lotus Capital, Ground Floor and First Floor, Magarpatta, Hadapsar, Pune 411028 Maharashtra, India.	Leased	July 1, 2019, till June 30, 2028	3.91 years
6	Viman Nagar	Shop No.4, 5 and 103, Ideal Landmark, Plot No.62/2, CTS. No. 54, Village Lohegaon Taluka Haveli, District Pune, Pune 411 014 Maharashtra, India.	Owned	-	-
7	Pimpri	Shop No. 6,7 and 8, Survey No. 210, CTS No. 4800 / 4801, Ground Floor and Mezzanine Floor Shubham Galaria, Pimpri Station Road, Opposite Finolex, Pimpri Waghere, Pune 4110 018 Maharashtra, India.	Owned	-	-
8	Aundh	Shop no. 2 and 3, Supreme Centre, Iti Road, Aundh Pune, Maharashtra- 411007 Maharashtra, India.	Licensed	5 years from June 1, 2023, till May 31, 2028.	3.83 years
9	Panvel	Shop No. – 1, 2, 3 and 4, Shree Sahay Galaxy, Opposite MTNL Office, MTNL Road, Shivaji Chowk, Panvel, Mumbai - 410206 Maharashtra, India.	Licensed	January 1, 2024 to December 31, 2026	2.42 years
10	Kalyan	Shop No.3, S No. 2447 A & B, 2448, 2449 Agra Road, Sadanand Chowk, Next to Suchak Petrol Pump, Kalyan(W) 421301Maharashtra, India.	Licensed	September 1, 2015 to August 31, 2024	0.08 years
11	Thane	Palm Court, CTS No. 18, Tika No. 16, Ram Maruti Road, Naupada Thane West – 400602 Maharashtra, India.	Licensed	November 26, 2021 to November 25, 2026	2.33 years

Sr. No.	Location	Address of the Store	Owned/ Leased/ Licensed	Term	Approximate Balance Term of Lease as on July 31, 2024
12	Vile Parle	Shop No. 1, Ground Floor, Saarthi Building, Hanuman Road, Vile Parle East, Mumbai 400057 Maharashtra, India.	Licensed	February 1, 2023, to January 1, 2028	3.42 years
13	Borivali	Shop no.1, 2 and 3 and business office no. 11, Shangrilla Apartments, plot no. 12, Borivali (W) Taluka, Borivali District, Mumbai - 400 092 Maharashtra, India.	Licensed	January 1, 2024 to December 31, 2028	4.42 years
14	Panaji	Shop No.101, First Floor, Lotus Court, M.G. Road, St. Inez Junction, Panaji 403001 Goa, India.	Leased	January 15, 2022, to January 31, 2025	0.50 years
15	Margaon	Shop No 1,2 House No-15/1169, Karpe House, Isidore Baptista Road, Margao 403601 Goa, India.	Leased	October 15, 2016, to October 15, 2025	1.25 years
16	Chatrapati Sambhaji Nagar (*formerly known as Aurangabad*)	Laxmi Nirmal House, Sr. No. 12 Plot, No. 285 and 299 N-3 CIDCO, Aurangabad 431003 Maharashtra, India.	Licensed	October 1, 2022, to September 30, 2027	3.17 years
17	Ahmednagar	7374, Sarjepura Road, Near Mahindra Showroom, Ahmednagar - 414001 Maharashtra, India.	Owned	-	-
18	Nagpur	Plot no. 72, Surya Pratham, Shradhanand, Square, Abhyankar Nagar, Nagpur - 400010 Maharashtra, India.	Leased	June 1, 2023, to May 31, 2032	7.78 years
19	Chandrapur	Khas Chandrapur Shahar, Nazul, Mohalla Bhana Peth, Sheet No.31, Chandrapur - 442401 Maharashtra, India.	Owned	-	-
20	Nanded	Shop No. 59 and 60, Sanman Prestige Station Road, Nanded - 431601 Maharashtra, India.	Leased	December 18, 2014 to December 17, 2073	49.41 years
21	Nagpur Itwari	Shop No. S-3 on Ground Floor and Office No. 101, First Floor, Gayatri Complex, Plot No. 148, CTS No.576, Sheet No. 190, Darodekar Square, C. A. Road, Nagpur 440008 Maharashtra, India.	Licensed	July 1, 2023, to June 30, 2028	3.92 years
22	Baramati	Shop No. 1 and 2, Ground Floor, Rajratan, CTS No. 114 to 121, Mahavir Path, Baramati – 413102 Maharashtra, India	Licensed	June 1, 2023, to May 31, 2028	3.83 years
23	Porvorim	H. No 406/157, GF-1, Plot no. 129, Survey no. 77/1 (Part), PDA Colony, Porvorim, Pilerne, Goa, 402201	Licensed	January 1, 2024 to December 31, 2028	4.42 years
24	Alibaug	Ground Floor, Radiant,Gat No. 83/2 and 84 part, Village Chendhare, Alibaug - 402201	Licensed	January 1, 2024 to December 31, 2028	4.42 years
25	Pune (J M Road)	Shop No. 02, Ground Floor, Jangali Maharaj Road, Final, Plot No. 547, Survey No. 1187/60, Shivaji Nagar, Bhamburda Jangli Maharaj Road, Pune -411005	Licensed	May 1, 2024 to April 30, 2029	4.75 years
26	Thane (Ghodbandar Road)	Shop No. SG-01, on the Ground Floor, Shopee Imperia Co-operative Housing Society, Dosti Shopee Imperia, Shitalsar Manpada, Ghodbandar Road, Thane (west) – 400607.	Licensed	May 1, 2024 to April 30, 2029	4.75 years
27	Akola	Shop in Basement, Ground Floor, and First Floor situated on Necklace Road, Plot no. 2/48, CTS no. 65, Ratanlal Plot area, Akola – 444005.	Licensed	April 16, 2024 to April 15, 2029	4.75 years
28	U.S.	751-799 E, El Camino Real, Sunnyvale, CA 94087, U.S.	Lease	April 1, 2018 to March 31, 2028	3.6 years
	FOCO				
1	Vashi	Shop No 3-8, Ground Floor, Mansarovar Building, Plot-14, Sector 17, Vashi, Navi Mumbai 400703 Maharashtra, India.	Licensed	April 01, 2023 to March 31, 2027	2.66 years
2	Latur	275, Kamal Kalyan, Beside Shoppers Stop, Old Cloth Lane, Latur 413512 Maharashtra, India.	Licensed	July 1, 2024 to March 31, 2027	2.58 years

Sr. No.	Location	Address of the Store	Owned/ Leased/ Licensed	Term	Approximate Balance Term of Lease as on July 31, 2024
3	Wagholi	Shop No. 3 & 4, Landmark 24, Near Wagheshwar Temple, Wagholi, Pune – 412207 Maharashtra, India.	Licensed	April 01, 2022 to March 31, 2027	2.66 years
4	Pimple Saudagar	Sr. No – 120 (P) 122, Dwarkadheesh Residency Shivar Chowk Pimple Saudagar Haveli, Pune - 411027 Maharashtra, India.	Owned	-	-
5	Dombivali	Shop No. 4, Prerna building, Village Thakurli, Thane 421201 Maharashtra, India.	Owned	-	-
6	Sangola	Shree Complex, Sr. No. 2976/5, Shop No. – 3 and 7, Station Road, Sangola, 413307 Maharashtra, India.	Licensed	July 10, 2024 to May 9, 2025	0.83 years
7	Manchar	H. no. 331, Uttam Bhagya Jewellers Building, Bazar Peth, Tal Ambeghaon, Manchar, Pune - 410503 Maharashtra, India	Licensed	May 1, 2024 to May 31, 2025	0.92 years
8	Shrirampur	Ground Floor, Shantanu Complex, Main Road, opposite Lokamanya Tilak Vachanalaya, Shrirampur 413709, Maharashtra, India.	Owned	-	-
9	Chakan	Showroom No. 13, Vishal Capital, Gat no. 1638 and 1648, Next to Chakan Petrol Depot, Pune – Nashik Highway, Chakan, Tal. Khed, Dist. Pune 410501 Maharashtra, India.	Leased	September 24, 2022 to September 23, 2037	13.16 years
10	Nigadi	Ashirvaad Connect, Plot no. 129, At sector 24, Ravet, Haveli	Licensed	January 20, 2024 to January 19, 2029	4.42 years
11	Kudal	Survey No. 115, Sub. Div. No. 2-B, Kudal, Sindhudurga	Leased	Feb 10, 2024 to Feb 9, 2034	9.50 years

Insurance

We have purchased insurance in order to manage the risk of losses from potentially harmful events, including (i) a fire loss of profit insurance policy; (ii) a diamontaries block insurance policy; and (iii) a terrorism policy. These insurance policies are renewed periodically to ensure that the coverage is adequate. Our insurance covers our all our stores that operate under the COCO model.

Intellectual Property

As on the date of this Red Herring Prospectus, our Company has entered into Royalty Agreement dated March 11, 2020 ("**Royalty Agreement**") with M/s P N Gadgil Jewellers (along with the Amendment to the Royalty Agreement dated March 19, 2024 and has been licensed 34 registered trademarks and our Company has obtained 69 trademarks registrations in India, including "PNG Jewellers", "PNG JEWELLERS SINCE 1832", "PNG" and "P. N. Gadgil Jewellers" under classes 14 and 35 of the Trade Marks Act, which has over the years helped us in building brand equity and customer loyalty. Our Company has also obtained trademark registrations in relation to the sub-brands including "*Swarajya*" under class 35. Our Company has also filed application for trademark registration of its sub-brands "*Eiina*" and "*Flip Collections*", each under class 14 and 35. We have currently filed 17 trademark applications in relation to our Company and its sub-brands before the Indian trademarks' registry under classes 14 and 35 of the Trade Marks Act out of which 9 are objected and 1 is opposed. For further details please see "*Government and Other Approvals – Intellectual property related approvals*" and "*History and Certain Corporate Matters - Key terms of other subsisting material agreements - Royalty Agreement dated March 11, 2020, amongst our Company and P N Gadgil Jewellers, a partnership firm ("**Firm**") forming a part of our Promoter Group, amended pursuant to the Amendment to the Royalty Agreement dated March 19, 2024*" on pages 200 and 201 respectively.

Employees

We believe in being an equal opportunity employer and strive to maintain diversity in our employee base. As of July 31, 2024, we have 1,418 permanent employees on our rolls and 149 contract workers.

Set forth below is the department wise break-up of the employees of our Company:

Sr. No.	Department	Number of employees
1.	Administration	15
2.	CIT	3
3.	Corporate Sales	2

4.	CRM	1
5.	Diamond-Operations	13
6.	Directors Office	10
7.	E-Commerce	17
8.	Finance	23
9.	Franchisee Development	4
10.	Franchisee Operation	95
11.	Human Resources	8
12.	Information Technology	8
13.	Marketing	11
14.	New Business Development	2
15.	Purchase And Supply Chain	106
16.	Retail Sales (Domestic)	1,100
	Grand Total	**1,418**

We provide contribution towards provident fund to all our permanent employees and other than as disclosed below there were no delays in payment of ESIC and PF payment for the last three Fiscal Years:

Fiscal	ESIC	PF
2023	No Late Payment	Four employees faced delay in payment in May 2022 due to issues faced in linking of Aadhar and their Universal Account Number ("**UAN**")
2022	Due to a technical glitch, a delay of 1 day was observed in the month of June 2022	No Late Payment

Competition

We face competition from both the organized and unorganised sectors of the jewellery retail business, including online jewellery sellers and online marketplaces. We also face competition from players that have pan India presence namely, Titan Company Limited (Tanishq), Kalyan Jewellers India Limited, Senco Gold Limited, Malabar Gold Private Limited and Joyalukkas India Limited (*Source: Technopak Report*). However, we believe that there are significant barriers to entry into the business of manufacturing and retailing jewellery in India. Among the most important of these barriers is the need for significant working capital to purchase gold and diamonds, the long-term relationships required to have access to adequate supplies of diamonds, the limited number of persons with the skills necessary to manufacture high quality jewellery, the difficulty in obtaining access to upscale channels of distribution, the importance of public recognition of an established brand name, a reputation for jewellery-making excellence, and the development of systems to report on and stringently monitor the manufacturing and distribution network. The aggressive expansion of branded players, both in ownership and through franchises, poses a challenge to unorganized competitors. Organized players, benefiting from brand recognition, diverse designs, hallmarking, robust marketing, and enhanced in-store experiences, may influence the revenue and margins of unorganized counterparts (*Source: Technopak Report*).

Corporate Social Responsibility

We have adopted a Corporate Social Responsibility ("**CSR**") policy in compliance with the requirements of the Companies Act, 2013 and the rules framed thereunder. In accordance with our CSR policy, we aim to primarily focus on initiatives related to, *inter alia*, promoting health care including preventive health care and sanitation initiatives and education. During COVID-19, we supported the Society for Action and Community Health in distribution of mask and sanitizers to the hospitals and public across Pune and Pune Municipal Corporation by distributing 600 injections of Remdisiver to public. Further, we have also conducted rural development program on utilization of resources in villages, namely Shilim and Kottamwadi, provided education facility to underprivileged students through Eklavya Balshikshan and Arogya Nyasa program and provided application 'Anknaad' for easy learning of mathematics in schools. In FY 2023, we have conducted education programs on digital financial literacy through Society for Action and Community Health. Our CSR activities are monitored by the CSR committee of our Board.

KEY REGULATIONS AND POLICIES IN INDIA

The following description is a summary of certain regulations, statutes, circulars, directions and policies which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The descriptions of the applicable statutes, regulations, circulars, directions and policies set out below are not exhaustive, and are only intended to provide general information to the investors and are not designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

The Legal Metrology Act, 2009

The Legal Metrology Act, 2009 ("**Legal Metrology Act**") seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Legal Metrology Act provides that for prescribed specifications all weights and measures should be based on the metric system only.

Further, the Legal Metrology Act lays down monetary and other penalties for various offences, including but not limited to, use or sale of non-standard weight or measure, contravention of prescribed standards, counterfeiting of seals and tampering with license.

The Bureau of Indian Standards Act, 2016

The Bureau of Indian Standards Act, 2016 ("**BIS Act**") provides for, among other things, the establishment of a national standards body for the harmonious development of the activities of standardization, conformity assessment and quality assurance of goods, articles, processes, systems and services. Under the BIS Act, the Central Government, after consulting the Bureau of Indian Standards ("**BIS**"), can notify the precious metal articles or other goods or articles which are required to be marked with a 'Hallmark' or 'Standard Mark', subject to certain conditions for sale and testing of such articles. Under the BIS Hallmarking Scheme ("**BIS Scheme**"), the Government of India has identified the BIS as the sole agency in India to operate the BIS Scheme which aims to ensure that quality control is built in the system in alignment with the international criteria on hallmarking. Functions of the BIS include, inter- alia, (a) adopting as an Indian standard, any standard established for any goods, article, system, service or process by any other institution in India or elsewhere; (b) specifying a standard mark in relation each of BIS' conformity assessment schemes which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) conducting such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the relevant standard or whether the standard mark has been properly used in relation to any goods, article, process, system or service with or without a license. The BIS is also the licensing authority for quality standards.

The Bureau of Indian Standards (Hallmarking) Regulations, 2018

The Bureau of Indian Standards (Hallmarking) Regulations, 2018 ("**BIS Hallmarking Regulations**") prescribe that all jewellers must obtain a certificate of registration from the BIS in order to sell precious metal articles notified under the BIS Act. The certificate of registration ("**Certificate**") shall be granted to specific premises and will be valid for a period of five years subject to the terms and conditions mentioned in the BIS Hallmarking Regulations. As per the notification dated June 14, 2018, issued by the Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution, precious metal articles to be marked with hallmark are namely: gold jewellery and gold artefacts and silver jewellery and silver artefacts. The details of Certificate are to be hosted on the website of BIS and it is only valid for the premises mentioned in the certificate of registration. The registered jewellers are responsible for purity and fineness of the hallmarked precious metal articles sold by them and are liable to pay compensation for any shortage in purity or fineness as per rules.

The BIS vide notification dated March 4, 2022 has issued the Bureau of Indian Standards (Hallmarking) Amendment Regulations, 2022 which provide for the revised Hallmarking fee for the following articles: a) Gold articles payable to recognised Assaying and Hallmarking Centres by jewellers. b) Hallmarking fee to be levied by the Bureau from Assaying and Hallmarking Centre for gold articles c) Silver articles payable to recognised Assaying and Hallmarking Centres by jewellers. d) Hallmarking fee to be levied by the BIS from Assaying and Hallmarking Centre for silver articles. As of April 1, 2023, all gold jewellery and artefacts must have a 6-digit alphanumeric HUID (Hallmark Unique Identification). This number helps consumers trace the gold jewellery back to its jeweller. helps check its purity and also details of the hallmarking centre which tested and hallmarked the article.

RBI Circulars regulating Gold Loans

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

The Hallmarking of Gold Jewellery and Gold Artefacts Order, 2020

The Hallmarking of Gold Jewellery and Gold Artefacts Order, 2020, which came into effect on June 16, 2021, prescribes that gold jewellery and gold artefacts shall be sold only by registered jewellers through certified sales outlets, after fulfilling the terms and conditions of certificate of registration as specified in the BIS Hallmarking Regulations. However, certain precious metal articles are excluded from the above order, including any article meant for export, which conforms to any specification required by the foreign buyer, any article of gold thread, an article with weight less than two grams, and an article which is in course of consignment from outside India to an assaying and hallmarking centre in India recognised as per the BIS Hallmarking Regulations, for hallmarking.

Further, vide the Hallmarking of Gold Jewellery and Gold Artefacts (Second Amendment) Order, 2021, dated June 23, 2021 the aforementioned list of exceptions was extended to include within its ambit, any article meant for export and re-import as per trade policy of the Government of India, any article meant for international exhibitions, any article meant for domestic business-to-business exhibitions, approved by the Government, special categories of jewellery, namely Kundan, Polki and Jadaau, watch and fountain pen, and jewellers with the annual turnover of upto ₹ 4,000,000 per annum.

Circular No. 9/2022-Customs on the Simplified regulatory framework for e-commerce exports of Jewellery through Courier mode as amended by Circular 17 of 2023 dated June 12, 2023

The circular dated June 30, 2022 ("**CBIC Circular**") issued by the Department of Revenue of the Central Board of Indirect Taxes & Customs ("**CBIC**"), lays down the standard operating procedure to be followed on export of jewellery through e-commerce. The CBIC Circular mandates the authorized courier to electronically file courier shipping bill on behalf of the exporter on the express cargo clearance systems and electronic payment for such exports to be made in advance and establishes criteria for customs assessment and examination. Further, the CBIC Circular lays down the procedure on re-import of returned jewellery items.

Anti-Money Laundering, Countering the Financing of Terrorism, and Combating Proliferation Financing Guidelines for Dealers in Precious Metals and Precious Stones, 2023 (the "Guidelines) under Prevention of Money Laundering Act, 2002, Unlawful Activities (Prevention) Act, 1967, and Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005

The Guidelines issued by the Directorate General of Audit (DGA), Central Board of Indirect Taxes and Customs, which came into effect from May 4, 2023, aim to provide a general background and summary of the provisions of the applicable anti money laundering and anti-terrorism financing legislations in India, viz. the Prevention of Money Laundering Act, 2002 ("**PMLA**"), the Prevention of Money Laundering (Maintenance of Records) Rules, 2005 ("**PMLR**"), the Unlawful Activities (Prevention) Act, 1967 ("**UAPA**") and The Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005 ("**WMDA**") and their applicability to and implications for the dealers in precious metals and precious stones in applying certain Anti Money Laundering/ Countering the Financing of Terrorism/ Combating Proliferation Financing (AML/CFT/CPF) obligations.

The Guidelines provide that the provisions related to applicability of Section 51A of the UAPA and Section 12A of the WMDA as mentioned are applicable to all dealers in precious metals and precious stones, irrespective of their turnover or any threshold of transactions they may undertake with their customers/ clients. However, the provisions related to PMLA and PMLR are applicable to dealers in precious metals and precious stones, who are "Reporting Entities" (as defined in the Guidelines).

Intellectual property laws

The Trade Marks Act, 1999 ("Trade Marks Act")

The Trade Marks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. Indian law permits the registration of trademarks for both goods and services. It also provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. Under the provisions of the Trade Marks Act, an application for trademark registration may be made with the Trade Marks Registry by any person or persons claiming to be the proprietor of a trademark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trade Marks Act. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks among others. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. It also seeks to simplify the law relating to the transfer of ownership of trademarks by assignment or transmission and to bring the law in line with international practices.

Designs Act, 2000 ("Designs Act")

Industrial designs have been accorded protection under the Designs Act. A 'Design' means only the features of shape, configuration, pattern, ornament or composition of lines or colour thereof applied to any article whether two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye, but does not include any mode or principle or construction or anything which is in substance a mere mechanical device, and expressly excludes works accorded other kinds of protection like property marks, trademarks and artistic works. Any person claiming to be the proprietor of a new or original design, not previously published in any country and which is not contrary to public order or morality, may apply for registration of the same under the Act before the Controller-General of Patents, Designs and Trademarks. On registration, the registered proprietor of the design attains a copyright over the same. The duration of the registration of a design in India is initially ten years from the date of registration, but in cases where claim to priority has been allowed the duration is ten years from the priority date. No person may sell, apply for the purpose of sale or import for the purpose of sale any registered design, or fraudulent or obvious imitation thereof.

The Copyright Act, 1957 ("Copyright Act")

The Copyright Act serves to create property rights for certain kinds of intellectual property, generally called works of authorship. The intellectual property protected under the Copyright Act includes copyrights subsisting in artistic works, original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings, including computer programs, tables and compilations including computer databases. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as prima facie evidence of the particulars entered therein and may help expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Upon registration, the copyright protection for a work exists for a period of 60 years following the demise of the author. Reproduction of a copyrighted work for sale or hire and issuing of copies to the public, among others, without consent of the owner of the copyright are acts which expressly amount to an infringement of copyright.

Labour law legislations

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable Labour laws. The following is an indicative list of Labour laws other than state-wise shops and establishments acts, which may be applicable to our Company due to the nature of our business activities:

- Contract Labour (Regulation and Abolition) Act, 1970
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- Employees' State Insurance Act, 1948
- Minimum Wages Act, 1948
- Payment of Bonus Act, 1965
- Payment of Gratuity Act, 1972
- Payment of Wages Act, 1936
- Maternity Benefit Act, 1961
- Industrial Disputes Act, 1947
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- Employees Compensation Act, 1923
- The Child Labour (Prohibition and Regulation) Act, 1986
- The Equal Remuneration Act, 1976 T
- The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979
- Building and Other Construction Workers Regulation of Employment and Conditions of Service Act, 1996
- Industrial Employment (Standing Order), Act, 1946
- The Trade Unions Act, 1926 and the Trade Union (Amendment) Act, 2001
- The Code on Wages, 2019[*]
- The Occupational Safety, Health and Working Conditions Code, 2020[**]
- The Industrial Relations Code, 2020[***]
- The Code on Social Security, 2020[****]

[*] *The GoI enacted The Code on Wages, 2019 which received the assent of the President of India on August 8, 2019 Through its notification dated December 18, 2020, the GoI brought into force sections 42(1), 42(2).42(3), 42(10), 42(11), 67(2)(s) and (t) (to the extent that they relate to the Central Advisory Board) and 69 (to the extent that it relates to sections 7. 9 (to the extent that they relate to the GoI) and 8 of the Minimum Wages Act, 1948) of the Code on Wages. 2019. The remaining provisions of this code will be*

brought into force on a date to be notified by the GoI. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1963 and the Equal Remuneration Act, 1976.

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

*** *The GoI enacted The Industrial Relations Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946.*

**** *The GoI enacted The Code on Social Security, 2020 which received the assent of the President of India on September 28. 2020. The provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees State Insurance Act, 1948, the Employees Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers Social Security Act, 2008.*

The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017

The provisions of the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 and the rules made thereunder are applicable to the Company. Such provisions regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, weekly holidays, leave, health and safety measures, and wages for overtime work. Whoever contravenes such provisions shall be punished with fine which may extend to ₹ 1,00,000 and in the case of a continuing contravention, with an additional fine which may extend to ₹ 2,000 per for every day during which such contravention continues. The total fine shall not exceed ₹ 2,000 per worker employed.

Environment protection laws

Environment Protection Act, 1986 ("EPA")

The EPA is the umbrella legislation in respect of the various environmental protection laws in India. Under the EPA, the Government of India is empowered to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes rules for, inter alia, laying down standards for the quality of environment, standards for emission of discharge of environment pollutants from various sources, as provided under the Environment (Protection) Rules, 1986, inspection of any premises, plant, equipment, machinery, manufacturing, examination of manufacturing processes and materials and substances likely to cause pollution. Penalties for violation of the EPA include fines not less than ₹10,000 and may extend up to ₹ 1,500,000. There are provisions with respect to certain compliances by persons handling hazardous substances, furnishing of information to the authorities in certain cases, establishment of environment laboratories and appointment of government analysts.

Foreign Investment and Trade Related Laws

Foreign Investment in India

The foreign investment in India is governed, among others, by the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ("**FEMA Rules**") and the Consolidated FDI Policy (effective from October 15, 2020) issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion ("**FDI Policy**"), each as amended. Further, the Reserve Bank of India has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 on October 17, 2019, which regulate mode of payment and remittance of sale proceeds, among others. 100% foreign investment under the automatic route, *i.e.*, without requiring prior governmental approval, is permitted in the manufacturing sector. The FDI Policy and the FEMA Rules prescribe *inter alia* the method of calculation of total foreign investment (*i.e.*, direct foreign investment and indirect foreign investment) in an Indian company. In terms of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA NDI Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%).

Foreign Trade (Development and Regulation) Act, 1992

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

Foreign Trade Policy 2023

The foreign trade policy 2023 issued by the Ministry of Commerce and Industry, GoI includes gems and jewellery within a separate scheme for exporters of gems and jewellery. For the gems and jewellery sector, the foreign trade policy 2023 provides for broadly four schemes in relation to exports of gems and jewellery (i) advance procurement / replenishment of precious metals from nominated agencies; (ii) replenishment authorization for gems; (iii) replenishment authorization for consumables; and (iv) advance authorization for precious metals. Certain agencies have been permitted to import diamonds to their laboratories without any import duty, for the purpose of certification or grading reports, with a condition that the same should be re-exported with the certification or grading reports, as per predetermined procedure. Additionally, nominated agencies and their associates, with approval of Department of Commerce and the GJEPC, may export gold, silver or platinum jewellery and articles thereof for exhibitions abroad. Personal carriage of gold, silver or platinum jewellery, precious, semi-precious stones, beads and articles and export of branded jewellery is also permitted, subject to prescribed conditions. Personal carriage of gems and jewellery export parcels by foreign bound passengers and import parcels by an Indian importer or foreign national may be permitted as per prescribed procedures. Export of gold jewellery, including partly processed jewellery, and articles including medallions and coins (excluding legal tender coins), whether plain or studded, and articles, containing gold of 8 carats and above up to a maximum limit of 22 carats only shall be permitted by Export Oriented Units ("**EOUs**"). Gems and jewellery EOUs may source gold, silver or platinum through nominated agencies on loan or outright purchase basis. Units obtaining gold, silver or platinum from nominated agencies, either on loan basis or outright purchase basis shall export gold, silver or platinum within 90 days from the date of release of such metals by the nominated agencies.

The Foreign Trade Policy 2023 shall remain to be in operation unless otherwise specified or amended.

The FTA read with the Foreign Trade Policy 2023 prohibits anybody from undertaking any import or export except under an Importer-Exporter Code number ("**IEC**") granted by Directorate General of Foreign Trade ("**DGFT**"). Hence, every person in India engaged in any activity involving import or export is required to obtain an IEC unless specifically exempted from doing so. IEC shall be valid until it is suspended/cancelled by the competent authority. IEC allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain IEC shall attract penalty under the FTA. DGFT may impose prohibition or restriction relating to the importations or exportations of gold or silver.

Taxation legislations

The Income Tax Act, 1961

Income-tax Act, 1961 ("**Income-tax Act**") is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its 'Residential Status' and 'Type of Income' involved. Every assessee, under the Income-tax Act, which includes a company, is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax and like.

Goods and Services Tax Act, 2017

The Government of India has introduced the GST regime with effect from July 1, 2017. As per Section 8 of the Central Goods and Services Act, 2017, selling gold ornaments or jewellery to the common man is a composite supply of goods and services. The gold used is considered goods and making charges or value addition is towards job work. Since the principal supply is the sale of gold, the GST rate of 3% shall be levied instead of 5% on the total value of jewellery, whether or not making charges is shown separately. A GST exemption was announced at the 31st GST Council meeting on 22 December 2018. Accordingly, GST is not charged for the supply of gold made by the notified agency to GST-registered gold jewellery exporters. The move has minimised the GST burden on Indian exporters of gold jewellery and probably made Indian gold exports more competitive on the world market. The jeweller or gold merchant can claim Input Tax Credit (ITC) paid on the raw materials used, i.e., gold and other job work charges incurred. Even when the gold merchant pays tax on a reverse charge basis for supply from an unregistered job worker, he can claim the ITC on such tax.

The Customs Act, 1962 and the Customs Tariff Act, 1975

The provisions of the Customs Act, 1962 and rules made thereunder are applicable at the time of import of goods into India from a place outside India or at the time of export of goods out of India to a place outside India. The Customs Tariff Act, 1975 provides the rates at which duties of customs will be levied under the Customs Act, 1962.

Professional Tax

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

The Consumer Protection Act, 2019

The Ministry of Consumer Affairs notified certain sections of the Consumer Protection Act, 2019 ("**COPRA**") by way of the notification dated July 15, 2020 (with effect from July 20, 2020), including sections regulating the formation and functioning of the Consumer Protection Council at the national, state and district levels, the formation and functioning of Consumer Dispute Redressal Commissions at the national, state and district levels, product liability actions and punishment for manufacturing for sale or storing, selling or distributing or importing products containing adulterants and spurious goods.

The COPRA provides a mechanism for the consumer to file a complaint against a product manufacturer, trader, or service provider in cases of unfair contract or trade practices, restrictive trade practices, defected goods, goods and services which are hazardous or likely to be hazardous to life being sold in contravention to safety standards, deficiency in services and price charged being unlawful. It also places product liability on the product manufacturer or product service provider or product seller, to compensate for any harm caused by defective product or deficiency in services. It provides for a three-tier consumer grievance redressal mechanism at the national, state and district levels. Non- compliance of the orders of this Redressal commissions attracts criminal penalties. The COPRA has, inter alia, also introduced a Central Consumer Protection Authority to regulate matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements, which are prejudicial to the interests of public and consumers and promote, protect, and enforce the rights of consumers as a class. The COPRA has also brought e- commerce entities and their customers under its purview including providers of technologies or processes for enabling product sellers to engage in advertising or selling goods or services to a consumer, online marketplaces and online auction sites.

The Ministry of Consumer Affairs issued the Consumer Protection (E-Commerce) Rules, 2020 ("**E-Commerce Rules**") under the COPRA on July 23, 2020, which govern the online sale of goods, services, digital products by entities which own, operate, or manage digital or electronic facility or platform for electronic commerce ("**E-Commerce Entities**"), all models of e-commerce (including marketplace or inventory based), and all ecommerce sellers. The E-Commerce Rules lay down the duties and liabilities of E-Commerce Entities and ecommerce retailers.

Information Technology Act, 2000 ("IT Act")

The IT Act was enacted with the sole purpose of providing legal recognition to transactions carried out by the means of various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information. The IT Act also seeks to facilitate electronic filing of documents and create a mechanism for the authentication of electronic records through digital signatures. The IT Act prescribes punishment for publishing and transmitting obscene material in electronic form. The IT Act has extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. The Information Technology (Amendment) Act, 2008, which amended the IT Act facilitates electronic commerce. by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information liability. The IT Act also prescribes civil and criminal liability including fines and imprisonment for computer related offences including those relating to unauthorized access to computer systems, tampering with or unauthorized manipulation of any computer, computer system or computer network and damaging computer systems.

In addition to the above, our Company is also required to comply with the Companies Act, 2013 and rules framed thereunder, the Competition Act, 2002 and other applicable statutes imposed by the Centre or the State Government and authorities for our day-to-day business and operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as *"P N Gadgil Jewellers Private Limited"*, a private limited company, under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated October 28, 2013, issued by the RoC. The name of our Company was subsequently changed to "*P N Gadgil Jewellers Limited*", upon conversion of our Company from a private limited to a public limited company, pursuant to a board resolution dated February 16, 2023, and a shareholders' resolution dated March 10, 2023, and a fresh certificate of incorporation was issued on April 5, 2023, by the RoC.

Changes in the registered office of our Company

There has been no change in the registered office of our Company since its incorporation.

Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as mentioned below:

To carry on, conduct, set up, the business of manufacturing, managing, making, refining, importing, exporting, whole selling, trading, exchanging, indenting, buying, selling, reselling, polishing, designing, valuing, marketing, moulding, cutting, grading, melting, shaping, act as an agent of and deal in all types of gems, diamonds, semi-precious stones, precious stones, metal and semi-precious metal, natural & artificial pearls & corals, rubies, emeralds, minerals, watches and other type of jewelleries, antique jewellery & all types of jewellery, including natural, synthetic, artificial and articles thereof, goods made of platinum, gold, rolled gold, gold/silver bullion, silver and other precious metals, compounds and alloys thereof and to act as a goldsmith and silversmith, jewelers and gems merchants, traders, stockiest, adityas, blenders, polishers, cutters, consultants, retailers, wholesalers, exporters, authorized government valuers in India and abroad.

Amendments to our Memorandum of Association in the last 10 years

Set out below are the amendments to our Memorandum of Association in the last 10 years:

Date of Shareholders' resolution	Particulars
November 11, 2015	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 800,000,000 consisting of 48,000,000 Equity Shares of face value of ₹ 10 each and 32,000,000 Preference Shares of face value of ₹ 10 each to ₹ 1,000,000,000 consisting of 60,000,000 Equity Shares of face value of ₹ 10 each and 40,000,000 Preference Shares of face value of ₹ 10 each.
August 31, 2016	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 1,000,000,000 consisting of 60,000,000 Equity Shares of face value of ₹ 10 each and 40,000,000 Preference Shares of face value of ₹ 10 each to ₹ 1,250,000,000 consisting of 60,000,000 Equity Shares of face value of ₹ 10 each and 65,000,000 Preference Shares of face value of ₹ 10 each.
March 10, 2023	Clause I of the Memorandum of Association was amended to reflect the change in the name of our Company from '*P N Gadgil Jewellers Private Limited*' to '*P N Gadgil Jewellers Limited*', pursuant to conversion of our Company to a public limited company.
December 28, 2023	Clause V of our Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 1,250,000,000 consisting of 60,000,000 Equity Shares of face value of ₹ 10 each and 65,000,000 Preference Shares of face value of ₹ 10 each to ₹ 2,000,000,000 consisting of 135,000,000 Equity Shares of face value of ₹ 10 each and 65,000,000 Preference Shares of face value of ₹ 10 each.
March 18, 2024	Clause V of our Memorandum of Association was amended to reflect the reclassification of the authorised share capital of our Company from ₹ 2,000,000,000 consisting of 135,000,000 Equity Shares of face value of ₹ 10 each and 65,000,000 Preference Shares of face value of ₹ 10 each to ₹ 2,000,000,000 consisting of 200,000,000 Equity Shares of face value of ₹ 10 each.

Major events and milestones of our Company

The table below sets forth some of the key events in our history:

Calendar Year	Milestone

2013	Incorporated as P N Gadgil Jewellers Private Limited, as a private limited company under the Companies Act, 1956.
2013	Acquired the business of designing, manufacturing, and selling gold, silver, bullion, and jewellery from P N Gadgil Jewellers *via* a Business Transfer Agreement.
2015	Inaugurated the first store of the Company outside Maharashtra at Panaji, Goa.
2016	Inaugurated the 10th store of the Company at Ahmednagar, Maharashtra.
2016	Inaugurated the 20th store of the Company at Pimpri, Maharashtra.
2019	Inaugurated the 30th store of the Company at Vashi, Maharashtra.
2022	Launch of the PNG Jewellers mobile application.
2023	Engaged Madhuri Dixit Nene as the brand ambassador for various sub-brands launched by the Company.
2023	Conversion into a public limited company under the name 'P N Gadgil Jewellers Limited on April 5, 2023.

Awards, accreditations, and recognition

The table below sets forth some of the key awards, accreditations and recognition received by our Company:

Calendar Year	Awards, accreditations, and recognition
2016	Received the 'Times Retail Icon 2017 for International Presence' award for the financial year 2016-2017 awarded by Optimal Media Solutions, a Times Group Company.
2016	Received the 'Best Electronic Media Campaign Award - GJTCI Excellence Award', for the financial year 2016 awarded by the Gem and Jewellery Trade Council of India.
2017	Received the 'National Jewellery Award 2017 - Best Traditional Gold Jewellery i.e. Paramparik Jewellery Award 2017' awarded by GJF and SWAROVSKI Gemstone.
2017	Received the 'IMP - India's Most Preferred Jewellers 2017-18' award issued by UBM India Private Limited.
2018	Received the award for the 'Most Innovative Marketing Campaign – Radio' awarded by Retail Jewellers Guild Awards, UBM India Private Limited.
2019	Received the award for 'Best Chain in Retail Stores – International' awarded by Indian Bullion and Jewellers Association Limited.
2019	Received the 'Best Gold Jewellery Collection 2019 in the Times Retail Icon Category' award awarded by Optimal Media Solutions.
2021	Received the 'India's Coolest Store 2021' award powered by HRD Antwerp, in association with Couture India, a venture by IJ Magazine.
2022	Global Digital Marketing Awards for Best Social Media Marketing Campaign for "Pratha Collection" awarded by the World Digital Marketing Congress, Mumbai.
2022	Received 'The Retail Jewellers Guild awards for the Most Innovative Marketing Campaign - Social Media' awarded by Informa Markets – Green Lab Diamonds.
2022	Received the 'Maharashtra State Best Employer of the Year Awards 2022' awarded by Employer Branding Institute India.
2022	Received the 'National Jewellery Award 2022 - Single Store of the Year – West' awarded by All India Gem and Jewellery Domestic Council India.
2023	Received the award for 'Being Inspiring Leader of Indian Jewellery Retail' awarded by the All India Gem and Jewellery Domestic Council India.
2023	Received the 'Iconic Retailer of West India Award 2023' awarded by JewelBuzz.
2024	Received the 'MD & CEO Awards 2024 - Excellence in Leadership Winner in Regional Chain of the Year West - PNG Jewellers' awarded by Retail Jeweller India Awards 2024.

Significant financial and strategic partnerships

Our Company does not have any significant financial or strategic partnerships as on the date of this Red Herring Prospectus.

Time/cost overrun in setting up projects

There has been no time or cost overrun in respect of our business operations.

Defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks

There has been no instance of rescheduling/restructuring of borrowings with financial institutions/ banks in respect of our borrowings from lenders.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/facility creation, location of projects

For details of key products offered by our Company, entry into new geographies or exit from existing markets or capacity/facility creation, location of projects, see "*Our Business*" on page 174.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years

Except as disclosed below, our Company has not made any material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years:

A. Business Transfer Agreement dated November 16, 2013, amongst our Company and P N Gadgil Jewellers a partnership firm, a member of our Promoter Group.

Our Company (the "**Buyer**") had entered into a business transfer agreement dated November 16, 2013, with P N Gadgil Jewellers, a partnership firm (the "**Seller**") (which is a member of our Promoter Group) and whose partners are Saurabh Vidyadhar Gadgil (one of our Promoters and our Managing Director) Parag Yashwant Gadgil (one of our Executive Directors) and Aditya Saurabh Gadgil (a member of our Promoter Group), pursuant to which the Buyer acquired from the Seller, the business of designing, manufacturing, and selling gold, silver, bullion and jewellery, on a going concern basis and on a slump sale basis at a consideration amount of ₹858.33 million. Also see, *"Risk Factors - We have entered into transactions with related parties. These or any future related party transactions may potentially involve conflict of interest and there can be no assurance that we could not have achieved better terms, had such arrangements been entered into with unrelated parties."* on page 42 and "*Our Promoters and Promoter Group*" on page 222.

B. Dissolution and liquidation of P N Gadgil Jewellers, DMCC, our erstwhile wholly owned subsidiary

Our Company established P N Gadgil Jewellers, DMCC in UAE, to cater to the tourists and people of Maharashtra travelling or residing in UAE. In 2020, during the COVID-19 pandemic, tourism decreased resulting in loss of revenue and increase in operational costs. Additionally, inventory levels also decreased and it became tougher to retain employees. Because of the aforementioned reasons, our Company's management decided to opt for winding up of P N Gadgil Jewellers, DMCC in UAE and focus on expansion in India and especially Maharashtra. Pursuant to board resolutions dated March 29, 2023, our Board has approved the dissolution and liquidation of P N Gadgil Jewellers, DMCC, our erstwhile wholly owned subsidiary in the United Arab Emirates and approved the investment of ₹ 99.03 million to be written off for the financial year ended March 31, 2023, as such investment was not recoverable.

C. Dissolution and liquidation of PNG Jewellers LLC, Dubai, our erstwhile joint venture

Our Company established PNG Jewellers LLC in UAE, to cater to the tourists and people of Maharashtra travelling or residing in UAE. In 2020, during the COVID-19 pandemic, tourism decreased resulting in loss of revenue and increase in operational costs. Additionally, inventory levels also decreased and it became tougher to retain employees. Because of the aforementioned reasons, our Company's management decided to opt for winding up of PNG Jewellers LLC in UAE and focus on expansion in India and especially Maharashtra. Pursuant to a board resolution dated March 29, 2023, our Board has taken note of the dissolution and liquidation of PNG Jewellers LLC, our erstwhile joint venture registered in the United Arab Emirates and approved the investment of ₹ 422.78 million to be written off for the financial year ended March 31, 2023, as such investment was not recoverable.

D. Disinvestment from preference shares held in Style Quotient Jewellery Private Limited, our erstwhile wholly owned subsidiary

Pursuant to board resolutions dated June 26, 2018, and February 29, 2020, our Company approved the transfer of 808,005 equity shares and 991,447 preference shares of Style Quotient Jewellery Private Limited ("**Style Quotient**") to certain entities. As on the date of this Red Herring Prospectus, our Company holds 201,985 equity shares representing 19.99 % of the equity share capital of Style Quotient and does not hold any preference shares of Style Quotient.

Guarantees provided to third parties by the Promoter Selling Shareholder offering its Equity Shares in the Offer for Sale

There have been no guarantees issued by the Promoter Selling Shareholder offering its Equity Shares in the Offer for Sale to third parties.

Key terms of other subsisting material agreements

Except as disclosed below, our Company has not entered into any other subsisting material agreement, other than in the ordinary course of business:

A. ***Royalty Agreement dated March 11, 2020, amongst our Company and P N Gadgil Jewellers, a partnership firm ("Firm") forming a part of our Promoter Group, amended pursuant to the Amendment to the Royalty Agreement dated March 19, 2024***

Our Company has entered into a royalty agreement dated March 11, 2020 ("**Royalty Agreement**") with P N Gadgil Jewellers ("**Licensor**") (which is a member of our Promoter Group) and whose partners are Saurabh Vidyadhar Gadgil, Parag Yashwant Gadgil and Aditya Saurabh Gadgil, pursuant to which the Licensor (who is the owner of the trademarks mentioned in the Royalty Agreement) has permitted the use of 34 registered trademarks ("**Trademarks**") by our Company, including the '*PNG*', 'P N Gadgil Jewellers', 'P.N.G' trademarks, for use in India and abroad for an initial period of 120 months (10 years) commencing from March 1, 2020, and which period could be renewed for a further period of five years, or as mutually agreed between the parties. As a consideration for the grant of such right, our Company is required to pay the Licensor 2% on the making charges collected as part of the sales or ₹ 50.00 million on an annual basis (plus GST and applicable taxes and net of withholding taxes) ("**Royalty Fee**"), whichever is greater. The Royalty Fee for the first 120 months (10 years) is required to be paid in advance and will get adjusted monthly.

Our Company is not permitted to assign or transfer the Trademarks without the prior written consent of the Licensor. Further, our Company is required to notify the Licensor of any material changes in its incorporation status, shareholding and any other changes that would impact performance of its obligations under the Royalty Agreement.

Our Company has agreed to indemnify the Licensor for any claims or damages suffered by the Licensor because of infringement of the Trademarks during our Company's operations.

In furtherance to the Royalty Agreement, our Company and the Licensor have entered into the Amendment to the Royalty Agreement. Pursuant to this amendment agreement, our Company is required to pay the Licensor a revised amount of ₹ 108.00 as royalty on an annual basis (plus GST as applicable and net of TDS as applicable) with effect from April 1, 2024. Furthermore, our Company, without prior consent of the Licensor, is not permitted to assign/ sub-license the Trademarks to any other person or entity, except its subsidiaries, joint ventures or associates or franchisee if any. Additionally, the Royalty Agreement can only be terminated by mutual consent or in the event our Company ceases to be listed on any stock exchange post its listing pursuant to its initial public offering.

Inter-se agreements between Shareholders

As on the date of this Red Herring Prospectus, our Company, Promoters and Shareholders do not have any inter-se agreements/ arrangements and clauses/ covenants which are material in nature and which needs to be disclosed or the non disclosure of which may have a bearing on the investment decision other than the ones which have been disclosed in the Red Herring Prospectus and that there are no other clauses/ covenants which are adverse/ pre-judicial to the interests of the minority/ public shareholders. Also, there are no other agreements, deed of assignments, acquisition agreements, shareholders' agreement, inter-se agreements or agreements of like nature.

Agreements with Key Managerial Personnel or Senior Managerial Personnel or Directors or Promoters or any other employee

As on the date of this Red Herring Prospectus, there are no agreements entered into by our Key Managerial Personnel or Senior Managerial Personnel or Directors or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third-party regarding compensation or profit sharing in connection with dealings in the securities of our Company.

Holding company

As on the date of this Red Herring Prospectus, our Company has no holding company.

Our Subsidiaries

As on the date of this Red Herring Prospectus, our company has two subsidiaries, namely Gadgil Diamonds Private Limited and PNG Jewelers, Inc. For details with respect to our Subsidiaries, see '*Our Subsidiaries*' on page 203.

Details of our Joint Ventures and Associate Companies

Our Company does not have any joint ventures or associate companies as on the date of this Red Herring Prospectus.

Confirmations

There is no conflict of interest between the third party service providers of our Company, that are crucial for operations of our Company) and our Company.

There is no conflict of interest between the lessors of immovable properties of our Company, that are crucial for operations of our Company) and our Company.

OUR SUBSIDIARIES

As on the date of this Red Herring Prospectus, our Company has two Subsidiaries, the details of which are provided below:

1. Gadgil Diamonds Private Limited

Corporate Information

Gadgil Diamonds Private Limited was originally incorporated as a private limited company under the name of "SVG Stones and Trading Private Limited" pursuant to a certificate of incorporation issued by the RoC on April 23, 2008. Subsequently, its name was changed to "Four C Diamonds Private Limited" pursuant to a special resolution passed by its shareholders at its extraordinary general meeting dated October 15, 2010, and a fresh certificate of incorporation consequent to change in name was issued by the RoC on November 15, 2010. Thereafter, its name was changed to "Gadgil Diamonds Private Limited" pursuant to a special resolution passed by its shareholders at its extraordinary general meeting dated August 5, 2014, and a fresh certificate of incorporation pursuant to change in name was issued by the Registrar of Companies, Maharashtra at Mumbai on September 9, 2014.

Its CIN is U51398MH2008PTC216739, and its registered office is situated at Office no 108/109/110, Options Primo, Plot X-21, Kondiveta, MIDC Cross Road-21, CTS-31, Andheri (E), Mumbai – 400093, Maharashtra, India.

Nature of Business

Gadgil Diamonds Private Limited is primarily engaged, *inter alia*, in the business of manufacturing and retailing diamond and diamond jewellery.

Capital Structure

The authorised share capital of Gadgil Diamonds Private Limited is ₹ 20,000,000 consisting of 2,000,000 Equity Shares of face value of ₹ 10 each. Its issued and paid-up share capital is ₹ 4,080,000 consisting of 408,000 Equity Shares of face value of ₹ 10 each.

Shareholding Pattern

The shareholding pattern of Gadgil Diamonds Private Limited as on the date of this Red Herring Prospectus is as follows:

Sr. No.	Name of the shareholder	Number of equity shares (of ₹ 10 each) held	Percentage of total capital (%)
1.	Our Company	407,990	99.99
2.	Saurabh Vidyadhar Gadgil (nominee shareholder of our Company)	10	0.01
Total		**408,000**	**100.00**

The summary of audited financials of Gadgil Diamonds Private Limited for the last three fiscals is given below:

(₹ in million)

S. No.	Particulars	March 31, 2024	March 31, 2023	March 31, 2022
1	Equity share capital	4.08	4.08	4.08
2	Net worth	(50.85)	(51.02)	(43.46)
3	Revenue from operations	-	-	-
4	Profit (loss) after tax	0.17	(4.75)	(5.07)
5	Earnings per share	0.04	(1.16)	(1.24)
6	Diluted earnings per share	0.04	(1.16)	(1.24)
7	Net asset value per share	(124.64)	(125.05)	(106.51)
8	Total borrowings (including lease liabilities)	-	-	-

2. PNG Jewelers Inc.

Corporate Information

PNG Jewelers Inc. was incorporated on June 1, 2007. Its registration number is 3000999 and its registered office is situated at 791 E El Camino Real Sunnyvale, CA 94087.

Nature of Business

PNG Jewelers Inc. is primarily engaged, *inter alia*, in the business of retail trade of jewellery.

Capital Structure

The authorised share capital of PNG Jewelers Inc. is USD 2,500,000 consisting of 10,000,000 equity shares of USD 0.25 each. Its issued, subscribed and paid up capital is USD 1,264,000 divided into 5,056,000 equity shares of USD 0.25 each.

Shareholding Pattern

The shareholding pattern of PNG Jewelers Inc. as on the date of this Red Herring Prospectus is as follows:

Sr. No.	Name of the shareholder	Number of equity shares (of USD 0.25 each) held	Percentage of total capital (%)
1.	Our Company	5,056,000	100%
Total		**5,056,000**	**100%**

The summary of audited financials of PNG Jewelers Inc for the last three fiscals is given below:

(₹ in million)

S. No.	Particulars	March 31, 2024	March 31, 2023	March 31, 2022
1	Equity share capital	85.30	85.30	85.30
2	Net worth	(3.61)	(15.24)	2.64
3	Revenue from operations	879.36	782.67	911.75
4	Profit after tax	9.44	2.58	69.98
5	Earnings per share	0.19	0.05	1.38
6	Diluted earnings per share	0.19	0.05	1.38
7	Net asset value per share	(0.71)	(3.01)	0.52
8	Total borrowings (including lease liabilities)	223.94	208.99	252.07

Accumulated profits or losses

As on the date of this Red Herring Prospectus, there are no accumulated profits or losses of any of our Subsidiaries that have not been accounted for by our Company.

Interest in our Company

None of our Subsidiaries have any business interest in our Company.

There is no conflict of interest between the suppliers of raw materials and third-party service providers of our Company, that are crucial for the operations of the Company and our Subsidiaries or their respective directors.

There is no conflict of interest between the lessor of the immovable properties of our Company, that are crucial for the operations of the Company and our Subsidiaries or their respective directors.

For details of related business transactions between our Company and our Subsidiaries, see "Restated Consolidated Financial Information - *Related Party Transactions*" on page 287.

Common pursuits

Our Subsidiaries are in the same line of business as that of our Company and accordingly, there are certain common pursuits amongst our Subsidiaries and our Company. Our Company will adopt necessary procedures and practices as permitted by law and regulatory guidelines to address any conflict situations as and when they arise.

Listing of our Subsidiaries

None of our Subsidiaries have their securities listed on any stock exchange in India or abroad. Further, none of our Subsidiaries have failed to meet the listing requirements of any stock exchange in India or abroad, to the extent applicable. Further, none of our Subsidiaries have been refused listing of their securities by any stock exchange in India or abroad.

OUR MANAGEMENT

Board of Directors

In accordance with the Companies Act and our Articles of Association, our Company is required to have not less than three and not more than 15 Directors. As of the date of this Red Herring Prospectus, our Board comprises of nine Directors, of which four are Executive Directors, and five are Independent Directors (including two women Independent Directors).

Our Company is in compliance with the corporate governance laws prescribed under the SEBI Listing Regulations and the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth details regarding our Board as of the date of this Red Herring Prospectus.

Name, DIN, designation, address, occupation, term, period of directorship and date of birth	Age (years)	Other directorships
Saurabh Vidyadhar Gadgil ***DIN***: 00616563 ***Designation***: Managing Director ***Address:*** 2131, Kaustubh Bungalow, Vijay Nagar Colony, Sadashiv Peth, Pune, Maharashtra India- 411030 ***Occupation***: Business ***Term:*** Five years from March 18, 2024, not liable to retire by rotation ***Period of Directorship***: Since November 28, 2013 ***Date of birth***: May 9, 1977	47	**Public Companies: NIL** **Private Companies:** 1. Gadgil Diamonds Private Limited 2. Gadgil Capital Services Private Limited 3. Gadgil Holdings Private Limited 4. Seamless Education and Services Private Limited **Foreign Companies:** 1. PNG Jewelers, Inc. **Section 8 Company:** 1. Think Pure Social Welfare Foundation
Parag Yashwant Gadgil ***DIN:*** 01536943 ***Designation:*** Executive Director ***Address***: 4, Sarthak Apartment, 1901, Sadashiv Peth, Natubaug Bajirao Road, Sadashiv Peth, Pune, Maharashtra, India- 411030 ***Occupation***: Business ***Term:*** Liable to retire by rotation ***Period of directorship***: Since November 28, 2013. ***Date of birth***: July 27, 1959	65	**Public Companies:** Nil **Private Companies:** 1. MAAP Epic Communication Private Limited
Radhika Saurabh Gadgil ***DIN:*** 00490499 ***Designation:*** Executive Director ***Address:*** 2131, Kaustubh Bungalow, Vijayanagar Colony, Tilak Road, Sadashiv Peth, Pune, Maharashtra, India- 411030 ***Occupation***: Business	46	**Public Companies:** Nil **Private Companies:** 1. Gadgil Diamonds Private Limited 2. Gadgil Holdings Private Limited 3. Gadgil Capital Services Private Limited

Name, DIN, designation, address, occupation, term, period of directorship and date of birth	Age (years)	Other directorships
Term: Liable to retire by rotation ***Period of directorship:*** Since February 3, 2017 ***Date of birth:*** September 22, 1977		
Kiran Prakash Firodiya ***DIN:*** 03386738 ***Designation:*** Executive Director and Chief Financial Officer ***Address:*** Flat Number 201/A 4, Aranyeshwar Park Phase-2 Above ICICI Bank Sahkar Nagar, Pune, Maharashtra, India 411009 ***Occupation*:** Professional ***Term:*** Liable to retire by rotation. ***Period of directorship:*** Since February 16, 2023 ***Date of birth:*** November 24, 1980	43	**Public Companies:** Nil **Private Companies:** Nil
Yashwant Ramchandra Gaikwad ***DIN:*** 02889522 ***Designation:*** Independent Director ***Address:*** Flat 18 Manshanti, 504 B, Near Rajmachikar Girani, Shaniwar Peth, Pune, Maharashtra, India 411030. ***Occupation*:** Business ***Term:*** Five years from April 21, 2023 ***Period of directorship:*** Since April 21, 2023 ***Date of birth:*** March 20, 1964	60	**Public Companies:** Nil **Private Companies:** Nil
Ravindra Prabhakar Marathe ***DIN:*** 07271376 ***Designation:*** Independent Director ***Address:*** Kapil Akhila, Flat No B -704, Sr. No. 32/1A/1, Baner, Pune, Maharashtra, India – 411045 ***Occupation*:** Business ***Term:*** Five years from January 10, 2024 ***Period of directorship:*** Since January 10, 2024 ***Date of birth:*** November 17, 1958	65	**Public Companies:** Catalyst Trusteeship Limited **Private Companies:** Nil
Shaswati Vaishnav ***DIN:*** 00627967	58	**Public Companies:** Nil

Name, DIN, designation, address, occupation, term, period of directorship and date of birth	Age (years)	Other directorships
Designation: Independent Director ***Address:*** D-6, Kumar Classic, Near Parihar Chowk, Aundh, Pune, Maharashtra, India – 411007 ***Occupation***: Practising Company Secretary ***Term:*** five years from January 10, 2024 ***Period of directorship:*** since January 10, 2024 ***Date of birth:*** August 30, 1966		**Private Companies:** Nil
Vaijayanti Ajit Pandit ***DIN:*** 06742237 ***Designation:*** Independent Director ***Address:*** 30, August Kranti Marg, Near Sripati Arcade Nana Chowk, Mumbai, Maharashtra, India-400036 ***Occupation***: Advisor ***Term:*** Three years from March 14, 2024 ***Period of directorship:*** Since March 14, 2024 ***Date of birth:*** January 12, 1953	71	**Public Companies:** 1. Banswara Syntex Limited 2. Everest Kanto Cylinder Limited 3. Automobile Corporation of Goa Limited 4. TML Business Services Limited 5. Tata Motors Insurance Broking and Advisory Services Limited 6. I G Petrochemicals Limited 7. Jaro Institute of Technology Management and Research Limited **Private Companies:** Nil
Susmit Ajit Ranade ***DIN:*** 09628716 ***Designation:*** Independent Director ***Address:*** Flat No. 6, Atm Ganga apartment, 121, Shukrawar Peth, Satara, Maharashtra, India - 415002 ***Occupation***: Practicing Chartered Accountant ***Term:*** Five years from March 14, 2024 ***Period of directorship:*** Since March 14, 2024 ***Date of birth:*** July 29, 1987	37	**Public Companies:** Nil **Private Companies:** 1. APR Information Technology Services Private Limited

Relationship between our Directors

Except Saurabh Vidyadhar Gadgil, Parag Yashwant Gadgil and Radhika Saurabh Gadgil, none of our Directors are related to each other. Radhika Saurabh Gadgil is the spouse of Saurabh Vidyadhar Gadgil, and Parag Yashwant Gadgil and Saurabh Vidyadhar Gadgil are cousins.

Brief Biographies of our Directors

Saurabh Vidyadhar Gadgil is the Managing Director of our Company. He has been on the Board of our Company since November 28, 2013. He has completed a master's programme in business administration from the Institute of Management Education, Pune, Maharashtra, India. He also holds a doctorate in philosophy in business administration from Ballsbridge University, London. He has more than 25 years of experience in the business of manufacturing and trading in jewellery.

Parag Yashwant Gadgil is an Executive Director of our Company. He has been on the Board of our Company since November 28, 2013. He holds a diploma in mechanical engineering awarded by the Board of Technical Examination, Maharashtra, India. He has more than 36 years of experience in the business of manufacturing and trading in jewellery.

Radhika Saurabh Gadgil is an Executive Director of our Company. She has been on the Board of our Company since February 3, 2017. She holds a bachelor's degree in commerce from the University of Pune, Maharashtra, India. She also holds a master's degree in computer management from the University of Pune, Maharashtra, India. She has more than six years of experience in the business of manufacturing and trading in jewellery.

Kiran Prakash Firodiya is an Executive Director and the Chief Financial Officer of our Company. He has been on the Board of our Company since February 16, 2023 and was appointed as a Chief Financial Officer of our company from June 1, 2020. He is a chartered accountant and holds a master's degree in business administration from Allahabad Agricultural Institute, Uttar Pradesh, India, a master's degree in commerce from the University of Pune, Maharashtra, India. He also holds a diploma in co-operation and accountancy examination awarded by Government Diploma in Co-operation and Accountancy Board, Maharashtra, India. Previously, he had worked with Tata Autocomp Systems Limited, Rexnord India Private Limited, Riverview Properties Private Limited, Ayoki Fabricon Private Limited, Ali and Abdul Karim Trading Co. LLC, Kargwal Developers Private Limited, Reliance Chemotex Industries Limited and B.K. Khare & Co., Chartered Accountants in various roles related to finance and audit. He has over fifteen years of work experience covering finance, audit and treasury operations.

Yashwant Ramchandra Gaikwad is an Independent Director of our Company. He has been on the Board of our Company since April 21, 2023. He holds a bachelor's degree (special) in arts, English from Rajashri Chhatrapati Shahu College, Shivaji University, Kolhapur, Maharashtra, India. He has more than seven years of experience in assembling and manufacturing of electronic devices' industry and has been a proprietor in a proprietorship firm Autobuddy India.

Ravindra Prabhakar Marathe is an Independent Director of our Company. He has been on the Board of our Company since January 10, 2024. He holds a master's degree in economics from Maharaja Sayajirao University of Baroda, Gujarat, India. He also holds a diploma in treasury, investment and risk management from the Indian Institute of Banking and Finance, Mumbai Maharashtra, India. He has previously held the position of an executive director in Bank of Baroda, and a managing director and chief executive officer in Bank of Maharashtra. He has more than three years of experience in the banking sector.

Shaswati Vaishnav is an Independent Director of our Company. She has been on the Board of our Company since January 10, 2024. She holds a master's degree in commerce from University of Poona, Maharashtra, India. She is a qualified company secretary certified by the Institute of Company Secretaries of India. She has previously worked with Saunders Valves (India) Limited, Bharat Forge Limited, Schrader Duncan Limited, Vintage Cards and Creations Limited and Partyline Products Private Limited. She has fourteen years of experience as company secretary.

Vaijayanti Ajit Pandit is an Independent Director of our Company. She has been on the Board of our Company since March 14, 2024. She holds doctoral degree of philosophy (arts) in management studies from the University of Mumbai, a master's degree in arts from the University of Pune and a diploma in journalism from Bharatiya Vidya Bhawan, Bombay, Maharashtra, India. She was previously associated with the Federation of Indian Chambers of Commerce and Industry, the Indian Merchants' Chamber, Adfactors PR and Welingkar Institute of Management Development and Research in various capacities. She has two years of experience in advising on public affairs and management.

Susmit Ajit Ranade is an Independent Director of our Company. He has been on the Board of our Company since March 14, 2024. He is a qualified and practising chartered accountant certified by the Institute of Chartered Accountants of India. Additionally, he is a certified information and systems auditor and a certified information security manager awarded by Information Systems Audit and Control Association. He has more than eleven years of experience in the field of accounting and audit.

Terms of Appointment of our Managing Director and Executive Directors

1. Saurabh Vidyadhar Gadgil

Pursuant to a resolution dated March 14, 2024, passed by our Board and a resolution dated March 18, 2024 passed by our Shareholders, Saurabh Vidyadhar Gadgil was most recently re-appointed as the Managing Director of our Company for a period of five years from March 18, 2024 till March 17, 2029, not liable to retire by rotation.

The terms of appointment of Saurabh Vidyadhar Gadgil as the Managing Director of our Company was approved pursuant to resolution dated March 14, 2024 passed by our Board and a resolution dated March 18, 2024 passed by our Shareholders, to include an annual remuneration of ₹150.00 million with effect from March 1, 2024 together with a sales commission of 2% net profit of our Company calculated annually along with annual increments as decided by the Board, allowance, perquisites, reimbursement of medical expenses and bonus payable as per the policy of the Company from time to time.

2. Parag Yashwant Gadgil

Pursuant to a resolution dated August 31, 2023, passed by our Shareholders, Parag Yashwant Gadgil was re-appointed as the Executive Director of our Company liable to retire by rotation.

Pursuant to a resolution dated March 14, 2024, passed by our Board and a resolution dated March 18, 2024 passed by our Shareholders, the terms of appointment of Parag Yashwant Gadgil as the Executive Director of our Company was revised to include an annual remuneration of ₹ 30.00 million with effect from March 1, 2024.

3. Radhika Saurabh Gadgil

Pursuant to a resolution dated September 3, 2024, passed by our Shareholders, Radhika Saurabh Gadgil was most recently appointed as the Executive Director of our Company liable to retire by rotation.

Pursuant to a resolution dated March 18, 2024, passed by our Shareholders, the terms of appointment of Radhika Saurabh Gadgil as the Executive Director of our Company were revised to include an annual remuneration of ₹ 5.75 million with effect from March 1, 2024.

4. Kiran Prakash Firodiya

Pursuant to a resolution dated September 3, 2024, passed by our Shareholders, Kiran Prakash Firodiya was most recently appointed as the Executive Director of our Company liable to retire by rotation.

Pursuant to a resolution dated March 18, 2024, passed by our Shareholders, the terms of appointment of Kiran Prakash Firodiya as the Executive Director of our Company were revised to include an annual remuneration of ₹ 13.80 million, with effect from March 1, 2024.

Payment or Benefit to Directors

Details of the compensation including sitting fees, professional fees, or other remuneration, paid to our Directors by our Company in Fiscal 2024 are disclosed below.

1. *Compensation to the Executive Directors*

a. **Saurabh Vidyadhar Gadgil**

The total remuneration paid by our Company to Saurabh Vidyadhar Gadgil, the Managing Director of our Company, during Fiscal 2024 was ₹223.65 million*.

b. **Parag Yashwant Gadgil**

The total remuneration paid by our Company to Parag Yashwant Gadgil, the Executive Director of our Company, during Fiscal 2024 was ₹39.19 million**.**

c. **Radhika Saurabh Gadgil**

The total remuneration paid by our Company to Radhika Saurabh Gadgil, the Executive Director of our Company, during Fiscal 2024 was ₹5.03 million.

d. **Kiran Prakash Firodiya**

The total remuneration paid by our Company to Kiran Prakash Firodiya, the Executive Director of our Company, during Fiscal 2024 was ₹13.05 million.

** Remuneration of ₹ 223.65 million paid to Saurabh Vidyadhar Gadgil includes ₹ 205.56 million by the Company and ₹ 18.09 million from PNG Inc., USA, a Subsidiary of the Company.*

2. *Compensation to the Independent Directors*

Pursuant to a resolution dated June 15, 2024 passed by our Shareholders, each Independent Director is entitled to receive sitting fees of ₹ 10,000 and ₹ 5,000 for Board Meetings and Committee meetings respectively per meeting for attending meeting of our Board and or any committees thereof.

Independent Directors of our Company did not receive any sitting fees for Fiscal 2023.

There is no contingent or deferred compensation payable to any of our Directors.

Remuneration paid or payable to our Directors from our Subsidiaries

Except as disclosed below, none of our Directors have been paid any remuneration from our Subsidiaries in Fiscal 2024:

S. No.	Fiscal	Name of the Director	Name of the Subsidiary	Amount (in ₹ million)
1.	2024	Saurabh Vidyadhar Gadgil	PNG Jewelers Inc.	18.09

Shareholding of our Directors in our Company

As per our Articles of Association, our Directors are not required to hold any qualification shares.

For details of the shareholding of our Directors in our Company, see "*Capital Structure — **Shareholding of our Directors, Key Managerial Personnel and Senior Managerial Personnel in our Company***" on page 96.

Arrangement or Understanding with Major Shareholders, Customers, Suppliers or Others

None of our Directors have been appointed pursuant to any arrangement or understanding with major Shareholders, customers, suppliers or others.

There are no contracts appointing or fixing the remuneration of the Directors of our Company entered into within, or prior to the two years immediately preceding the date of this Red Herring Prospectus.

Interest of Directors

1. All of our Directors may be deemed to be interested to the extent of (i) sitting fees, if any, payable to them for attending meetings of our Board and committees of our Board and other remuneration or commission, if any, payable or reimbursement of expenses to them under our Articles of Association or to the extent of services rendered as an officer or employee of our Company, (ii) Equity Shares, if any, already held by them or their relatives or any firms, companies and trusts in which our Directors are interested as a director, member, partner or trustee, as applicable in our Company, or that may be Allotted to them in the Offer in terms of this Herring Prospectus and any dividend payable to them and other benefits arising out of such shareholding, (iii) transactions entered into in the ordinary course of business with companies or firms in which our Directors hold directorships or far interested, and (iv) their directorship on the board of directors of, and/or their shareholding in our Company, as applicable.

2. P N Gadgil Jewellers, in which our Managing Director, Saurabh Vidyadhar Gadgil, one of our Executive Directors, Parag Yashwant Gadgil, and a member of our Promoter Group, Aditya Gadgil, are partners, had entered into a royalty agreement dated March 11, 2020 ("**Royalty Agreement**") with our Company. Pursuant to the Royalty Agreement, the Firm had licensed the use of the 'PNG' brand, other related brands and their respective logos by our Company in India and abroad for an initial period of 120 months commencing from March 1, 2020. Further, the Firm and our Company have entered into an amendment to the Royalty Agreement dated March 19, 2024 ("**Amendment to Royalty Agreement**"), revising certain terms of the Royalty Agreement, including fees payable towards royalty and terms on exclusivity. For further details, see "*History and Certain Corporate Matters – Key terms of other subsisting material agreements*" on page 201.

3. Our Company has entered into arrangement with P N Gadgil Jewellers, of which our Managing Director, Saurabh Vidyadhar Gadgil, and our Executive Director Parag Yashwant Gadgil are partners, to purchase gold for our products..

4. Our Managing Director, Saurabh Vidyadhar Gadgil, and our Executive Director Parag Yashwant Gadgil, who are also partners in P N Gadgil Jewellers and P N Gadgil & Co. (Silver), a partnership firm, are interested in properties acquired by our Company as detailed below:

Sr. No.	Name of the Entity	Details of the property purchased from related parties	Area (Sq. mtr.)	Amount (in ₹ million)
1	P N Gadgil & Co. (Silver)	PNG House, Flat 14 & 15, BAFNA Chambers, CTS NO. 694, Laxmi Road, Pune	112.88	24.00
2	P N Gadgil & Co. (Silver)	PNG House, Flat 13, BAFNA Chambers, CTS NO. 694, Laxmi Road, Pune	49.7	21.00
3	P N Gadgil & Co. (Silver)	PNG House, Flat 11 & 12, BAFNA Chambers, CTS NO. 694, Laxmi Road, Pune	112.88	25.00
4	P N Gadgil & Co. (Silver)	PNG House, Flat 16 to 21, BAFNA Chambers, CTS NO. 694, Laxmi Road, Pune	129.31	40.00
5	P N Gadgil Jewellers	PNG House, Flat 7, BAFNA Chambers, CTS NO. 694, Laxmi Road, Pune	49.7	15.00
6	P N Gadgil Jewellers	PNG House, Flat 9, BAFNA Chambers, CTS NO. 694, Laxmi Road, Pune	73.4	21.00
7	P N Gadgil Jewellers	PNG House, Flat 8, BAFNA Chambers, CTS NO. 694, Laxmi Road, Pune	39.48	11.50
8	P N Gadgil & Co. (Silver)	PNG House, Flat 10, BAFNA Chambers, CTS NO. 694, Laxmi Road, Pune	49.7	20.00
9	P N Gadgil & Co. (Silver)	Shop no 5, 6 & 26, Commerce Avenue, Paud Road, Plot no. 24 S, No. 127, Hissa No. 2. Pune	236.91	45.00
10	P N Gadgil Jewellers	CTC 7374/4/3, Sarjepura, Ahmednagar	631.05	63.50
11	P N Gadgil & Co. (Silver)	Flat 105 Shiv Shakti, Narayan Peth, Pune	59.64	8.00
12	P N Gadgil & Co. (Silver)	PNG House, Flat 4, 5 & 6, BAFNA Chambers, CTS No. 694, Narayan Peth, Laxmi Road, Pune	195.1	59.00

5. Our Managing Director may also be interested to the extent wherein the space for certain of our stores is leased by our Company from Saurabh Vidyadhar Gadgil or entities over which he has significant influence. For more details, please see "*Restated Consolidated Financial Information - Related Party Transactions*" on page 287.

6. Except (i) Saurabh Vidyadhar Gadgil, who is one of our Promoters, our Managing Director, an initial subscriber to the MoA and our first director under the AoA, (ii) Parag Yashwant Gadgil, who is one of our Executive Directors, our first director under the AoA and an initial subscriber to the MoA, and (iii) Radhika Saurabh Gadgil, who is also a Promoter of our Company, none of our Directors are interested in the promotion or formation of our Company.

7. Our Company has not entered into any service contracts with our Directors providing for benefits upon termination of their employment.

8. None of our Directors is a party to any bonus or profit-sharing plan by our Company. However, Saurabh Vidyadhar Gadgil is entitled to sales commission of 2% of our Company's net profit on the closure of annual audit.

9. Our Directors are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Directors or to such firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or company in which he is interested, in connection with the promotion or formation of our Company.

10. None of our Directors have any interest in our business other than as disclosed in this section and in "*Promoters and Promoter Group*" and "*Related Party Transactions*" on pages 222 and 294, respectively.

11. None of the Directors have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

12. Our Directors may also be interested to the extent of their shareholding in our Subsidiary, Gadgil Diamonds Private Limited, and to the extent of any dividend payable to them and other distributions in respect of such shareholding. Saurabh Vidyadhar Gadgil and Radhika Saurabh Gadgil may also be deemed to be interested to the extent of remuneration payable to them. The table below sets forth details of equity shares held by our Directors in our Subsidiary, Gadgil Diamonds Private Limited, as on date of this Red Herring Prospectus:

Name of the Director	Name of the Subsidiary	Number of equity shares held
Saurabh Vidyadhar Gadgil	Gadgil Diamonds Private Limited	10

Confirmations

None of our Directors is or was a director of any listed company during the five years immediately preceding the date of this Red Herring Prospectus, whose shares have been, or were suspended, from being traded on any of the stock exchanges in India during the term of their directorship in such company.

None of our Directors is, or was a director of any listed company, which has been, or was delisted from any stock exchange in India during the term of their directorship in such company.

Other than as disclosed below, none of our Directors, Promoters and members of our Promoter Group or Group Companies appear in the list of struck-off companies by the registrar of companies or the ministry of corporate affairs.

Name of the Director/ Promoter/ Promoter Group	Relationship with the struck off entity	Name of the struck-off entity	Date of striking off
Ravindra Prabhakar Marathe (Independent Director on the Board of the Company)	Director	GDA Risk Advisory Private Limited	October 18, 2022
Yashwant Gaikwad (Independent Director on the Board of the Company)	Director	B Y Developers Private Limited	November 5, 2019

There is no conflict of interest between the suppliers of raw materials and third-party service providers that are crucial for the operations of the Company and our Directors.

There is no conflict of interest between the lessor of the immovable properties that are crucial for the operations of the Company and our Directors.

Changes in our Board during the Last Three Years

S. No.	Name	Date of Change	Reason
1.	Vaishali Vidyadhar Gadgil	February 28, 2022	Resignation as Nominee Director of SVG Business Trust
2.	Radhika Saurabh Gadgil	August 31, 2023	Appointment as Executive Director
3.	Kiran Prakash Firodiya	August 31, 2023	Appointment as Executive Director
4.	Aditya Saurabh Gadgil	August 31, 2023	Appointment as Nominee Director of SVG Business Trust
5.	Anjali Parag Gadgil	August 31, 2023	Appointment as Non-Executive Director
6.	Mohanish S Rajiwade	April 21, 2023	Appointment as Independent Director
7.	Yashwant Ramchandra Gaikwad	April 21, 2023	Appointment as Independent Director
8.	Ravindra Prabhakar Marathe	January 10, 2024	Appointment as Independent Director
9.	Shaswati Vaishnav	January 10, 2024	Appointment as Independent Director
10.	Aditya Saurabh Gadgil	January 10, 2024	Resignation as Nominee Director of SVG Business Trust
11.	Anjali Parag Gadgil	January 10, 2024	Resignation as Non-Executive Director
12.	Mohanish S Rajiwade	March 14, 2024	Resignation as Independent Director
13.	Vaijayanti Pande	March 14, 2024	Appointment as Independent Director
14.	Susmit Ranade	March 14, 2024	Appointment as Independent Director

Borrowing Powers of our Board

Pursuant to our Articles of Association and the shareholders' resolutions dated August 31, 2023, respectively, and in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder, our Board is authorised to borrow such monies which together with the money already borrowed does not exceed the limit of ₹10,000 million or the aggregate of the paid- up capital and free reserves of our Company, whichever is higher.

Corporate Governance

In addition to the Companies Act, 2013, the provisions relating to corporate governance prescribed under the SEBI Listing Regulations will be applicable to us immediately upon listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of corporate governance laws prescribed under the SEBI Listing Regulations and the Companies Act with respect to composition of Board and constitution of the committees of the Board, including the audit committee, stakeholder's relationship committee, nomination and remuneration committee and risk management committee by our Company and formulation and adoption of policies, as prescribed under the SEBI Listing Regulations.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations. The Board of Directors function either as a full board, or through various committees constituted to oversee specific operational areas.

Committees of our Board

In addition to the committees of our Board described below, our Board may constitute committees for various functions from time to time.

Audit Committee

The members of our Audit Committee are:
(a) Ravindra Prabhakar Marathe, Independent Director (*Chairman*);
(b) Shaswati Vaishnav, Independent Director;
(c) Vaijayanti Ajit Pandit, Independent Director.

Our Audit Committee was constituted by our Board pursuant to a resolution dated January 10, 2024 and the same was reconstituted pursuant to a Board resolution dated March 18, 2024. The terms of reference of the Audit Committee were approved by our Board pursuant to a resolution dated March 18, 2024.

The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations and its terms of reference are as disclosed below:

a. overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

b. recommending to the Board, the appointment, re-appointment, removal and replacement, remuneration and the terms of appointment of the auditors of the Company, including fixing the audit fees;

c. reviewing and monitoring the statutory auditors' independence and performance and the effectiveness of audit process;

d. approving payments to the statutory auditors for any other services rendered by statutory auditors;

e. reviewing with the management, the annual financial statements and the auditors' report thereon before submission to the Board for approval, with particular reference to:

    i) matters required to be stated in the Directors' responsibility statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act;

    ii) changes, if any, in accounting policies and practices and reasons for the same;

    iii) major accounting entries involving estimates based on the exercise of judgment by management;

    iv) significant adjustments made in the financial statements arising out of audit findings;

    v) compliance with listing and other legal requirements relating to financial statements;

    vi) disclosure of any related party transactions; and

    vii) qualifications and modified opinions in the draft audit report.

f. reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

g. scrutinizing inter-corporate loans and investments;

h. undertaking or supervising valuation of undertakings or assets of the Company, wherever it is necessary;

i. evaluation of internal financial controls and risk management systems;

j. formulating a policy on related party transactions, which shall include materiality of related party transactions;

k. approving transactions of the Company with related parties, or any subsequent modification thereof and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

l. reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

m. reviewing, along with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter;

n. establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

o. reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;

p. 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;

q. discussing with internal auditors any significant findings and follow up thereon;

r. 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;

s. discussing with the 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;

t. looking 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;

u. approving the appointment of the chief financial officer, or any other person heading the finance function or discharging that function, after assessing the qualifications, experience and background, etc. of the candidate;

v. reviewing the functioning of the whistle blower mechanism;

w. ensuring that an information system audit of the internal systems and process is conducted at least once in two years to assess operational risks faced by the Company;

x. formulating, reviewing and making recommendations to the Board to amend the Audit Committee charter from time to time;

y. reviewing the utilization of loan and/or advances from investment by the holding company in the subsidiaries exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;

z. considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

aa. investigating any activity within its terms of reference, seeking information from any employee, obtaining outside legal or other professional advice and securing attendance of outsiders with relevant expertise, if it considers necessary;

bb. reviewing compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time at least once in a financial year and verify that systems for internal control are adequate and are operating effectively;

cc. reviewing:

   i. Any show cause, demand, prosecution and penalty notices against the Company or its Directors which are materially important including any correspondence with regulators or government agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies;

   ii. Any material default in financial obligations by the Company;

   iii. Any significant or important matters affecting the business of the Company; and

dd. performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, the Companies Act or other applicable law.

The Audit Committee shall meet at least four times in a year and not more than 120 days shall elapse between two meetings.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:
(a) Ravindra Prabhakar Marathe, Independent Director (*Chairman*);
(b) Shaswati Vaishnav, Independent Director; and
(c) Vaijayanti Ajit Pandit, Independent Director.

The Nomination and Remuneration Committee was constituted by our Board pursuant to a resolution dated January 10, 2024 and the same was reconstituted pursuant to a Board resolution dated March 18, 2024. The terms of reference of the Nomination and Remuneration Committee were approved by our Board pursuant to a resolution dated March 18, 2024.

The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act, Regulation 19 of the SEBI Listing Regulations, and its terms of reference are as disclosed below:

a. identifying and nominating, for the approval of the Board and ultimately the shareholders, candidates to fill Board vacancies as and when they arise as well as putting in place plans for succession, in particular with respect to the Chairman of the Board and the Chief Executive Officer;

b. formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board, a policy relating to the remuneration of the directors, key managerial personnel and other employees;

c. while formulating the above policy, ensuring that:

   i. the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

   ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

   iii. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

d. formulating criteria for evaluation of independent directors and the Board;

e. devising a policy on diversity of the Board;

f. evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparing a description of the role and capabilities required of an independent director, for every appointment of an independent director. Ensuring that the person recommended to the Board for appointment as an independent director has the capabilities identified in such description. Further, for the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:

i. use the services of an external agencies, if required;

ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and

iii. consider the time commitments of the candidates;

g. identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance and specifying the manner for effective evaluation of performance of Board, its committees and individual directors, to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and reviewing its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

h. determining 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;

i. recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of the Company;

j. recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;

k. recommending to the Board, all remuneration, in whatever form, payable to senior management;

l. performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;

m. engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;

n. analyzing, monitoring and reviewing various human resource and compensation matters;

o. reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

p. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or

ii. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and

q. performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, the Companies Act, or other applicable law.

The Nomination and Remuneration Committee shall meet at least once in a year.

Stakeholders Relationship Committee

The members of the Stakeholders' Relationship Committee are:
(a) Ravindra Prabhakar Marathe, Independent Director (*Chairman*);
(b) Shaswati Vaishnav, Independent Director;
(c) Yashwant Ramchandra Gaikwad, Independent Director.

The Stakeholders' Relationship Committee was constituted by our Board pursuant to a resolution dated March 18, 2024. The terms of reference of the Stakeholders' Relationship Committee were approved by our Board pursuant to a resolution dated March 18, 2024.

a. The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations, and its terms of reference are as disclosed below: redressal of grievances of the shareholders, debenture holders and other security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;

b. reviewing measures taken for effective exercise of voting rights by the shareholders;

c. investigating complaints relating to allotment of shares, approving transfer or transmission of shares, debentures or any other securities; reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent and recommending measures for overall improvement in the quality of investor services;

d. reviewing the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

e. reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent;

f. formulating procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

g. approving, registering, refusing to register transfer or transmission of shares and other securities;

h. giving effect to dematerialisation of shares and re-materialisation of shares, sub-dividing, consolidating and/or replacing any share or other securities certificate(s) of the Company, compliance with all the requirements related to shares, debentures and other securities from time to time;

i. issuing duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company; and

j. performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations and the Companies Act or other applicable law.

Risk Management Committee

The members of the Risk Management Committee are:
(a) Saurabh Vidyadhar Gadgil, Managing Director (*Chairman*);
(b) Kiran Prakash Firodiya, Executive Director and Chief Financial Officer;
(c) Vaijayanti Ajit Pandit, Independent Director.

The Risk Management Committee was constituted was constituted by our Board pursuant to a resolution dated March 18, 2024. The terms of reference of the Risk Management Committee were approved by our Board pursuant to a resolution dated March 18, 2024.

The Risk Management Committee is authorised to perform the following functions:
a. To formulate a detailed risk management policy which shall include:

   i. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the risk management committee;

ii. Measures for risk mitigation including systems and processes for internal control of identified risks; and

iii. Business continuity plan.

b. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

c. To monitor and oversee implementation of the risk management policy of the Company, including evaluating the adequacy of risk management systems;

d. To periodically review the risk management policy of the Company, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

e. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

f. To set out risk assessment and minimization procedures and the procedures to inform the Board of the same;

g. To frame, implement, review and monitor the risk management policy for the Company and such other functions, including cyber security;

h. To review the status of the compliance, regulatory reviews and business practice reviews;

i. To review and recommend the Company's potential risk involved in any new business plans and processes;

j. To review the appointment, removal and terms of remuneration of the chief risk officer, if any; and

k. To perform such other activities as may be delegated by the Board and/or prescribed under any law to be attended to by the Risk Management Committee.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:
(a) Saurabh Vidyadhar Gadgil, Executive Director (*Chairman*);
(b) Kiran Prakash Firodiya, Executive Director;
(c) Vaijayanti Ajit pandit, Independent Director.

The Corporate Social Responsibility was constituted by our Board pursuant to a resolution dated April 15, 2014 and the same was reconstituted pursuant to a resolution dated March 18, 2024 The terms of reference of the Corporate Social Responsibility were approved by our Board pursuant to a resolution dated March 18, 2024.

The Corporate Social Responsibility is authorised to perform the following functions:

a. formulating and recommending to the Board, the policy on corporate social responsibility ("CSR", and such policy, the "CSR Policy"), indicating the CSR activities to be undertaken as specified in Schedule VII of the Companies Act;

b. identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;

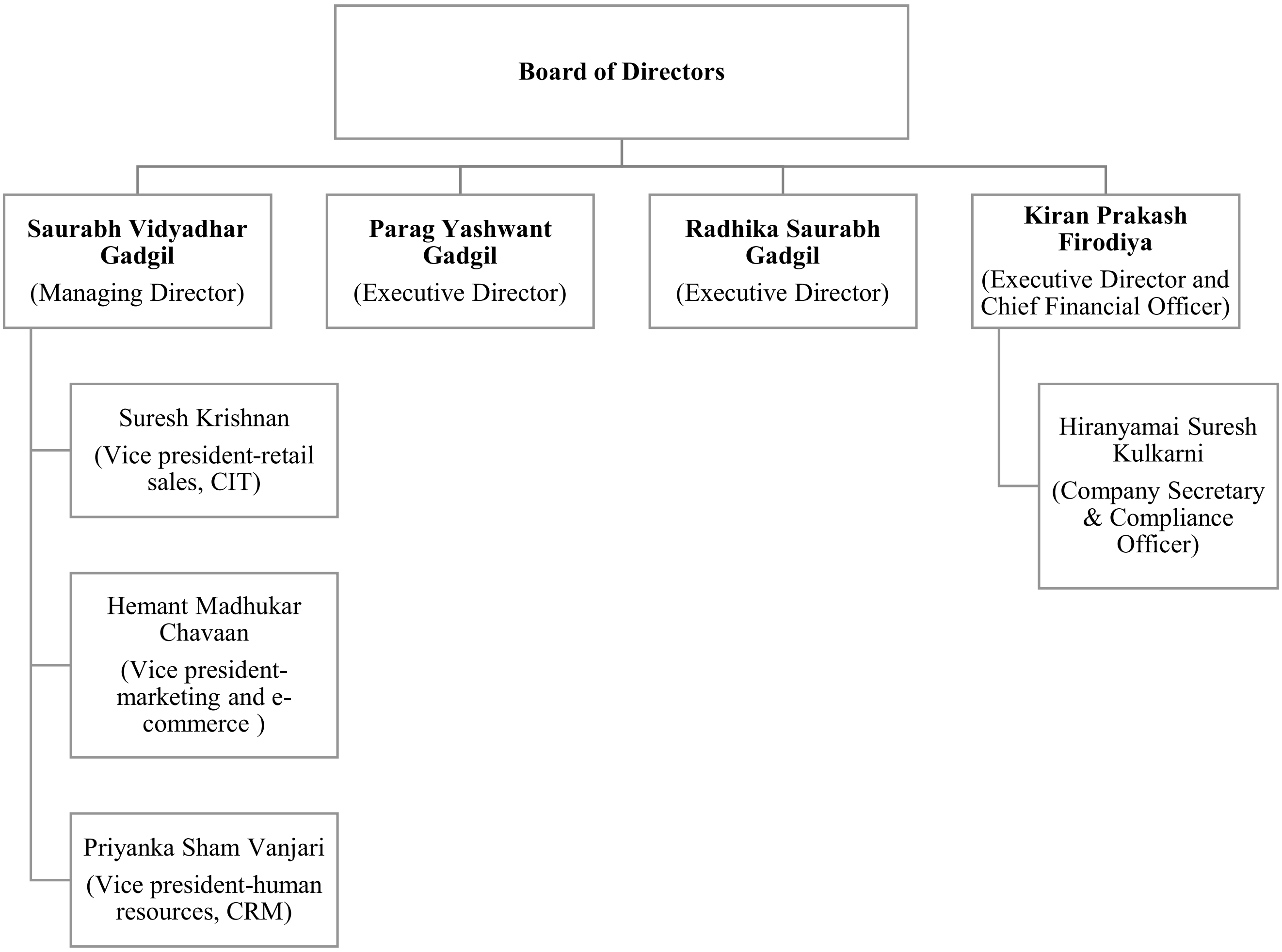
c. recommending the amount of expenditure to be incurred on the CSR activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

d. formulating the annual action plan of the Company;

e. delegating responsibilities to the CSR team and supervising proper execution of all delegated responsibilities;

f. monitoring the CSR Policy and CSR programmes and their implementation by the Company from time to time and issuing necessary directions as required for proper implementation and timely completion of CSR programmes; and performing such other activities as may be delegated by the Board and/or prescribed under any law to be attended to by the Corporate Social Responsibility Committee.

Management Organisation Structure



Key Managerial Personnel and Senior Managerial Personnel

A. Key Managerial Personnel

In addition to Saurabh Vidyadhar Gadgil, our Managing Director and Kiran Prakash Firodiya, our Executive Director and Chief Financial Officer, respectively, whose details are provided in "*Our Management—Our Board of Directors*" on page 205, the details of our other Key Managerial Personnel in terms of the SEBI ICDR Regulations, as of the date of this Herring Prospectus, are set out below.

Hiranyamai Kulkarni is the Company Secretary and Compliance Officer of our Company. She is appointed as the Compliance Officer pursuant to a resolution passed by our Board on February 7, 2024. She joined our Company as the Company Secretary on November 13, 2017. She holds a bachelor's degree in social and legal sciences from Marathwada Mitra Mandal's Law College, Savitribai Phule Pune University, Maharashtra, India and a master's degree in law from Savitribai Phule Pune University, Maharashtra, India. She is also a member of the Institute of Company Secretaries of India. Prior to joining our Company, she worked with Supreme Holdings & Hospitality (India) Limited. In Financial Year 2024, she was paid a compensation of ₹0.62 million by our Company.

B. Senior Managerial Personnel

The details of our other Senior Managerial Personnel as on the date of this Red Herring Prospectus are as set forth below:

Suresh Krishnan is the vice president, retail sales, customer interaction tracker ("**CIT**") and diamond operations of our Company. He has been associated with our Company since 2015 since he was appointed as deputy general manager pursuant to an appointment letter dated April 6, 2015. He holds a bachelor's degree in science from University of Bombay and has also completed a senior management programme from Indian Institute of Management, Calcutta. He has previously worked with Asmi Jewellery (I) Limited and VIP Industries Limited. In Financial Year 2024, he was paid a compensation of ₹ 4.47 million by our Company.

Priyanka Sham Vanjari is the vice president – human resources and customer relationship management ("**CRM**") of our Company and was appointed as head of human resources pursuant to an appointment letter dated March 5, 2013. She has completed her master's in business administration from the University of Pune and has been previously associated with Kirloskar Oil Engines Limited. In Financial Year 2024, she was paid a compensation of ₹ 4.68 million by our Company.

Hemant Madhukar Chavaan is the vice president, marketing and e-commerce of our Company. He has been associated with our Company since 2016, when he was appointed as deputy general manager pursuant to an appointment letter dated August 1, 2016. He has completed his master's in business administration from the University of Pune and has previously been associated with Sany Heavy Industry India Private Limited. In Financial Year 2024, he was paid a compensation of ₹ 4.25 million by our Company.

Status of Key Managerial Personnel and Senior Managerial Personnel

All the Key Managerial Personnel and Senior Managerial Personnel are permanent employees of our Company.

Relationship between our Key Managerial Personnel and Senior Managerial Personnel and Directors

Except our Managing Director, who is related to our Directors Radhika Saurabh Gadgil and Parag Yashwant Gadgil, none of our Key Managerial Personnel and Senior Managerial Personnel are related to each other or to our Directors.

Shareholding of the Key Managerial Personnel and Senior Managerial Personnel

For details of the shareholding of our Key Managerial Personnel and Senior Managerial Personnel in our Company, see "*Capital Structure — Shareholding of our Directors, our Key Managerial Personnel, our Senior Managerial Personnel" and "Promoters and Promoter Group*" on pages 96 and 294, respectively.

Bonus or Profit-Sharing Plan of our Key Managerial Personnel and Senior Managerial Personnel

None of our Key Managerial Personnel or Senior Managerial Personnel are party to any bonus or profit-sharing plan of our Company other than performance based discretionary incentives given to the Key Managerial Personnel and Senior Managerial Personnel

Arrangement or Understanding with major Shareholders, customers, suppliers or others

There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel or Senior Managerial Personnel were selected as members of our management.

Interest of the Key Managerial Personnel and Senior Managerial Personnel

Other than as disclosed in *"Our Management — Interests of Directors*" and "*Restated Consolidated Financial Information*" on pages 210 and 230, respectively, none of our Key Managerial Personnel or Senior Managerial Personnel have any interest in our Company, other than to the extent of (i) the remuneration or benefits to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business, and (ii) the Equity Shares held by them, if any, and any dividend payable to them and other benefits arising out of such shareholding.

None of our Key Managerial Personnel or Senior Managerial Personnel have been paid any consideration of any nature by our Company other than remuneration in the ordinary course of their employment.

Other than as disclosed on page 220, our Company has not paid any compensation or granted any benefit to any of our Key Managerial Personnel or Senior Managerial Personnel (including contingent or deferred compensation) in all capacities in Financial Year, 2024. Further, there is no deferred or contingent compensation payable to any of our Key Managerial Personnel or Senior Managerial Personnel for Financial Year, 2024.

There is no conflict of interest between the suppliers of raw materials and third-party service providers that are crucial for the operations of the Company and our Key Managerial Personnel or Senior Managerial Personnel.

There is no conflict of interest between the lessor of the immovable properties that are crucial for the operations of the Company and our Key Managerial Personnel or Senior Managerial Personnel.

Changes in the Key Managerial Personnel and Senior Managerial Personnel during the Last Three Years

There have been no changes in our Key Managerial Personnel or Senior Managerial Personnel in the three immediately preceding years.

Payment or Benefit to Key Managerial Personnel and Senior Managerial Personnel

No amount or benefit has been paid or given within the preceding two years or is intended to be paid or given to any officers of our Company, including our Key Managerial Personnel and Senior Managerial Personnel, other than normal remuneration, for services rendered as officers of our Company and other than as disclosed in "*Offer Document Summary—Summary of related party transactions*", *"Our Management —Interests of Directors*" and "*Restated Consolidated Financial Information*" on pages 20, 210 and 230, respectively.

Other than statutory benefits upon termination of their employment in our Company on retirement and, none of our Key Managerial Personnel or Senior Managerial Personnel has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Employee Stock Option/Purchase Schemes

Our Company does not have any employee stock option scheme as on the date of this Red Herring Prospectus.

PROMOTERS AND PROMOTER GROUP

Our Promoters

As on the date of this Red Herring Prospectus, Saurabh Vidyadhar Gadgil, Radhika Saurabh Gadgil and SVG Business Trust are the Promoters of our Company.

As on the date of this Red Herring Prospectus, our Promoters, in aggregate, hold 117,999,600 Equity Shares in our Company, representing 99.99 % of the pre-Offer issued, subscribed, and paid-up Equity Share capital of our Company. For details of the build-up of our Promoters' shareholding in our Company, please refer to "*Capital Structure – Notes to the Capital Structure – 8. History of the share capital held by the Promoters – (a) Build-up of Promoters' shareholding in our Company*" on page 90.

Details of our Promoters are as follows:

<u>*Individual Promoters*</u>

	Saurabh Vidyadhar Gadgil, aged 46 years, is the Managing Director and one of the Promoters of our Company. **Date of Birth**: May 9, 1977 **Address**: 2131, Kaustubh Bungalow, Vijaya Nagar Colony, Sadashiv Peth, Pune – 411030, Maharashtra, India. **Permanent Account Number**: AFFPG6694G For complete profile of Saurabh Vidyadhar Gadgil, with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, please see "*Our Management – Board of Directors – Brief profiles of Directors*" on page 207.
	Radhika Saurabh Gadgil, aged 46 years, is one of the Executive Directors and one of the Promoters of our Company. **Date of Birth**: September 22, 1977 **Address**: 2131, Kaustubh Bungalow, Vijaya Nagar Colony, Sadashiv Peth, Pune – 411030, Maharashtra, India. **Permanent Account Number**: AGCPG5529L For complete profile of Radhika Saurabh Gadgil, with details of her educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, please see "*Our Management – Board of Directors"– Brief profiles of Directors*" on page 207.

Our Company confirms that the permanent account number, bank account numbers, passport number, Aadhaar card number and driving license number of our Individual Promoters will be submitted to the Stock Exchanges, at the time of filing of this Red Herring Prospectus.

<u>*Promoter Trust:*</u>

SVG Business Trust (the "SVG Trust")

Trust information and history

The SVG Trust was formed as an irrevocable, discretionary, and private trust pursuant to a trust deed dated September 8, 2015 ("Trust Deed") in accordance with the provisions of the Indian Trusts Act, 1882. The primary office of the SVG Trust is located at PNG House, 694, Narayan Peth, Kunte Chowk, Laxmi Road, Pune 411030, Maharashtra. Late Vidyadhar Gadgil was the settlor of the SVG Trust. Further, the Trust Deed was amended by an amendment deed dated June 15, 2024 ("Trust

Deed Amendment"), to reflect, inter alia, the resignation of Vaishali Vidyadhar Gadgil as a Trustee and the Chairperson of the SVG Trust and appointment of Radhika Saurabh Gadgil as the Chairperson of the SVG Trust.

Trustees

As on the date of this Red Herring Prospectus, the trustees of the SVG Trust are Universal Trustees Private Limited, and Radhika Saurabh Gadgil. The Chairperson of the SVG Trust is Radhika Saurabh Gadgil and the Trust Deed provides certain rights to the Chairperson, including that no quorum of the meeting of the board of trustees is deemed to be constituted unless the Chairperson is present for any matter affecting the interests of beneficiaries and in case of deadlock or difference in opinion among the trustees, the matter must be referred to the Chairperson whose vote will be final and binding. Saurabh Vidyadhar Gadgil by virtue of a resolution dated March 18, 2024, has been authorised by the board of trustees to remain a permanent member of the managing committee of SVG trust and the sole protector of SVG Trust and has the authority to exercise powers and execute documents on behalf of the SVG Trust pursuant to powers *vide* an irrevocable power of attorney dated March 18, 2024.

Beneficiaries

The beneficiaries of SVG Trust are Saurabh Vidyadhar Gadgil, Radhika Saurabh Gadgil, the children of Saurabh Vidyadhar Gadgil, i.e. Aditya Saurabh Gadgil, Yash Saurabh Gadgil, respective future spouses of the children (Aditya Saurabh Gadgil and Yash Saurabh Gadgil) of Saurabh Vidyadhar Gadgil, lineal descendants (as defined in the Trust Deed) of Saurabh Vidyadhar Gadgil, Vaishali Vidyadhar Gadgil and residual beneficiaries (as defined in the Trust Deed). The residual beneficiaries as defined in the Trust Deed mean the charitable causes in the absence of any of the Beneficiaries, as the Trustees may deem fit.

In accordance with the terms of the Trust Deed read with Trust Deed Amendment, Saurabh Vidyadhar Gadgil is named as the 'protector' of the SVG Trust and any key decision in respect of the Company requires Saurabh Vidyadhar Gadgil's concurrence, including, but not limited to, sale of business, appointment and removal of any key managerial personnel and voting rights in relation to our Company.

Objects and purpose

The objects and purpose of SVG Trust is primarily to consolidate the assets and business interests of the family of Saurabh Vidyadhar Gadgil and to provide a mechanism for effective supervision over the family businesses, as permitted by law.

Change in control or management of the SVG Trust

The board of trustees via a resolution dated March 18, 2024, has authorised Saurabh Vidyadhar Gadgil to during his lifetime, irrevocably, solely and exclusively direct and control the management and policy decisions of the SVG Trust, including with respect to assets of the SVG Trust.

The permanent account number of the SVG Trust is AANAS6070Q.

Our Company confirms that the permanent account number and bank account number(s) of our Promoter Trust shall be submitted to the Stock Exchanges at the time of filing of this Red Herring Prospectus.

Change in control of our Company

There has been no change in control of our Company in the last five years immediately preceding the date of this Red Herring Prospectus.

Other ventures of our Promoters

Other than disclosed "*Promoter Group – Entities forming part of the Promoter Group*" and "*Group Companies*" on pages 222 and 227, respectively, our Promoters are not involved in any other ventures. Further, except for Silvostyle Jewellery LLP and P N Gadgil & Co. (Silver) a partnership firm, Gadgil Diamonds Private Limited and PNG Jewelers Inc., which are in the business of sale of silver jewellery, our Promoters do not have any interest in any ventures that are involved in the same line of activities or business as conducted by our Company. Our Promoter, Saurabh Vidyadhar Gadgil has issued a non-compete undertaking dated March 19, 2024 to our Company ("**Non-Compete Undertaking**"). Pursuant to the Non-Compete Undertaking, Saurabh Vidyadhar Gadgil has confirmed that Silvostyle and other entities controlled by him and/or other members of the Promoter Group ("**SVG Controlled Entities**") will not engage, directly or indirectly, in any business that conflicts or competes with the business undertaken by our Company in order to avoid any conflict of interest between our Company, Silvostyle and other SVG Controlled Entities.

Interests of Promoters

Our Promoters are interested in our Company: (i) to the extent that they have promoted our Company; (ii) to the extent of their direct or indirect shareholding in our Company; and (iii) the dividend payable upon such shareholding and any other distributions in respect of their shareholding in our Company, if any. For further details, see "*Capital Structure – Notes to Capital Structure – 8. History of the share capital held by the Promoters – b) Details of Shareholding of our Promoters and members of our Promoter Group*" on page 90. Additionally, our Promoters may be interested in transactions entered by our Company or our Subsidiaries with them, their relatives, or other entities (i) in which our Promoters hold shares, directly or indirectly or (ii) which are controlled by our Promoters.

P N Gadgil Jewellers, a partnership firm in which one of our Promoters, Saurabh Vidyadhar Gadgil, is a partner has entered into a royalty agreement dated March 11, 2020, as amended by an amendment to the royalty agreement dated March 19, 2024 ("***Royalty Agreement***") with our Company. Pursuant to the Royalty Agreement, P N Gadgil Jewellers has perpetually and exclusively licensed the 'PNG' brand and other related trademarks and their respective logos to our Company for use in India and abroad. For further details, see "*History and Certain Corporate Matters – Other agreements*" on page 200.

Certain of our stores are leased by our Company from Saurabh Vidyadhar Gadgil or entities over which Saurabh Vidyadhar Gadgil has significant influence. Further, our Company has purchased gold bullion and diamonds from P N Gadgil Jewellers, a partnership firm in which one of our Promoter, Saurabh Vidyadhar Gadgil, is a partner. Further, our Company has purchased certain properties from P N Gadgil Jewellers and P N Gadgil & Co. (Silver), a partnership firm, in which Saurabh Vidyadhar Gadgil is a partner. For further details, see Note 45 of the Restated Consolidated Financial Information included in *"Restated Consolidated Financial Information – Related Party Disclosures"* on page 287. Also see. *"Our Management – Interest of our Directors"* on page 210.

Further Saurabh Vidyadhar Gadgil, one of our Promoters, is also interested in our Company as the Managing Director of our Company and Radhika Saurabh Gadgil, one of our Promoters, is also interested as the Executive Director of our Company and may be deemed to be interested in the remuneration payable to them and the reimbursement of expenses incurred by them in their capacity as Directors of our Company. For further details, see "*Our Management*" on page 205.

No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested, in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as a Director or Promoter or otherwise for services rendered by our Promoters, or by such firm or company, in connection with the promotion or formation of our Company.

There is no conflict of interest between the suppliers of raw materials and third-party service providers that are crucial for the operations of the Company and our Promoters or the members of our Promoter Group.

There is no conflict of interest between the lessor of the immovable properties that are crucial for the operations of the Company and our Promoters or the members of our Promoter Group.

Interest in property, land, construction of building and supply of machinery

Except as disclosed herein and as stated in Note 45 of the Restated Consolidated Financial Information included in "*Restated Consolidated Financial Information – Related Party Disclosures*" on page 287, our Promoters do not have any interest in any property acquired by our Company in the three years preceding the date of this Red Herring Prospectus or proposed to be acquired by our Company or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery.

Payment or benefits to Promoters or Promoter Group

Except as disclosed herein and as stated in Note 45 of the Restated Consolidated Financial Information included in "*Restated Consolidated Financial Information – Related Party Disclosures*" on page 287, there has been no payment or benefits by our Company to our Promoters or any of the members of our Promoter Group during the two years preceding the date of this Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or any members of our Promoter Group as on the date of this Red Herring Prospectus.

Companies or firms with which our Promoters have disassociated in the last three years

Except as disclosed below, our Promoters have not dissociated themselves from any companies or firms in the three years preceding the date of this Red Herring Prospectus:

Name of company or firm from which Promoter has disassociated	Reasons for and circumstances leading to disassociation	Date of disassociation
Saurabh Vidyadhar Gadgil		
P N Gadgil Jewellers DMCC, Dubai	Liquidation of the entity	March 29, 2023
PNG Jewellers LLC, Dubai	Liquidation of the entity	March 29, 2023

Material guarantees

As on the date of this Red Herring Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.

Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

Natural persons who are part of our Promoter Group

The natural persons who are part of our Promoter Group, other than our Individual Promoters, are as follows:

Name of the Promoter	Name of member of Promoter Group	Relationship with our Individual Promoter
Saurabh Vidyadhar Gadgil	Vaishali Vidyadhar Gadgil	Mother
	Radhika Saurabh Gadgil	Spouse
	Pallavi Nigavekar	Sister
	Aditya Saurabh Gadgil	Son
	Yash Saurabh Gadgil	Son
	Jitendra Vaidya	Spouse's father
	Jayanti Vaidya	Spouse's mother
	Amit Jitendra Vaidya	Spouse's brother
Radhika Saurabh Gadgil	Jitendra Vaidya	Father
	Jayanti Vaidya	Mother
	Saurabh Vidyadhar Gadgil	Spouse
	Amit Jitendra Vaidya	Brother
	Aditya Saurabh Gadgil	Son
	Yash Saurabh Gadgil	Son
	Vaishali Vidyadhar Gadgil	Spouse's mother
	Pallavi Nigavekar	Spouse's sister

Entities forming part of our Promoter Group

The companies, bodies corporate, HUFs, trusts and firms forming part of our Promoter Group, other than our Promoter Trust, are as follows:

Promoter Group Entity	Details of the entity
Gadgil Capital Services Private Limited	Gadgil Capital Services Private Limited was incorporated as private limited company under Companies Act, 1956, and a certificate of incorporation dated August 14, 2000 was issued by RoC. Its CIN is U67120PN2000PTC015215 and its registered office is situated at 1st Floor, Express Tower, 594, Sadashiv Peth, Pune – 411030 Maharashtra, India.
Gadgil Holdings Private Limited	Gadgil Holdings Private Limited (formerly, SVG Investments Private Limited) was incorporated as private limited company under Companies Act, 1956, and a certificate of incorporation dated August 20, 2014 was issued by RoC, pursuant to name change. Its CIN is U74999PN2008PTC131819 and its registered office is situated at 101 Express Tower, 594 Sadashiv Peth, Laxmi Road, Pune - 411030, Maharashtra, India.
Say Overseas Private Limited	Say Overseas Private Limited (formerly, Aurum Leisures Private Limited and thereafter Gadgil Lifestyles Private Limited) was incorporated as a private limited company under Companies Act, 1956, on November 22, 2007 and a certificate of incorporation dated November 25, 2016 was issued by RoC, pursuant to name change. Its CIN is U74110PN2007PTC129624

Promoter Group Entity	Details of the entity
	and its registered office is situated at 101 Express Tower, 594 Sadashiv Peth, Laxmi Road, Pune – 411030 Maharashtra, India.
Gadgil Developers Private Limited	Gadgil Developers Private Limited (formerly, SVG Infrastructure Private Limited and Dajikaka Gadgil Developers Private Limited) was incorporated as a private limited company under Companies Act, 1956, on August 29, 2008 and a certificate of incorporation dated May 2, 2019 was issued by RoC, pursuant to name change. Its CIN is U45209PN2008PTC132730 and its registered office is situated at 101, Express Tower, 594 Sadashiv Peth, Laxmi Road, Pune –411030, Maharashtra.
Seamless Education and Services Private Limited	Seamless Education and Services Private Limited (formerly, Seamless Education Academy Private Limited) was incorporated as a private limited company under Companies Act, 1956, and a certificate of incorporation dated April 23, 2018 was issued by RoC, pursuant to name change. Its CIN is U80100PN2008PTC132433 and its registered office is situated at sr. no. 15/1A, Ground Floor, Kapil Residency, Near Comfort Zone Society, Balewadi, Baner, Pune - 411045, Maharashtra, India.
P N Gadgil Jewellers	P N Gadgil Jewellers was established as a partnership firm under Indian Partnership Act, 1932, which was last reconstituted pursuant to reconstitution deed dated May 9, 2022, at Pune, Maharashtra. Its principal place of business is situated at PNG House, 694, Narayan Peth, Laxmi Road, Pune - 411030, Maharashtra, India.
P N Gadgil & Co. (Silver) (partnership firm)	P N Gadgil & Co. (Silver) was established as a partnership firm under Indian Partnership Act, 1932, which was last reconstituted pursuant to reconstitution deed dated May 9, 2022, at Pune, Maharashtra. Its principal place of business is situated at Nrusinha Sadan, 1st Floor, 693, Narayan Peth, Laxmi Road, Pune - 411030, Maharashtra, India.
Silvostyle Jewellery LLP	Silvostyle Jewellery LLP was incorporated as limited liability partnership agreement under the Limited Liability Partnership Act, 2008, and a certificate of incorporation dated March 3, 2023 was issued by RoC, Maharashtra at Pune and its registered office is situated at PNG Vishwa, CTS No. 932, Narayan Peth, Laxmi Road, Narayan Peth, Pune - 411030, Maharashtra, India.
Think Pure Social Welfare Foundation	Think Pure Social Welfare Foundation (formerly, SVG Social Welfare Foundation) was incorporated as a non-government company under Companies Act, 1956, and a certificate of incorporation dated June 20, 2013 was issued by RoC, pursuant to name change. Its CIN is U85100PN2011NPL139083 and its registered office is situated at 101 Express Tower, 594 Sadashiv Peth, Laxmi Road, Pune - 411030, Maharashtra, India.
Landscape Realty	Landscape Realty was established as a partnership firm under Indian Partnership Act, 1932, which was last reconstituted pursuant to deed of retirement cum admission of partner dated July 22, 2013, at Pune, Maharashtra. Its registered office is situated at PNG House, 694, Narayan Peth, Laxmi Road, Pune - 411030, Maharashtra, India.
SVG Family Trust	Trust
Saurabh Vidyadhar Gadgil (HUF)	HUF

OUR GROUP COMPANIES

As per the SEBI ICDR Regulations and the applicable accounting standards, the term 'group companies', for the purpose of identification and disclosure in the Offer Documents, shall include (i) such companies (other than our promoters and subsidiaries) with which there were related party transactions, in accordance with Ind AS 24, as disclosed in the Restated Consolidated Financial Information; and (ii) any other companies considered material by the Board.

With respect to (ii) above, our Board in its meeting held on March 14, 2024 adopted the Materiality Policy, pursuant to which companies (except those covered in (i) above) shall be considered "material" and will be disclosed as a "group company" if there were related party transactions with such company during the period after the end of the latest financial period included in the Restated Consolidated Financial Information until the date of filing of the Offer Document.

Accordingly, based on the above parameters, our Company has identified the following companies as Group Companies:

(i) Gadgil Holdings Private Limited;
(ii) Gadgil Developers Private Limited; and
(iii) Think Pure Social Welfare Foundation.

Our Group Companies in accordance with the SEBI ICDR Regulations comprise of (i) Gadgil Holdings Private Limited; (ii) Gadgil Developers Private Limited; and (iii) Think Pure Social Welfare Foundation. In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value in relation to our Group Companies for the previous three financial years, extracted from their respective latest audited financial statements (as applicable) are hosted on the websites of our Company.

Our Company is providing links to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations. Such financial information of the Group Companies and other information provided on such websites does not constitute a part of this Red Herring Prospectus. None of our Company, the BRLMs or any of the Company's or the BRLMs' respective directors, employees, affiliates, associates, advisors, agents or representatives have verified the information available on the websites indicated below. In accordance with the SEBI ICDR Regulations, details of our Group Companies are set out below.

1. Gadgil Holdings Private Limited ("GHPL")

Registered office

The registered office of GHPL is situated at 101 Express Tower, 594 Sadashiv Peth, Laxmi Road, Pune – 411030, Maharashtra.

Financial information

Certain financial information derived from the audited financial statements of GHPL for Fiscals 2023, 2022 and 2021 are available at the website of our Company at www.pngjewellers.com.

2. Gadgil Developers Private Limited ("GDPL")

Registered office

The registered office of GDPL is situated at 101, Express Tower, 594 Sadashiv Peth, Laxmi Road, Pune – 411030, Maharashtra.

Financial information

Certain financial information derived from the audited financial statements of GDPL for the Fiscals 2023, 2022 and 2021 are available at www.pngjewellers.com.

3. Think Pure Social Welfare Foundation ("**Think Pure**")

Registered office

The registered office of Think Pure is situated at 101, Express Tower, Laxmi Road, 594 Sadashiv Peth, Pune- 411030

Financial information

Certain information derived from the audited financial statements of GDPL for the Fiscals 2023, 2022 and 2021 are available at www.pngjewellers.com.

Litigation

None of our Group Companies are party to any litigation which may have material impact on our Company.

Common Pursuits

There are no common pursuits between our Group Companies and our Company.

Related business transactions within our Group Companies and significance on the financial performance of our Company

Other than disclosed in "*Offer Document Summary – Summary of Related Party Transactions*" and Note 45 of the Restated Consolidated Financial Information included in "*Restated Consolidated Financial Statements – Related Party Transactions*" on pages 20 and 287, respectively, there are no other related business transactions between our Group Companies and our Company.

Business Interest

Except as disclosed in "*Offer Document Summary – Summary of Related Party Transactions*" and Note 45 of the Restated Consolidated Financial Information included in "*Restated Consolidated Financial Statements – Related Party Transactions*" on pages 20 and 287, respectively, our Group Companies have no business interests in our Company.

Nature and extent of interest of our Group Companies

a) *In the promotion of our Company*

None of our Group Companies have any interest in the promotion of our Company.

b) *In the properties acquired by us in the three years preceding this Red Herring Prospectus or proposed to be acquired by our Company*

None of the Group Companies are interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

c) *In transactions for acquisition of land, construction of building and supply of machinery*

None of our Group Companies are interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

Other Confirmations

None of our Group Companies have any securities listed on any stock exchange in India or abroad. Further, none of our Group Companies have made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Red Herring Prospectus.

There is no conflict of interest between the suppliers of raw materials and third-party service providers that are crucial for the operations of the Company and our Group Companies or their respective directors.

There is no conflict of interest between the lessor of the immovable properties that are crucial for the operations of the Company and our Group Companies or their respective directors.

DIVIDEND POLICY

Our Company does not have a formal dividend policy as on the date of this Red Herring Prospectus.

No dividend or interim dividend has been paid by our Company on the Equity Shares during the last three Fiscals, or from April 1, 2024, till the date of this Red Herring Prospectus.

Additionally, the erstwhile holder of preference shares of our Company had forgone their right to receive 8% dividend on the preference shares held by them for the ongoing Fiscal, Fiscal 2024, 2023 and 2022 vide letters of waiver dated December 28, 2023, August 5, 2023 and August 9, 2022, respectively. Accordingly, no dividend has been paid by our Company on the preference shares during the aforementioned periods.

There is no guarantee that any dividends will be declared or paid by our Company in the future.

SECTION V - FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL INFORMATION

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Independent Auditor's Examination report on the
Restated Consolidated Financial Information of P N Gadgil Jewellers Limited

To,
The Board of Directors
P N Gadgil Jewellers Limited
694, PNG House
Kunte Chowk, Laxmi Road
Narayan Peth, Pune 411 030
Maharashtra, India

Independent Auditors' Examination Report on the Restated Consolidated Financial Information prepared in connection with the proposed issue of equity shares of face value ₹ 10 each pursuant to the initial public offering by P N Gadgil Jewellers Limited.

Dear Sirs,

1. We, GDA & Associates, Chartered Accountants have examined, the attached restated consolidated financial information of P N Gadgil Jewellers Limited (the "**Company**" or the "**Issuer**") and its subsidiaries and joint ventures (together referred to as the "**Group**") which comprises of the Restated Consolidated Statement of Assets and Liabilities of the Group as at March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash Flow of the Group for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the summary statement of material accounting policies, and other explanatory information (collectively referred to as the "**Restated Consolidated Financial Information**"), as approved by the Board of Directors of the Company (the "**Board of Directors**") at their meeting held on August 24, 2024 for the purpose of inclusion in the red herring prospectus (the "**RHP**") and the prospectus ("**Prospectus**", and together with the RHP, the "**Offer Documents**") to be prepared by the Company and filed with the Registrar of Companies, Maharashtra, at Pune (the "**RoC**"), and subsequently with, the Securities and Exchange Board of India (the "**SEBI**"), BSE Limited and National Stock Exchange of India Limited (together, the "**Stock Exchanges**") in connection with its initial public offering of equity shares of face value of ₹ 10 each (the "**Equity Shares**", and such offering, the "**IPO**") comprising a fresh issue of Equity Shares and an offer for sale of Equity Shares by the selling shareholder, and prepared in terms of the requirements of:

    a. Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (along with the rules framed thereunder, each as amended, the "**Act**");

    b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**ICDR Regulations**"); and

    c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "**Guidance Note**").

2. The Company's management (the "**Management**") and the Board of Directors are responsible for the preparation of the Restated Consolidated Financial Information. The Restated Consolidated Financial Information has been prepared by the Management based on preparation stated in paragraph [2.1] to the Restated Consolidated Financial Information. The responsibilities of the respective managements and the board of directors of the companies constituting a part of the Group included designing, implementing and maintaining adequate internal controls relevant to the preparation and presentation of the respective restated financial information, which have been used for the purpose of preparation of the Restated Consolidated Financial Information by the Management and the Board of Directors, as aforesaid. The Management and the Board of Directors are also responsible for identifying and ensuring that the Group comply with the Act, the ICDR Regulations and the Guidance Note.

3. We have examined the Restated Consolidated Financial Information taking into consideration:

    a. the terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated December 22, 2023, in connection with the IPO of the Company;

    b. The Guidance Note, which 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 the verification of evidence supporting the Restated Consolidated Financial Information; 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, ICDR Regulations and the Guidance Note in connection with the IPO.

4. This Restated Consolidated Financial Information have been compiled by the Management from:

   a. The audited consolidated financial statements of the Group as at and for the year ended March 31, 2024 prepared in accordance with the Indian Accounting Standards (the "Ind AS") prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, each as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on August 24, 2024; and

   b. The audited consolidated financial statements of the Group as at and for the years ended March 31, 2023 and March 31, 2022 (the "**Previous Years' Audited Consolidated Financial Statements**"), each prepared in accordance with the Indian Accounting Standards (the "Ind AS") prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meetings held on June 5, 2023 and August 1, 2022, respectively.

5. We have audited the audited consolidated financial Statements as at and for the year ended March 31, 2024; and have issued an unmodified opinion thereon. We have issued our audit report dated August 24, 2024, on the audited consolidated financial statements as at and for the year ended March 31, 2024 referred in Para 4 above. The Company's previous auditors, G. D. Apte & Co., Chartered Accountants (the "**Previous Auditors**") have audited the Previous Years' Audited Consolidated Financial Statements and have issued unmodified opinions thereon vide their audit reports dated June 5, 2023 and August 1, 2022, respectively.

6. For the purpose of our examination, we have relied on:
   A. The Audit Report on the audited consolidated financial statements of the Group as at and for the year ended March 31, 2024, which included the following Other Matter paragraph and Emphasis of matter:
   a. Other Matter paragraph
   We did not audit the financial statements and other financial information of two subsidiaries, whose financial statements, before consolidation adjustments reflect the Group's share of total assets of ₹ 391.72 million as at March 31, 2024, the Group's share of total income of ₹ 894.25 million, the Group's share of total net profit of ₹ 9.60 million and the Group's share of total comprehensive income of ₹ 9.60 million for the year ended March 31, 2024 and net cash outflow amounting to ₹ 14.84 million for the year ended as on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management of the Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub section (3) of section 143 of the Companies Act in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
   Our opinion on the consolidated financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of above matters with respect to our reliance on the work done and the reports of such other auditors.
   B. Audit reports issued by the Previous Auditors dated June 5, 2023 and August 1, 2022, on the Previous Years' Audited Consolidated Financial Statements, referred in Para 4 above.

7. The audits for the financial years ended March 31, 2023 and March 31, 2022 were conducted by the Previous Auditors, and accordingly reliance has been placed on the restated consolidated statement of assets and liabilities of the Group and the restated consolidated statements of profit and loss (including other comprehensive income), the restated consolidated statements of changes in equity and the restated consolidated statements of cash flow of the Group, the summary statements of material accounting policies, and other explanatory information (collectively, the "**Previous Years' Restated Consolidated Financial Information**") examined by the Previous Auditors. Our examination report in respect of the financial years ended March 31, 2023 and March 31, 2022 is based solely on the examination report dated August 24, 2024 submitted by the Previous Auditors (the "**Previous Auditors' Examination Report**"). The Previous Auditors have also confirmed that the Previous Years' Restated Consolidated Financial Information:

   a. has been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the Previous Years' Audited Consolidated Financial Statements, to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed by the Group as at and for the year ended March 31, 2024;
   b. do not require any adjustment for modification as there is no modification in the underlying audit reports; and
   c. have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.

8. As indicated in our audit report on the audited consolidated financial statements as at and for the year ended March 31, 2024 referred to above:

   a. We did not audit the financial statements of Company's subsidiary, "Gadgil Diamonds Private Limited" which have been audited by Manas M. Bapat (the "**GDPL Auditor**") and whose reports have been furnished to us by the Management and our opinion on the audited consolidated financial statements of the Group as at and for the year ended March 31, 2024, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the GDPL Auditor.

   b. The consolidated financial statements include Company's subsidiary "PNG Jewelers, Inc." incorporated outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its respective country and which have been audited by Joseph Reeve CPA (the "**PJI Auditor**") under generally accepted auditing standards applicable in its respective country. The Management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. These conversion adjustments made by the Management have been audited by Manas M. Bapat. Our opinion in so far as it relates to the balances and affairs of such a subsidiary located outside India is based on the report of the PJI Auditor and the conversion adjustments prepared by the Management and audited by Manas M. Bapat.

   c. The Previous Years' Audited Consolidated Financial Statements include 3 subsidiaries incorporated outside India whose financial statements as of and for the financial years ended March 31, 2023 and March 31, 2022, and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. These conversion adjustments made by the Management and have been audited by Manas M. Bapat. The Previous Auditor's opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the Management and audited by Manas M. Bapat.

   Our opinion on the audited consolidated financial statements of the Group as at and for the year ended March 31, 2024 and the Previous Years' Audited Consolidated Financial Statements is not modified in respect of the above matters.

9. Based on the Previous Auditors' Examination Report, the audit reports on the consolidated financial statements issued by the Previous Auditors included the following other matters:

   <u>As at and for the year ended March 31, 2023:</u>

   a. The Previous Auditor did not audit the financial statements and other financial information of 4 subsidiaries (Gadgil Diamonds Private Limited, PNG Jewelers, INC., P N Gadgil Jewellers DMCC Dubai, and P N G Jewellers LLC Dubai), whose financial statements reflect total assets of ₹ 26.37 million as at March 31, 2023, total revenues of ₹ 1,553.11 million and net cash inflows amounting to ₹ 46.57 million for the year ended on that date, as considered in consolidated financial statements. These financial statements have been audited/reviewed by other auditors whose reports have been furnished to the Previous Auditor by the Management and the Previous Auditors' opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture and our report in terms of sub section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the reports of the other auditors.
   b. Emphasis of Matter
      "We draw attention to Note No. 38 stating that company is in the process of closing its operations of closing its operations in Dubai, consequently investments in P N Gadgil Jewellers DMCC (subsidiary) and P N G Jewellers LLC (Joint venture) total amounting ₹ 101.70 million and loan given to P N G Jewellers LLC amounting ₹ 420.11 million has been written off in FY 2022-23.
      Necessary legal and regulatory compliances under the Local laws in Dubai, Foreign Exchange Management Act, 1999 and Related Directions/Guidelines/Notifications issued by Reserve Bank of India are in process."
      The Previous Auditors' opinion on the consolidated financial statements above, and the Previous Auditors' report on other legal and regulatory requirement, is not modified in respect of above matters with respect to the Previous Auditor's reliance on the work done and the reports of other auditors.

   <u>As at and for the year ended March 31, 2022</u>:

   c. The Previous Auditor did not audit the financial statements and other financial information of 4 subsidiaries (Gadgil Diamonds Private Limited, PNG Jewelers, INC., P N Gadgil Jewellers DMCC Dubai, and P N G

Jewellers LLC Dubai[1]), whose financial statement reflect total assets of ₹ 390.18 million as at March 31, 2022, total revenues of ₹ 939.21 million and net cash inflows amounting to ₹ 275.90 Million for the year ended on that date, as considered in consolidated financial statements. These financial statements have been audited/reviewed by other auditors whose reports have been furnished to the Previous Auditor by the Management and the Previous Auditors' opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture and our report in terms of sub section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the reports of the other auditors.

The Previous Auditors' opinion on the consolidated financial statements above, and the Previous Auditors' report on other legal and regulatory requirement, is not modified in respect of above matters with respect to the Previous Auditors' reliance on the work done and the reports of other auditors.

10. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the Previous Auditors' Examination Report and the audit reports of the GDPL Auditor and the PJI Auditor for the respective periods / years mentioned in paragraphs 7 and 8 above, we report that the Restated Consolidated Financial Information:
    a. has been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2024;
    b. do not require any adjustment for modification as there is no modification in the underlying audit reports; and
    c. have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.

11. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the date of the audit report on the audited consolidated financial statements of the Group as at and for the year ended March 31, 2024 mentioned in paragraph 4 above.

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

13. This examination report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us or the Previous Auditors, nor should this examination report be construed as a new opinion on any of the financial statements referred to therein.

14. We have no responsibility to update this examination report for events and circumstances occurring after the date of this examination report.

15. Our examination report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with RoC, and subsequently with, the SEBI and the Stock Exchanges in connection with the IPO. Our examination report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For and on behalf of M/s GDA & Associates,
Chartered Accountants
Firm Registration Number: 135780W

Name: Kiran D. Kulkarni
Designation: Partner
Membership No. 35916
UDIN: 24035916BKHYTX2490
Place: Pune
Date: August 24, 2024

[1] *P N G Jewellers LLC was considered as a subsidiary on the basis of control.*

(All amounts are in ₹ Million, unless stated otherwise)

Restated Statement of Assets and Liabilities

Particulars	Notes	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Assets				
Non-current assets				
Property, plant and equipment	3	1,501.99	1,415.06	1,429.07
Capital work-in-progress	4	35.16	35.16	35.16
Right to use assets	5	578.31	404.36	415.66
Goodwill	3	331.98	253.28	415.02
Other Intangible assets		9.61	10.69	75.28
Intangible assets under development		-	-	-
Financial assets				
Investments	6	9.52	11.53	11.53
Other financial assets	8	110.81	107.63	60.43
Other non-current assets	9	-	-	-
Total Non-Current Asset		**2,577.38**	**2,237.71**	**2,442.15**
Current assets				
Inventories	10	9,588.58	5,968.83	7,035.41
Financial assets				
Trade receivables	11	377.07	394.99	288.16
Cash and cash equivalents	12	260.87	175.64	123.83
Other bank balances	13	535.53	317.35	328.97
Loans	7	2.34	1.64	14.92
Other financial assets	8	21.15	4.60	8.38
Current tax assets (net)	22	-	39.56	-
Other current assets	9	1,286.87	1,485.21	860.57
Total Current Asset		**12,072.41**	**8,387.81**	**8,660.24**
Total Assets		**14,649.79**	**10,625.52**	**11,102.39**
Equity and liabilities				
Equity				
Equity share capital	14	1,180.00	552.00	552.00
Instruments entirely equity in nature	14	-	628.00	628.00
		1,180.00	1,180.00	1,180.00
Other equity	15	4,163.77	2,555.26	1,912.20
Equity attributable to owners of the Company		**5,343.77**	**3,735.26**	**3,092.20**
Non-controlling interest	16	-	(77.92)	(272.07)
Total Equity		**5,343.77**	**3,657.34**	**2,820.13**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	17	919.41	941.63	764.55
Lease liabilities	18	457.35	312.59	325.96
Other Financial liabilities	19	43.16	40.16	33.91
Provisions	20	2.13	19.21	16.06
Deferred tax liabilities (net)	21	74.99	64.24	56.28
Other non-current liabilities	23	-	-	-
Total Non -Current Liabilities		**1,497.04**	**1,377.83**	**1,196.76**
Current liabilities				
Financial liabilities				
Borrowings	17	3,045.55	1,890.47	2,184.94
Lease liabilities	18	129.63	96.72	80.56
Trade payable	24			

(All amounts are in ₹ Million, unless stated otherwise)

Particulars	Notes	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Due to micro and small enterprise		64.21	-	-
Due to others		1,424.67	1,317.46	1,697.20
Other financial liabilities	19	79.20	52.06	54.09
Provisions	20	27.60	29.51	24.36
Current tax liabilities (net)	22	110.52	-	87.49
Other current liabilities	23	2,927.60	2,204.13	2,956.86
Total Current Liabilities		**7,808.98**	**5,590.35**	**7,085.50**
Total Equity and Liabilities		**14,649.79**	**10,625.52**	**11,102.39**

Note:
The above statement should be read with material accounting policy information, statement of adjustments to restated financial information and statement of adjustments to restated financial information forming part of the restated financial information.

As per our report of even date
For GDA & Associates
Chartered Accountants
Firm Registration No.: 135780W

For and on behalf of the Board of Directors of
P N Gadgil Jewellers Limited

Kiran D Kulkarni
Partner
Membership No.: 35916

Saurabh Gadgil
Managing Director
DIN: 00616563

Parag Gadgil
Director
DIN: 01536943

Place: Pune
Date: August 24, 2024
UDIN: 24035916BKHYTX2490

Hiranyamai Kulkarni
Company Secretary
Membership No.: A48576

Kiran Firodiya
CFO & Director
DIN: 03386738

(All amounts are in ₹ Million, unless stated otherwise)

Restated Statement of Profit and Loss

Particulars	Notes	For the year ended		
		Mar 31, 2024	**Mar 31, 2023**	**Mar 31, 2022**
Income				
Revenue from operations	25	61,109.45	45,075.19	25,556.34
Other income	26	81.59	517.93	306.71
Total income:		**61,191.04**	**45,593.12**	**25,863.05**
Expenses				
Cost of materials consumed	27	55,981.80	41,454.25	23,055.16
Employee benefit expenses	28	882.23	752.89	621.60
Finance cost	29	458.69	348.99	351.44
Depreciation and amortization expense	30	231.93	215.37	218.08
Other expenses	31	1,552.75	1,640.78	766.47
Total expenses:		**59,107.40**	**44,412.28**	**25,012.75**
Profit/(Loss) before exceptional items and tax from continuing operations		**2,083.64**	**1,180.84**	**850.30**
Exceptional items		-	-	-
Profit/(loss) before tax		**2,083.64**	**1,180.84**	**850.30**
Tax Expense				
Current tax	36	528.87	235.84	148.11
Deferred Tax	36	11.34	7.99	7.05
Total tax expenses:		**540.21**	**243.83**	**155.16**
Profit/ (Loss) for the year/period, net of tax from continuing operations		**1,543.43**	**937.01**	**695.15**
Other comprehensive income				
A (i) Items that will not be reclassified to profit or loss				
(a) Remeasurement Gain / (Loss) of the defined benefit plans		(2.39)	(0.09)	0.76
(ii) Income tax related to Items above				
(a) Tax relating to remeasurement of the defined benefit plans		0.60	0.02	(0.19)
(b) Tax relating to measurement of equity instruments at fair value				
Total comprehensive income for the year, net of tax		**1,541.64**	**936.94**	**695.72**
Profit Attributable to:				
i) Shareholders of the Company		1,543.43	742.85	576.03
ii) Non-controlling interests		-	194.15	119.12
Total Comprehensive Income Attributable to:				
i) Shareholders of the Company		1,541.64	742.79	576.50
ii) Non-controlling interests		-	194.14	119.22
Earnings Per Equity Share				
Basic earnings per share of face value of ₹10 each (in ₹)	32	21.59	16.97	12.59
Diluted earnings per share of face value of ₹ 10 each (in ₹)	32	13.08	7.94	5.89

Note:
The above statement should be read with material accounting policy information, statement of adjustments to restated financial information and statement of adjustments to restated financial information forming part of the restated financial information.

As per our report of even date	For and on behalf of the Board of Directors of
For GDA & Associates	**P N Gadgil Jewellers Limited**

Chartered Accountants
Firm Registration No.: 135780W

Kiran D Kulkarni	**Saurabh Gadgil**	**Parag Gadgil**
Partner	Managing Director	Director
Membership No.: 35916	DIN: 00616563	DIN: 01536943
Place: Pune		
Date: August 24, 2024		
UDIN: 24035916BKHYTX2490	**Hiranyamai Kulkarni**	**Kiran Firodiya**
	Company Secretary	CFO & Director
	Membership No.: A48576	DIN: 03386738

(All amounts are in ₹ Million, unless stated otherwise)

Restated Statement of Cashflow

Sr. No.	Particulars	For the year ended		
		Mar 31, 2024	**Mar 31, 2023**	**Mar 31, 2022**
A	**Cash flow from operating activities**			
	Profit / (loss) before tax from continuing operations	2,083.64	1,180.84	850.30
	Adjustments for:			
	Depreciation and amortization expense	231.93	215.37	218.08
	Interest and other finance cost	458.69	348.99	351.44
	Loss on Impairment of Investment	2.02	-	-
	Gain on lease modification	(6.82)	-	(6.88)
	(Profit)/ Loss sale of asset	(0.05)	-	-
	Increase/(Decrease) in FCTR	(0.67)	-	-
	Write off of liabilities	(1.13)	-	-
	Interest income	(33.34)	(17.73)	(14.96)
	Unwinding of interest income during the year	(5.57)	(4.60)	(5.13)
	Unrealized foreign exchange (gain)/loss (net)	-	8.44	(32.46)
	Doubtful advances and assets written-off	42.43	606.64	0.85
	Other non-cash charges	77.92	-	-
	Capital Reserve	89.80	(113.86)	14.76
	Operating profit/(loss) before working capital changes	**2,938.85**	**2,224.09**	**1,376.00**
	Adjustments for changes in:			
	(Increase)/ decrease in trade receivables	17.92	(106.83)	46.70
	(Increase)/ decrease in inventories	(3,619.75)	1,066.58	(653.34)
	(Increase)/ decrease in non-current financial assets	1.88	(45.58)	(0.52)
	(Increase)/ decrease in other current and non-current assets	199.04	(607.58)	(204.85)
	Increase/ (decrease) in trade payables	172.55	(379.74)	958.48
	Increase/ (decrease) in financial liabilities (others)	30.15	4.20	7.01
	Increase/ (decrease) in non-current provisions and current provisions	(21.37)	8.22	(1.31)
	Increase/(decrease) in other current liabilities and non-current liabilities	723.47	(752.74)	(708.91)
	Cash generated from / (used in) operations before tax	**(2,496.12)**	**(813.47)**	**(556.74)**
	Income Taxes paid	(379.50)	(362.90)	(91.71)
	Net cash inflow / (outflow) from operating activities	**63.23**	**1,047.72**	**727.55**
B	**Cash flow from investing activities**			
	Capital expenditure on fixed assets including CWIP	(305.04)	(479.56)	(51.79)
	Investment in equity instruments (unquoted)	2.02	-	(0.60)
	Proceeds from fixed deposits	(218.19)	11.62	(178.65)
	Proceeds from sale of fixed assets	0.26	-	-
	Interest / income on investment received	33.34	17.73	14.96
	Net cash flow from/(used in) investing activities	**(487.61)**	**(450.21)**	**(216.08)**
C	**Cash Flow from financing activities**			
	Conversion of preference shares to CCNCPS	(24.24)	-	-
	Increase / (decrease) in long term borrowings	(22.22)	177.08	296.13
	Increase / (decrease) in current borrowings	1,155.08	(294.47)	(329.16)
	Increase / (decrease) in lease liabilities	(185.71)	(117.48)	(111.16)
	Finance Cost other than Lease Liabilities	(413.27)	(310.83)	(312.83)
	Net cash flow from / (used in) financing activities	**509.64**	**(545.70)**	**(457.02)**

(All amounts are in ₹ Million, unless stated otherwise)

Sr. No.	Particulars	For the year ended		
		Mar 31, 2024	**Mar 31, 2023**	**Mar 31, 2022**
	Net increase / (decrease) in cash and cash equivalents	**85.24**	**51.80**	**54.46**
	Cash and cash equivalents opening	175.64	123.83	69.37
	Cash and cash equivalents closing	260.87	175.64	123.83
	Components of Cash and cash equivalent			
	Cash in hand	68.37	29.91	19.56
	Balances with bank	192.50	145.73	104.27
		260.87	**175.64**	**123.83**

Explanatory Notes to Cash Flow Statement

1. The Cash Flow Statement is prepared by using indirect method in accordance with the format prescribed by Ind AS-7.
2. In Part A of the Cash Flow Statements, figures in brackets indicates deductions made from the net profit for deriving the cash flow from operating activities. In part B & part C, figures in brackets indicates cash outflows.
3. Disclosure of Changes in liabilities arising from Financing Activities, including both changes arising from Cash flow and non-cash / Business Combination changes are Given below:

Particulars	**As at Mar 31, 2023**	**As at Mar 31, 2024**	**Net Cash flow**
Borrowings			
Non - Current	941.63	919.41	22.22
Current	1,890.47	3,045.55	(1,155.08)

Particulars	**As at Mar 31, 2022**	**As at Mar 31, 2023**	**Net Cash flow**
Borrowings			
Non - Current	764.55	941.63	(177.08)
Current	2,184.94	1,890.47	294.47

Particulars	**As at Mar 31, 2021**	**As at Mar 31, 2022**	**Net Cash flow**
Borrowings			
Non - Current	468.42	764.55	(296.13)
Current	2,514.10	2,184.94	329.16

Note:
The above statement should be read with material accounting policy information, statement of adjustments to restated financial information and statement of adjustments to restated financial information forming part of the restated financial information.

As per our report of even date
For GDA & Associates
Chartered Accountants
Firm Registration No.: 135780W

For and on behalf of the Board of Directors of
P N Gadgil Jewellers Limited

Kiran D Kulkarni
Partner
Membership No.: 35916

Saurabh Gadgil
Managing Director
DIN: 00616563

Parag Gadgil
Director
DIN: 01536943

Place: Pune
Date: August 24, 2024
UDIN: 24035916BKHYTX2490

Hiranyamai Kulkarni
Company Secretary
Membership No.: A48576

Kiran Firodiya
CFO & Director
DIN: 03386738

Restated Statement of Change in Equity

A. Equity share capital

Particulars	No. of Shares	Amount
Equity shares of ₹ 10 each, issued, subscribed and fully paid-up:		
As at 31st March, 2022	55,200,000	552.00
Add: Issued during the year ending 31st March, 2023	-	-
As at 31st March, 2023	55,200,000	552.00
Add: CCNPS converted to Equity Share	62,800,000	628.00
As at 31st March, 2024	118,000,000	1,180.00
8% Compulsory convertible non-cumulative Preference Share of ₹ 10/- each issued, subscribed and paid up.		
As at 31st March, 2022	62,800,000	628.00
Add: Issued during the year ending 31st March, 2023	-	-
As at 31st March, 2023	62,800,000	628.00
Less: CCNPS converted to Equity Share	(62,800,000)	(628.00)
As at 31st March, 2024	-	-

B. Other equity

Particulars	Reserve and Surplus				Non-controlling interest	Total other equity
	Translation Reserve	Retained Earnings	OCI	Capital Reserve		
Balance as at 31st March, 2021	**(120.72)**	**1,455.65**	**1.29**	**14.76**	**(391.19)**	**959.79**
Profit for the year (net of tax)		576.03			119.12	**695.15**
Other comprehensive income (net of taxes):						**-**
Remeasurements of defined benefit asset			0.57			**0.57**
Increase/ decrease				14.76		**14.76**
Foreign Currency translation reserve	(30.14)					**(30.14)**
Balance as at 31st March, 2022	**(150.86)**	**2,031.68**	**1.86**	**29.52**	**(272.07)**	**1,640.13**
Profit for the period (net of tax)		742.85			194.15	**937.00**
Other comprehensive income (net of taxes):						**-**
Remeasurements of defined benefit asset			(0.07)			**(0.07)**
Increase/ decrease				(113.86)		**(113.86)**
Foreign Currency translation reserve	14.14					**14.14**
Balance as at 31st March, 2023	**(136.72)**	**2,774.53**	**1.79**	**(84.34)**	**(77.92)**	**2,477.34**
Profit for the year (net of tax)		1,543.43				**1,543.43**
Other comprehensive income (net of taxes):						**-**
Remeasurements of defined benefit asset			(1.79)			**(1.79)**
Increase/ decrease		5.46		84.34		**89.80**
Foreign Currency translation reserve	1.31				77.92	**79.23**
Share Issue & Listing Expenses		(24.24)				**(24.24)**
Balance as at 31st March, 2024	**(135.41)**	**4,299.18**	**0.00**	**(0.00)**	**0.00**	**4,163.77**

As per our report of even date
For GDA & Associates
Chartered Accountants

For and on behalf of the Board of Directors of
P N Gadgil Jewellers Limited

Firm Registration No.: 135780W

Kiran D Kulkarni
Partner
Membership No.: 35916

Place: Pune
Date: August 24, 2024
UDIN: 24035916BKHYTX2490

Saurabh Gadgil
Managing Director
DIN: 00616563

Parag Gadgil
Director
DIN: 01536943

Hiranyamai Kulkarni
Company Secretary
Membership No.: A48576

Kiran Firodiya
CFO & Director
DIN: 03386738

Statement of Adjustments of Restated Consolidated Financial Information

There is no difference between Restated Financial Statements and financial Statements for the financial year ended March 31, 2024, March 31, 2023, March 31, 2022, except for the adjustment as shown in the following tables and notes.

Part A: Reconciliations between the Restated Consolidated Financial Information and Statutory Financial Statements of the Company

1. Reconciliation of Total Equity

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 202
Total Equity as per Audited Financial Statements	5,344.40	3,649.91	2,814.66
Add / (Less):			
Changes in Retained Earnings (Refer Note 1.1 below)	(0.63)	7.43	5.48
Total equity as per restated statement of assets and liabilities	**5,343.77**	**3,657.34**	**2,820.14**

1.1 Reconciliation between audited profit and restated profit

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Adjustment for the Previous Year	7.43	5.48	5.76
Revaluation of Inventory	-	-	(2.96)
Restatement of Franchise Fees*	(10.77)	2.61	2.59
Restatement of Income Tax	2.71	(0.66)	0.09
Total other Restatement Adjustments	**(0.63)**	**7.43**	**5.48**

Note:

1. A positive figure represents addition & figures in brackets represents deletion in the corresponding head in the audited financial statements for respective reporting periods to arrive at the restated numbers.
2. Appropriate adjustment have been made in the Restated Consolidated Financial Information wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cashflows, in order to align them with the accounting policies and classification as per the audited consolidated financial statements of the Group for the year ended March 31, 2024, prepared in accordance with the Act, the SEBI ICDR Regulations, as amended and the Guidance Note on Reports in Company Prospectuses (Revised 2019) as issued by the Institute of Chartered Accountants of India.
3. Franchise Fees have been recognized on accrual basis in every year.

2. Reconciliation between audited profit and restated profit

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Profit for the year reported earlier	2,094.41	1,185.15	858.44
Add / (Less):			
Prior Period Adjustments	-	-	-
Audit Qualifications	-	-	-
Other Restatement Adjustments	(10.77)	(4.31)	(8.12)
Total Comprehensive Income under Restated Statement of Profit or Loss	**2,083.64**	**1,180.83**	**850.32**

2.1 Other Restatement Adjustments

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Revaluation of Inventory	-	-	(2.96)
Restatement of Franchise Fees	(10.77)	2.61	2.59
Regrouping of Interest on Income tax	-	(6.92)	(7.75)
Total other Restatement Adjustments	**(10.77)**	**(4.31)**	**(8.12)**

Note:

1. A positive figure represents addition & figures in brackets represents deletion in the corresponding head in the audited financial statements for respective reporting periods to arrive at the restated numbers.
2. Appropriate regroupings have been made in the Restated Consolidated Financial Information wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cashflows, in order to align them with the accounting policies and classification as per the audited consolidated financial statements of the Group for the year ended March 31, 2024, prepared in accordance with the Act, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended

(the 'SEBI ICDR Regulations') and the Guidance Note on Reports in Company Prospectuses (Revised 2019) as issued by the Institute of Chartered Accountants of India.

Explanatory Note for the restatement adjustments

1. During the FY 21-22, the company has changed the method of valuation of stock of diamonds, stone, MRP traded goods & NSI from Specific Identification Method to Weighted Average Cost Method for uniform valuation of inventory.
2. Royalty income from franchisees was initially recorded based on estimates for each year, but these estimates were later revised, and the actual income was booked accordingly.

Part B: Restatement adjustments

A. Changes in Accounting Policies in the Periods / Years Covered in the Restated Consolidated Financial Information

There are no changes in Material accounting policies adopted by the company except during the FY 21-22, the company has changed the method of valuation of stock of diamonds, stone, MRP traded goods & NSI from Specific Identification Method to Weighted Average Cost Method for uniform valuation of inventory. In the opinion of the management, the impact of such change is immaterial.

B. Notes on Restatement made in the Restated Consolidated Financial Information

1) The financial statements including financial information have been prepared after making such regroupings & adjustments, considered appropriate to comply with the same. As result of these regroupings & adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years/periods.

2) Contingent liabilities & commitments (to the extent not provided for) - A disclosure for a contingent liability is also made when there is a possible obligation that may require to be provided for

3) Figures have been rearranged and regrouped wherever practicable and considered necessary

4) The management has confirmed that adequate provisions have been made for all the known and determined liabilities & the same is not in excess of the amounts reasonably required to be provided for

5) The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good and are subject to confirmations of respective parties concerned

6) Realizations: in the opinion of the board and to the best of its knowledge and belief, the value on realization of current assets and loans and advance are approximately of the same value as stated

7) Contractual liabilities: all other contractual liabilities connected with business operations of the company have been appropriately provided for.

8) Amounts in the financial statements are rounded off to the nearest Millions. Figures in brackets indicate negative values.

Notes forming part of the Restated Consolidated Financial Information

1. CORPORATE INFORMATION

P N Gadgil Jewellers Limited (Formerly known as P N Gadgil Jewellers Private Limited) and its subsidiaries (collectively referred to as “the Company”) are primarily engaged in retail sales of all kinds of gems, diamonds, semi-precious stones and all types of jewellery made of gold, silver and other metals and all types of precious stones. The company was converted from Private Limited to Public Limited Company with effect from 5th April 2023. P N Gadgil Jewellers Limited has CIN: U36912PN2013PLC149288.

2. MATERIAL ACCOUNTING POLICY INFORMATION:

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as “Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.1 Basis of accounting preparation and presentation

These restated consolidated financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities that are measured at fair value at the end of each reporting period. The financial statements are presented in “₹” and all values are rounded to the nearest million (₹ 000,000), except when otherwise indicated.

The Restated Consolidated Financial Information comprises the Restated Consolidated Statement of Assets and Liabilities of the Company, its subsidiaries and its joint ventures (the Company, and its subsidiaries and its joint ventures are together referred to as the “Group”) as at March 31, 2024, March 31, 2023 and March 31, 2022, the related Restated Consolidated of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Cash Flows and the Restated Consolidated Statement of Changes in Equity for the years ended on March 31, 2024, March 31, 2023 and March 31, 2022 and the summary of Accounting Policies and explanatory notes thereto (“Restated Consolidated Financial Information”)

These Restated Consolidated Financial Information have been prepared by the Management of the Company (the "Management") in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, ("ICDR Regulations") for the purpose of inclusion in this Red Herring Prospectus (‘RHP’) and the Prospectus in connection with the proposed initial public offering of equity shares of face value of ₹ 10 each of the Company comprising a fresh issue of equity shares and an offer of sale of equity shares held by the selling shareholders (the “Offer”). These Restated Consolidated Statements have been prepared by the Company to comply in all material respects with the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended ("the Act").
b) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the “Guidance Note”).

These Restated Consolidated Financial Information have been compiled by the Management from:
The audited consolidated financial statements of the Group as at and for the years ended March 31, 2024 , March 31, 2023 and March 31, 2022 (the “Previous Years’ Audited Consolidated Financial Statements”), each prepared in accordance with the Ind AS prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meetings held on August 24, 2024 , June 5, 2023 and August 1, 2022 respectively.

The accounting policies have been consistently applied by the Group in preparation of the Restated Consolidated Financial Information are consistent with those adopted in the preparation of Audited Financial Statements for the year ended March 31, 2024. These Restated Consolidated Financial Information have been prepared by the Management on the basis that it will continue to operate as a going concern.

Basis for consolidation
Subsidiaries

The restated consolidated financial statements comprise the financial statements of P N Gadgil Jewellers Limited (Formerly known as P N Gadgil Jewellers Pvt Ltd) and its subsidiaries. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, a Company controls an investee if and only if the Company has:

i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
ii) Exposure, or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect its returns
iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

a) The contractual arrangement with the other vote holders of the investee

b) Rights arising from other contractual arrangements
c) The Company's voting rights and potential voting rights
d) The size of the Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The consolidated financial statements include P N Gadgil Jewellers Private Limited and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when the Company:

(a) has power over the investee,
(b) it is exposed, or has rights, to variable returns from its involvement with the investee and
(c) has the ability to affect those returns through its power to direct relevant activities of the investee.

Relevant activities are those activities that significantly affect an entity's returns. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above. In assessing control, potential voting rights that currently are exercisable and other contractual arrangements that may influence control are taken into account. The results of subsidiaries acquired or disposed of during the year are included in the consolidated financial statements from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Inter-company transactions and balances including unrealised profits are eliminated in full on consolidation.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Company uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Company member's financial statements in preparing the consolidated financial statements to ensure conformity with the Company's accounting policies.

The restated consolidated financial statements of the Company, including their respective subsidiaries/associates are drawn for years ended on March 31, 2024, March 31, 2023, and March 31, 2022. The restated financial statements of the Company have been prepared for the years ended March 31, 2024, March 31, 2023, and March 31, 2022. The restated financial statements of Indian subsidiaries/associates/joint controlled entities have been drawn for the years ended on March 31, 2024, March 31, 2023, and March 31, 2022.

Consolidation procedure

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
c) Eliminate in full intra-Company assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Company (profits or losses resulting from intra Company transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intra Company losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra-Company transactions.

   Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Company's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Company are eliminated in full on consolidation.

   A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Company loses control over a subsidiary, it:
   i. Derecognizes the assets (including goodwill) and liabilities of the subsidiary
   ii. Derecognizes the carrying amount of any non-controlling interests
   iii. Derecognizes the cumulative translation differences recorded in equity
   iv. Recognises the fair value of the consideration received
   v. Recognises the fair value of any investment retained
   vi. Recognises any surplus or deficit in the statement of profit and loss
   vii. Reclassifies the parent's share of components previously recognized in OCI to the statement of profit and loss or retained earnings, as appropriate, as would be required if the Company had directly disposed of the related assets or liabilities.

The below subsidiaries have been consolidated as per Ind AS 110 Consolidated Financial Statements

Sr. no	Name of subsidiary	Principal Activity	Country of Incorporation	Relationship	Effective Ownership Interest as at		
					March 31, 2024	March 31, 2023	March 31, 2022
1	P N Gadgil Jewellers DMCC*	Sale of Jewellery	UAE	Subsidiary	NA	100%	100%
2	Gadgil Diamonds Private Limited	Sale of Jewellery	India	Subsidiary	100%	100%	100%
3	PNG Jewellers, Inc.	Sale of Jewellery	USA	Subsidiary	100%	100%	100%
4	PNG Jewellers LLC**	Sale of Jewellery	UAE	Subsidiary	NA	49%	49%

**P N Gadgil Jewellers DMCC has passed the resolution for winding up of the entity on March 29, 2023, in compliance with applicable provisions and as a consequence of which P N Gadgil Jewellers DMCC dissolved in accordance with applicable law in the Dubai.*

***PNG LLC has been considered as a subsidiary on the basis of control over the Board Composition and strategic decision-making power. Further, PNG Jewellers LLC has passed the resolution for dissolution of the entity on March 29, 2023, in compliance with applicable provisions and as a consequence of which PNG Jewellers LLC dissolved in accordance with applicable law in the Dubai.*

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle of the Company is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of products and the time between the acquisitions of assets for processing and their realization in cash and cash equivalents, the company has ascertained operating cycle of 12 months for the purpose of current and non-current classification of assets and liabilities.

Use of estimates and judgements

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expense for the period presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the consolidated financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of, useful lives of property, plant and equipment, provision for warranty, variable consideration in revenue, principal v/s agent assessment and provisions and contingent liabilities. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

2.2 Revenue from contracts with Customers

Ind AS 115 Revenue from contracts with customers deals with revenue recognition and establishes principles for reporting useful information to users of consolidated financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

A five-step process must be applied before revenue can be recognised:

(i) identify contracts with customers
(ii) identify the separate performance obligation
(iii) determine the transaction price of the contract
(iv) allocate the transaction price to each of the separate performance obligations, and
(v) recognise the revenue as each performance obligation is satisfied.

Revenue recognition policy

The Company has following stream of revenue:

(i) Revenue from sale of jewellery

Sale of Goods

Revenue from the contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Sales, as disclosed, are inclusive of excise but are net of trade allowances, rebates, goods and service tax, vat and amounts collected on behalf of third parties. The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes).

In respect of contracts with customers that contain a financing component i.e. when payment by a customer occurs significantly before performance and the fair value of goods provided to the customer at the end of the contract term exceeds the advance payments received, interest expense is recognized on recognition of a contract liability over the contract period and is presented under the head finance costs in statement of profit and loss and total transaction price including financing component is recognized when control of the goods is transferred to the customer.

The company has been following above mentioned policy for retail sale and non retails sales.

Satisfaction of performance obligations

The Company's revenue is derived from the single performance obligation to transfer primarily jewellery under arrangements in which the transfer of control of the products and the fulfilment of the Company's performance obligation occur at the same time. Revenue from the sale of goods is recognised when the Company has transferred control of the goods to the buyer and the buyer obtains the benefits from the goods, the potential cash flows and the amount of revenue (the transaction price) can be measured reliably, and it is probable that the Company will collect the consideration to which it is entitled to in exchange for the goods.

2.3 Other Income

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest Income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset's net carrying amount on initial recognition.

Dividend Income
Dividend income is recognized when the right to receive it is established.

Rental Income
Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in other income in the statement of profit and loss.

Royalty Income:
Royalty revenue is recognized when the subsequent sale or usage occurs using the best estimates available of the amounts that will be received by the Company.

2.4 Foreign Currency

Functional and presentation currency

Items included in the consolidated financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The consolidated financial statements are presented in Indian rupees (₹), which is functional and presentation currency of the Company

Transactions and balances

Transactions in currencies other than the Company's functional currency are recognized at the exchange rate prevailing on the date of 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. Non-monetary assets and liabilities denominated in a foreign currency are translated using the exchange rate prevailing at the date of initial recognition (in case measured at historical cost) or at the rate prevailing at the date when the fair value is determined (in case measured at fair value).

Foreign exchange differences are recognized in profit or loss in the period in which they arise except for exchange difference on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings and exchange differences on transactions entered into in order to hedge foreign currency risks.

2.5 Borrowing Costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and this Redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

2.6 Employee benefits

Short-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefit that is expected to be paid in exchange for that service.

Other employee benefits - Compensated Absences

The liability for earned leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method with actuarial valuations being carried out at each balance sheet date. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The Company provides for the encashment of compensated absences with pay subject to certain rules. The employees are entitled to accumulate compensated absences subject to certain limits, for future encashment. Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit and the accumulated leave expected to be carried forward beyond twelve month is treated as long-term employee benefit which are provided based on the number of days of unutilized compensated absence on the basis of an independent actuarial valuation.

Post-employment obligations

The Company operates the following post-employment schemes:
(a) Defined contribution plans such as provident fund.
(b) Defined benefit plans in the nature of gratuity and

A. Defined Contribution Plan:

The Company's contribution to provident fund, pension and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

B. Defined Benefit Plan:

For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:
- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement.

2.7 Taxation

Current income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.8 Property Plant and Equipment

Property Plant and Equipment (PPE) are stated at cost of acquisition or construction where cost includes amount added/deducted on revaluation less accumulated depreciation / amortization and impairment loss, if any. Capital work-in-progress for production, supply of administrative purposes is carried at cost less accumulated impairment loss, if any, until construction and installation are complete and the asset is ready for its intended use.

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets, based on technical evaluation done by management's expert taking into account the nature of the assets, their estimated period of use and the operating conditions. Lease hold improvements are amortised over the lease term. The depreciation charge for each period is recognised in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset

Type of asset	Useful life	Useful life as per Schedule II (in Years)
Freehold Building	60	60
Plant and Equipment	15	15
Computer (Others)	3	3
Computers (PNG INC)	7	3
Office Equipment	5	5
Office Equipment (INC)	7	5
Furniture and Fixture (Others)	10	10
Furniture and Fixtures	5	10
Electrical Installations	10	10
Vehicle (Two-Wheeler)	10	10
Vehicle (Other than Two-Wheeler)	8	8

Depreciation is provided on written down value method ('WDV') using the rates as prescribed in the Income Tax Act, 1961 except lease hold improvements which are amortised over the lease term, for following mentioned entities:

Subsidiary: Gadgil Diamonds Private Limited

As on	WDV	Depreciation for the year
31.03.2024	29.73	1.42
31.03.2023	31.15	1.53
31.03.2022	32.68	1.85

In the opinion of management, impact of variance in useful life of asset from that prescribed by Schedule II of the Companies Act 2013, in subsidiaries is immaterial and hence ignored.

Individual assets costing less than or equal to ₹ 5,000 are depreciated at the rate of 100% in the year of purchase.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, determined as the difference between the sales proceeds and the carrying amount of the asset, is recognized in the Statement of Profit or Loss.

2.9 Investments Properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

2.10 Intangible Assets

Intangible assets are recognized at cost. Intangible assets are amortised on a straight-line basis over the estimated useful economic life so as to reflect the pattern in which the assets economic benefits are consumed. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and the expenditure is recognised in the consolidated Statement of Profit and Loss in the period in which the expenditure is incurred.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Following summarizes the nature of intangible and the estimated useful life:

Asset	Useful Life (in years)
Software	6
Goodwill (Excluding Conso Goodwill)	10

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the profit or loss when the asset is derecognized.

2.11 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined as follows:

1. Gold, silver and platinum bullion, old ornaments are considered as finished goods and valued at weighted average cost.
2. Gold, silver and platinum ornaments are considered as finished goods at weighted average cost of purchase plus weighted average cost of labour charges.
3. Stock of diamond, stones, MRP traded goods and NSI is considered as finished goods and valued as per at weighted average cost.

Cost comprises all cost of purchases, duties, taxes (other than those subsequently recoverable from tax authorities) and all other directly attributable costs incurred in bringing the inventory to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion to make the sale.

2.12 Provisions

General

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

2.13 Contingent Liabilities

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 recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

2.14 Financial instruments

Financial assets:

Initial recognition and measurement:

Subsequent Measurement:

Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

- Financial assets at amortized cost
Financial assets that are held within a business model whose objective is to hold assets for collecting contractual cash flows and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at amortized cost using the effective interest rate method. The change in measurements is recognized as finance income in the statement of profit and loss.

- **Financial assets at fair value through other comprehensive income (FVTOCI)**
Financial assets that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets and the assets' contractual cash flows represent solely payments of principal and interest on the principal amount outstanding are subsequently measured at fair value. Fair value movements are recognized in other comprehensive income.

- **Financial assets at fair value through profit or loss (FVTPL)**
Any financial asset which does not meet the criteria for categorization as financial instruments at amortized cost or as FVTOCI, is classified as financial instrument at FVTPL. Financial instruments included within the FVTPL category are subsequently measured at fair value with all changes recognized in the statement of profit and loss.

Equity instruments

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.
Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

- **Derecognition**
The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.
On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity, if any, is recognised in profit or loss.

- **Reclassification of financial assets**
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent.

Financial liabilities:
Initial recognition and measurement
Financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement
For the purpose of subsequent measurement, financial liabilities are classified as:

- **Financial liabilities at amortized cost**

Financial liabilities such as loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. The change in measurements is recognized as finance costs in the statement of profit and loss.

- **Financial liabilities at fair value through profit or loss (FVTPL)**

Financial liabilities include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss if the recognition criteria as per Ind AS 109 – "Financial Instruments" are satisfied. Gains or losses on liabilities held for trading are recognized in statement of profit and loss. Fair value gains or losses on liabilities designated as FVTPL attributable to changes in own credit risk are recognized in other comprehensive income. All other changes in fair value of liabilities designated as FVTPL are recognized in the statement of profit and loss. The Company has not designated any financial liability as at FVTPL.

- Derecognition

The Company derecognizes financial liabilities when the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

- **Derivative financial instruments:**

Forward exchange contracts not intended for trading or speculation purposes, classified as derivative financial instruments. The Company uses derivative financial instruments such as forward exchange contracts to hedge its risks associated with foreign currency fluctuations. Such derivative contracts are not designated as hedges and are accounted for at Fair Value through Profit and Loss. There are no derivative financial instruments outstanding as on year end.

- **Offsetting of financial instruments:**

Financial assets and financial liabilities are offset, and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Fair Value Hedge:

The Company has adopted fair value hedge for the derivative contracts entered into and designated derivative contracts or non-derivative financial liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices. Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss with an adjustment to the carrying value of the hedged item. Hedge accounting is discontinued when the Company revokes the hedge relationship, the hedging instrument or hedged item expires or is sold, terminated, or exercised or no longer meets the criteria for hedge accounting. The Company designates derivative contracts as hedging instruments to mitigate the risk of change in fair value of hedged item i.e. fixed gold inventory due to movement in gold prices.

2.15 Impairment

(i) Financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a Company of financial assets is impaired.

Ind AS 109 requires expected credit losses to be measured through a loss allowance. Company performs credit assessment for customers on an annual basis. Company recognizes credit risk, on the basis of lifetime expected losses and where receivables are due for more than six months. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(ii) Non-Financial Assets Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.16 Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

2.17 Segmented reporting:

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Company is reported at an overall level, and hence there are no separate reportable segments as per Ind AS 108

2.18 Consolidated Cash flow statement

The Consolidated Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company.

2.19 Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.
For the purpose of presentation in the statement of cash flows, cash and cash equivalents consist of cash and cash equivalent, as defined above, net of outstanding bank overdrafts if they are considered an integral part of the Company's cash management.

2.20 Dividends

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorized, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

2.21 Fair Value Measurement
Fair value is the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell an asset or transfer the liability takes place either:
In the principal market for the asset or liability.
In the absence of principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

2.22 Non-current assets held for sale

Non-current assets and disposal Companies are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met, only when the sale is highly probable, and the non-current asset (or disposal Company) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal Company's) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

2.23 Leases:

As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings.

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

i. the contact involves the use of an identified asset
ii. the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
iii. the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

(All amounts are in ₹ Million, unless stated otherwise)

3. Property, plant and equipment and Intangible Assets

		Tangible Assets											Intangible Assets			
	Particulars	**Land**	**Freehold Buildings**	**Plant and Equipment**	**Computer and Data Processing Equipments**	**Furniture and Fixtures**	**Office Equipments**	**0.07**	**Vehicle**	**Leasehold Improvements**	**Total Tangible Assets**	**Goodwill**	**Leasehold Premium**	**Trademark**	**Software**	**Total Intangible Assets**
A	**Gross Block**															
A7	**As at March 31, 2021**	**30.86**	**1,156.92**	**84.37**	**12.43**	**102.02**	**29.71**	**49.85**	**9.99**	**187.02**	**1,663.16**	**508.62**	**126.73**	**1.63**	**48.29**	**176.64**
	Additions during the period	-	0.07	2.89	0.43	9.32	0.15	1.85	-	35.52	**50.22**	-	-	-	3.27	**3.27**
	Sales	-	-	0.55	-	-	-	-	1.45	-	**2.00**	-	-	-	-	-
	Adjustment	-	-	-	(0.04)	(0.55)	(0.14)	-	-	(0.34)	**(1.07)**	-	-	-	-	-
	Foreign Currency Translation Reserve	-	-	-	-	-	-	-	-	-	-	-	0.27	(0.00)	(0.00)	**0.26**
A8	**As at March 31, 2022**	**30.86**	**1,156.98**	**86.71**	**12.89**	**111.89**	**30.00**	**51.70**	**8.53**	**222.89**	**1,712.45**	**508.62**	**126.46**	**1.63**	**51.56**	**179.64**
	Additions during the period	-	15.95	4.36	2.93	15.51	2.56	6.29	9.86	-	**57.46**	-	-	-	1.83	**1.83**
	Sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Adjustment	-	-	-	0.04	0.57	0.06	-	-	0.36	**1.03**	-	-	-	-	-
A9	**As at March 31, 2023**	**30.86**	**1,172.94**	**91.07**	**15.86**	**127.98**	**32.61**	**57.98**	**18.39**	**223.24**	**1,770.94**	**508.62**	**126.46**	**1.63**	**53.39**	**181.48**
	Additions during the period	-	2.09	9.34	8.58	8.58	9.00	5.81	9.11	144.65	**197.16**	-	-	-	0.80	**0.80**
	Sales	-	-	-	-	-	-	-	0.34	-	**0.34**	-	-	-	-	-
	Adjustment	-	-	9.85	0.47	15.87	2.49	-	0.04	74.95	**103.68**	-	-	-	0.82	**0.82**
	Foreign Currency Translation Reserve	-	-	-	(0.00)	(0.03)	0.09	-	-	(0.20)	**(0.15)**	-	-	-	-	-
A10	**As at March 31, 2024**	**30.86**	**1,175.03**	**90.56**	**23.97**	**120.72**	**39.02**	**63.80**	**27.11**	**293.15**	**1,864.23**	**508.62**	**126.46**	**1.63**	**53.37**	**181.45**
B	**Accumulated Depreciation**															
B7	**As at March 31, 2021**	**-**	**30.03**	**14.90**	**6.17**	**37.53**	**15.99**	**13.66**	**3.56**	**82.78**	**204.62**	**61.10**	**68.95**	**1.15**	**22.53**	**92.63**
	Charge for the year / period	-	19.29	7.64	1.49	14.50	5.15	6.83	1.99	23.36	**80.25**	30.51	-	0.17	11.56	**11.73**
	Deletions	-	-	0.14	-	-	-	-	1.35	-	**1.49**	-	-	-	-	-
	Adjustment	-									-	-	-		-	-
	Foreign Currency Translation Reserve	-	-	-	-	-	-	-	-	-	-	1.99	-	-	-	-
B8	**As at March 31, 2022**	**-**	**49.32**	**22.41**	**7.66**	**52.03**	**21.14**	**20.49**	**4.21**	**106.14**	**283.38**	**93.60**	**68.95**	**1.32**	**34.09**	**104.36**
	Charge for the year / period	-	19.46	7.59	1.66	15.35	4.34	7.27	2.12	14.71	**72.49**	30.51	-	0.30	8.61	**8.91**
	Impairment	-	-	-	-	-	-	-	-	-	-	131.23	63.45	-	-	**63.45**
	Deletions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Foreign Currency Translation Reserve	-	-	-	-	-	-	-	-	-	-	-	(5.95)	-	-	**(5.95)**
B9	**As at March 31, 2023**	**-**	**68.78**	**29.99**	**9.32**	**67.38**	**25.47**	**27.76**	**6.33**	**120.85**	**355.88**	**255.34**	**126.46**	**1.63**	**42.70**	**170.78**
	Charge for the year / period	-	19.56	7.56	2.67	11.33	1.60	7.80	2.17	23.13	**75.81**	20.40	-	-	1.79	**1.79**
	Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Deletions	-	-	-	-	-	-	-	0.16	-	**0.16**	99.10	-	-	-	-
	Adjustment	-	-	3.62	0.45	9.35	2.31	-	0.03	53.52	**69.29**	-	-	-	0.73	**0.73**
	Foreign Currency Translation Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B10	**As at March 31, 2024**	**-**	**88.33**	**33.93**	**11.54**	**69.35**	**24.76**	**35.55**	**8.31**	**90.46**	**362.24**	**176.64**	**126.46**	**1.63**	**43.75**	**171.84**
C	**Net Block**															
C8	**As at March 31, 2022**	**30.86**	**1,107.67**	**64.30**	**5.23**	**59.86**	**8.86**	**31.21**	**4.33**	**116.75**	**1,429.07**	**415.02**	**57.51**	**0.30**	**17.47**	**75.28**
C9	**As at March 31, 2023**	**30.86**	**1,104.16**	**61.07**	**6.54**	**60.60**	**7.14**	**30.23**	**12.06**	**102.40**	**1,415.06**	**253.28**	**0.00**	**0.00**	**10.69**	**10.69**
C10	**As at March 31, 2024**	**30.86**	**1,086.70**	**56.62**	**12.44**	**51.37**	**14.27**	**28.24**	**18.80**	**202.69**	**1,501.99**	**331.98**	**0.00**	**0.00**	**9.61**	**9.61**

(All amounts are in ₹ Million, unless stated otherwise)

4. Capital Work in Progress

Gross Block	Amount
As at 31st March 2021	**35.16**
Add: Addition	-
Less: Capitalized during the year	-
As at 31st March 2022	**35.16**
Add: Addition	-
Less: Capitalized during the year	-
As at 31st March 2023	**35.16**
Add: Addition	-
Less: Capitalized during the year	-
As at 31st March 2024	**35.16**

Ageing Schedule:

Particulars	March 31, 2024		March 31, 2023		March 31, 2022	
	Projects in Progress	Projects Temporarily Suspended	Projects in Progress	Projects Temporarily Suspended	Projects in Progress	Projects Temporarily Suspended
<1Year	-	-	-	-	-	-
1-2 Year	-	-	-	-	-	-
2-3 Year	-	-	-	-	-	-
>3 Year	35.16	-	35.16	-	-	35.16

Note: There is project as at reporting date whose completion is overdue as compared to its original plan.

5. Right of Use Assets

Particulars	Building	Total
Gross carrying amount (Deemed Cost)		
Balance as at 31st March, 2021	**668.47**	**668.47**
Additions during the year	139.10	**139.10**
Deletions during the year (Refer note 1 below)	55.40	**55.40**
Translation reserve	2.32	**2.32**
Balance as at 31st March, 2022	**754.49**	**754.49**
Additions during the year	85.12	**85.12**
Translation reserve	5.70	**5.70**
Balance as at 31st March, 2023	**845.31**	**845.31**
Additions during the year	338.96	**338.96**
Deletions during the year (Refer note 2 below)	31.88	**31.88**
Translation reserve	0.80	**0.80**
Balance as at 31st March, 2024	**1,153.19**	**1,153.19**
Amortization expense		
Balance as at 31st March, 2021	**243.24**	**243.24**
Amortization expense for the year	95.59	**95.59**
Balance as at 31st March, 2022	**338.83**	**338.83**
Amortization expense for the year	102.12	**102.12**
Balance as at 31st March, 2023	**440.95**	**440.95**
Amortization expense for the year	133.93	**133.93**
Balance as at 31st March, 2024	**574.88**	**574.88**
Net carrying amount		
Balance as at 31st March, 2021	425.23	
Balance as at 31st March, 2022	415.66	
Balance as at 31st March, 2023	404.36	
Balance as at 31st March, 2024	**578.31**	

Note:

1. In FY 21- 22, deletion in ROU is on account of Cancellation / Termination / Completion of lease term of below properties:
   a. Pune – Camp

b. Kalyan
c. Thane
d. Pune – Kothrud

2. In FY 23-24, deletion in ROU is on account of Cancellation / Termination / Completion of lease term of below properties:
    a. Vile Parle
    b. Baramati
    c. Pune – Camp
    d. Kalyan
    e. Nagpur
    f. Pune – Undri

6. Non-Current Investments

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Investment in equity instruments (unquoted)			
201,995 equity shares of Style Quotient Jewellery Pvt. Ltd.*	-	2.02	2.02
10,000 equity shares of Cosmos Cooperative Bank Ltd.	1.00	1.00	1.00
60,050 equity shares of Janata Sahakari Bank Ltd.	6.01	6.00	6.00
170,000 equity shares of Sangli Urban Co-Op Bank Ltd	1.70	1.70	1.70
2,500 equity shares of The Saraswat Co-Op Bank Ltd.	0.03	0.03	0.03
18,000 equity shares of Shree Sharada Sahakari Bank Ltd	0.18	0.18	0.18
Investment in preference instruments (Unquoted)			
6000 non-cumulative preference shares of Janata Sahakari Bank Ltd.	0.60	0.60	0.60
Total	**9.52**	**11.53**	**11.53**
Aggregate amount of quoted investments	-	-	-
Aggregate amount of market value of quoted investments	-	-	-
Aggregate amount of unquoted investments	9.52	11.53	11.53

*Note: Provision accounted for loss on impairment in value of investment.

7. Loans

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Non - Current			
Current			
Loans to employees - unsecured, considered good	2.34	1.64	1.59
Related Party			
Officers either severally or jointly with other persons	-	-	13.33
Firms or private companies in which any director is partner or director or a member.	-	-	-
Total	**2.34**	**1.64**	**14.92**

Note:
a. In line with Circular No 04/2015 issued by Ministry of Corporate Affairs dated March 10, 2015, loans given to employees as per the Group's policy are not considered for the purposes of disclosure under Section 186(4) of the Act.
b. Terms of Loan to Employee: The Interest @ 12% p.a. will be charged to employee and the loan will be repaid in 12 equal instalments.

Additional Regulatory Requirements:

Disclosure for FY 2021-22:

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage of Total Loan and advances in the nature of loans
Promoter	-	-
Directors	-	-
KMPs	-	-
Related Parties	13.33	100%

(All amounts are in ₹ Million, unless stated otherwise)

8. Other Financial Assets

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Non-current			
Fixed deposits with original maturity for more than 12 months	35.32	35.51	0.18
Security Deposit			
- At amortized cost	72.87	71.00	60.25
Interest Receivable	2.62	1.12	-
	110.81	**107.63**	**60.43**
Current			
Interest Receivable	15.14	4.60	8.38
Margin Money for Derivative Financial Instrument	6.01	-	-
	21.15	**4.60**	**8.38**
Total	**131.96**	**112.23**	**68.81**

9. Other Assets

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Non-current			
Balance with revenue authorities	-	-	-
	-	**-**	**-**
Current			
Capital advances*	-	0.30	0.78
Advances other than capital advances**	1,062.31	1,321.34	647.37
Balance with revenue authorities	29.81	29.88	38.63
Income Tax Refund/Receivables			
For AY 2014-15	11.69	11.69	11.69
For AY 2016-17	73.96	73.50	73.50
For AY 2017-18	9.57	9.57	9.57
For AY 2017-18 [Pre-deposit for CIT(A)]	4.56	4.56	4.55
Prepaid expenses	73.82	33.79	73.99
Unbilled Revenue	14.02	-	-
Others***	7.13	0.58	0.49
	1,286.86	**1,485.21**	**860.57**
Total	**1,286.86**	**1,485.21**	**860.57**

*Capital advances include advances given for new stores set up (interior, furniture & fixtures) and purchase of Plant & Machinery and Vehicle.
**Advances given for procurement of gold, jewellery, diamond etc.
*** In FY 23-24, other receivables include recovery towards proceeding initiated for loss of inventory of ₹ 7.13 million.

10. Inventories

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Gold	7,495.35	4,374.02	5,575.33
Silver	366.20	240.03	212.83
Non-silver traded	32.89	85.05	125.08
Diamond, platinum and stone	1,692.17	1,264.16	1,122.17
Stock in Transit	1.97	5.57	-
Total	**9,588.58**	**5,968.83**	**7,035.41**

Notes:
1. Inventories are valued at lower of cost or net realisable value.

Cost is determined as follows:

a. Gold, silver and platinum bullion, old ornaments are considered as finished goods and valued at weighted average cost.
b. Gold, silver and platinum ornaments are considered as finished goods at weighted average cost of purchase plus weighted average cost of labour charges.
c. Stock of diamond, stones, MRP traded goods and NSI is considered as finished goods and valued as per at weighted average cost.

2. The above inventories have been hypothecated against borrowings of the company.

11. Trade Receivables

Particulars	**As at Mar 31, 2024**	**As at Mar 31, 2023**	**As at Mar 31, 2022**
Trade receivables			
Unsecured and Considered Good:			
Others	351.26	394.95	287.68
Related Parties	25.81	0.04	0.48
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - credit impaired	-	-	-
	377.07	**394.99**	**288.16**
Impairment allowance (allowance for bad and doubtful debts)			
Unsecured, Considered good	-	-	-
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - credit impaired	-	-	-
	-	-	-
Total	**377.07**	**394.99**	**288.16**

Notes: There are no outstanding debts due from directors or other officers of the Group.

11.1 Trade receivable ageing schedule as of March 31, 2024

Particulars	**Outstanding for following periods from due date of payment**					**Total**
	Less than 6 months	**6 months - 1 year**	**1-2 Years**	**2-3 years**	**More than 3 years**	
Undisputed trade receivable						
Considered good	366.53	0.83	0.22	0.10	2.79	**370.47**
Which have significant increase in Credit Risk	-	-	-	-	-	-
Credit impaired						
Disputed trade receivables						
Considered good	-	-	1.53	-	5.07	**6.60**
Which have significant increase in Credit Risk	-	-	-	-	-	-
Credit impaired						
Less: Allowance for bad/doubtful Debts	-	-	-	-	-	-
Considered good						
Which have significant increase in Credit Risk						
Credit impaired						
Total	**366.53**	**0.83**	**1.75**	**0.10**	**7.85**	**377.07**

11.2 Trade receivable ageing schedule as of March 31, 2023

Particulars	**Outstanding for following periods from due date of payment**					**Total**
	Less than 6 months	**6 months - 1 year**	**1-2 Years**	**2-3 years**	**More than 3 years**	
Undisputed trade receivable						

(All amounts are in ₹ Million, unless stated otherwise)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
Considered good	352.44	16.77	0.54	0.30	19.87	**389.92**
Which have significant increase in Credit Risk Credit impaired	-	-	-	-	-	-
Disputed trade receivables						
Considered good	-	-	-	-	5.07	**5.07**
Which have significant increase in Credit Risk Credit impaired	-	-	-	-	-	-
Less: Allowance for bad/doubtful Debts						
Considered good	-	-	-	-	-	-
Which have significant increase in Credit Risk Credit impaired	-	-	-	-	-	-
Total	**352.44**	**16.77**	**0.54**	**0.30**	**24.94**	**394.99**

11.3 Trade receivable ageing schedule as of March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed trade receivable						
Considered good	242.50	1.58	0.27	6.43	32.21	**283.09**
Which have significant increase in Credit Risk Credit impaired	-	-	-	-	-	-
Disputed trade receivables						
Considered good	-	-	-	-	5.07	**5.07**
Which have significant increase in Credit Risk Credit impaired	-	-	-	-	-	-
Less: Allowance for bad/doubtful Debts						
Considered good	-	-	-	-	-	-
Which have significant increase in Credit Risk Credit impaired	-	-	-	-	-	-
Total	**242.50**	**1.58**	**0.27**	**6.43**	**37.28**	**288.16**

The Company generally operates on a cash and carry model, and hence the expected credit loss allowance for trade receivables is insignificant. The concentration of credit risk is also limited due to the fact that the customer base is large and unrelated.

12. Cash and Cash Equivalents

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Balance with bank			
In current accounts	188.39	95.09	103.88
Cash on hand	68.37	29.91	19.56
Funds in Transit	4.11	0.04	0.39
Demand deposits (less than 3 months maturity)	0.00	50.60	-
Total	**260.87**	**175.64**	**123.83**

13. Other Bank Balances

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Balance in fixed deposit accounts (maturity of more than three months but less than twelve months)	421.52	264.03	233.91
Long term deposits with original maturity more than 12 months but realizable within next 12 months	114.01	53.32	95.06
Total	**535.53**	**317.35**	**328.97**

Note: The fixed deposits mentioned above have been pledged as collateral for the borrowings obtained from the bank.

14. Equity Share Capital

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Authorised*			
Equity Shares of ₹ 10 each			
Number of Share	200,000,000	60,000,000	60,000,000
Amount in Millions	2,000.00	600.00	600.00
CCNC Preference Shares of ₹ 10 each			
Number of Share	-	65,000,000	65,000,000
Amount in Millions	0.00	650.00	650.00
Issued, subscribed and paid-up			
Equity Shares of ₹ 10 each			
Number of Share	118,000,000	55,200,000	55,200,000
Amount in Millions	1,180.00	552.00	552.00
CCNC Preference Shares of ₹ 10 each**			
Number of Share	0	62,800,000	62,800,000
Amount in Millions	0.00	628.00	628.00
Total	**1,180.00**	**1,180.00**	**1,180.00**

* The company has increased its Authorised Share Capital from ₹ 1250 million to ₹ 2000 million divided into 135 million equity shares of ₹ 10 each and 65 million preference shares of ₹ 10 each vide shareholders resolution dated December 28, 2023. Further, authorised preference share capital of ₹ 650 million is re-classified as an Equity share capital vide shareholders resolution dated March 18, 2024. Therefore, total authorised share capital of the Company is ₹ 2000 million divided into 200 million equity shares of ₹ 10 each only.
** CCNCPS are converted into equivalent number of equity shares vide resolution passed on 28th December 2023.

14.1 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year
a) Equity Share

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
At the beginning of the year Number of shares	55,200,000	55,200,000	55,200,000
Add: Conversion of CCNPS into Equity Shares (Number of shares)	62,800,000	-	-
Less: Shares bought back / redemption etc. (Number of shares)	-	-	-
Outstanding at the end of the year (Number of shares)	**118,000,000**	**55,200,000**	**55,200,000**

b) Preference Share

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
At the beginning of the year Number of shares	62,800,000	62,800,000	62,800,000

(All amounts are in ₹ Million, unless stated otherwise)

Particulars	**As at Mar 31, 2024**	**As at Mar 31, 2023**	**As at Mar 31, 2022**
Add: 8% redeemable non-cumulative preference shares converted into CCNCPS (Number of shares)	(62,800,000)	-	-
Less: Conversion of CCNPS into Equity Shares (Number of shares)	-	-	-
Outstanding at the end of the year (Number of shares)	**-**	**62,800,000**	**62,800,000**

14.2 Rights, preferences and restrictions in relation to Equity Shares:
The company has only one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors, if any, is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, if any, in proportion to their shareholding.

14.3 Rights, preferences and restrictions attached to Compulsory Convertible Non-Cumulative Preference Shares (CCNCPS)
CCNCPS will pay a preferential non-cumulative dividend of 8% (Eight Percent.) per year. After preferential dividends have been paid to the holders of Investor CCNCPS, the Investor CCNCPS will participate pro rata in any other dividends or distributions payable to holders of equity shares.

On liquidation, winding up or dissolution of the Company or a sale of the Company through a merger, sale of shares, sale of assets or other acquisition or change in control of the Company (each a "Liquidation Event"), the holders of Investor CCNCPS will be entitled to receive before any return to holders of equity shares, a "Liquidation Preference" equal to the higher of 1X the Purchase Price multiplied by the number of Investor CCNCPS held by them (plus any accrued but unpaid dividends), or their pro rata proceeds from the distribution proceeds of the Liquidation Event.
Subject to provisions of applicable laws, the Investor in CCNCPS will be entitled to that number of votes on all matters presented to holders of equity shares as if the Investor had already been converted to equity shares.

The CCNCPS are convertible after a completion of 12 years from the date when initially issued or at any date as deemed fit by the Board into an equivalent number of equity shares. The consequent resolution for conversion of CCNCPS into equity shares has been passed on December 28, 2023.

14.4 In FY 2021-22/2022-23 and until the date of resolution dated December 28, 2023, in relation to conversion of CCNCPS into equity shares, dividend on preference shares was waived off after communicating with shareholders and beneficiaries, along with their waiver letters.

14.5 Details of shareholders holding more than 5% Shares in the company

Particulars	**As at Mar 31, 2024**	**As at Mar 31, 2023**	**As at Mar 31, 2022**
Equity Shares			
(A) SVG Business Trust			
Number of shares at the end of the year	117,999,400	55,199,400	40,848,000
Opening No of Shares	55,199,400	40,848,000	40,848,000
Add: Received During the year			
- by way of transfer	-	14,351,400	-
- by way of conversion of CCNPS into Equity Shares	62,800,000	-	-
Less: Transferred During the year	-	-	-
Holding (%)	100%	100%	74%
(B) PYG Family Trust			
Number of shares at the end of the year	-	-	14,352,000
Opening No of Shares	-	14,352,000	14,352,000
Add: Received During the year			
- by way of transfer	-	-	-
- by way of bonus issue	-	-	-
Less: Transferred During the year	-	(14,352,000)	-
% Holding	0%	0%	26%

Particulars	**As at Mar 31, 2024**	**As at Mar 31, 2023**	**As at Mar 31, 2022**
CCNCPS*			
(A) SVG Business Trust			
Number of shares at the end of the year	-	62,800,000	46,472,000
Opening No of Shares	62,800,000	46,472,000	46,472,000
Add: Received During the year			
- by way of transfer	-	16,328,000	-

(All amounts are in ₹ Million, unless stated otherwise)

Particulars	**As at Mar 31, 2024**	**As at Mar 31, 2023**	**As at Mar 31, 2022**
- by way of issue	-	-	-
Less: Conversion of CCNPS into Equity Shares	(62,800,000)	-	-
% Holding	0%	100%	74%
(B) PYG Family Trust			
Number of shares at the end of the year	-	-	16,328,000
Opening No of Shares	-	16,328,000	16,328,000
Add: Received During the year			
- by way of transfer	-	-	-
- by way of issue	-	-	-
Less: Transferred During the year	-	(16,328,000)	-
% Holding	0%	0%	26%

*As of the date of this Restated Consolidated Financial Information, there are no outstanding CCNCPS issued by the Company.

14.6 Details of Promoter's Holding in the Company

Particulars	**As at Mar 31, 2024**	**As at Mar 31, 2023**	**As at Mar 31, 2022**
Equity Shares			
SVG Business Trust			
Number of Shares at the end of year	117,999,400	55,199,400	40,848,000
% Holding	100%	100%	74%
% Change during the year	0%	26%	0%
Saurabh Vidyadhar Gadgil			
Number of Shares at the end of year	100	100	-
% Holding	0%	0%	0%
% Change during the year	0%	0%	0%
Radhika Saurabh Gadgil			
Number of Shares at the end of year	100	100	-
% Holding	0%	0%	0%
% Change during the year	0%	0%	0%
PYG Family Trust#			
Number of Shares at the end of year	-	-	14,352,000
% Holding	0%	0%	26%
% Change during the year	0%	-26%	0%
CCNPS			
SVG Business Trust			
Number of Shares at the end of year	-	62,800,000	46,472,000
% Holding	0.00%	100.00%	74.00%
% Change during the year	0.00%	26.00%	0.00%
PYG Family Trust#			
Number of Shares at the end of year	-	-	16,328,000
% Holding	0%	0%	26%
% Change during the year	0%	-26%	0%

#Vide resolution dated March 20, 2023, PYG Family Trust had transferred all their shares (i.e. equity and preference shares). Till then PYG Family was holding 26% of the total share capital and hence considered as a promoter.

14.7 Below disclosure is made for the period of 5 years immediately preceding date at which Balance Sheet is prepared:

Particulars	**As at Mar 31, 2024**	**As at Mar 31, 2023**	**As at Mar 31, 2022**
a. Aggregate number and class of shares allotted as fully paid up pursuant to contract/(s) without payment being received in cash	62,800,000	-	-
b. Aggregate number and class of share allotted as fully paid up by way of bonus shares	-	-	-
c. Aggregate number and class of shares bought back	-	-	-

(All amounts are in ₹ Million, unless stated otherwise)

Particulars	As at Mar 31, 2021	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2018	As at Mar 31, 2017
a. Aggregate number and class of shares allotted as fully paid up pursuant to contract/(s) without payment being received in cash	-	-	-	-	-
b. Aggregate number and class of share allotted as fully paid up by way of bonus shares	-	-	-	-	-
c. Aggregate number and class of shares bought back	-	-	-	-	-

15. Other Equity

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Retained earnings (Refer Note 15.1)	4,299.18	2,774.53	2,031.68
Foreign currency translation reserve (Refer Note 15.2)	(135.41)	(136.72)	(150.86)
Other Comprehensive Income (Refer Note 15.3)	0.00	1.79	1.86
Capital Reserve (Refer Note 15.4)	(0.00)	(84.34)	29.52
Total	**4,163.77**	**2,555.26**	**1,912.20**

15.1 Retained Earnings

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Balance at the beginning of the year	2,774.53	2,031.68	1,455.65
Add: Profit/(Loss) for the year	1,543.43	742.85	576.03
Increase/(Decrease) in asset	5.46	-	-
Less: Share Issue & Listing Expense	(24.24)	-	-
Balance at the end of the year	**4,299.18**	**2,774.53**	**2,031.68**

15.2 Foreign currency translation reserve

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Balance at the beginning of the year	(136.72)	(150.86)	(120.72)
Add: Foreign Currency translation reserve for the year	1.31	14.14	(30.14)
Balance at the end of the year	**(135.41)**	**(136.72)**	**(150.86)**

15.3 Increase or Decrease in OCI

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Balance at the beginning of the year	1.79	1.86	1.29
Add: OCI during the year	(1.79)	(0.07)	0.57
Balance at the end of the year	**0.00**	**1.79**	**1.86**

15.4 Capital Reserve

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Balance at the beginning of the year	(84.34)	29.52	14.76
Add: Addition/(Decrease) during the year	84.34	(113.86)	14.76
Balance at the end of the year	**(0.00)**	**(84.34)**	**29.52**

The description, nature and purpose of each reserve within other equity are as follows:

a. Retained earnings: Retained earnings represents the profits earned by the Group till date net of appropriates. The amount that can be distributed by the company as dividends to its equity shareholders is determined based on balance in this reserve, after considering the requirement of the Companies Act, 2013
b. Foreign currency translation reserve: The forex gain/(loss) incurred due to transaction/conversion for Foreign Subsidiaries in accumulated within Foreign Currency translation reserve.

c. Other Comprehensive Income: The Actuarial (Gains)/Losses on Obligation for the Period of Gratuity is recognised as Net (Income)/Expense for the Period Recognized in Other Comprehensive Income. These changes are accumulated within the OCI shown under the head other equity.

16. Non-Controlling Interest

Particulars	**As at Mar 31, 2024**	**As at Mar 31, 2023**	**As at Mar 31, 2022**
Balance at the beginning of the year	(77.92)	(272.07)	(391.19)
Add: Profit for the year	-	194.15	119.12
Less: Non-Controlling interest Transfer	77.92	-	-
Balance at the end of the year	**-**	**(77.92)**	**(272.07)**

17. Borrowings

Particulars	**As at Mar 31, 2024**	**As at Mar 31, 2023**	**As at Mar 31, 2022**
Non-Current			
Secured - at amortized cost			
Term loans from banks	841.39	844.37	693.29
(Refer note below for detailed terms and conditions related to borrowings)			
Public Deposit	0.20	-	-
Unsecured - at cost			
Other Loans	77.82	97.26	71.26
Total (A):	**919.41**	**941.63**	**764.55**
Current			
Secured - at amortized cost			
Working capital from banks			
Cash Credit	2,569.06	1,467.88	1,706.02
Gold Metal Loan (GML)	159.75	111.68	158.54
Unsecured - at cost			
Other Loans			
Directors and relatives	-	-	-
Short Term Loan	101.48	111.73	92.94
Public Deposit	4.90	-	-
Current maturity of long-term debt (Refer notes below)	210.36	199.18	227.44
Total (B):	**3,045.55**	**1,890.47**	**2,184.94**
Total (A+B):	**3,964.96**	**2,832.10**	**2,949.49**

Terms of Borrowings:

1. For Financial Year 2021-2022:

a. Gold Metal Loan:

HDFC Bank (Gold Loan): Sanctioned Loan amount of ₹ 1000 millions, Rate of Interest: International Gold Lease rate (Linked), amount Outstanding as on 31/03/2022 Current Liability is ₹ 158.54 million, Security details: 110% security in the form of BG / SBLC / FD.

b. Cash Credit Facility:

- State Bank of India: Sanctioned Loan amount of ₹ 500 million, Rate of Interest: Base rate +1.50%, amount Outstanding as on 31/03/2022 Current Liability is ₹ 439.10 million, Security details: Entire current assets (present and future) stock of raw materials, finished goods, semi-finished materials and book debts on first pari passu basis.
  Collateral:
  1. Mortgage of Paud Road and Laxmi Road shops, and showroom of Ahmednagar.
  2. Second charges on Pari passu basis on Indore & Nanded Store

3. Additional hypothecation on PNG Vishwa, Flat 10 Bafna Chambers, Pune and Flat no. 10 and Shop 4, Viman Nagar showrooms. Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil. Corporate guarantee of M/s P N Gadgil Jewellers & P N Gadgil & Co. (Silver).

- HDFC Bank: Sanctioned Loan amount of ₹ 500 million, Rate of Interest: Base rate + 2.30 %, amount Outstanding as on 31/03/2022 Current Liability is ₹ 500 million, Security details: Entire current assets (present and future) stock of raw materials, finished goods, semi-finished materials and book debts on first pari passu basis.
  Collateral:
  1. Mortgage of Paud Road and Laxmi Road shops, and showroom of Ahmednagar with consortium members.
  2. Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil. Corporate guarantee of M/s P N Gadgil Jewellers.

- Yes Bank: Sanctioned Loan amount of ₹ 100 million, Rate of Interest: Base rate of YBL + 1%, amount Outstanding as on 31/03/2022 Current Liability is ₹ 99.98 million. Security details: Entire current assets (present and future) stock of raw materials, finished goods, semi-finished materials and book debts on first pari passu basis.
  Collateral:
  1. Mortgage of Paud Road and Laxmi Road shops, and showroom of Ahmednagar with consortium members.
  2. Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil. Corporate guarantee of M/s P N Gadgil Jewellers.

- Janata Sahakari Bank Ltd: Sanctioned Loan amount of ₹ 400 million, Rate of Interest: 10.90%, amount Outstanding as on 31/03/2022 Current Liability is ₹ 399.80 million, Security details: Entire current assets (present and future) stock of raw materials, finished goods, semi-finished materials and book debts on first pari passu basis.
  Collateral:
  1. Mortgage of Paud Road and Laxmi Road shops, and showroom of Ahmednagar.
  2. Second charges on Pari passu basis on Indore & Nanded Store.
  3. Additional hypothecation on Nanded Store. Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil. Corporate guarantee of M/s P N Gadgil Jewellers and P N Gadgil and Co. (Silver).

- Saraswat Co-Op Bank Ltd: Sanctioned Loan amount of ₹ 35 million, Rate of Interest: 10.00%, amount Outstanding as on 31/03/2022 Current Liability is ₹ 30.22 million, Security details: Entire current assets (present and future) stock of raw materials, finished goods, semi-finished materials and book debts on first pari passu basis.
  Collateral:
  1. Mortgage of Paud Road and Laxmi Road shops, and showroom of Ahmednagar.
  2. Second charges on Pari passu basis on Indore Store & Nanded Store.
  3. Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil. Corporate guarantee of M/s P N Gadgil Jewellers and P N Gadgil and Co. (Silver).

- Bandhan Bank Ltd: Sanctioned Loan amount of ₹ 100 million, Rate of Interest: 10.00%, amount Outstanding as on 31/03/2022 Current Liability is ₹ 96.40 million, Security details: Entire current assets (present and future) stock of raw materials, finished goods, semi-finished materials and book debts on first pari passu basis.
  Collateral:
  1. Mortgage of Paud Road and Laxmi Road shops, and showroom of Ahmednagar.
  2. Second charges on Pari passu basis on Indore Store.
  3. Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil. Corporate guarantee of M/s P N Gadgil Jewellers and P N Gadgil and Co. (Silver).

- Janata Sahakari Bank Ltd: Sanctioned Loan amount of ₹ 52.50 million, Rate of Interest: 10.90%, amount Outstanding as on 31/03/2022 Current Liability is ₹ 52.50 million, Security details: Entire current assets (present and future) stock of raw materials, finished goods, semi-finished materials and book debts on first pari passu basis.
  Collateral:
  1. Mortgage of Gadgil Diamonds Property-108, 109 & 110, Kondiveta, Andheri, Mumbai
  2. Mortgage of Gadgil Holdings Property-Office 101, Express Tower, Narayan Peth, Pune
  3. Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil. Corporate guarantee of M/s Gadgil Diamonds P Ltd & Gadgil Holdings P Ltd.

- Bank of Baroda: Sanctioned Loan Amount of USD 2 million, Rate of Interest: 7.5%, Amount Outstanding as on 31/03/2022 Current Liability is ₹ 88.02 million, Security Details: Entire inventory, Receivables and Other Movables First Charges on entire asset of the company.
  Collateral:
  a. CD of ₹ 3.83 Cr to be kept in the name of P N Gadgil Jewellers (Pune).
  b. Personal guarantee of Parag Gadgil.
  c. Corporate Guarantee of P N Gadgil Jewellers (Partnership Firm) and P N Gadgil Jewellers Pvt Ltd.

c. Long Term Borrowings and current maturities thereof:

- Saraswat Co-Operative Bank Ltd. (Term Loan): Sanctioned Loan amount of ₹ 370.50 million, Rate of Interest: 9.75%, amount Outstanding as on 31/03/2022 is ₹ 177.92 million (Current Liability is ₹ 66.20 million and non-current is ₹111.72 million), Tenure: 60 Months.
  Repayment Details:
  1. Term Loan I - Quarterly ₹ 11.72 million for 9 Quarters.
  2. Term Loan II - 12-month moratorium and 60 equal monthly instalments after moratorium period.
  3. Term Loan III- 12-month moratorium and 48 equal monthly instalments after moratorium period.

  Security details:
  1. First charge on properties acquired under Saraswat Co-Op Bank Ltd., term loan.
  2. Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil.

- Karnataka Bank Ltd. (Term Loan): Sanctioned Loan amount of ₹ 593.60 million, Rate of Interest: 10.50%, amount Outstanding as on 31/03/2022 is ₹ 476.79 million (Current Liability is ₹ 89.01 million and Non-Current Liability is ₹ 387.78 million) Tenure: Demand Promissory Note (DPN) Loan - 30 Months & Fresh Term Loan - 60 Months.
  Repayment Details:
  1. 10 equal quarterly instalments of ₹ 27.64 million
  2. 60 equal monthly instalments of ₹ 3.73 million.

  Security details:
  1. Land at Dapoli owned by Gadgil Developers Pvt. Ltd.
  2. Corporate guarantee of Gadgil Developers Pvt. Ltd.
  3. Personal Guarantee of Saurabh Gadgil and Parag Gadgil.

- Bandhan Bank Ltd. (Term Loan): Sanctioned Loan amount of ₹ 50 million, Rate of Interest: 10.75%, amount Outstanding as on 31/03/2022 Current Liability is ₹ 27.28 million (Current Liability is ₹ 13.64 million and Non-Current Liability is ₹ 13.64 million). Tenure: 44 Months
  Repayment Details: Equated monthly instalments ₹ 1.14 million
  Security details:
  1. First charge on properties acquired under term loan.
  2. Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil.

- State Bank of India (Term Loan): Sanctioned Loan amount of ₹ 114.80 million, Rate of Interest: 7.95%, amount Outstanding as on 31/03/2022 is ₹ 112.37 million (Current Liability is ₹ 28.80 million and Non-Current Liability is ₹ 83.57 million) Tenure: 24 Months
  Repayment Details: Equated monthly 48 instalments ₹2.4 million
  Security details: Extension of Charge over the Primary / Collateral Security available for existing WC Limits.

- HDFC Bank Ltd (Term Loan): Sanctioned Loan amount of ₹ 130 million, Rate of Interest: 7.50%, amount Outstanding as on 31/03/2022 is ₹ 130 million (Current Liability is ₹ 29.79 million and Non-Current Liability is ₹ 100.21 million). Tenure: 60 Months
  Repayment Details: Equated monthly 48 instalments ₹2.71 million.
  Security details: Extension of Charge over the Primary / Collateral Security available for existing WC Limits.

2. For Financial Year 2022-2023:

a. Cash Credit Facility:

- State bank Of India (CC/WCDL): Sanctioned Loan amount of ₹ 500 million, Rate of Interest: 10.4%, amount Outstanding as on 31/03/2023 Current Liability is ₹359.85 million. Entire current assets (present and future) stock of raw materials, finished goods, semi-finished materials and book debts on first pari passu basis.
  Collateral:
  1. Mortgage of Paud Road and Laxmi Road shops, and showroom of Ahmednagar.
  2. Second charges on Pari passu basis on Indore & Nanded Store
  3. Additional hypothecation on PNG Vishwa, Flat 10 Bafna Chambers, Pune and Flat no. 10 and Shop 4 Viman Nagar showrooms. Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil.

- HDFC Bank (WCDL): Sanctioned Loan amount of ₹ 500 million, Rate of Interest: base rate +2.30%, amount Outstanding as on 31/03/2023 Current Liability is ₹500 million, Security details: Entire current assets (present and future) stock of raw materials, finished goods, semi-finished materials and book debts on first pari passu basis.
  Collateral:
  1. Mortgage of Paud Road and Laxmi Road shops, and showroom of Ahmednagar with consortium members.
  2. Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil. Corporate guarantee of M/s P N Gadgil Jewellers.

- Janta Sahakari Bank Ltd. (CC): Sanctioned Loan amount of ₹ 400 million, amount Outstanding as on 31/03/2023 Current Liability is ₹328.27 million, Security details: Entire current assets (present and future) stock of raw materials, finished goods, semi-finished materials and book debts on first pari passu basis.
  Collateral:

1. Mortgage of Paud Road and Laxmi Road shops, and showroom of Ahmednagar.
2. Second charges on Pari passu basis on Indore & Nanded Store.
3. Additional hypothecation on Nanded Store. Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil.

- Saraswat Co-operative Bank (CC): Sanctioned Loan amount of ₹ 35 million, Rate of Interest: 10.00%, amount Outstanding as on 31/03/2023 Current Liability is ₹34.50 million, Security details: Entire current assets (present and future) stock of raw materials, finished goods, semi-finished materials and book debts on first pari passu basis.
  Collateral:
  1. Mortgage of Paud Road and Laxmi Road shops, and showroom of Ahmednagar.
  2. Second charges on Pari passu basis on Indore Store & Nanded Store.
  3. Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil

- Bandhan Bank Ltd. (CC/WCDL): Sanctioned Loan amount of ₹ 250 million, Rate of Interest: 10.50%, amount Outstanding as on 31/03/2023 Current Liability is ₹245.26 million. Security details: Entire current assets (present and future) stock of raw materials, finished goods, semi-finished materials and book debts on first pari passu basis.
  Collateral:
  1. Mortgage of Paud Road and Laxmi Road shops, and showroom of Ahmednagar.
  2. Second charges on Pari passu basis on Indore Store.

b. Long Term Borrowings and current maturities thereof:

- Saraswat Co-operative Bank (Term Loan): Sanctioned Loan Amount ₹ 97.50 million, amount Outstanding as on 31/03/2023 is ₹ 97.50 million (Current Liability is ₹ 16.25 million and Non-current Liability is ₹ 81.25 million). Repayment Terms: 12-month moratorium and 47 equal monthly instalments & last instalments of ₹ 20.43 million after moratorium period.
  Security details:
  1. First charge on properties acquired under Saraswat Co-Op Bank Ltd., term loan.
  2. Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil.

- State Bank of India (Term Loan): Sanctioned Loan Amount ₹ 114.80 million, Rate of Interest: 7.95%, amount Outstanding as on 31/03/2023 is ₹ 83.46 million (Current Liability is ₹ 28.80 million and Non-current Liability is ₹ 54.66 million).
  Tenure: 24 Months, Repayment Terms: Equated monthly 48 instalments ₹2.40 million, Security details: Extension of Charge over the Primary / Collateral Security available for existing WC Limits.

- HDFC Bank (Term Loan): Sanctioned Loan Amount ₹ 130 million, Rate of Interest: 7.50%, amount Outstanding as on 31/03/2023 is ₹ 100.21 million (Current Liability is ₹ 32.50 million and Non-current Liability is ₹ 67.71 million).
  Tenure: 60 Months, Repayment Details: Equated monthly 48 instalments ₹2.71 million, Security details: Extension of Charge over the Primary / Collateral Security available for existing WC Limits.

- Karnataka Bank Ltd. (Term Loan): Sanctioned Loan Amount ₹ 834.60 million, Rate of Interest: 10.50%, amount Outstanding as on 31/03/2023 is ₹ 633.28 million (Current Liability is ₹ 114 million & non-current liability is ₹ 519.27 million). Repayment Terms: 60 equal monthly instalments of ₹ 3.73 million each, 83 equal monthly instalments and last instalment of ₹ 2.02 million, 121 Equal instalments of ₹ 16.67 million, 120 Equal monthly instalments of ₹ 2.08 million.
  Security details:
  1. Land at Dapoli owned by Gadgil Developers Pvt. Ltd.
  2. Corporate guarantee of Gadgil Developers Pvt. Ltd.
  3. Personal Guarantee of Saurabh Gadgil and Parag Gadgil.

- Axis Bank Ltd (Term Loan): Sanctioned Loan amount of ₹ 247.60 million, Rate of Interest: 8.75%, amount Outstanding as on 30/09/2023 is ₹ 247.60 million (Current liability is ₹ 7.62 million and Non - Current Liability is ₹ 239.98 million). Tenure: 180 Months.
  Repayment Details: Term Loan 1- 180 equal monthly instalments of ₹ 0.66 million
  Term Loan 2 -180 equal monthly instalments of ₹ 1.17 million
  Term Loan 3- 180 equal monthly instalments ₹ 0.26 million
  Term Loan 4- 180 Equal monthly instalments ₹ 0.41 million
  Security details:
  1. Property of Hinjewadi, shop 22 & 23 Laxmi Road, Shop 6,7, & 8, Shubham Galleria, Pimpri & Shop 5 & Flat 103 Viman Nagar
  2. Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil

3. For Financial Year 2023-2024:

a. Public Deposit: Sanctioned Limit: 500 million, Rate on Interest: 7.5% for 12 Months and 7.75% for 36 Months, amount outstanding as of March 31, 2024, is 5.10 million (Current Liability is ₹ 4.90 million and Non-Current Liability is ₹ 0.20 million).

b. Gold Metal Loan (GML):

- HDFC Bank (Gold Loan): Sanctioned Loan amount of ₹ 1000 million, Rate of Interest: International Gold Lease rate (Linked), amount Outstanding as on March 31, 2024, is ₹ 159.75 million (Current Liability), Security details: 110% security in the form of BG / SBLC / FD.

c. Cash Credit Facility:

- State bank Of India (CC/WCDL): Sanctioned Loan amount of ₹ 500 million, Rate of Interest: 10.55%, amount Outstanding as on March 31, 2024 - Current Liability is ₹ 449.37 million, Entire current assets (present and future) stock of raw materials, finished goods, semi-finished materials and book debts on first pari passu basis.
  Collateral:
  1. Mortgage of Paud Road and Laxmi Road shops, and showroom of Ahmednagar.
  2. Second charges on Pari passu basis on Indore & Nanded Store
  3. Additional hypothecation on PNG Vishwa, Flat 10 Bafna Chambers, Pune and Flat no. 10 and Shop 4 Viman Nagar showrooms. Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil.

- HDFC Bank (WCDL): Sanctioned Loan amount of ₹ 500 million, Rate of Interest: 10.45%, amount Outstanding as on March 31, 2024 - Current Liability is ₹ 500 million, Security details: Entire current assets (present and future) stock of raw materials, finished goods, semi-finished materials and book debts on first pari passu basis.
  Collateral:
  1. Mortgage of Paud Road and Laxmi Road shops, and showroom of Ahmednagar with consortium members.
  2. Second charges on Pari passu basis on Indore & Nanded Store.
  3. Personal Guarantee of Saurabh Gadgil & Parag Gadgil.

- Janta Sahakari Bank Ltd. (CC & Festive TOD for 90 days): Sanctioned Loan amount of ₹ 500 million and Ad-Hoc Limit ₹ 100 million, Rate of Interest: 10.30% & 12.30% (for Festival TOD), amount Outstanding as on March 31, 2024, is ₹ 576.07 million (Current Liability). Security details: Entire current assets (present and future) stock of raw materials, finished goods, semi-finished materials and book debts on first pari passu basis.
  Collateral:
  1. Mortgage of Paud Road and Laxmi Road shops, and showroom of Ahmednagar.
  2. Second charges on Pari passu basis on Indore Shop No. UG-01 & UG -02.
  3. Additional hypothecation on Nanded Store, Corporate guarantee of Gadgil Diamonds Pvt. Ltd., Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, & Anjali Gadgil.

- Saraswat Co-operative Bank (CC): Sanctioned Loan amount of ₹ 200 million, Rate of Interest: 10.50%, amount Outstanding as on March 31, 2024, is ₹ 199.21 million (Current Liability). Security details: Entire current assets (present and future) stock of raw materials, finished goods, semi-finished materials and book debts on first pari passu basis.
  Collateral:
  1. Mortgage of Paud Road and Laxmi Road shops, and showroom of Ahmednagar.
  2. Second charges on Pari passu basis on Nanded Store.
  3. Additional hypothecation on Indore- Shop No. UG-01 & UG -02
  4. Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil.

- Bandhan Bank Ltd. (CC/WCDL): Sanctioned Loan amount of ₹ 250 million, Rate of Interest: 10.50%, amount Outstanding as on March 31, 2024, is ₹ 246.86 million (Current Liability). Security details: Entire current assets (present and future) stock of raw materials, finished goods, semi-finished materials and book debts on first pari passu basis.
  Collateral:
  1. Mortgage of Paud Road and Laxmi Road shops, and showroom of Ahmednagar.
  2. Second charges on Pari passu basis on Nanded & Indore Store.
  3. Additional hypothecation on Gole Complex Flat 201,202, 203 & Shop 15 & 16 and Unit 201 Kakade Bizz Icon owned by Saurabh Gadgil.
  4. Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil.

- Bank of Baroda (CC): Sanctioned Loan amount of ₹ 500 million (Disbursed ₹ 300 million), Rate of Interest: 10.30%, amount Outstanding as on March 31, 2024 - Current Liability is ₹299.91 million. Security details: Entire current assets (present and future) stock of raw materials, finished goods, semi-finished materials and book debts on first pari passu basis.
  Collateral:
  1. Mortgage of Paud Road and Laxmi Road shops, and showroom of Ahmednagar.
  2. Second charges on Pari passu basis on Nanded & Indore Store.
  3. Additional hypothecation on 15/1A Balewadi property owned by Gadgil Holdings Private Ltd.
  4. Corporate Guarantee of Gadgil Holdings P Ltd and Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil.

- RBL Bank: Sanctioned Loan amount of USD 1.21 million, Rate of Interest: 7.08%, amount Outstanding as on 31/03/2024 Current Liability is ₹44.64 million. Security details: Lien on Fixed Deposit of 110% of the facility amount of Promoters of P N Gadgil Jewellers Pvt Ltd and unconditional and irrecoverable personal guarantee of Saurabh Gadgil and Parag Gadgil.

d. Long Term Borrowings and current maturities thereof:

- Saraswat Co-operative Bank (Term Loan): Sanctioned Loan Amount ₹ 97.50 million, amount Outstanding as on March 31, 2024, is ₹ 81.25 million (Current Liability is ₹ 24.37 million and Non-current Liability is ₹ 56.88 million).
  Repayment Terms: 12-month moratorium and 47 equal monthly instalments & last instalments of ₹ 20.43 million after moratorium period.
  Security details: First charge on properties acquired under Saraswat Co-Op Bank Ltd., term loan. Personal Guarantee of Saurabh Gadgil, Parag Gadgil, Radhika Gadgil, Anjali Gadgil & Vaishali Gadgil.

- HDFC Bank Ltd (GECL): Sanctioned Loan Amount ₹ 130 million, Rate of Interest: 9.25%, amount Outstanding as on March 31, 2024, is ₹ 67.71 million (Current Liability is ₹ 32.50 million and Non-current Liability is ₹ 35.21 million).
  Tenure: 60 Months, Repayment Details: Equated monthly 48 instalments ₹2.71 million
  Security details: 1. Extension of Charge over the Primary / Collateral Security available for existing WC Limits.

- State Bank of India (GECL): Sanctioned Loan Amount ₹ 114.80 million, Rate of Interest: 9.25%, amount Outstanding as on March 31, 2024, is ₹ 51.97 million (Current Liability is ₹28.80 million and Non-current Liability is ₹ 23.17 million).
  Tenure: 24 Months, Repayment Terms: Equated monthly 48 instalments ₹2.40 million
  Security details: Security details: Extension of Charge over the Primary / Collateral Security available for existing WC Limits.

- Karnataka Bank Ltd. (Term Loan): Sanctioned Loan Amount ₹ 223.6 million, amount Outstanding as on March 31, 2024, is ₹ 36.34 million (Current Liability), Rate of Interest: 10.50%, Tenure: 60 Months, Repayment Terms: 60 equal monthly instalments of ₹ 3.73 million each.
  Security details:
  1. Land at Dapoli owned by Gadgil Developers Pvt. Ltd.
  2. Corporate guarantee of Gadgil Developers Pvt. Ltd.
  3. Personal Guarantee of Saurbah Gadgil & Parag Gadgil

- Karnataka Bank Ltd. (Term Loan): Sanctioned Loan Amount ₹ 200 million, Amount Outstanding as on March 31, 2024, is ₹ 144.81 million (Current Liability is ₹ 20.00 million & non-current liability is ₹ 124.81 million), Rate of Interest: 10.50%
  Tenure: 60 Months, Repayment Terms: 120 equal monthly instalments of ₹ 1.67 million each.
  Security details:
  1. Land at Dapoli owned by Gadgil Developers Pvt. Ltd.
  2. Corporate guarantee of Gadgil Developers Pvt. Ltd.
  3. Personal Guarantee of Saurbah Gadgil & Parag Gadgil

- Karnataka Bank Ltd. (Term Loan): Sanctioned Loan Amount ₹ 170 million, Amount Outstanding as on March 31, 2024, is ₹ 117.18 million (Current Liability is ₹ 24.29 million & non-current liability is ₹ 92.89 million), Rate of Interest: 10.50%
  Tenure: 84 Months, Repayment Terms: 84 equal monthly instalments of ₹ 2.03 million each.
  Security details:
  1. Land at Dapoli owned by Gadgil Developers Pvt. Ltd.
  2. Corporate guarantee of Gadgil Developers Pvt. Ltd.
  3. Personal Guarantee of Saurbah Gadgil & Parag Gadgil

- Karnataka Bank Ltd. (Term Loan): Sanctioned Loan Amount ₹ 250 million, Amount Outstanding as on March 31,2024 is ₹ 220.62 million (Current Liability is ₹ 25.00 million & non-current liability is ₹ 195.62 million), Rate of Interest: 10.55%
  Tenure: 120 Months, Repayment Terms: 120 equal monthly instalments of ₹ 2.08 million each.
  Security details:
  1. Land at Dapoli owned by Gadgil Developers Pvt. Ltd.
  2. Corporate guarantee of Gadgil Developers Pvt. Ltd.
  3. Personal Guarantee of Saurbah Gadgil & Parag Gadgil

- Karnataka Bank Ltd. (Term Loan): Sanctioned Loan Amount ₹ 1,00 million, Amount Outstanding as on March 31,2024 is ₹ 97.50 million (Current Liability is ₹ 10 million & non-current liability is ₹ 87.50 million), Rate of Interest: 11.15%
  Tenure: 120 Months, Repayment Terms: 120 equal monthly instalments of ₹ 0.83 million each.

Security details:
1. Land at Dapoli owned by Gadgil Developers Pvt. Ltd.
2. Corporate guarantee of Gadgil Developers Pvt. Ltd.
3. Personal Guarantee of Saurbah Gadgil & Parag Gadgil

- State Bank of India (Term - Loan): Sanctioned Loan Amount ₹ 114.80 million, Rate of Interest: 9.25%, amount Outstanding as on March 31, 2024, is ₹ 51.97 million (Current Liability is ₹28.80 million and Non-current Liability is ₹ 23.17 million).
  Tenure: 24 Months, Repayment Terms: Equated monthly 48 instalments ₹2.40 million
  Security details: Extension of Charge over the Primary / Collateral Security available for existing WC Limits.

- HDFC Bank (Term Loan): Sanctioned Loan Amount ₹ 130 million, Rate of Interest: 9.25%, amount Outstanding as on March 31, 2024, is ₹ 67.71 million (Current Liability is ₹ 32.50 million and Non-current Liability is ₹ 35.21 million). Tenure: 60 Months. Repayment Details: Equated monthly 48 instalments ₹2.71 million.
  Security details: Extension of Charge over the Primary / Collateral Security available for existing WC Limits.

- Axis Bank Ltd. (Term Loan): Sanctioned Loan Amount ₹ 65.91 million, amount Outstanding as on March 31, 2024, is ₹ 63.88 million (Current Liability is ₹ 2.41 million & non-current liability is ₹ 61.47 million), Rate of Interest: 8.75%, Tenure: 100 Months, Repayment Terms: 180 equal monthly instalments of ₹ 0.66 million.
  Security Details:
  1. Property of Hinjewadi - Shop No 1.
  2. Personal Guarantee of Parag Gadgil & Vaishali Gadgil.

- Axis Bank Ltd. (Term Loan): Sanctioned Loan Amount ₹ 116.88 million, amount Outstanding as on March 31, 2024, is ₹ 113.28 million (Current Liability is ₹ 4.28 million & non-current liability is ₹ 109 million), Rate of Interest: 8.75%, Tenure: 120 Months, Repayment Terms: Remaining Tenure is 180 months, Apr 2038 being last instalment.
  Security Details:
  1. Property of Pimpri- Shop No. 6,7 & 8.
  2. Personal Guarantee of Parag Gadgil & Vaishali Gadgil.

- Axis Bank Ltd. (Term Loan): Sanctioned Loan Amount ₹ 23.54 million, amount Outstanding as on March 31, 2024, is ₹ 22.82 million (Current Liability is ₹ 0.86 million & non-current liability is ₹ 21.95 million), Rate of Interest: 8.75%, Tenure: 120 Months, Repayment Terms: Remaining Tenor is 180 months, Apr 2038 being last instalment.
  Security Details:
  1. Property of Laxmi Road - Shop No. 22 & 23.
  2. Personal Guarantee of Parag Gadgil & Vaishali Gadgil.

- Axis Bank Ltd. (Term Loan): Sanctioned Loan Amount ₹ 41.27 million, amount Outstanding as on March 31, 2024, is ₹ 40.00 million (Current Liability is ₹ 1.51 million & non-current liability is ₹ 38.49 million), Rate of Interest: 8.75%, Tenure: 120 Months, Repayment Terms: Remaining Tenor is 180 months, Apr 2038 being last instalment.
  Security Details:
  1. Property of Viman Nagar - Shop No.5 and Flat no. 103.
  2. Personal Guarantee of Parag Gadgil & Vaishali Gadgil.

18. Leases

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Non-Current Leases	457.35	312.59	325.96
Current Leases	129.63	96.72	80.56
Total	**586.98**	**409.31**	**406.52**

19. Other Financial Liabilities

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Non - current			
Security deposit	43.16	40.16	33.91
Current			
Interest accrued but not due	8.42	3.76	4.59
Interest accrued but due	0.09	-	-

(All amounts are in ₹ Million, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Capital Creditors	4.74	-	-
Employee payable	23.43	27.97	23.58
Unbilled Dues	42.52	20.33	25.92
Total	**122.36**	**92.22**	**88.01**

20. Provisions

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Non - current			
Gratuity (Refer Note 44)	0.19	17.49	14.59
Compensated absences	1.94	1.72	1.47
Current			
Gratuity (Refer Note 44)	19.42	15.72	14.19
Compensated absences	2.20	2.03	1.74
Provision for expenses	5.98	11.76	8.43
Total	**29.73**	**48.72**	**40.41**

21. Deferred Tax Liability

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Deferred Tax Liability	74.99	64.24	56.28
Total	**74.99**	**64.24**	**56.28**

22. Current tax (Asset)/liabilities (net)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Provision for Taxation	703.41	411.62	258.61
Less: Advance tax and TDS recoverable	592.89	451.18	171.12
Total (Net)	**110.52**	**(39.56)**	**87.49**

23. Other Liability

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Non - Current			
Other payables	-	-	-
Current			
Statutory Dues Payable	45.75	27.68	21.71
Other payables	23.13	10.29	10.05
Advance from Customers	2,858.72	2,166.16	2,925.10
Total	**2,927.60**	**2,204.13**	**2,956.86**

24. Trade Payables

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Undisputed Dues			
Due to MSME	64.21	-	-
Due to other than MSME	1,424.67	1,317.46	1,697.20
Total	**1,488.88**	**1,317.46**	**1,697.20**

(All amounts are in ₹ Million, unless stated otherwise)

Note: The information as required under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.

The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') has been determined to the extent such parties have been identified on the basis of information available with the company. The amount of principal and Interest outstanding during the year is given below:

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Total amount due to MSMEs as on Balance Sheet date			
- Principal amount due to MSMEs	64.21	-	-
- Interest on the principal amount due to MSMEs	Nil	-	-
Total delayed payments to MSMEs during the year			
- Principal amount	Nil	-	-
- Interest on the principal amount	Nil	-	-
Total amount of interest paid to MSMEs during the year	-	-	-
Total interest accrued and remaining unpaid at the end of the year under MSMED Act	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-	-

24.1 Trade payable ageing schedule as of March 31, 2024

Particulars	Outstanding for following periods from due date of payment			
	< 1 Year	1-2 Years	2-3 years	More than 3 years
MSME	64.21	-	-	-
Others	1,410.77	12.27	0.11	1.52
Disputed - MSME	-	-	-	-
Disputed - Others	-	-	-	-

24.2 Trade payable ageing schedule as of March 31, 2023

Particulars	Outstanding for following periods from due date of payment			
	< 1 Year	1-2 Years	2-3 years	More than 3 years
MSME	-	-	-	-
Others	1,219.28	50.94	4.15	43.09
Disputed - MSME	-	-	-	-
Disputed - Others	-	-	-	-

24.3 Trade payable ageing schedule as of March 31, 2022

Particulars	Outstanding for following periods from due date of payment			
	< 1 Year	1-2 Years	2-3 years	More than 3 years
MSME	-	-	-	-
Others	1,650.55	3.97	2.99	39.69
Disputed - MSME	-	-	-	-
Disputed - Others	-	-	-	-

25. Revenue from Operations

Particulars	For the Year ended		
	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Sale of products			
Retail	48,898.04	35,349.19	23,927.45

(All amounts are in ₹ Million, unless stated otherwise)

Non-Retail	12,190.59	9,709.02	1,615.73
Other Operating Revenue:			
Franchise Income	20.82	16.98	13.16
Total	**61,109.45**	**45,075.19**	**25,556.34**

Note: The revenue from sale of products is reported net of sale returns.

25.1 Breakup of sale of products

Particulars	For the Year ended		
	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Traded Products			
Gold	56,325.50	40,933.43	23,037.47
Silver	2,096.90	1,634.17	1,222.00
Diamond	2,251.80	1,962.91	1,044.92
Others	414.43	527.70	238.79
Total	**61,088.63**	**45,058.21**	**25,543.18**

26. Other Income

Particulars	For the Year ended		
	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Interest from			
Banks	33.19	17.61	13.89
Others	0.15	0.12	1.07
Dividend	-	-	2.58
Other Non-operating Income			
Unwinding of discount on security deposit	5.57	4.60	5.13
Gain from foreign currency transactions (Net)	3.59	17.82	-
Rental Income	6.06	5.95	2.58
Sundry Creditors balance written off	1.13	454.79	261.00
Profit on Sale of Property, Plant and Equipment (net)	0.05	0.80	-
Interest on Income Tax Refund	1.59	-	-
Gain on Derecognition of Lease Liabilities (Net)	6.82	-	6.88
Other Income	23.44	16.24	13.58
Total	**81.59**	**517.93**	**306.71**

27. Cost of Material Consumed

Particulars	For the Year ended		
	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Retail			
Opening Stock	5,968.83	7,035.41	6,382.07
Add: Purchases and Incidental Expenses	47,396.34	30,602.20	22,119.18
Less: Closing Stock	9,588.58	5,968.83	7,035.41
Subtotal (A)	**43,776.59**	**31,668.78**	**21,465.84**
Non-Retail			
Opening Stock	-	-	-
Add: Purchases and Incidental Expenses	12,205.21	9,785.47	1,589.32
Less: Closing Stock	-	-	-
Subtotal (B)	**12,205.21**	**9,785.47**	**1,589.32**
Cost of Materials Consumed (A+B)	**55,981.80**	**41,454.25**	**23,055.16**

Note: The purchase of goods is reported net of purchase returns.

27A. Change in inventories of finished goods and stock-in-trade

Particulars	For the Year ended		
	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Opening Stock			
Gold	4,374.02	5,575.33	4,957.70
Silver	240.03	212.83	238.22

(All amounts are in ₹ Million, unless stated otherwise)

Particulars	**For the Year ended**		
	Mar 31, 2024	**Mar 31, 2023**	**Mar 31, 2022**
Non-silver traded	85.05	125.08	5.13
Diamond, platinum and stone	1,264.16	1,122.17	1,181.02
Stock in Transit	5.57	-	-
Total (A)	**5,968.83**	**7,035.41**	**6,382.07**
Closing Stock			
Gold	7,495.35	4,374.02	5,575.33
Silver	366.20	240.03	212.83
Non-silver traded	32.89	85.05	125.08
Diamond, platinum and stone	1,692.17	1,264.16	1,122.17
Stock in Transit	1.97	5.57	-
Total (B)	**9,588.58**	**5,968.83**	**7,035.41**
(Increase) / Decrease in Inventories (A-B)	**(3,619.75)**	**1,066.58**	**(653.34)**

28. Employee Benefit Expenses

Particulars	**For the Year ended**		
	Mar 31, 2024	**Mar 31, 2023**	**Mar 31, 2022**
Salaries, wages and bonus	566.10	479.68	385.48
Contribution to Provident fund	25.48	22.54	20.92
Contribution to Gratuity	8.53	7.15	6.74
Staff recruitment and training expenses	2.66	0.98	1.02
Directors' remuneration	262.75	226.31	197.73
Staff welfare expenses	16.71	16.23	9.71
Total	**882.23**	**752.89**	**621.60**

29. Finance Cost

Particulars	**For the Year ended**		
	Mar 31, 2024	**Mar 31, 2023**	**Mar 31, 2022**
Interest expense on financial liabilities measured at amortized cost			
On Bank borrowings	339.18	262.65	268.52
On lease liabilities	45.39	38.13	38.61
On Public Deposit	0.10	-	-
On Unsecured Loan	5.27	9.18	6.12
Other Interest expense			
Interest on Income tax	7.91	6.92	7.75
Other borrowings cost			
Interest on corporate security charges	51.56	24.00	24.00
Loan Processing Fees	9.28	8.11	6.44
Total	**458.69**	**348.99**	**351.44**

30. Depreciation and amortization expenses

Particulars	**For the Year ended**		
	Mar 31, 2024	**Mar 31, 2023**	**Mar 31, 2022**
Depreciation			
On property, plant and equipment	75.81	73.83	80.25
Amortization			
Of Right of use asset	133.93	102.12	95.59
Of Intangible assets	22.19	39.42	42.24
Total	**231.93**	**215.37**	**218.08**

(All amounts are in ₹ Million, unless stated otherwise)

31. Other Expenses

Particulars	For the Year ended		
	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Repairs to Shop establishment and fittings	30.24	77.89	22.99
Repairs to computer	2.89	3.21	3.13
Repairs to other assets	6.17	5.09	3.95
Commission and brokerage	11.75	2.92	1.97
Carriage outwards/postal charges	27.12	20.15	13.48
Discount expenses	507.41	190.55	164.85
Subscription charges	103.35	92.32	61.81
Freight	9.63	8.11	5.27
Packing expenses	39.20	31.31	21.18
Power and fuel	44.60	41.42	31.25
Security charges	26.57	22.42	19.85
Legal and Professional Fees	50.16	37.33	57.98
Payment to Auditors (refer note 31(a) below)	4.59	2.60	1.68
Credit Card Charges	16.13	14.61	15.41
Insurance	11.93	8.58	9.43
Rent	6.09	11.03	16.08
Travelling and conveyance	32.81	19.36	16.66
Rates and Taxes	18.84	5.65	8.37
Advertisement and publicity	419.47	299.60	91.62
Royalty	50.00	50.00	50.00
Donations	1.54	1.59	0.16
Particulars	**For the Year ended**		
	Mar 31, 2024	**Mar 31, 2023**	**Mar 31, 2022**
Communication expense	6.36	5.25	4.90
Printing and Stationery	7.56	5.68	2.96
Doubtful advances and assets written-off	42.43	606.64	0.85
Reversal of Advances earlier written back	3.40	12.43	-
Loss on Derivative Financial Instruments (Net)	18.88	-	-
Loss on Impairment of Investment	2.02	-	-
Foreign exchange Loss (net)	-	-	8.84
Entertainment expenses	6.17	4.71	2.75
Housekeeping expenses	17.93	12.94	8.57
CSR Expenses	11.00	8.83	18.11
Miscellaneous Expenses	16.51	38.55	102.36
Total	**1,552.75**	**1,640.78**	**766.47**

31(a). Details of Payment to Auditors

Particulars	For the Year ended		
	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Payment to Auditors			
Statutory Audit fees	4.22	2.36	1.48
Tax Audit fee	0.24	0.24	0.20
Other Services	0.13	-	-
Total	**4.59**	**2.60**	**1.68**

32. Earnings Per Share

(All amounts are in ₹ Million, unless stated otherwise)

Particulars	For the Year ended		
	Mar 31, 2024	**Mar 31, 2023**	**Mar 31, 2022**
Net profit / (loss) after tax attributable to equity shareholders	1,543.43	937.01	695.15
Number of equity shares*	71500546	55200000	55200000
Weighted Average Number of equity shares	118000000	118000000	118000000
Face value of equity share (₹)	10.00	10.00	10.00
Basic earnings per share (₹)	21.59	16.97	12.59
Diluted earnings per shares (₹)	13.08	7.94	5.89

* Number of equity shares includes CCNPS converted into Equity Shares for proportionate period.

33. Details of CSR Expenditure

Sr. No.	Particulars	For the Year ended		
		Mar 31, 2024	**Mar 31, 2023**	**Mar 31, 2022**
(i)	Amount required to be spent by the company during the period/year	10.45	8.82	7.65
(ii)	Amount of expenditure incurred / excess of earlier year adjusted	11.00	8.83	18.11
(iii)	Shortfall at the end of the period/year	(0.55)	-	-
(iv)	Total of previous years shortfall	(0.02)	-0.01	-
(v)	Excess amount spent available for set off in succeeding financial years	0.57	0.02	0.01
(vi)	Reason for shortfall,	NA	NA	NA
(vii)	Nature of CSR activities	preventive health care, promoting education, rural development, eradicating hunger, disaster relief, setting up shelters		
(viii)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	NA	NA	NA
(ix)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA	NA

34. Contingent Liabilities

Particulars	For the Year ended		
	Mar 31, 2024	**Mar 31, 2023**	**Mar 31, 2022**
Contingent liabilities not provided for in respect of:			
Local body tax (LBT) [Refer note (i)]	2.91	2.91	2.91
Transfer Pricing AY 2016-17 [Refer note (ii)]	-	1.70	32.54
Transfer Pricing AY 2017-18 [Refer note (iii)]	-	-	2.90
IT Penalty (SFT) Proceeding AY 2017-18 [Refer not (iv)]	11.40	-	-
Corporate guarantees [Refer note (v)]	-	-	148.98
IT Proceeding (GDPL) - AY 2017-18 [Refer note (vi)]	59.25	-	-

i. The company has received a demand order of assessment for the period 01/01/2017 to 31/03/2017 from Panvel Municipal Corporation for ₹ 4.11 million (including interest and penalty) against which the Company has paid ₹ 1.21 million on May 18, 2019, and filed appeal petition no. 023 dated May 20, 2019, with Dy. Commissioner and First Appellate Authority and the matter is sub judice. Out of total demand liability, ₹ 1.21 million paid off and balance liability of ₹ 2.91 million treated as contingent liability.

ii. Assessing Officer has passed order with addition of ₹ 108.45 million. Company has filed appeal with Income Tax Appellate Authority (ITAT). Contingent liability had been assumed @ 30% on adjustment amount for FY 21-22. ITAT Authority has passed the order on February 20, 2024, and consequent to ITAT order, the assessing officer has passed the final order with effect to ITAT order and liability has got deleted. Liability due to addition of ₹ 0.60 million has been set off against refund receivable and therefore no liability payable.

iii. Assessing Officer has passed order with addition of ₹ 9.67 million. Company is in the process of filing appeal with Dispute Resolution Panel (DRP). Contingent liability has been assumed @ 30% on adjustment amount. The final order has been passed with effect to DRP directions on May 23, 2022, and liability is deleted in totality.

iv. Assessing officer has passed the order u/s 272B having demand of ₹ 22.79 million. The assessee has appealed against the penalty order with CIT(A) and deposited 20% of the demand amount. The Company is contesting the above-mentioned demands and the management including its tax advisors believe that its position will be upheld in the appellate process. The management believes that the ultimate outcome of the proceedings has 50% winning chances and therefore contingent liability has been assumed to the extent 50% of ₹ 22.79 million.

v. The entire amount due and payable by the borrowers (PNG-DMCC and PNG Jewellers LLC, Dubai) in respect of the Facilities has been repaid in full. The Corporate Guarantee provided by P N Gadgil Jewellers Pvt. Ltd. amounting to USD 5.28 Million stands released, vide No Dues Letter issued by ICICI Bank Limited (DIFC Branch) dated October 7, 2020.

vi. Assessing Officer has passed order with a demand of ₹ 118.50 million. Company has filed appeal with Commissioner of Income Tax (Appeals) CIT(A). The Company is contesting the above-mentioned demands and the management including its tax advisors believe that its position will be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have material adverse effect on the Company's financial position and results of operation. Therefore, contingent liability had been assumed @ 50% of the adjustment amount (i.e. 50% of ₹ 118.50 million).

vii. The honourable DIT (IT) passed an order upholding the applicability of the provisions of section 277 of IT Act and instructed the AO to launch a prosecution proceeding under the said provision. The assessee has applied for compounding against the said order with the concerned authority, the said matter is pending and the liability in this regard is not quantifiable therefore only disclosure has been made.

35. Segment Reporting

The Chief Operating Decision Maker (CODM) of the Group examines the performance from the perspective of the Group as a whole viz. 'jewellery business' viz., only one reportable business segment and hence there are no separate reportable segments as per Ind AS 108.

Since the entire Company's business is from sale of jewellery and other articles, there are no other primary reportable segments. Thus, the segment revenue, total carrying value of segment assets, during the year are all as reflected in the Financial Statements as at and for the year ended March 31, 2024, March 31, 2023, and March 31, 2022.

Revenue from Operations:

Regions	**Mar 31, 2024**	**Mar 31, 2023**	**Mar 31, 2022**
India	60,230.09	43,894.95	24,518.18
UAE	NA	397.57	126.41
USA	879.36	782.67	911.75
Total Revenue	**61,109.45**	**45,075.19**	**25,556.34**

Total Assets:

Regions	**Mar 31, 2024**	**Mar 31, 2023**	**Mar 31, 2022**
India	14,313.50	9,918.69	10,249.33
UAE	NA	334.31	419.19
USA	336.29	372.52	433.86
Total Assets	**14,649.79**	**10,625.52**	**11,102.38**

36. Income Taxes

36.1 The major components of income tax expense are

Particulars	**For the Year ended**		
	Mar 31, 2024	**Mar 31, 2023**	**Mar 31, 2022**
Income tax expense			
Current tax:			
Current tax on profits for the period / year	528.87	235.84	148.11
	528.87	**235.84**	**148.11**
Deferred tax			
Decrease / (increase) in deferred tax liabilities	11.34	7.99	7.05
	11.34	**7.99**	**7.05**
Income tax expense attributable to continuing Operations	**540.21**	**243.83**	**155.16**

36.2 Reconciliation of income tax expense

(All amounts are in ₹ Million, unless stated otherwise)

Particulars	For the Year ended		
	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Profit before tax from continuing operations	2,083.64	1,180.84	850.30
Expected income tax expense calculated using tax rate at @ 25.17%	524.45	297.22	214.02
Adjustment to reconcile expected income tax expense to reported income tax expense: Effect of:	-	-	-
Adjustments for the computation on taxable income	4.42	(61.37)	(67.78)
Adjustment for current tax of prior periods	-	-	1.87
Total expense as per statement of profit and loss	**528.87**	**235.84**	**148.11**

The tax rate used for the reconciliations given above is the actual / enacted corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law.

36.3 Income tax recognised in other comprehensive income

Particulars	For the Year ended		
	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Deferred tax Re-measurement of defined benefit obligation (Items that will not be reclassified to profit and loss) Relating to measurement of equity instruments at fair value			
Re-measurement of defined benefit obligation (Items that will not be reclassified to profit and loss)	0.60	0.02	(0.19)

36.4 Deferred tax assets / (liabilities) (net)

Particulars	As at		
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Opening balance	(64.24)	(56.28)	(49.04)
Adjustment for the current year:			
(Charged) / Credited in the statement of profit and loss	(11.34)	(7.99)	(7.05)
Charged / (Credited) through other comprehensive income	0.60	0.02	(0.19)
Closing Balance	**(74.99)**	**(64.24)**	**(56.28)**

36.5 Closing Balance

Sr. No.	Particulars	As at 31st March, 2024	(Charged) /Credited to profit or loss / OCI	As at 31st March, 2023	(Charged) /Credited to profit or loss / OCI	As at 31st March, 2022
1	**Deferred tax assets Charged / (credited) through other comprehensive income**					
	Fair value measurement of investment in equity instruments					
	Remeasurement of the defined benefit plans	(0.15)	0.60	(0.75)	0.02	(0.78)
	Sub-Total	**(0.15)**	**0.60**	**(0.75)**	**0.02**	**(0.78)**
2	**(Charged)/credited in the statement of profit and loss**					
	Difference of book depreciation and tax depreciation	(86.15)	(11.06)	(75.08)	(10.14)	(64.95)
	Defined Benefit plans	10.92	0.86	10.05	1.23	8.82
	Difference due to lease liability	0.40	(1.13)	1.53	0.91	0.62
	Sub-Total	**(74.83)**	**(11.34)**	**(63.50)**	**(7.99)**	**(55.50)**
	Total	**(74.98)**	**(10.74)**	**(64.25)**	**(7.97)**	**(56.28)**

37. Capital and Other Commitments

Sr. No.	Particulars	Amount in Millions
1	Commitment for Purchase of Property (Commitment as on March 31, 2022)	12.50

38. Events occurring after Balance Sheet date

On June 12, 2024, our solitary store in Sunnyvale, California was subjected to an armed robbery in which a significant portion of the inventory on display as well as within the store was looted. Our local office in Sunnyvale immediately reported the theft to the local police and subsequently filed a claim for the stolen goods. The current assessed value of the stolen items, other assets and loss of business is valued at approximately ₹ 192.20 to 208.90 million (US$ 2.30 to 2.50 million) and an insurance claim for full amount has been raised with Jewelers Mutual Insurance. The investigation and the insurance process are currently underway.

39. Other Notes

i. The Group does not have any Benami Property, no proceedings have been initiated against the Group for holding Benami Property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder
ii. The Group has not traded or invested in crypto-currency or virtual currency during the financial year.
iii. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
   a. directly or indirectly lends or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or
   b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
iv. The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
   b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
v. The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).
vi. The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
vii. The Group has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial year.
viii. The Group has no transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the period.
ix. The Group does not have any charge or satisfaction of charge, which is yet to be registered with Registrar of Companies beyond the statutory period.

40. Leases

i) Amounts recognised in balance sheet
The Balance sheet shows the following amount related to leases

Right of Use Assets

Particulars	Notes	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Building	5	578.31	404.36	415.66
		578.31	**404.36**	**415.66**

Lease Liabilities

Particulars	Notes	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Non-current	18	457.35	312.59	325.96
Current	18	129.63	96.72	80.56
		586.98	**409.31**	**406.52**

ii) Amounts recognised in the statement of profit and loss
The statement of profit and loss shows the following amount relating to leases

(All amounts are in ₹ Million, unless stated otherwise)

Particulars	Notes	For the Year ended		
		Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Amortization of ROU assets	5	133.93	102.12	95.59
Interest expense on lease liabilities (including in finance cost)	3	45.39	38.13	38.61
		179.32	**140.25**	**134.20**

iii) Maturities of Lease Liabilities

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Minimum lease payments			
Less than 1 Year	178.69	130.27	114.94
Between 1 year to 5 years	511.04	360.23	378.30
5 years and above	27.96	8.93	19.30
	717.69	**499.43**	**512.54**

The following is the movement in lease liabilities during the year:

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Balance at the beginning of the year	**409.31**	406.52	411.06
Additions	325.85	82.14	130.29
Finance cost accrued for the year	45.39	38.13	38.61
Payment of lease liabilities	(157.12)	(124.36)	(113.83)
Deletion	(37.49)	-	(62.28)
Translation Difference	1.04	6.88	2.68
Balance at the end of the year	**586.98**	**409.31**	**406.52**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

For FY 23- 24, the rental expense recorded for short-term leases was ₹ 0.07 million (FY 2022-23: 0.07 million).

General description of leasing arrangements:

- The Company has taken a premises on a non-cancellable operating lease.
- The Company has taken guest house, computers, under cancellable operating lease arrangement.
- Short term lease rentals are charged to Statement of profit and loss for the year.
- Future lease rentals are determined on the basis of lease payments as per the agreement.

41. Fair Value Measurement

Break up of financial assets:

Particulars	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Financial assets			
Investments	9.52	11.53	11.53
Security deposit	72.87	71.00	60.25
Loan	2.34	1.64	14.92
Other financial assets	59.09	41.23	8.56
Income tax assets (net)	-	39.56	-
Trade receivables	377.07	394.99	288.16
Cash and Cash Equivalents	260.87	175.64	123.83
Bank balances other than Cash & Cash Equivalents	535.53	317.35	328.97
Total financial assets	**1,317.29**	**1,052.93**	**836.22**

Particulars	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Borrowings	3,964.96	2,832.10	2,949.49
Lease liabilities	586.98	409.31	406.52
Trade payables	1,424.67	1,317.46	1,697.20
Security deposit	43.16	40.16	33.91
Interest accrued but not due	8.42	3.76	4.59
Interest accrued and due	0.09	-	-
Capital creditors	4.74	-	-
Current tax liabilities (net)	110.52	-	87.49

(All amounts are in ₹ Million, unless stated otherwise)

Particulars	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Unbilled Dues	42.52	20.33	25.92
Employee payable	23.43	27.97	23.58
Total financial liabilities	**6,209.49**	**4,651.09**	**5,228.71**

The management assessed those fair values of cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities recorded at amortised cost is considered to be a reasonable approximation of fair value.

Following methods and assumptions were used to estimate fair values:
Fair values of the Company's interest-bearing borrowings are determined by using Effective Interest Rate (EIR) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at reporting date was assessed to be insignificant.

Fair value hierarchy:
The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques. The three levels are defined based on the observability of significant inputs to the measurement, as follows:
Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Quantitative disclosures fair value measurement hierarchy:
The derivative instruments in designated hedge accounting relationships are measured at fair value at level 1, with valuation technique being use of market available inputs such as gold prices and foreign exchange rates.

42. Financial instrument and risk management

Other financial assets:
The Company is having balances in cash and cash equivalents, term deposits with banks, inter corporate deposits, loans to related parties, investments in government securities and investment in mutual funds. With respect to investments, the Company limits its exposure to credit risk by investing in liquid securities with counterparties depending on their Composite Performance Rankings (CPR) published by CRISIL. The Company's investment policy lays down guidelines with respect to exposure per counterparty, rating, processes in terms of control and continuous monitoring. The Company therefore considers credit risks on such investments to be negligible. Loans receivable from related parties have negligible credit risk and hence no risk of default is perceived on them.

1. **Liquidity Risks:**
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, as far as possible, 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 maintains flexibility in funding by maintaining liquidity through investments in liquid funds and other committed credit lines. Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows.

Financing arrangements:
The working capital position of the Company is given below:

Particulars	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Financial assets:			
Cash and cash equivalents	260.87	175.64	123.83
Other Bank Balances	535.53	317.35	328.97

Liquidity table
The company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the company may be required to pay.

As of March 31, 2024

Financial Liabilities	1 Year and More	Less than 1 year	Total
Borrowings	919.41	3,045.55	**3,964.96**
Lease liabilities	457.35	129.63	**586.98**
Trade payables	-	1,488.88	**1,488.88**
Other financial liabilities	43.16	79.20	**122.36**

(All amounts are in ₹ Million, unless stated otherwise)

Total	**1,419.91**	**4,743.26**	**6,163.19**

As of March 31, 2023

Financial Liabilities	**1 Year and More**	**Less than 1 year**	**Total**
Borrowings	941.63	1,890.47	**2,832.10**
Lease liabilities	312.59	96.72	**409.31**
Trade payables	-	1,317.46	**1,317.46**
Other financial liabilities	40.16	52.06	**92.22**
Total	**1,294.38**	**3,356.71**	**4651.09**

As of March 31, 2022

Financial Liabilities	**1 Year and More**	**Less than 1 year**	**Total**
Borrowings	764.55	2,184.94	**2,949.49**
Lease liabilities	325.96	80.56	**406.52**
Trade payables	-	1,697.20	**1,697.20**
Other financial liabilities	33.91	52.09	**88.01**
Total	**1,124.43**	**4,016.79**	**5,142.22**

2. **Commodity Price Risks:**
We are subject to market risks related to the volatility in the price of gold and diamonds, and to a lesser extent, platinum, silver and other precious stones. Our financial results can be affected significantly by fluctuations in these prices, which depend on many factors, including demand for these materials, changes in the economy, world-wide production levels, world-wide inventory levels and disruptions in the supply chain. We endeavour to buy the same Rupee value of gold at the end of each day that we sell across all of our showrooms that day. Therefore, if the price of gold increases we purchase lesser volume of gold compared with the volume of gold sold and vice versa.

3. **Interest Rate Risk:**
As on July 31, 2024, our Company has a total sanctioned limit of ₹ 5,410.73 million towards working capital loan of ₹ 2,901.33 million, Term Loan facilities of ₹ 1,509.40 million & Gold Loan facility of ₹ 1,000 million. As at July 31, 2024, we had outstanding short term borrowings of ₹ 2,473.90 million, long term borrowings of ₹ 984.49 million that were at floating rate of interest linked to the MCLR of the respective banks and Gold Loan of ₹ 19.07 million. It exposes us to market risk as a result of changes in interest rates. We undertake debt obligations primarily to support our working capital needs and capital expenditure. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, global interest rates, regulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. Upward fluctuations in interest rates increase the cost of debt and interest cost of outstanding variable rate borrowings. We do not currently use any derivative instruments to hedge interest rate risk considering the short term rates charged by the bankers. For further details, please see, "Risk factors - Our Company requires significant amounts of working capital for continued growth. Our inability to meet our working capital requirements, on commercially acceptable terms, may have an adverse impact on our business, financial condition and results of operations."

4. **Foreign Currency Risk:**
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Our exposure to the risk of changes in foreign exchange rates relates primarily to our Company's operating activities (when revenue or expense is denominated in a foreign currency). We operate internationally and a portion of the business is transacted mainly in [US$] and consequently we are exposed to foreign exchange risk through our sales and services in other countries across the world, and purchases from overseas suppliers in various foreign currencies. Foreign currency fluctuation will also have an effect on assets and liabilities of our foreign subsidiaries.

43. Employee benefit obligations

a. **Accounting Policy:**
P N Gadgil Jewellers Ltd has set up a Gratuity Trust and created a Gratuity Fund scheme in co-ordination with LIC of India, the contribution to gratuity fund is made by P N Gadgil Jewellers Ltd. The P N Gadgil Jewellers Ltd recognizes its liability in the books of accounts on the basis of Independent Actuarial Valuation Certificate using Projected Unit Credit Method.

b. **Employee benefits consist of the following:**
   A. The Company has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

   Contribution to Defined Contribution Plans recognised as expense for the year are as under:

(All amounts are in ₹ Million, unless stated otherwise)

Particulars	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Employer's contribution to provident fund	25.48	22.54	20.92

B. Defined benefit plan

The Company provides for gratuity to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan, and the Company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments. These benefits are funded with an insurance company in the form of a qualifying insurance policy.

i) Movements in the present value of the defined obligation are as follows:

Particulars	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Obligation at the beginning of the year	**58.23**	**52.68**	**48.92**
Current service cost	6.10	5.85	5.83
Interest expense	4.26	3.21	2.73
Remeasurements - actuarial (gains)/ losses	2.51	0.05	(0.81)
Benefits paid	(2.67)	(3.56)	(3.99)
Liability at the end of the year	**68.43**	**58.23**	**52.68**

ii) Change in fair value of plan assets

Particulars	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Fair value of plan assets at the beginning of the year	**25.02**	**24.34**	**25.91**
Interest income	1.83	1.48	1.45
Benefits paid	(2.67)	(3.56)	(3.99)
Contributions	24.51	2.80	1.02
Return on plan assets, excluding interest income	0.13	(0.04)	(0.05)
Fair value of plan assets at the end of the year	**48.82**	**25.02**	**24.34**

iii) The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Present value of funded obligations	68.43	58.23	52.68
Fair value of plan assets	48.82	25.02	24.34
Deficit of funded plans	**19.61**	**33.21**	**28.34**
Unfunded plans	-	-	-
Deficit of gratuity plan	**19.61**	**33.21**	**28.34**

iv) Expenses recognized in the Statement of Profit and Loss under employee benefit expenses:

Particulars	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Service cost	6.10	5.85	5.83
Net interest (income)/expense	2.43	1.73	1.28
Net gratuity cost	**8.53**	**7.58**	**7.11**

v) Expenses recognized in statement of other comprehensive income:

Remeasurement	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Actuarial (gains)/losses on obligation for the period	2.51	0.05	(0.81)
Return on plan assets, excluding interest income	(0.12)	0.04	0.05
Total remeasurement cost/(credit) for the year recognized in OCI	**2.39**	**0.09**	**(0.76)**
Closing amount recognized in OCI outside profit and loss account	2.39	0.09	(0.76)

vi) Significant estimates: actuarial assumptions and sensitivity
The significant actuarial assumptions were as follows:

Particulars	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Mortality rate	IALM (2012-14) urb	IALM (2012-14) urb	IALM (2012-14) urb
Discount rate	7.18%	7.31%	6.09%
Rate of growth in compensation level	7.00%	7.00%	7.00%
Expected rate of return on plan assets	7.18%	7.31%	6.09%

(All amounts are in ₹ Million, unless stated otherwise)

Particulars	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Average Expected Future Service (In years)	4.00	4.00	4.00
Attrition rate	19.00%	19.00%	19.00%

* It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

Sensitivity analysis
The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Change in Assumption	Defined benefit obligation		
	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
(i) 1% increase in discount rate	(2.48)	(2.13)	(2.06)
(ii) 1% decrease in discount rate	2.71	2.33	2.26
(iii) 1% increase in rate of salary escalation	2.66	2.30	2.22
(iv) 1% decrease in rate of salary escalation	(2.50)	(2.15)	(2.06)
(v) 1% increase in rate of withdrawal	(0.09)	(0.05)	(0.18)
(vi) 1% decrease in rate of withdrawal	0.09	0.04	0.19

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by 1%, keeping all other actuarial assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the projected unit credit method at the end of reporting period) has been applied while calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The following payments are expected contributions to the defined benefits plan in future year:

Particulars	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Year 1	13.12	10.77	9.21
Year 2	10.90	9.46	8.27
Year 3	9.65	8.40	7.26
Year 4	8.74	7.41	6.41
Year 5	8.11	6.65	5.63
Year 6 to 10	25.56	22.21	18.98

vii) The major categories of plan assets are as follows:

Particulars	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Fund Managed by Insurer	100%	100%	100%

44. Related Party Disclosures

(a) Name of related parties and description of relationship

Sr. No.	Relationship	Name of Related Party
A	Subsidiaries	PNG Jewelers Inc.
		Gadgil Diamonds Private Limited
B	Key Managerial Personnel (KMP)	Saurabh Gadgil (Managing Director)
		Parag Gadgil (Executive Director)
		Kiran Firodiya (Chief Financial Officer & Executive Director)
		Hiranyamai Kulkarni (Company Secretary)
		Radhika Saurabh Gadgil (Executive Director)
C	Relatives of KMP	Vaishali Vidyadhar Gadgil (Mother of Saurabh Gadgil) (Director till February 28, 2022)
		Aditya Gadgil (Son of Saurabh Gadgil)
		Yash Gadgil (Son of Saurabh Gadgil)
		Amit Vaidya (Brother of Radhika Gadgil)
		Anjali Parag Gadgil (Spouse of Parag Gadgil)
D	Non-Executive Director (N-ED)	Yashwant Gaikwad (Independent Director)

(All amounts are in ₹ Million, unless stated otherwise)

Sr. No.	Relationship	Name of Related Party
		Ravindra Marathe (Independent Director)
		Shaswati Vaishnav (Independent Director)
		Vaijayanti Pandit (Independent Director)
		Susmit Ranade (Independent Director)
E	Enterprises over which KMP are able to exercise significant influence [KMP - ESI]	P N Gadgil Jewellers (Partnership Firm)
		P N Gadgil & Co. (Silver) (Partnership Firm)
		India Bullion and Jewellers Association Limited
		Think Pure Social Welfare Foundation
		M/s. Purushottam Narayan Gadgil (Partnership Firm)
		Gadgil Holdings Private Limited
		Gadgil Developers Private Limited
		SVG Family Trust
		Silvostyle Jewellery LLP
		MAAP Epic Communication Private Limited

(b) Related Party Transactions

Transactions during the year:

Particulars	Relationship	Year ended		
		Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Payments / Expenses **				
Director's Remuneration				
Saurabh Gadgil	Key Managerial Person	223.65	200.00	159.41
Parag Gadgil		39.19	40.03	38.36
Radhika Gadgil		5.03	0.83	-
Kiran Firodiya		13.05	1.96	-
Hiranyamai Kulkarni		0.62	0.58	0.47
Remuneration				
Amit Vaidya	Relative of KMP	4.49	-	-
Advance Given				
Saurabh Gadgil	Enterprises owned or significantly controlled by Key Managerial Personnel or their relatives.	60.00	-	-
Gadgil Holdings Pvt Ltd.		70.00	204.00	-
P. N. Gadgil Jewellers (Partnership Firm)		1,087.94	962.46	118.87
Silvostyle Jewellery LLP		-	0.96	-
Repayment of Advances				
P. N. Gadgil Jewellers (Partnership Firm)		0.32	0.78	1.30
Payment against Purchases/Expenses				
Gadgil Developers Pvt. Ltd.		56.64	38.36	49.52
P. N. Gadgil Jewellers (Partnership Firm)		7,353.84	-	1.00
Gadgil Holdings Pvt Ltd.		86.26	3.23	0.54
Silvostyle Jewellery LLP		16.28	-	-
SVG Family Trust		1.31	1.07	-
Think Pure Social Welfare Foundation		1.84	-	-
Anjali Gadgil	Relative of KMP	1.50	1.61	1.33
Vaishali Gadgil		2.83	2.99	1.87
Radhika Gadgil	Key Managerial Person	-	3.76	2.57
Saurabh Gadgil		-	4.52	0.32
Other Expenses				
Saurabh Gadgil	Key Managerial Person	-	0.35	0.07
Membership Fees				
Saurabh Gadgil	Key Managerial Person	-	4.52	-
Sales Promotion Expenses				
Saurabh Gadgil	Key Managerial Person	-	-	0.01
Repayment of Gold Deposit				
Aditya Gadgil	Relative of KMP	0.15	-	-
Saurabh Gadgil	Key Managerial Person	1.07	8.41	-
Royalty Charges				
P. N. Gadgil Jewellers (Partnership Firm)	Enterprises owned or significantly controlled by Key Managerial Personnel or their relatives.	59.00	59.00	59.00
Reimbursement of expenses				
Advance Businessman Services		-	-	0.29
Silvostyle Jewellery LLP		26.25	-	-
Advertisement Expense				
Think Pure Social Welfare Foundation		1.84	-	-
Corporate Security Charges				
Gadgil Developers Pvt. Ltd.		56.64	28.32	28.32
Gadgil Holdings Pvt Ltd.		82.60	-	-

(All amounts are in ₹ Million, unless stated otherwise)

Particulars	Relationship	Year ended		
		Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Repair & Maintenance Charges				
Gadgil Developers Pvt. Ltd.		-	10.04	20.84
Rent				
Saurabh Gadgil	Key Managerial Person	-	-	0.32
P. N. Gadgil Jewellers (Partnership Firm)	Enterprises owned or significantly controlled by Key Managerial Personnel or their relatives.	0.40	0.68	-
Gadgil Holdings Private Limited		3.61	3.28	0.54
SVG Family Trust		1.31	1.07	-
Professional Charges				
Anjali Gadgil	Relative of KMP	1.50	1.50	1.44
Vaishali Gadgil		2.83	2.83	2.04
Radhika Gadgil	Key Managerial Person	-	3.54	2.71
Purchase				
P. N. Gadgil Jewellers (Partnership Firm)	Enterprises owned or significantly controlled by Key Managerial Personnel or their relatives.	6,864.98	-	-
Silvostyle Jewellery LLP		7.62	-	-
Total		**16,134.61**	**1,590.69**	**491.16**

Particulars	Relationship	Year ended		
		Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Receipts / Income **				
Sale of goods				
Parag Gadgil		0.19	0.61	0.29
Saurabh Gadgil	Key Managerial Person	7.85	4.17	0.25
Radhika Gadgil		12.12	1.13	-
Vaishali Gadgil	Relative of KMP	2.90	0.04	-
Aditya Gadgil	Relative of KMP	3.45	-	-
Silvostyle Jewellery LLP	Enterprises owned or significantly controlled by Key Managerial Personnel or their relatives.	51.75	-	-
Rental Income				
Silvostyle Jewellery LLP	Enterprises owned or significantly controlled by Key Managerial Personnel or their relatives.	0.18	-	-
Repayment of advances				
P. N. Gadgil Jewellers (Partnership Firm)	Enterprises owned or significantly controlled by Key Managerial Personnel or their relatives.	1,254.52	957.23	88.23
Silvostyle Jewellery LLP		0.96	-	-
Gadgil Holdings Pvt Ltd.		220.00	54.00	-
Saurabh Gadgil	Key Managerial Person	60.00	-	-
Receipts against sale of Goods				
Parag Gadgil		0.19	0.61	0.29
Radhika Gadgil	Key Managerial Person	12.12	1.13	0.08
Saurabh Gadgil		6.78	4.17	0.25
Vaishali Gadgil	Relative of KMP	2.94	-	-
Aditya Gadgil		2.35	-	-
Silvostyle Jewellery LLP	Enterprises owned or significantly controlled by Key Managerial Personnel or their relatives.	61.03	-	-
Gold Deposit				
Aditya Gadgil	Relative of KMP	1.09	6.03	-
Saurabh Gadgil	Key Managerial Person	2.76	2.74	-
Total		**1,703.18**	**1,031.87**	**89.40**

Related Party Balances:

Particulars	Relationship	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Balance Outstanding - Recoverable / (payable) **				
Gadgil Holdings Pvt Ltd.	Enterprises owned or significantly controlled by Key Managerial Personnel or their relatives.	-	149.95	-
P. N. Gadgil Jewellers (Partnership Firm)		776.74	513.54	567.20
Silvostyle Jewellery LLP		25.81	0.96	-
M/s. Purshottam Narayan Gadgil (Partnership Firm)		(0.06)	(0.06)	(0.06)
Vaishali Gadgil	Relative of KMP	-	0.04	(0.16)
Anjali Gadgil		-	-	(0.11)
Radhika Gadgil	Key Managerial Person	-	-	(0.22)

(All amounts are in ₹ Million, unless stated otherwise)

Particulars	Relationship	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Gold Deposit				
Saurabh Gadgil	Key Managerial Person	(3.26)	(1.54)	(6.77)
Aditya Gadgil	Relative of KMP	(3.05)	(6.17)	-
Total (D)		**796.17**	**656.72**	**559.89**

** Above figures are inclusive of GST, wherever applicable.

Transactions and balances with P N Gadgil Jewellers Limited eliminated at the time of consolidation in accordance with Ind AS 110:

Particulars	Relationship	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Transactions during the year:				
Interest Income				
PNG Jewellers LLC	Subsidiary Company	-	-	39.92
Sale of Goods				
PNG Jewellers Inc.	Subsidiary Company	79.12	88.74	140.89
Advance Given/Repayments				
Gadgil Diamonds Private Limited	Subsidiary Company	-	2.37	39.68
Recovery towards sale of goods/ rendering of services				
PNG Jewelers Inc.		116.81	78.87	-
P N Gadgil Jewellers DMCC1	Subsidiary Company	90.73	-	-
Gadgil Diamonds Private Limited1		2.65	2.05	-
Foreign Exchange Gain				
PNG Jewelers Inc.		1.35	4.00	-
P N Gadgil Jewellers DMCC[1]	Subsidiary Company	0.96	7.07	-
Balances:				
Investments in-				
PNG Jewellers, Inc.	Subsidiary Company	392.55	392.55	392.57
Gadgil Diamonds Private Limited	Subsidiary Company	59.48	59.48	59.48
P N Gadgil Jewellers DMCC	Subsidiary Company	-	-	99.03
PNG Jewellers LLC	Subsidiary Company	-	-	2.67
Trade Receivables				
PNG Jewellers, Inc.	Subsidiary Company	-	36.34	22.47
Gadgil Diamonds Private Limited	Subsidiary Company	61.27	61.27	61.27
P N Gadgil Jewellers DMCC	Subsidiary Company	-	89.65	82.58
Advances				
Gadgil Diamonds Private Limited	Subsidiary Company	37.35	40.00	39.68
Loan & Interest Receivable				
PNG Jewellers LLC	Subsidiary Company	-	-	460.03

Transactions and balances among subsidiaries eliminated at the time of consolidation in accordance with Ind AS 110:

Particulars	Relationship	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Transactions during the year:				

(All amounts are in ₹ Million, unless stated otherwise)

Particulars	Relationship	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Purchase of Goods				
P N Gadgil Jewellers DMCC	Subsidiary Company	-	24.45	-
PNG Jewellers LLC	Subsidiary Company	-	9.74	-
PNG Jewellers, Inc.	Subsidiary Company	-	33.99	-
Sale of Goods				
P N Gadgil Jewellers DMCC	Subsidiary Company	-	43.72	-
PNG Jewellers LLC	Subsidiary Company	-	24.45	-
Balances:				
Trade Receivables				
P N Gadgil Jewellers DMCC	Subsidiary Company	-	291.99	253.59
Trade Payables				
PNG Jewellers LLC	Subsidiary Company	-	291.99	253.59

45. Ratios Disclosed as per requirement of Schedule III of the Act

Sr. No.	Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
(a)	**Return on Equity ratio**			
	Profit for the year (Numerator)	1,543.43	937.01	695.14
	Average shareholder's equity (Denominator)	4,500.56	3,238.74	2,479.96
	Return on Equity (%)	**34.29%**	**28.93%**	**28.03%**
	% Change as compared to the preceding year	18.54%	3.21%	
(b)	**Return on Capital Employed**			
	[Capital Employed = Total Equity + Total Debt]			
	Earnings before interest and taxes (Numerator)	2,542.33	1,529.83	1,201.74
	Capital Employed (Denominator)	9,308.73	6,489.44	5,769.61
	Return on Capital employed %	**27.31%**	**23.57%**	**20.83%**
	% Change as compared to the preceding year	15.85%	13.18%	
[c]	**Current Ratio**			
	Current assets (Numerator)	12,072.41	8,387.81	8,660.24
	Current Liabilities (Denominator)	7,808.98	5,590.35	7,085.50
	Current ratio (times)	**1.55**	**1.50**	**1.22**
	% Change as compared to preceding year	3.04%	22.76%	
(d)	**Debt - equity ratio**			
	[Total debt / Shareholder's equity]			
	Total debt (Numerator)	3,973.38	2,835.85	2,954.08
	Shareholder's equity (Denominator)	5,343.77	3,657.34	2,820.13
	Debt - equity ratio (times)	**0.74**	**0.78**	**1.05**
	% Change as compared to preceding year	-4.11%	-25.98%	
	Explanation for Variation			

(All amounts are in ₹ Million, unless stated otherwise)

Sr. No.	Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
	In FY 22-23 the profit for the year has increased and also foreign currency translation increased due to which the Shareholder Equity has increased.			
[e]	**Debt Service Coverage Ratio**			
	[Earnings available for debt service / Debt Service]			
	Earning for Debt Service (Numerator)	2,774.26	1,745.20	1,419.82
	Debt Service (Denominator)	863.38	706.40	694.05
	Debt Service Coverage Ratio (times)	**3.21**	**2.47**	**2.05**
	% Change as compared to preceding year	30.06%	20.77%	
	Explanation for Variation			
	In FY 23-24, the profit of the company has increased.			
(f)	**Inventory turnover ratio**			
	[Average Inventory = (Opening balance + Closing balance) / 2]			
	Revenue from Operations (Numerator)	61,109.45	45,075.19	25,556.34
	Average Inventory (Denominator)	7,778.71	6,502.12	6,708.74
	Inventory turnover ratio (times)	**7.86**	**6.93**	**3.81**
	% Change as compared to preceding year	13.32%	81.98%	
	Explanation for Variation			
	In FY 22-23 the sale has increased whereas the inventory levels have been maintained same.			
(g)	**Trade receivables turnover ratio**			
	[Average trade receivable = (Opening balance + Closing balance) / 2]			
	Revenue from operation (Numerator)	61,109.45	45,075.19	25,556.34
	Average trade receivable (Denominator)	386.03	341.57	311.94
	Trade receivables turnover ratio (times)	**158.30**	**131.96**	**81.93**
	% Change as compared to preceding year	19.96%	61.07%	
	Explanation for Variation			
	In FY 22-23 the Trade Receivable which are majorly on portion on Franchise Sale and Online Platforms have decreased.			
(h)	**Trade payables turnover ratio**			
	[Average trade payable = (Opening balance + Closing balance) / 2]			
	Purchase of raw material and stock - in- trade (Numerator)	55,981.80	41,454.25	23,055.16
	Average trade payables (Denominator)	1,403.17	1,507.33	1,217.96
	Trade payable turnover ratio (times)	**39.90**	**27.50**	**18.93**
	% Change as compared to preceding year	45.07%	45.29%	
	Explanation for Variation			
	In FY 22-23 and FY 23-24, the purchase of material on credit has increased.			
(i)	**Net Capital turnover ratio**			
	[Working capital is calculated as current assets (-) Current Liabilities]			
	Revenue from Operations (Numerator)	61,109.45	45,075.19	25,556.34
	Working Capital (Denominator)	4,263.42	2,797.46	1,574.74
	Net Capital turnover ratio (times)	**14.33**	**16.11**	**16.23**

(All amounts are in ₹ Million, unless stated otherwise)

Sr. No.	Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
	% Change as compared to preceding year	-11.04%	-0.72%	
(j)	**Net profit ratio**			
	Profit for the year (Numerator)	1,543.43	937.01	695.15
	Revenue from Operation (Denominator)	61,109.45	45,075.19	25,556.34
	Net profit ratio	**2.53%**	**2.08%**	**2.72%**
	% Change as compared to preceding year	21.50%	-23.58%	

Note: Explanation have been furnished for change in ratio by more than 25% as compared to the preceding year as stipulated in Schedule III of the Act.

As per our report of even date
For GDA & Associates
Chartered Accountants
Firm Registration No.: 135780W

For and on behalf of the Board of Directors of
P N Gadgil Jewellers Limited

Kiran D Kulkarni
Partner
Membership No.: 35916

Saurabh Gadgil
Managing Director
DIN: 00616563

Parag Gadgil
Director
DIN: 01536943

Place: Pune
Date: August 24, 2024
UDIN: 24035916BKHYTX2490

Hiranyamai Kulkarni
Company Secretary
Membership No.: A48576

Kiran Firodiya
CFO & Director
DIN: 03386738

OTHER FINANCIAL INFORMATION

The accounting ratios of our Company as required under Item 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars	As of and for Fiscal		
	31st March, 2024	31st March, 2023	31st March, 2022
Basic EPS (₹)	21.59	16.97	12.59
Diluted EPS (₹)	13.08	7.94	5.89
RoNW (%)	28.88	25.09	22.48
NAV per Equity Share (₹)	45.29	30.99	23.90
Profit before tax (₹ million)	2,083.64	1,180.84	850.30
EBITDA (₹ million)	2,774.26	1,745.20	1,419.83

Notes: *The ratios have been computed as under:*

1. *Basic and diluted EPS:*
   Basic EPS and diluted EPS calculations are calculated in accordance with the notified Indian Accounting Standard (Ind AS) 33 "Earnings Per Share" prescribed by the Companies (Indian Accounting Standard) Rules, 2015 as per Restated Consolidated Financial Information, as follows:

   $$\text{Basic EPS} = \frac{\text{Net PAT, as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year/period}}$$

   $$\text{Diluted EPS} = \frac{\text{Net PAT, as restated, attributable to equity shareholders}}{\text{Weighted average number of diluted equity shares outstanding during the year/period}}$$

2. *RoNW %:*
   RoNW is a measure of profitability (expressed in percentage) and is defined as net profit after tax attributable to our equity shareholders divided by our Net Worth (total shareholders' equity) for the year.
3. *Net Worth:*
   Net Worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations, i.e., the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
4. *NAV per share (₹):*
   NAV per Share represents NAV per Equity Share as per Restated Consolidated Financial Information. It is calculated as Net Worth as of the end of relevant year/period divided by the number of Equity Shares outstanding at the end of such year/period.
5. *EBITDA:*
   EBITDA is defined as earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items.
6. *Accounting and other ratios are derived from the Restated Consolidated Financial Information.*

For further information in relation to our other accounting ratios, see "*Basis for Offer Price*", "*Our Business—Key Performance Indicators*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 111, 180 and 301, respectively.

Audited Financial Information

In accordance with the SEBI ICDR Regulations, the audited standalone financial information of our Company as of and for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 (collectively, the "**Audited Financial Information**") are available on our website at https://www.pngjewellers.com/investors#corporate-governance.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. Except as disclosed in this Red Herring Prospectus, the Audited Financial Information and the reports thereon, do not constitute, (i) a part of this Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

Except as disclosed in this Red Herring Prospectus, the Audited Financial Information, and the reports thereon, should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision.

None of our Company or any of its advisors, nor the BRLMs or the Promoter Selling Shareholder, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Information, or the opinions expressed therein.

RELATED PARTY TRANSACTIONS

For details of related party transactions as per the requirements under Ind AS 24 – Related Party Disclosures, read with the SEBI ICDR Regulations, for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, see "*Restated Consolidated Financial Information- Note 45 – Related Party Disclosures*" on page 287.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at March 31, 2024, on the basis of our Restated Consolidated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with *"Risk Factors"*, *"Restated Consolidated Financial Information"* and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 29, 230 and 301, respectively.

(₹ in million, except ratios)

Particulars	Pre-Offer (as of March 31, 2024)	Post Offer
Debt		
Non-current Liabilities - Borrowings (including current maturities) (A)	1,129.77	[●]
Current Liabilities - Borrowings (B)	2,835.19	[●]
Total Borrowings (A+B = C)	3,964.96	[●]
Equity share capital (D)	1,180.00	[●]
Other equity (E)	4,163.77	[●]
Total Equity (E+D = F)	5,343.77	[●]
Debt / Equity Ratio (C/F = G)	0.74	[●]
Non-current Liabilities - Borrowings / Total Equity (A/F = H)	0.21	[●]
Current Liabilities - Borrowings / Total Equity (B/F = I)	0.53	[●]

Notes:

i. *The corresponding post Offer capitalization data for each of the amounts given in the above table is not determinable at this stage pending completion of the book building process and therefore has not been provided in the above statement.*

ii. *The above statement does not include lease liability as per Ind AS 116 disclosed under the Restated Consolidated Financial Statements.*

FINANCIAL INDEBTEDNESS

Our Company has availed loans in the ordinary course of business for purposes such as, *inter alia*, meeting our working capital requirements and general corporate requirements. As at July 31, 2024, we have availed loans from Saraswat Co-Operative Bank Limited, Karnataka Bank Limited, Axis Bank Limited, Bandhan Bank Limited, HDFC Bank Limited, State Bank of India, Janata Sahakari Bank Limited, Central Bank of India, RBL Bank and Bank of Baroda. We have obtained the consents from the relevant lenders required under the loan documents for undertaking various activities in relation to the Offer, including, *inter alia*, for effecting a change in our shareholding pattern, for effecting a change in the composition of our Board and for amending our constitutional documents. For further details see, "***Risk Factors - We have incurred indebtedness, and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition***" on page 49.

Further, as at July 31, 2024, none of the loans availed by our Company are unsecured loan facilities, excluding deposits from the public.

For details of the borrowing powers of our Board, see "*Our Management - Borrowing Powers of our Board*" on page 212.

Set forth below is a summary of our aggregate outstanding borrowings amounting to ₹ 3,477.46 million, as on July 31, 2024 on a consolidated basis:

Category of borrowing	Name of Lender	Sanctioned amount as on July 31, 2024 (₹ in million)	Outstanding amount as on July 31, 2024 (₹ in million)
Cash Credit/WCDL:-			
	State Bank Of India	500.00	345.17
	HDFC Bank Ltd	500.00	500.00
	Janata Sahakari Bank Ltd	600.00	586.86
	Saraswat Co-Operative Bank Ltd	200.00	198.89
	Bandhan Bank Limited	250.00	247.34
	Bank of Baroda	500.00	299.61
	Central Bank Of India	250.00	249.66
	RBL Bank*	101.33	46.37
	Total of Cash Credit/WCDL	**2,901.33**	**2,473.90**
Term Loan:-			
	Karnataka Bank Ltd	943.60	575.11
	Saraswat Co-Operative Bank Ltd	97.50	73.13
	HDFC Bank Ltd	130.00	56.88
	State Bank Of India	90.70	42.31
	Axis Bank Ltd.	247.60	237.06
	Total of Term Loan	**1,509.40**	**984.49**
Gold Loan:-			
	HDFC Bank Ltd	1,000.00	19.07
	Total of Gold Loan	**1,000.00**	**19.07**
Total		**5,410.73**	**3,477.46**

(in ₹ million)

Bank Name	Type	Sanction Letter Date	Sanction Limit	FY 2021-2022 Opening Balance 01/04/2021	Addition during the year	Repayment During the Year	Closing as on 31/03/2022
State Bank of India	CC/WCDL	November 10, 2023	500.00	462.10	-	22.99	439.11
HDFC Bank Ltd	CC/WCDL	March 12, 2024	500.00	569.42	-	69.42	500
Bank of Baroda	CC/WCDL	November 09, 2023	500.00	-	-	-	-
Central Bank of India	CC/WCDL	March 31, 2023	250.00	-	-	-	-
Bandhan Bank Limited	CC/WCDL	March 17, 2023	250.00	99.62	-	3.22	96.40
Janata Sahakari Bank Ltd-8143	CC/WCDL	May 17, 2023	500.00	397.97	1.83	-	399.80
Saraswat Co-operative Bank Ltd -CC200	CC/WCDL	October 16, 2023	200.00	28.03	2.18	-	30.21
HDFC Bank Ltd-Cecl	CECL	January 13, 2020	130.00	-	130.00	-	130.00
State Bank of India Ltd-Gecl	GECL 2.0	November 10, 2023	114.80	-	114.80	2.43	112.37
Saraswat Co-Operative Bank Ltd-TL472	Term Loan	June 13, 2022	97.50	-	-	-	-
Karnataka Bank Ltd- TL801	Term Loan	April 16, 2019	223.60	170.71	-	44.88	125.83
Karnataka Bank Ltd- TL5001	Term Loan	June 28, 2021	200.00	-	200.00	15.00	185
Karnataka Bank Ltd- TL5901	Term Loan	January 11, 2022	170.00	-	170.00	4.05	165.95
Karnataka Bank Ltd -TL7201	Term Loan	January 13, 2023	250.00	-	-	-	-

Bank Name	Type	Sanction Letter Date	Sanction Limit	FY 2021-2022			
				Opening Balance 01/04/2021	Addition during the year	Repayment During the Year	Closing as on 31/03/2022
Karnataka Bank Ltd- TL8501	Term Loan	December 07, 2023	100.00	-	-	-	-
Axis Bank Ltd. Loan - PCR003708819612	Term Loan	March 17, 2023	65.91	-	-	-	-
Axis Bank Ltd. Loan - PCR003708820117	Term Loan	March 17, 2023	116.88	-	-	-	-
Axis Bank Ltd. Loan - PCR003708822767	Term Loan	March 17, 2023	23.54	-	-	-	-
Axis Bank Ltd. Loan - PCR003708840082	Term Loan	March 17, 2023	41.28	-	-	-	-
Janata Sahakari Bank	Ad-Hoc TOD	January 23, 2024	100.00	-	-	-	-
HDFC Bank Ltd	Gold Loan	February 05, 2024	1000.00	9.83	135.04	-	144.87
RBL Bank Ltd.	CC/WCDL	April 29, 2024	101.33	-	-	-	-
Total				**1,737.68**	**753.85**	**161.99**	**2,329.54**

Bank Name	Type	FY 2022-2023			
		Opening Balance 01/04/2022	Addition during the year	Repayment During the Year	Closing as on 31/03/2023
State Bank of India	CC/WCDL	439.11	-	81.48	357.63
HDFC Bank Ltd	CC/WCDL	500.00	-	-	500.00
Bank of Baroda	CC/WCDL	-	-	-	-
Central Bank of India	CC/WCDL	-	-	-	-
Bandhan Bank Limited	CC/WCDL	96.40	150.00	1.14	245.26
Janata Sahakari Bank Ltd-8143	CC/WCDL	399.80	-	71.53	328.27
Saraswat Co-operative Bank Ltd -CC200	CC/WCDL	30.21	4.29	-	34.50
HDFC Bank Ltd-Cecl	CECL	130.00	-	29.79	100.21
State Bank of India Ltd-Gecl	GECL 2.0	112.37	-	28.91	83.46
Saraswat Co-Operative Bank Ltd-TL472	Term Loan	-	97.50	-	97.50
Karnataka Bank Ltd- TL801	Term Loan	125.83	-	44.77	81.06
Karnataka Bank Ltd- TL5001	Term Loan	185.00	-	20.04	164.96
Karnataka Bank Ltd- TL5901	Term Loan	165.95	-	24.35	141.60
Karnataka Bank Ltd -TL7201	Term Loan	-	250.00	4.34	245.66
Karnataka Bank Ltd- TL8501	Term Loan	-	-	-	-
Axis Bank Ltd. Loan -PCR003708819612	Term Loan	-	65.91	-	65.91
Axis Bank Ltd. Loan -PCR003708820117	Term Loan	-	116.88	-	116.88
Axis Bank Ltd. Loan -PCR003708822767	Term Loan	-	23.54	-	23.54
Axis Bank Ltd. Loan -PCR003708840082	Term Loan	-	41.28	-	41.28
Janata Sahakari Bank	Ad-Hoc TOD	-	-	-	-
HDFC Bank Ltd	Gold Loan	144.87	-	114.95	(0.08)
RBL Bank Ltd.	CC/WCDL	-	-	-	-
Total		**2,329.54**	**749.40**	**451.30**	**2,627.64**

Bank Name	Type	FY 2023-2024			
		Opening Balance 01/04/2023	Addition during the year	Repayment During the Year	Closing as on 31/03/2024
State Bank of India	CC/WCDL	357.63	91.74	-	449.37
HDFC Bank Ltd	CC/WCDL	500.00	-	-	500.00
Bank of Baroda	CC/WCDL	-	300.00	0.09	299.91
Central Bank of India	CC/WCDL	-	250.00	-	249.00
Bandhan Bank Limited	CC/WCDL	245.26	1.60	-	246.86
Janata Sahakari Bank Ltd-8143	CC/WCDL	328.27	147.74	-	476.01
Saraswat Co-operative Bank Ltd -CC200	CC/WCDL	34.50	200.00	35.00	199.50
HDFC Bank Ltd-Cecl	CECL	100.21	-	32.50	67.71
State Bank of India Ltd-Gecl	GECL 2.0	83.46	-	31.49	51.97
Saraswat Co-Operative Bank Ltd-TL472	Term Loan	97.50	-	16.25	81.25
Karnataka Bank Ltd- TL801	Term Loan	81.06	-	44.72	36.34
Karnataka Bank Ltd- TL5001	Term Loan	164.96	-	20.15	144.81
Karnataka Bank Ltd- TL5901	Term Loan	141.60	-	24.42	117.18
Karnataka Bank Ltd -TL7201	Term Loan	245.66	-	25.04	220.62
Karnataka Bank Ltd- TL8501	Term Loan	-	100.00	2.50	97.50
Axis Bank Ltd. Loan -PCR003708819612	Term Loan	65.91	-	2.03	63.88
Axis Bank Ltd. Loan -PCR003708820117	Term Loan	116.88	-	3.60	113.28
Axis Bank Ltd. Loan -PCR003708822767	Term Loan	23.54	-	0.72	22.82
Axis Bank Ltd. Loan -PCR003708840082	Term Loan	41.28	-	1.27	40.01
Janata Sahakari Bank	Ad-Hoc TOD	-	100.00	-	100.00

Bank Name	Type	FY 2023-2024 Opening Balance 01/04/2023	Addition during the year	Repayment During the Year	Closing as on 31/03/2024
HDFC Bank Ltd	Gold Loan	-0.08	159.83	-	159.75
RBL Bank Ltd.	CC/WCDL	-	44.64	-	44.64
Total		**2,627.64**	**1,395.55**	**240.78**	**3,782.41**

Bank Name	Type	FY 2024-25 Opening Balance 01/04/2024	Addition during the year	Repayment During the Year	Closing as on 31/07/2024
State Bank of India	CC/WCDL	449.37	-	104.19	345.18
HDFC Bank Ltd	CC/WCDL	500.00	-	-	500.00
Bank of Baroda	CC/WCDL	299.91	-	0.29	299.62
Central Bank of India	CC/WCDL	249.00	0.66	-	249.66
Bandhan Bank Limited	CC/WCDL	246.86	0.48	-	247.34
Janata Sahakari Bank Ltd-8143	CC/WCDL	476.01	23.99	-	500.00
Saraswat Co-operative Bank Ltd -CC200	CC/WCDL	199.21	-	0.32	198.89
HDFC Bank Ltd-Cecl	CECL	67.71	-	10.83	56.88
State Bank of India Ltd-Gecl	GECL 2.0	51.97	-	9.66	42.31
Saraswat Co-Operative Bank Ltd-TL472	Term Loan	81.25	-	8.12	73.13
Karnataka Bank Ltd- TL801	Term Loan	36.34	-	14.91	21.43
Karnataka Bank Ltd- TL5001	Term Loan	144.81	-	6.66	138.15
Karnataka Bank Ltd- TL5901	Term Loan	117.18	-	8.10	109.08
Karnataka Bank Ltd -TL7201	Term Loan	220.62	-	8.34	212.28
Karnataka Bank Ltd- TL8501	Term Loan	97.50	-	3.34	94.16
Axis Bank Ltd. Loan -PCR003708819612	Term Loan	63.88	-	0.78	63.10
Axis Bank Ltd. Loan -PCR003708820117	Term Loan	113.28	-	1.38	111.90
Axis Bank Ltd. Loan -PCR003708822767	Term Loan	22.82	-	0.28	22.54
Axis Bank Ltd. Loan -PCR003708840082	Term Loan	40.00	-	0.48	39.52
Janata Sahakari Bank	Ad-Hoc TOD	100.00	100.00	113.14	86.86
HDFC Bank Ltd	Gold Loan	159.75	-	140.68	19.07
RBL Bank Ltd.	CC/WCDL	44.64	46.36	44.64	46.36
Total		**3,782.11**	**171.49**	**476.14**	**3,477.46**

[*]As certified by GDA & Associates, Chartered Accountants, Statutory Auditors of our Company, by way of their certificate dated September 4, 2024 .
[#]This includes cash credit facility availed from RBL Bank by PNG Jewelers, Inc. (Subsidiary) which is denominated in dollars and converted to ₹ using the closing rate as of July 31, 2024 (₹ 83.74 – sourced from https://www.fbil.org.in).

Key terms of our secured borrowings are disclosed below:

- ***Tenure***: The tenure of the term loans availed by our Company typically ranges from 3 months to 180 months.

- ***Interest rate***: The interest rates for term loans are typically on floating interest rates linked to benchmark rates, such as the repo rate prescribed by the RBI, secured overnight financing rate, prime lending rate and marginal cost of funds-based lending rate ("**MCLR**") of the specific lender which varies from lender to lender. The working capital and gold loan facilities availed by our Company typically have an interest rate of 10.25% p.a. and 11.00% per annum, gold loan availed by our Company typically range from 2.60% to 5.00% per annum and the cash credit availed by our Company typically range from 10.25% per annum to 10.65% per annum.

- ***Security***: Our borrowings are typically secured:

  i. creating a security by way of charge on immovable assets (both present and future) of the Company and certain members of the Promoter Group, current assets, bills receivable, semi-finished goods, finished goods, and book debts.

  ii. by personal guarantees of Saurabh Vidyadhar Gadgil, Parag Yashwant Gadgil, Radhika Saurabh Gadgil, Anjali Parag Gadgil and Vaishali Vidyadhar Gadgil.

  iii. by corporate guarantees from certain members of the Promoter Group including Gadgil Holdings Private Limited, Gadgil Developers Private Limited;

  iv. by bank guarantees from certain banking companies

- ***Repayment***: The term loans availed by our Company are typically repayable on bullet repayment or are repayable on demand.

- ***Prepayment:*** Some of the loans availed by our Company have prepayment provisions which allows for prepayment of the outstanding loan amount and carry a pre-payment penalty on the pre-paid amount or on the outstanding amount subject to terms and conditions stipulated under the loan documents. For certain lenders, if pre-payment is done using their own funds, there are no charges associated with it. However, for other facilities, pre-payment charges ranging from 2% to 4% of the sanctioned amount, outstanding amount, or pre-paid amount may apply, depending on the tenor of the prepayment.

- ***Penal Interest:*** We are typically bound to pay additional interest to our lenders for defaults in the payment of interest or other monies due and payable. This additional interest is charged as per the terms of our loan agreements and typically ranges from 2.00% to 4.00% over the applicable interest rate.

- ***Restrictive Covenants:*** As per the terms of our loan agreements, certain corporate actions for which our Company requires prior written consent of the lenders include:

  a) Change in control/ownership/management/directorship/partnership including resignation of promoter directors (including key managerial personnel) of our Company;

  b) Amending the constitutional documents of our Company;

  c) Effecting any changes to the capital structure or shareholding pattern of our Company;

  d) Dilution of our Promoter, SVG Business Trust's shareholding below its current level or 51% of the controlling stake (whichever is lower);

  e) Entering into any scheme of merger, demerger, amalgamation, compromise or reconstruction or do a buy-back;

  f) Undertaking any new business, operations or projects or substantial expansion of any current business, operations or projects; and

  g) Diversifying into 'non-core' areas of business by the Company.

- ***Events of Default:*** As per the terms of our borrowings, the following, among others, constitute events of default:

  (a) Default in repayment of loan facility;

  (b) If all or material part of business is suspended or ceases;

  (c) If the loan is used for any other purpose other than the purpose for which the loan is sanctioned;

  (d) Bankruptcy, insolvency, dissolution;

  (e) Breach in any other loan/ facility agreement;

  (f) Jeopardise or likely to prejudice, impair, depreciate any security provided by our Company in relation to the facility;

  (g) Asset is confiscated, attached, taken into custody by any authority or subject to any execution proceeding;

  (h) Failure to supply certified true copy of the registration;

  (i) Default under any other financing arrangements entered by our Company;

  (j) If the Company is adjudicated insolvent or taking advantage of law for the relief of insolvent debtors;

  (k) Any of the cheques delivered or to be delivered by the Borrower to the Bank in terms and conditions hereof is not encashed for any reason whatsoever on presentations;

- ***Consequences of occurrence of events of default:*** In terms of our borrowing arrangements, the following, *inter alia*, are the consequences of occurrence of events of default, whereby our lenders may:

  a) Terminate the sanctioned facilities;

b) Suspend access to facilities;

c) Enforce security;

d) Appoint trustees / observers; and

e) Repossess the hypothecated asset.

For the purposes of the Offer, our Company has obtained waiver and consents, and notified the relevant lenders, as is respectively required under the relevant facility documentation for undertaking the Offer.

This is an indicative list and there may be additional terms that may require the consent of the relevant lender, the breach of which may amount to an event of default under various borrowing arrangements entered into by us, and the same may lead to consequences other than those stated above.

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 our "Restated Consolidated Financial Information" on page 230.

This Red Herring Prospectus may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 27. Also read "Risk Factors" and "Significant Factors Affecting our Results of Operations" on pages 29 and 301, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.

Our Company's Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2022, 2023 and 2024, included herein is derived from the Restated Consolidated Financial Information, included in this Red Herring Prospectus. For further information, see "Restated Consolidated Financial Information" on page 230.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Industry report on jewellery market in India" dated August 26, 2024 (the "**Technopak Report**") prepared and issued by Technopak, appointed by us on January 8, 2024 and exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with the Offer. The data included herein includes excerpts from the Technopak Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the Technopak Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the Technopak Report is available on the website of our Company at https://www.pngjewellers.com/investors#corporate-governance. For more information, see "Risk Factors – **Certain sections of this Red Herring Prospectus disclose information from the industry report which has been commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.**" on page 57. Also see, "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 24.*

Overview

We are the second largest among the prominent organised jewellery players in Maharashtra, in terms of the number of stores as on January, 2024, which is the largest market for BIS-registered outlets in India (*Source: Technopak Report*). We are also the fastest growing jewellery brand amongst the key organised jewellery players in India, based on the revenue growth between Fiscal 2022 and Fiscal 2024. Our CAGR for revenue from operations for the period between Fiscal 2022 and Fiscal 2024 was 54.63%. We achieved an EBITDA growth of 39.78% between Fiscal 2022 and Fiscal 2024, which is the second highest in key organised jewellery players in India. We also had the highest revenue per square feet in Fiscal 2024 among the key organised jewellery players in India. Maharashtra leads the retail spending in India and accounted for approximately 15% of the overall retail spend on jewellery in India in Fiscal 2023. (*Source: Technopak Report*)

The '*PNG*' brand derives its legacy from the '*P N Gadgil*' brand, which has a rich heritage dating back to 1832 and a legacy of over a century (*Source: Technopak Report*). Leveraging the legacy and heritage of the '*PNG*' brand, we have created a strong brand recall and presence in Maharashtra offering a wide range of precious metal / jewellery products including gold, silver, platinum and diamond jewellery, across various price points and designs which cover the need of our customers and include collections that are specifically designed for special occasions, such as weddings, engagements, anniversaries and festivals, as well as everyday wear jewellery. Our products are primarily sold under our flagship brand, '*PNG*', and various sub – brands, through multiple channels, including our 39 retail stores (as on July 31, 2024) and various online marketplaces, including our website.

As on July 31, 2024, we had expanded to 39 stores, which includes 38 stores across 21 cities in Maharashtra and Goa and one store in the U.S. with an aggregate retail area of approximately 108,282 sq. ft. All our stores are operated and managed by us with 28 being owned stores and 11 franchisee stores, on a franchisee owned and company operated ("**FOCO**") model. We believe that the Company operated model allows us to exercise control over the quality of our products and ensure that our customers receive consistent experience and service across all our stores. Of these stores, 22 stores are large format stores (with an area more than 2,500 sq. ft.), 13 stores are medium format stores (with an area between 1,000 sq. ft. to 2,500 sq. ft.) and 4 stores are small format stores (with an area of 1,000 sq. ft. or less). We plan to further expand our stores network by opening 12 new stores in Maharashtra by Fiscal 2026, the establishment of all of which is proposed to be financed through the Net Proceeds. For further details, please see "*Objects of the Offer – Funding expenditure for fit-outs and inventory cost towards setting-up of 12 New Stores*" on page 100.

Owing to our multi-channel approach, we complement our in – store experience with our digital presence through our own website and other major online marketplaces. Additionally, we have launched our mobile application "*PNG Jewellers*", in March 2022. Our digital presence allows us to keep our customers updated on new designs and collections and familiarise them with our product portfolio, which enhances our customers' in-store experience.

We continue to build on the '*PNG*' brand, which, we believe, has developed a strong brand recall. The strong brand recall of the '*PNG*' brand complimented by our continued focus on quality and customer service has allowed us to maintain the patronage of our customers. Our Company and our promoter, Saurabh Vidyadhar Gadgil's experience in the jewellery sector enables us to leverage the knowledge and understanding of the preferences and needs of customers, which allows us to curate a broad portfolio of designs across different ranges and price points, which is specifically targeted to cater to the aesthetic and functional preferences and requirements of consumers. For instance, our wedding jewellery collection under the *Swarjya* sub-brand is designed to incorporate aspects of traditional Maharashtrian designs along with modern jewellery styles, in order to specifically cater to the customers in Maharashtra.

Significant Factors Affecting Our Financial Condition and Results of Operations

Our results of operations have been, and will continue to be, affected by a number of events and actions, some of which are beyond our control. However, there are some specific items that we believe have impacted our results of operations and, in some cases, will continue to impact our results, the manner in which we generate income and incur the expenses associated with generating this income. For further details of such factors, please see the sections titled "*Our Business*" and "*Risk Factors*" on pages 174 and 29, respectively.

Our brand image and our ability to cater to evolving jewellery trends and preferences

We derive substantially most of our revenue from sale of our jewellery products which depends significantly on the strength and reputation of our brand. The 'PNG' brand derives its legacy from the 'P N Gadgil' brand, which has a rich heritage dating back to 1832 and a legacy of over a century (*Source: Technopak Report*). Leveraging the legacy and heritage of the '*PNG*' brand, we have created a strong brand recall and presence in Maharashtra offering a wide range of precious metal / jewellery products including gold, silver, platinum and diamond jewellery, across various price points and designs. We attribute the strong brand recall of the '*PNG*' brand to our continued focus on quality and customer service, which has allowed us to maintain the patronage of our customers. Our reputation and brand image built on trust and transparency are critical to the success of our business and we continue to focus on operational and marketing efforts based on these principles. In order to enhance our brand awareness and strengthen the brand recall for our brands and sub-brands, we utilise a diverse array of promotional and marketing strategies, including location based marketing, event focused campaigns, engaging brand ambassadors and digital marketing. We undertake numerous marketing initiatives to promote our brand. During the Fiscals 2024, 2023 and 2022, we incurred expenses of ₹ 419.47 million, ₹ 299.60 million and ₹ 91.62 million respectively, on advertising and sales promotion representing 0.69%, 0.66% and 0.36% respectively of the revenue from operations for the respective years. For further details on our marketing and promotion efforts, see "*Our Business – Our Operations – Marketing model and tie-ups*" on page 186.

The jewellery industry is subject to shifting consumer preferences and more specifically, jewellery preferences often vary significantly by region within India. In order to compete effectively in our industry, we focus on incorporating consumer preferences and regional influences in our jewellery designs. For instance, our wedding jewellery collection under the *Swarjya* sub-brand is designed to incorporate aspects of traditional Maharashtrian designs along with modern jewellery styles, in order to specifically cater to the customers in Maharashtra. Our success depends largely on our ability to anticipate, gauge and respond to these changing consumer preferences and trends in a timely manner, while preserving and strengthening the perception and authenticity of our brand. We must therefore continue to develop innovative, trend-setting and stylish jewellery designs that are different from our competitors. Market acceptance of new designs and products is subject to uncertainty and there can be no assurance that our efforts will be successful. The inability of new designs or new jewellery lines to gain market acceptance or our inability to cater changing customer preferences could adversely affect our brand image, our business and financial condition. Achieving market acceptance for new designs or new jewellery lines may also require substantial marketing efforts and expenditures to increase consumer demand, which could constrain our management, financial and operational resources.

Expansion of our store network

Our ability to effectively execute our expansion strategy depends on our ability to open new stores in relevant locations, with favourable demographics, spending capacity, economic conditions and relevant catchment areas. As on July 31, 2024, we have expanded to 39 stores, which includes 38 stores across 21 cities in Maharashtra and Goa and one store in the U.S. with an aggregate retail area of approximately 1,08,282 sq. ft.

However, we intend to continue to open additional stores as we expect significant opportunity for further penetration in our existing markets as well as in new markets within Maharashtra. For further information, see "*Objects of the Offer - Funding expenditure towards setting-up of 12 New Stores*" on page 100. We may require significant financial resources in connection with the leasing of property for our new Company operated stores, capital expenditure, financing, inventory and hiring of additional employees for our expanded operations. In addition, as we enter new markets, we face competition from regional or national players, who may have an established local presence, and may be more familiar with local customers' design preferences, business practices and customs.

An inability to effectively manage our expanded operations or pursue our growth strategy may lead to operational and financial inefficiencies, which may in-turn result in a material adverse effect on our business prospects, financial condition and results of operations. Additionally, as the success of any retail business is significantly dependent upon identifying the best possible locations for stores at a competitive cost. If we are unable to lease the locations at the time, place and cost that we desire, the same may have a material adverse impact on our growth prospects, affect our results of operations and financial condition.

Cost of procuring bullion and other raw materials and manufacturing of our products

A significant portion of our expenses comprises cost of materials consumed. For the Financial Years 2024, 2023 and 2022 our cost of materials consumed amounted to ₹ 55,981.80 million, ₹ 41,454.25 million and ₹ 23,055.16 million, respectively, representing 94.71%, 93.34% and 92.17% of our total expenses, respectively. Of our raw materials consumed, gold is the most consumed kind of raw materials in the production of our jewellery products. For the Financial Years 2024, 2023 and 2022, we consumed₹ 52,512.46 ₹ 38,357.07 million, ₹ 21,104.76 million of gold, respectively, representing 93.80%, 92.53% and 91.54% of the cost of materials consumed, respectively.

Our business is heavily reliant on timely procurement of raw materials such as gold and silver from bullion traders. Our business is dependent on diamonds, precious and semi-precious stones and metals procured from various vendors, as well as the quality and the price at which they are procured. We also follow stringent quality control practices to ensure we sell only quality products in line with the quality and purity metrics that we market to our customers. Further, we had entered into arrangements with P N Gadgil Jewellers, a member of our Promoter Group, to purchase gold bullion.

Our results of operations are significantly affected by changes in the prices of gold and diamonds. Fluctuations in the price of gold and diamond may affect our results of operations in various ways. A decrease in the market price of diamonds or gold would adversely affect our ability to recover the cost incurred in procuring the same while an increase in the price of diamonds or gold may result in an increase in our income from sales assuming such increases do not adversely affect our sales volumes. However, a significant increase in the price of diamonds or gold could lead to a decrease in demand for our jewellery and/or a decrease in our profit margins as a result of lower demand. Further, the effect of a change in the market price of gold or diamonds on our results of operations is also dependent upon the hedging mechanisms that we may consider entering into if gold prices cross certain internally determined thresholds. The prices and supply of these and other materials depend on factors beyond our control, including general economic conditions, competition, production levels and regulatory factors such as import duties, bans on gold leasing, etc. In addition, if for any reason, our primary suppliers of raw materials curtail or discontinue their delivery of such raw materials to us, in the quantities we need and at prices that are competitive, our ability to meet our material requirements for our operations could be impaired, our delivery schedules could be disrupted, and our business and reputation may be adversely affected.

We outsource the manufacturing of our jewellery to experienced and skilled *Karigars* in and around Maharashtra at their workshop. As on July 31, 2024, we had engaged with over 75 *Karigars* to manufacture our jewellery. Changes in quantity of products manufactured through the *Karigars* and increase in costs of production of *Karigars* (which may increase in the future, including due to increase in the cost of labour and other utilities) may affect expenses incurred towards making charges and consequently our profitability and results of operations.

Product mix and innovation in our product range

Changes in the relative mix of gold jewellery, diamond jewellery and other jewellery articles have had and are likely to continue to have an impact on our financial condition and results of operations, as each product type has varying profit margins. The following table sets forth the contribution of each product type to our revenue from operations for the years presented:

(*in ₹ million*)

Particulars	**Year ended**		
	March 31, 2024	**Mar 31, 2023**	**Mar 31, 2022**
Sale of products			
Gold	56,325.50	40,933.43	23,037.47
Silver	2,096.90	1,634.17	1,222.00
Diamond	2,251.80	1,962.91	1,044.92

Particulars	Year ended		
	March 31, 2024	**Mar 31, 2023**	**Mar 31, 2022**
Platinum and Other Products	414.43	527.70	238.79
Total	**61,088.63**	**45,058.21**	**25,543.18**

Our ability to grow our consumer base is directly dependent on our ability to better our product mix and innovate our design catalogue range. Our future growth shall depend on our ability to identify emerging market trends, offer new designs to customers and inculcate strong culture of innovation which will enable us to expand the range of our offerings to customers and improve the delivery of our products along with growing our portfolio of designs.

Working Capital Requirements

We utilise our working capital facilities to finance the purchase of raw materials, including, inter alia, during the expansion of our store network pursuant to our strategy of expanding our store network. We cannot assure you that the funding required for our working capital requirement will be obtained in a timely manner, on satisfactory terms, or at all. Moreover, if we raise additional debt, our interest expense will increase and our debt covenants under our existing loans may be impacted. The success of our business is dependent on our ability to obtain and maintain sufficient cash flow, credit facilities and other sources of funding. For risks associated with our working capital requirements, refer to "*Risk Factors -* ***Our Company requires significant amounts of working capital for continued growth. Our inability to meet our working capital requirements, on commercially acceptable terms, may have an adverse impact on our business, financial condition and results of operations.***" on page 34.

Competition

We operate in a highly competitive and fragmented market, and face competition from both organised and unorganised companies in the Indian jewellery industry. Success of our operations depends on our ability to effectively compete with large organized national players, namely, Titan Company Limited (Tanishq), Kalyan Jewellers India Limited, Senco Gold Limited, Malabar Gold Private Limited, Thangamayil Jewellery Limited and Joyalukkas India Limited, benefiting from brand recognition, diverse designs, hallmarking, robust marketing, and enhanced in-store experiences. In addition, we may also face competition from multiple competitors at a regional and local level in the markets in which we operate. Such competition, at both national and local level, may also influence our revenue we generate across stores. For further details, see "*Business – Competition*" on page 191.

Seasonality

Our sales have historically exhibited certain seasonal fluctuations, reflecting higher sales volumes and profit margins during festivals and other occasions such as *Durga Puja, Akshaya Tritaya, Dhanteras, Diwali*, and *Ganpati* festival along with few Mahotsav such *Mangalsutra Mahotsav, Painjan Mahotsav* etc. when people in Maharashtra buy jewellery. Historically, sales in the third quarter and fourth quarter have typically been higher than the first quarter and second quarter of the fiscal year. We stock certain inventory to account for this seasonality, while our fixed costs such as lease rentals, employee salaries, stores operating costs and logistics-related expenses, which form a significant portion of operating costs, are relatively constant throughout the year.

Consequently, lower than expected sales during any third or fourth quarters or more pronounced seasonal variations in sales in the future could have a disproportionate impact on our operating results for the year or could strain our resources and impair cash flows. Any slowdown in demand for our jewellery during peak season or failure by us to accurately foresee and prepare for such seasonal fluctuations could have a material adverse effect on our business, financial condition and results of operations. The effect of seasonality is expected to further decrease with greater geographical diversification.

Economic conditions in the markets in which we operate

Our results of operations are dependent on the overall economic conditions in the markets in which we operate. Any slowdown in these economies, including due to a global economic slowdown or changes in interest rates, government policies or taxation, social and civil unrest, pandemics and political, economic or other developments could adversely affect our business and results of operations. Even though there are many factors that affect levels of consumer confidence and spending, demand for jewellery can be relatively inelastic in our markets as it is often purchased for wedding-related, religious, cultural and sentimental reasons.

Material Accounting Policy Information

The significant accounting policies adopted in the preparation of our Restated Consolidated Financial Information is set forth below. These policies have been consistently applied to all the years presented, unless otherwise stated.

'In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015.

Basis of accounting preparation and presentation

This restated consolidated financial information has been prepared on historical cost basis, except for certain financial assets and liabilities that are measured at fair value at the end of each reporting period. The financial statements are presented in "₹" and all values are rounded to the nearest million (₹ 000,000), except when otherwise indicated.

Basis for consolidation

Subsidiaries

The restated consolidated financial information comprises the financial statements of P N Gadgil Jewellers Limited (Formerly known as P N Gadgil Jewellers Pvt Ltd) and its Subsidiaries. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, a Company controls an investee if and only if the Company has:

i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

ii) Exposure, or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect its returns

iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

a) The contractual arrangement with the other vote holders of the investee

b) Rights arising from other contractual arrangements

c) The Company's voting rights and potential voting rights

d) The size of the Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Company uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Company member's financial statements in preparing the consolidated financial statements to ensure conformity with the Company's accounting policies.

The Restated Consolidated Financial Statements of the Company, including their respective subsidiaries/associates are drawn for the year ended March 31, 2024, as at March 31, 2023 and as at March, 2022. The restated financial statements of the Company have been prepared for the year ended on March 31, 2024, March 31, 2023 and March 31, 2022. The restated financial statements of Indian subsidiaries/associates/joint controlled entities have been drawn for the year ended on March 31, 2024, March 31, 2023 and March 31, 2022.

Consolidation procedure

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

c) Eliminate in full intra-Company assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Company (profits or losses resulting from intra Company transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intra Company losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra-Company transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Company's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Company are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Company loses control over a subsidiary, it:

i) Derecognizes the assets (including goodwill) and liabilities of the subsidiary

ii) Derecognizes the carrying amount of any non-controlling interests

iii) Derecognizes the cumulative translation differences recorded in equity

iv) Recognises the fair value of the consideration received

v) Recognises the fair value of any investment retained

vi) Recognises any surplus or deficit in the statement of profit and loss

vii) Reclassifies the parent's share of components previously recognized in OCI to the statement of profit and loss or retained earnings, as appropriate, as would be required if the Company had directly disposed of the related assets or liabilities.

The below subsidiaries have been consolidated as per Ind AS 110 Consolidated Financial Statements

Sr no	Name of subsidiary	Principal Activity	Country of Incorporation	Relationship	Effective Ownership Interest as at		
					March 31, 2024	March 31, 2023	March 31, 2022
1	P N Gadgil Jewellers DMCC*	Sale of jewellery	UAE	Subsidiary	NA	100%	100%
2	Gadgil Diamonds Private Limited	Sale of jewellery	India	Subsidiary	100%	100%	100%
3	PNG Jewelers, Inc.	Sale of jewellery	USA	Subsidiary	100%	100%	100%
4	PNG Jewellers LLC**	Sale of jewellery	UAE	Subsidiary	NA	49%	49%

* *P N Gadgil Jewellers DMCC has passed the resolution for winding up of the entity on March 29, 2023 in compliance with applicable provisions and as a consequence of which P N Gadgil Jewellers DMCC dissolved in accordance with applicable law in the Dubai.*

** *PNG LLC has been considered as a subsidiary on the basis of control over Board composition and strategic decision making power. Further, PNG Jewellers LLC has passed the resolution for dissolution of the entity on March 29, 2023 in compliance with applicable provisions and as a consequence of which PNG Jewellers LLC dissolved in accordance with applicable law in the Dubai.*

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.:

Operating cycle of the Company is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of products and the time between the acquisitions of assets for processing and their realization in cash and cash equivalents, the company has ascertained operating cycle of 12 months for the purpose of current and non-current classification of assets and liabilities.

Use of estimates and judgements

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expense for the period presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the consolidated financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of, useful lives of property, plant and equipment, provision for warranty, variable consideration in revenue, principal v/s agent assessment and provisions and contingent liabilities. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

Revenue from contracts with Customers

Ind AS 115 Revenue from contracts with customers deals with revenue recognition and establishes principles for reporting useful information to users of consolidated financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity’s contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

A five-step process must be applied before revenue can be recognised:

(i) identify contracts with customers

(ii) identify the separate performance obligation

(iii) determine the transaction price of the contract

(iv) allocate the transaction price to each of the separate performance obligations, and

(v) recognise the revenue as each performance obligation is satisfied.

Revenue recognition policy

The Company has following stream of revenue:

i) Revenue from sale of jewellery

Revenue from the contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Sales, as disclosed, are inclusive of excise but are net of trade allowances, rebates, goods and service tax, vat and amounts collected on behalf of third parties. The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes).

In respect of contracts with customers that contain a financing component i.e. when payment by a customer occurs significantly before performance and the fair value of goods provided to the customer at the end of the contract term exceeds the advance payments received, interest expense is recognized on recognition of a contract liability over the contract period and is presented under the head finance costs in statement of profit and loss and total transaction price including financing component is recognized when control of the goods is transferred to the customer.

Satisfaction of performance obligations

The Company's revenue is derived from the single performance obligation to transfer primarily jewellery under arrangements in which the transfer of control of the products and the fulfilment of the Company's performance obligation occur at the same time. Revenue from the sale of goods is recognised when the Company has transferred control of the goods to the buyer and the buyer obtains the benefits from the goods, the potential cash flows and the amount of revenue (the transaction price) can be measured reliably, and it is probable that the Company will collect the consideration to which it is entitled to in exchange for the goods.

Other Income

i) Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest Income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset's net carrying amount on initial recognition.

ii) Dividend Income

Dividend income is recognized when the right to receive it is established.

iii) Rental Income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in other income in the statement of profit and loss.

iv) Royalty Income:

Royalty revenue is recognized when the subsequent sale or usage occurs using the best estimates available of the amounts that will be received by the Company.

Foreign Currency

i) Functional and presentation currency

Items included in the consolidated financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The consolidated financial statements are presented in Indian rupees (₹), which is functional and presentation currency of the Company

ii) Transactions and balances

Transactions in currencies other than the Company's functional currency are recognized at the exchange rate prevailing on the date of 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. Non-monetary assets and liabilities denominated in a foreign currency are translated using the exchange rate prevailing at the date of initial recognition (in case measured at historical cost) or at the rate prevailing at the date when the fair value is determined (in case measured at fair value).

Foreign exchange differences are recognized in profit or loss in the period in which they arise except for exchange difference on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings and exchange differences on transactions entered into in order to hedge foreign currency risks.

Borrowing Costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and this Redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Employee benefits

i) Short-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefit that is expected to be paid in exchange for that service.

ii) Other employee benefits - Compensated Absences

The liability for earned leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method with actuarial valuations being carried out at each balance sheet date. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The Company provides for the encashment of compensated absences with pay subject to certain rules. The employees are entitled to accumulate compensated absences subject to certain limits, for future encashment.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit and the accumulated leave expected to be carried forward beyond twelve month is treated as long-term employee benefit which are provided based on the number of days of unutilized compensated absence on the basis of an independent actuarial valuation.

iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) Defined contribution plans such as provident fund.

(b) Defined benefit plans in the nature of gratuity and

A. Defined Contribution Plan:

The Company's contribution to provident fund, pension and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

B. Defined Benefit Plan:

For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement.

Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively. Income tax expense represents the sum of the tax currently payable and deferred tax.

i) Current income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

ii) Deferred income taxes

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Property Plant and Equipment

Freehold land and Capital work in progress are carried at historical costs. All other items of property, plant and equipment are stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. Such historical cost includes the cost of replacing part of the property, plant and equipment and borrowing costs if the recognition criteria are met. When significant parts of the property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. No decommissioning liabilities are expected or be incurred on the assets of plant and equipment.

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the construction costs to the extent the expenditure can be attributable to construction activity or is incidental there to. Income earned during the construction period is deducted from the total of the indirect expenditure.

Property Plant and Equipment (PPE) are stated at cost of acquisition or construction where cost includes amount added/deducted on revaluation less accumulated depreciation / amortization and impairment loss, if any. Capital work-in-progress for production, supply of administrative purposes is carried at cost less accumulated impairment loss, if any, until construction and installation are complete and the asset is ready for its intended use.

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets, based on technical evaluation done by management's expert taking into account the nature of the assets, their estimated period of use and the operating conditions. Lease hold improvements are amortised over the lease term. The depreciation charge for each period is recognised in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset.

Type of asset	Useful life (in years)	Useful life as per Schedule II (in years)
Freehold building	60	60
Plant and equipment	15	15
Computers (Others)	3	3
Computers (PNG INC)	7	3
Office Equipment (Others)	5	5
Office Equipment (PNG INC)	7	5
Furniture and Fixtures (Others)	10	10
Furniture and Fixtures	5	10
Electrical installations	10	10
Vehicles (Two-wheeler)	10	10
Vehicles (Other than two-wheeler)	8	8

Depreciation is provided on written down value method ('WDV') using the rates as prescribed in the Income Tax Act, 1961 except lease hold improvements which are amortised over the lease term, for following mentioned entities:

Subsidiary: Gadgil Diamonds Private Limited

(₹ in millions)

As on	WDV	Depreciation for the year
March 31, 2024	29.73	1.42
March 31, 2023	31.15	1.53
March 31, 2022	32.68	1.85

In the opinion of management, impact of variance in useful life of asset from that prescribed by Schedule II of the Companies Act 2013, in subsidiaries is immaterial and hence ignored.

Individual assets costing less than or equal to ₹ 5,000 are depreciated at the rate of 100% in the year of purchase.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, determined as the difference between the sales proceeds and the carrying amount of the asset, is recognized in the Statement of Profit or Loss.

Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Intangible Assets

Intangible assets are recognized at cost. Intangible assets are amortised on a straight line basis over the estimated useful economic life so as to reflect the pattern in which the assets economic benefits are consumed. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and the expenditure is recognised in the consolidated Statement of Profit and Loss in the period in which the expenditure is incurred.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Following summarizes the nature of intangible and the estimated useful life:

Asset	Useful Life (in years)
Software	6
Goodwill (excluding Consolidated Goodwill)	10

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the profit or loss when the asset is derecognized.

Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost is determined as follows:

1. Gold, silver and platinum bullion, old ornaments are considered as finished goods and valued at weighted average cost.

2. Gold, silver and platinum ornaments are considered as finished goods at weighted average cost of purchase plus weighted average cost of labour charges.

3. Stock of diamond, stones, MRP traded goods and NSI is considered as finished goods and valued as per at weighted average cost.

Cost comprises all cost of purchases, duties, taxes (other than those subsequently recoverable from tax authorities) and all other directly attributable costs incurred in bringing the inventory to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion to make the sale.

Provisions

i) General

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent Liabilities

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 recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

Financial instruments

i) Financial assets:

a) Initial recognition and measurement:

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction cost directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

b) Subsequent Measurement:

- **Debt instruments**

  Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

- **Financial assets at amortized cost**

  Financial assets that are held within a business model whose objective is to hold assets for collecting contractual cash flows and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at amortized cost using the effective interest rate method. The change in measurements are recognized as finance income in the statement of profit and loss.

- **Financial assets at fair value through other comprehensive income (FVTOCI)**

  Financial assets that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets and the assets' contractual cash flows represent solely payments of principal and interest on the principal amount outstanding are subsequently measured at fair value. Fair value movements are recognized in other comprehensive income.

- **Financial assets at fair value through profit or loss (FVTPL)**

  Any financial asset which does not meet the criteria for categorization as financial instruments at amortized cost or as FVTOCI, is classified as financial instrument at FVTPL. Financial instruments included within the FVTPL category are subsequently measured at fair value with all changes recognized in the statement of profit and loss.

c) Equity instruments

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

- **Derecognition**

  The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

  On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity, if any, is recognised in profit or **loss.**

- **Reclassification of financial assets**

  The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent.

Financial liabilities:

i) Initial recognition and measurement

Financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

ii) Subsequent measurement

For the purpose of subsequent measurement, financial liabilities are classified as:

- **Financial liabilities at amortized cost**

  Financial liabilities such as loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. The change in measurements are recognized as finance costs in the statement of profit and loss.

- **Financial liabilities at fair value through profit or loss (FVTPL)**

  Financial liabilities include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss if the recognition criteria as per Ind AS 109 – "Financial Instruments" are satisfied. Gains or losses on liabilities held for trading are recognized in statement of profit and loss. Fair value gains or losses on liabilities designated as FVTPL attributable to changes in own credit risk are recognized in other comprehensive income. All other changes in fair value of liabilities designated as FVTPL are recognized in the statement of profit and loss. The Company has not designated any financial liability as at FVTPL.

- **Derecognition**

  The Company derecognizes financial liabilities when the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

iii) Derivative financial instruments:

Forward exchange contracts not intended for trading or speculation purposes, classified as derivative financial instruments. The Company uses derivative financial instruments such as forward exchange contracts to hedge its risks associated with foreign currency fluctuations. Such derivative contracts are not designated as hedges and are accounted for at Fair Value through Profit and Loss. There are no derivative financial instruments outstanding as on year end.

iv) Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Impairment

i) Financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a Company of financial assets is impaired.

Ind AS 109 requires expected credit losses to be measured through a loss allowance. Company performs credit assessment for customers on an annual basis. Company recognizes credit risk, on the basis of lifetime expected losses and where receivables are due for more than six months. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

ii) Non-Financial Assets

Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

Segmented reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Company is reported at an overall level, and hence there are no separate reportable segments as per Ind AS 108.

Consolidated Cash flow statement

The Consolidated Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company.

Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents consist of cash and cash equivalent, as defined above, net of outstanding bank overdrafts if they are considered an integral part of the Company's cash management.

Dividends

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

Fair Value Measurement

Fair value is the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell an asset or transfer the liability takes place either:

- In the principal market for the asset or liability.
- In the absence of principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (Unadjusted) Market prices in active markets for incidental assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation Techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers that have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Determination of Fair Value

i) Financial Assets

The fair value of financial assets is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purpose.

ii) Non-Derivative financial liabilities

Fair Value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Leases

i) As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings.

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contact involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

ii) As a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Principal Components of Income and Expenditure

Income

Our total income comprises of revenue from operations and other income.

Revenue from operations

Revenue from operations consists of sale of products and other operating revenue.

- Sale of products: Sale of products relates to sale of our gold jewellery, gold bullion, silver jewellery, silver bullion, diamond and platinum and other products.

- Other operating revenue: Other operating revenue consists of franchisee fees received from our franchisee partners under our franchisee agreements.

The following table sets out the break-up of revenue from sale of products and each as a percentage of revenue from operations for the years indicated:

Particulars	For the year ended March 31, 2024 (₹ in million)	% of total Revenue from Operations	For the year ended March 31, 2023 (₹ in million)	% of total Revenue from Operations	For the year ended March 31, 2022 (₹ in million)	% of total Revenue from Operations
Sale of Products						

Particulars	For the year ended March 31, 2024 (₹ in million)	% of total Revenue from Operations	For the year ended March 31, 2023 (₹ in million)	% of total Revenue from Operations	For the year ended March 31, 2022 (₹ in million)	% of total Revenue from Operations
Sale of gold jewellery	30,895.36	50.56%	24,482.59	54.31%	17,057.46	66.74%
Sale of gold bullion (not recycled)	13,239.55	21.67%	6,741.81	14.96%	4,364.28	17.08%
Sale of recycled gold/ unregistered dealer	12,190.59	19.95%	9,709.03	21.54%	1,615.73	6.32%
Total sale of gold product	**56,325.50**	**92.17%**	**40,933.43**	**90.81%**	**23,037.47**	**90.14%**
Silver	2,096.90	3.43%	1,634.17	3.63%	1,222.00	4.78%
Diamond	2,251.80	3.68%	1,962.91	4.35%	1,044.92	4.09%
Platinum & Other Products	414.43	0.68%	527.70	1.17%	238.79	0.93%
Sub-total (A)	**61,088.63**	99.97%	**45,058.21**	99.96%	**25,543.18**	99.95%
Other operating revenue						
Franchisee Fees	20.82	0.03%	16.98	0.04%	13.16	0.05%
Sub-total (B)	**20.82**	**0.03%**	**16.98**	**0.04%**	**13.16**	**0.05%**
Total Revenue from operation	**61,109.45**	**100.00%**	**45,075.19**	**100.00%**	**25,556.34**	**100.00%**

Other income

Other income consists primarily of interest income on fixed deposits with banks and others, dividend, unwinding of discount on security deposit, gain from foreign currency transactions, rental income, sundry creditors balance written off, profit on sale of property, plant and equipment (net), gain on derecognition of lease liabilities (net) and other income.

Expenses

Our expenses comprise (i) cost of materials consumed; (ii) purchase of traded goods; (iii) changes in inventories of finished goods and work-in progress; (iv) employee benefit expenses; (v) finance costs; (vi) depreciation and amortisation expenses; and (vii) other expenses.

Cost of Materials Consumed

Cost of materials consumed comprise gold, silver, non-traded silver, diamond and platinum and the making charges and all other incidental expenses (such as hallmarking charges and certification charges).

Employee Benefit Expenses

Our employee benefit expense primarily include (i) salaries, wages and bonus; (ii) contribution to provident fund; (iii) contribution to gratuity (iv) staff recruitment and training expenses; (iv) directors' remuneration; and (v) staff welfare expenses.

Finance Costs

Our finance costs primarily include (i) interest expense on bank borrowings; (ii) interest expense on lease liabilities; (iii) interest on income tax and (iv) other borrowing costs.

Depreciation and Amortization Expense

Our depreciation and amortization primarily include depreciation expenses on our plant, property and equipment and amortization expenses on our intangible assets and right of use assets.

Other Expenses

Our other expenses primarily include (i) discount expenses; (ii) advertisement and publicity; (iii) royalty payments; (iv) power and fuel; (v) repairs to shop establishment and fittings; (vi) Carriage outwards/postal charges; (vii) rent; (viii) packing expenses; (ix) lease; (x) bank charges; (xi) legal and professional fees; (xii) CSR expenses; (xiii) security & electricity; (xiv) bank charges and (x) miscellaneous expenses.

Tax Expense

Our tax expenses primarily include current year tax expenses.

Profit for the Year

Profit for the year represents profit after tax.

Results of Operations

The following table sets forth select financial data from our statement of profit and loss for Fiscals 2024, 2023 and 2022, the components of which are also expressed as a percentage of total income for such periods.

(in ₹ million)

Particulars	For the year ended		
	Mar 31, 2024	**Mar 31, 2023**	**Mar 31, 2022**
Income			
Revenue from operations	61,109.45	45,075.19	25,556.34
Other income	81.59	517.93	306.71
Total income:	**61,191.04**	**45,593.12**	**25,863.05**
Expenses			
Cost of materials consumed	55,981.80	41,454.25	23,055.16
Employee benefit expenses	882.23	752.89	621.60
Finance cost	458.69	348.99	351.44
Depreciation and amortization expense	231.93	215.37	218.08
Other expenses	1,552.75	1,640.78	766.47
Total expenses:	**59,107.40**	**44,412.28**	**25,012.75**
Profit/(Loss) before exceptional items and tax from continuing operations	**2,083.64**	**1,180.84**	**850.30**
Exceptional items	**-**	**-**	**-**
Profit/(loss) before tax	**2,083.64**	**1,180.84**	**850.30**
Tax Expense			
Current tax	528.87	235.84	148.11
Deferred Tax	11.34	7.99	7.05
Total tax expenses:	**540.21**	**243.83**	**155.16**
Profit/ (Loss) for the year/period, net of tax from continuing operations	**1,543.43**	**937.01**	**695.15**
Other comprehensive income			
A (i) Items that will not be reclassified to			
profit or loss			
(a) Remeasurement Gain / (Loss) of the	(2.39)	(0.09)	0.76
defined benefit plans			
(ii) Income tax related to Items above			
(a) Tax relating to remeasurement of the	0.60	0.02	(0.19)
defined benefit plans			
(b) Tax relating to measurement of equity			
instruments at fair value			
Other Comprehensive Income for the year/period	**(1.79)**	**(0.07)**	**0.57**
Total comprehensive income for the year, net of tax	**1,541.64**	**936.93**	**695.72**
Profit Attributable to:			
i) Shareholders of the Company	1,543.43	742.85	576.03
ii) Non-controlling interests	-	194.15	119.12
Total Comprehensive Income Attributable to:			
i) Shareholders of the Company	1,541.64	742.79	576.50
ii) Non-controlling interests	-	194.14	119.22
Earnings Per Equity Share			
Basic earnings per share of face value of ₹10 each (in)	21.59	16.97	12.59
Diluted earnings per share of face value of ₹ 10 each (in ₹)	13.08	7.94	5.89

FISCAL 2024 COMPARED TO FISCAL 2023

Income

Our total income increased by 34.21% from ₹ 45,593.12 million in Fiscal 2023 to ₹ 61,191.04 million in Fiscal 2024, primarily due to increase in revenue from operations.

Revenue from operations

Our revenue from operations increased by 35.57% from ₹ 45,075.19 million in Fiscal 2023 to ₹ 61,109.45 million in Fiscal 2024. This increase was primarily due to increase in sale of our products.

Sale of products

Our income from sale of products increased by 35.58% from ₹ 45,058.21 million in Fiscal 2023 to ₹ 61,088.63 million in Fiscal 2024, primarily driven by an increase in our gold, silver, diamond, platinum jewellery and other products.

- Revenue from the sale of gold jewellery increased by 37.60% from ₹ 40,933.43 million in Fiscal 2023 to ₹ 56,325.50 million in Fiscal 2024, primarily due to (i) increase in sale of our gold jewellery in our existing stores and additional revenue from net 2 (two) new owned stores opened in Fiscal 2024 and (ii) due to increase in gold prices in Fiscal 2024;

- Revenue from the sale of silver jewellery increased by 28.32% from ₹ 1,634.17 million in Fiscal 2023 to ₹ 2,096.90 million in Fiscal 2024, primarily due to (i) increase in sale of silver gold jewellery in our existing stores and additional revenue from net 2 (two) new owned stores opened in Fiscal 2024;

- Revenue from the sale of diamond jewellery increased by 14.72% from ₹ 1,962.91 million in Fiscal 2023 to ₹ 2,251.80 million in Fiscal 2024, primarily driven by an increased demand of diamond products and implementation of Company's strategy to increase the proportion of diamond products in the product mix; and

- Revenue from the sale of platinum and other products decreased by 21.46% from ₹ 527.70 million in Fiscal 2023 to ₹ 414.43 million in Fiscal 2024, primarily due to decreased demand for platinum and other products.

Other operating income

Our other operating income increased by 22.61% from ₹ 16.98 million in Fiscal 2023 to ₹20.82 million in Fiscal 2024 primarily due to the good sale made by the franchisee in fiscal 2024 led to the receipt of additional franchise fee payments from the franchisee stores.

Other Income

Our other income decreased by 84.25%. from ₹ 517.93 million for Fiscal 2023 to ₹ 81.59 million for Fiscal 2024, primarily due to decreased in sundry creditors balance written off from ₹ 454.79 million in Fiscal 2023 to ₹ 1.13 million in Fiscal 2024 and decreased in gain from foreign currency transactions in Fiscal 2024.

Expenses

Our total expenses increased by 33.09% from ₹ 44,412.28 million in Fiscal 2023 to ₹59,107.40 million in Fiscal 2024, on account of the factors discussed below.

Cost of material consumed

Our cost of material consumed increased by 35.04% from ₹41,454.25 million in Fiscal 2023 to ₹ 55,981.80 million in Fiscal 2024, primarily in line with our increase in sale of products and increased gold prices in Fiscal 2024. Our robust inventory management practices led to better inventory levels at our stores. This resulted in an increase in purchases and as a result our cost of material consumed also increased.

Employee Benefit Expense

Our employee benefit expense increased by 17.18% from ₹752.89 million in Fiscal 2023 to ₹882.23 million in Fiscal 2024, primarily due to (i) increase in our expenses towards salaries, wages and bonus from ₹ 479.68 million in Fiscal 2023 to ₹ 566.10 million in Fiscal 2024 on account of increase in wages, bonus, incentives in line with increase in business and annual wage increments and an increase in our employee headcount from 1,041 as at March 31, 2023 to 1,228 as at March 31, 2024; and (ii) increase in directors' remuneration from ₹ 226.31 million in Fiscal 2023 to ₹ 262.75 million in Fiscal 2024.

Finance Costs

Our finance costs decreased by 31.43% from ₹348.99 million in Fiscal 2023 to ₹ 458.69 million in Fiscal 2024, primarily due to (i) increased in the interest costs on bank borrowings by 29.14% from ₹ 262.65 million in Fiscal 2023 to ₹ 339.18

million in Fiscal 2024, (ii) increased in interest paid on lease liabilities by 19.04% from ₹38.13 million in Fiscal 2023 to ₹ 45.39 million in Fiscal 2024 and (iii) increased in other borrowing cost of interest on corporate security charges by 114.83% from ₹ 24.00 million in Fiscal 2023 to ₹ 51.56 million.

Depreciation and Amortization Expense

Our depreciation and amortization expenses increased by 7.69% from ₹ 215.37 million for Fiscal 2023 to ₹ 231.93 million in Fiscal 2024, primarily due to (i) increased in depreciation on property plant and equipment by 2.68% from ₹73.83 million in Fiscal 2023 to ₹ 75.81 million in Fiscal 2024 and (ii) increased in depreciation on right of use of asset by 31.14% from ₹ 102.12 million in Fiscal 2023 to ₹ 133.93 million in Fiscal 2024.

Other Expenses

Our other expenses decreased by 5.36% from ₹1,640.78 million in Fiscal 2023 to ₹1,552.75 million in Fiscal 2024, primarily due to (i) an decreased in Repairs to Shop establishment and fittings expenses by 61.17% from ₹77.89 million in Fiscal 2023 to ₹30.24 million in Fiscal 2024; (ii) decreased in Doubtful advances and assets written-off expenses by 93.01% from ₹606.64 million in Fiscal 2023 to ₹42.43 million in Fiscal 2024.

Tax Expense

Our tax expenses increased by 121.55% from ₹ 243.83 million in Fiscal 2023 to ₹ 540.21 million in Fiscal 2024, primarily due to increase in current tax by 124.25% from ₹ 235.84 million in Fiscal 2023 to ₹ 528.87 million in Fiscal 2024.

Profit after tax for the Year

As a result of the foregoing factors, our profit for the year increased by 64.72% from ₹ 937.01 million in Fiscal 2023 to ₹ 1543.43 million in Fiscal 2024.

FISCAL 2023 COMPARED TO FISCAL 2022

Income

Our total income increased by 76.29% from ₹ 25,863.05 million in Fiscal 2022 to ₹ 45,593.11 million in Fiscal 2023, primarily due to increase in revenue from operations.

Revenue from operations

Our revenue from operations increased by 76.38% from ₹ 25,556.34 million in Fiscal 2022 to ₹ 45,075.19 million in Fiscal 2023. This increase was primarily due to increase in sale of our products.

Sale of products

Our income from sale of products increased by 76.40% from ₹ 25,543.18 million in Fiscal 2022 to ₹ 45,058.21 million in Fiscal 2023, primarily driven by an increase in our gold, silver, diamond, platinum jewellery and other products.

- Revenue from the sale of gold jewellery increased by 77.68% from ₹ 23,037.47 million in Fiscal 2022 to ₹ 40,933.43 million in Fiscal 2023, primarily due to (i) increase in sale of our gold jewellery in our existing stores and additional revenue from 3 (three) new franchisee stores opened in Fiscal 2023 and (ii) due to increase in gold prices in Fiscal 2023;

- Revenue from the sale of silver jewellery increased by 33.73% from ₹ 1,222.00 million in Fiscal 2022 to ₹ 1,634.17 million in Fiscal 2023, primarily due to (i) increase in sale of silver gold jewellery in our existing stores and additional revenue from 3 (three) new franchisee stores opened in Fiscal 2023 and (ii) increased silver demand on account of *Adhik Mas* festival falling in Fiscal 2023 (which occurs once every three years);

- Revenue from the sale of diamond jewellery increased by 87.85% from ₹ 1,044.92 million in Fiscal 2022 to ₹ 1,962.91 million in Fiscal 2023, primarily driven by an increased demand of diamond products and implementation of Company's strategy to increase the proportion of diamond products in the product mix; and

- Revenue from the sale of platinum and other products increased by 120.99% from ₹ 238.79 million in Fiscal 2022 to ₹ 527.71 million in Fiscal 2023, primarily due to increased demand for platinum and other products and implementation of Company's strategy to increase platinum and other products in the product mix.

Other operating income

Our other operating income increased by 29.03% from ₹ 13.16 million in Fiscal 2022 to ₹16.98 million in Fiscal 2023 primarily due to additional franchise fee payments received from the 3 (three) new franchisee stores opened in Fiscal 2023.

Other Income

Our other income increased by 68.86%. from ₹ 306.71 million for Fiscal 2022 to ₹ 517.93 million for Fiscal 2023, primarily due to increase in sundry creditors balance written off which included amount of ₹ 454.79 million loan to our erstwhile subsidiary from our Company that was written off on account of winding up of the said subsidiary and increase in gain from foreign currency transactions in Fiscal 2023.

Expenses

Our total expenses increased by 77.56% from ₹ 25,012.75 million in Fiscal 2022 to ₹44,412.28 million in Fiscal 2023, on account of the factors discussed below.

Cost of material consumed

Our cost of material consumed increased by 79.80% from ₹23,055.16 million in Fiscal 2022 to ₹ 41,454.25 million in Fiscal 2023, primarily in line with our increase in sale of products and increased gold prices in Fiscal 2023. Our robust inventory management practices led to better inventory levels at our stores. This resulted in an increase in purchases and as a result our cost of material consumed also increased.

Employee Benefit Expense

Our employee benefit expense increased by 21.12% from ₹621.60 million in Fiscal 2022 to ₹752.89 million in Fiscal 2023, primarily due to (i) increase in our expenses towards salaries, wages and bonus from ₹ 385.48 million in Fiscal 2022 to ₹ 479.68 million in Fiscal 2023 on account of increase in wages, bonus, incentives in line with increase in business and annual wage increments and an increase in our employee headcount from 1,003 as at March 31, 2022 to 1,041 as at March 31, 2023; and (ii) increase in directors' remuneration from ₹ 197.73 million in Fiscal 2022 to ₹ 226.31 million in Fiscal 2023.

Finance Costs

Our finance costs decreased by 0.69% from ₹351.44 million in Fiscal 2022 to ₹ 348.99 million in Fiscal 2023, primarily due to (i) decrease in the interest costs on bank borrowings by 2.19% from ₹ 268.52 million in Fiscal 2022 to ₹ 262.65 million in Fiscal 2023 and (ii) decrease in interest paid on Income Tax by 10.71% from ₹7.75 million in Fiscal 2022 to ₹ 6.92 million in Fiscal 2023.

Depreciation and Amortization Expense

Our depreciation and amortization expenses decreased by 1.24% from ₹ 218.08 million for Fiscal 2022 to ₹ 215.37 million in Fiscal 2023, primarily due to (i) decrease in depreciation on property plant and equipment by 8.01% from ₹80.25 million in Fiscal 2022 to ₹ 73.83 million in Fiscal 2023 and (ii) decrease in depreciation on intangible assets by 6.68% from ₹ 42.24 million in Fiscal 2022 to ₹ 39.42 million in Fiscal 2023.

Other Expenses

Our other expenses increased by 114.07% from ₹766.46 million in Fiscal 2022 to ₹1,640.78 million in Fiscal 2023, primarily due to (i) an increase in advertisement & publicity expenses by 227.01% from ₹91.62 million in Fiscal 2022 to ₹299.60 million in Fiscal 2023; (ii) write off of our investment in (P N Gadgil Jewellers DMCC and PNG Jewellers LLC) amounting to ₹101.71 million; (iii) write off of loan provided to our erstwhile subsidiary, PNG Jewellers LLC (which was liquidated and wound up) amounting to ₹ 420.11 million in Fiscal 2023. Our increase in other expenses were partially offset by a decrease of ₹ 63.81 million in miscellaneous expenses and a decrease of ₹ 20.65 million in legal and professional expenses.

Tax Expense

Our tax expenses increased by 57.15% from ₹ 155.16 million in Fiscal 2022 to ₹ 243.83 million in Fiscal 2023, primarily due to increase in current tax by 59.23% from ₹ 148.11 million in Fiscal 2022 to ₹ 235.84 million in Fiscal 2023.

Profit after tax for the Year

As a result of the foregoing factors, our profit for the year increased by 34.79% from ₹ 695.15 million in Fiscal 2022 to ₹ 937.01 million in Fiscal 2023.

LIQUIDITY AND CAPITAL RESOURCES

As of March 31, 2024, our cash and cash equivalents were ₹ 260.87 million.

Historically, our primary liquidity requirements have been to finance our capital expenditure and working capital requirements. Our business requires a substantial amount of working capital to finance the purchase of gold, diamonds, platinum, silver and other inventory. As at March 31, 2024 our total outstanding debt (includes long term borrowings, current maturities of long term borrowing and short term borrowing) was ₹ 3,964.96 million. For further information, see "*Financial Indebtedness*" and "*Restated Consolidated Financial Information*" on pages 296 and 230, respectively. As of March 31, 2024, we had ₹ 68.37 million in cash and cash equivalents (cash in hand), and ₹ 192.50 million in bank balances in accordance with our Restated Consolidated Financial Statements.

For details on how we propose to use the Net Proceeds of the Offer, please see "*Objects of the Offer*" on page 98.

We believe that our cash flow from operations, the Net Proceeds from the Fresh Issue and our borrowings will be sufficient to provide us with the funds for our working capital and capital expenditure requirements for at least next 12 months. In the future, as we expand our business, our working capital needs will increase, and we may need to raise additional funds through further working capital facilities and additional issues of Equity Shares.

CASH FLOWS

The table below summarizes the statement of cash flows, as per our cash flow statements, for the periods indicated:

(in ₹ million)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net cash generated from operating activities	63.23	1,047.72	727.55
Net cash (used in)/generated from investing activities	(487.61)	(450.21)	(216.08)
Net cash (used in)/generated from financing activities	509.64	(545.70)	(457.02)
Cash and cash equivalents at the end of the period/ year	260.87	175.64	123.83

Operating Activities

Fiscal 2024

Net cash generated from operating activities for the year ended March 31, 2024 was ₹ 63.23 million. While our profit before tax for the year ended March 31, 2024 was ₹ 2,083.64 million, our operating profit before working capital changes and other adjustments was ₹ 2,938.85 million. This was primarily due to adjustments for finance cost of ₹ 458.69 million, depreciation and amortisation expenses of ₹ 231.93 million, Loss on Impairment of Investment ₹ 2.02 million, Doubtful advances and assets written-off of ₹ 42.43 million capital reserve of ₹ 89.80 million, Other non-cash charges of ₹ 77.92 and reduced for gain on lease modification of ₹ 6.82 million, unwinding of interest income during the period of ₹ 5.57 million and interest income of ₹ 33.34 million, Write off of liabilities of ₹ 1.13 million, decrease in foreign currency translation reserve of ₹ 0.67 Million and Profit on sale of asset of ₹ 0.05 Million . Changes in working capital for the Year ended March 31, 2024, primarily consisted of increase in inventories of ₹ 3,619.75 million, decrease in trade receivables of ₹ 17.92 million, an decrease in non-current financial assets of ₹ 1.88 million, decrease in trade payables of ₹ 172.55 million, decrease in non-current provisions and current provisions ₹ 21.37 million, increase in other current liabilities and non-current liabilities of ₹ 723.47 million and decrease in other current and non-current asset of ₹ 199.04 million and increase in financial liabilities (others) of ₹ 30.15 million. Our income taxes paid was ₹ 379.50 million for the Year ended March 31, 2024.

Fiscal 2023

Net cash generated from operating activities for Fiscal 2023 was ₹ 1,071.72 million. While our profit before tax for Fiscal 2023 was ₹ 1,180.84 million, our operating profit before working capital changes and other adjustments was ₹ 2,224.09 million. This was primarily due to adjustments for finance cost of ₹ 348.99 million, depreciation and amortization expenses of ₹ 215.37 million, doubtful advances and assets written-off of ₹ 606.64 million and unrealised foreign exchange loss (net) of ₹ 8.44 million. This was offset by unwinding of interest income of ₹ 4.60 million, interest income of ₹ 17.73 million and capital reserve of ₹ 113.86 million. Changes in working capital for Fiscal 2023 primarily consisted of decrease in inventories of ₹ 1,066.58 million, increase in trade receivables of ₹ 106.83 million, decrease in trade payables of ₹ 379.90 million and decrease in other current liabilities and non-current liabilities of ₹ 752.74 million. Our income taxes paid was ₹ 362.90 million for Fiscal 2023.

Fiscal 2022

Net cash generated from operating activities for Fiscal 2022 was ₹ 727.55 million. While our profit before tax for Fiscal 2022 was ₹ 850.30 million, our operating profit before working capital changes and other adjustments was ₹ 1,376.00 million. This was primarily due to adjustments for finance cost of ₹ 351.44 million, depreciation and amortization expenses of ₹ 218.08 million, doubtful advances and assets written-off of ₹ 0.85 million and capital reserve of ₹ 14.76 million. This was offset by gain on lease modification of ₹ 6.88 million, unrealised foreign exchange gain (net) of ₹ 32.46 million, unwinding of interest income during the year of ₹ 5.13 million and interest income of ₹ 14.96 million. Changes in working capital for Fiscal 2022 primarily consisted of increase in inventories of ₹ 653.34 million, decrease in trade receivables of ₹ 46.70 million, increase other current and non-current assets of ₹ 204.85 million, increase in trade payables of ₹ 958.48 million and decrease in other current liabilities and non-current liabilities of ₹ 708.91 million. Our income taxes paid (net of refunds) was ₹ 91.71 million in Fiscal 2022.

Investing Activities

Fiscal 2024

Net cash used in investing activities in the Fiscal 2024 was ₹ 487.61 million, which consisted of deposits made during the year of ₹ 218.19 million, interest / income on investment received of ₹ 33.34 million, capital expenditure on fixed assets including capital works-in-progress expenditure amounting to ₹ 305.04 million offset by proceeds from sale of fixed assets of ₹ 0.26 million and investment in equity instruments of ₹ 2.02 million.

Fiscal 2023

Net cash used in investing activities in Fiscal 2023 was ₹ 450.21 million, which consisted of deposits made during the year of ₹ 11.62 million, capital expenditure on fixed assets including capital works-in-progress expenditure amounting to ₹ 479.56 million and interest / income on investment received of ₹ 17.73 million.

Fiscal 2022

Net cash used in investing activities in Fiscal 2022 was ₹ 216.08 million, which consisted of capital expenditure on fixed assets including capital works-in-progress expenditure amounting to ₹ 51.79 million, deposits made during the year of ₹ 178.65 million, investment in equity instruments (unquoted) of ₹ 0.60 million, which was offset by interest / income on investment received of ₹ 14.96 million.

Financing Activities

Fiscal 2024

Net cash generated from financing activities for the year ended March 31, 2024 was ₹ 509.64 million, which was due to increase in current borrowings of ₹ 1155.08 million partially offset by repayment of long term borrowings of ₹ 22.22 million and decrease in lease liabilities of ₹ 185.71 million, and finance cost of ₹ 413.27 million, Conversions of CCNPS of ₹ 24.24 Million.

Fiscal 2023

Net cash used in financing activities for Fiscal 2023 was ₹ 545.70 million, which was due to decrease in lease liabilities of ₹ 117.48 million, repayment of current borrowings of ₹ 294.47 million and finance cost of ₹ 310.83 million, which was offset by increase in long term borrowings of ₹ 177.08 million.

Fiscal 2022

Net cash used in financing activities for Fiscal 2022 was ₹ 457.02 million, which was due to decrease in lease liabilities of ₹ 111.16 million, repayment of current borrowings of ₹ 329.16 million and finance cost of ₹ 312.83 million, which was offset by increase in long term borrowings of ₹ 296.13 million.

INDEBTEDNESS

As of July 31, 2024, we had total borrowings (consisting of long term borrowings and short term borrowings) of ₹ 3,489.66 million (including public deposits of ₹ 12.20 million) of which ₹ 984.49 million was long term borrowings (including current maturities) and ₹ 2,473.90 million was short term borrowings and ₹ 19.07 million was gold loans. For further information on our agreements governing our outstanding indebtedness, see "*Financial Indebtedness*" on page 296.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table sets forth the details regarding our contractual maturities of financial liabilities based on contractual undiscounted payments as of the respective years mentioned:

Contingent Liabilities

The following table sets forth the principal components of our contingent liabilities as of March 31, 2024:

(in ₹ million)

Particulars	Amount (₹ million)
Contingent Liabilities	
Local Body tax (LBT) (Refer note (i))	2.91
Income Tax Penalty (SFT) Proceedings AY 2017-18 (Refer note (ii))	11.40
IT Proceedings GDPL AY 2017-18 (Refer note (iii))	59.25
Total	**73.56**

i. *The company has received a demand order of assessment for the period 01/01/2017 to 31/03/2017 from Panvel Municipal Corporation for ₹ 4.11 million (including interest and penalty) against which the Company has paid ₹ 1.21 million on May 18, 2019, and filed appeal petition no. 023 dated May 20, 2019, with Dy. Commissioner and First Appellate Authority and the matter is sub judice. Out of total demand liability, ₹ 1.21 million paid off and balance liability of ₹ 2.91 million treated as contingent liability.*

ii. *Assessing officer has passed the order u/s 272B having demand of ₹ 22.79 million. The assessee has appealed against the penalty order with CIT(A) and deposited 20% of the demand amount. The Company is contesting the above-mentioned demands and the management including its tax advisors believe that its position will be upheld in the appellate process. The management believes that the ultimate outcome of the proceedings has 50% winning chances and therefore contingent liability has been assumed to the extent 50% of ₹ 22.79 million.*

iii. *Assessing Officer has passed order with a demand of ₹ 118.50 million. Company has filed appeal with Commissioner of Income Tax (Appeals) CIT(A). The Company is contesting the above-mentioned demands and the management including its tax advisors believe that its position will be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have material adverse effect on the Company's financial position and results of operation. Therefore, contingent liability had been assumed @ 50% of the adjustment amount (i.e. 50% of ₹ 118.50 million).*

Off-Balance Sheet Transactions

There are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties. For further information see "*Related Party Transactions*" on 294.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: commodity price risk, interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits. We have put in place appropriate risk management policies to limit the impact of these risks on its financial performance. The company ensures optimization of cash through fund planning and robust cash management practices.

Commodity Price Risk

76. We are subject to market risks related to the volatility in the price of gold and diamonds, platinum, silver and other precious stones. Our financial results can be affected significantly by fluctuations in these prices, which depend on many factors, including demand for these materials, changes in the economy, world-wide production levels, world-wide inventory levels and disruptions in the supply chain. We endeavour to buy the same Rupee value of gold at the end of each day that we sell across all of our stores that day. Therefore, if the price of gold increases, we purchase lesser volume of gold compared with the volume of gold sold and vice versa. For further details, please see, "*Risk Factors -* ***Jewellery purchases are discretionary and often perceived as luxury purchases. Any factor negatively impacting discretionary spending by consumers may adversely affect our business, results of operations, financial condition and prospects.***

Jewellery purchases are dependent on consumers' discretionary spending power and disposable income. Various factors affect discretionary consumer spending in India, such as the cultural significance of purchasing jewellery during certain festivals (such as *Akshaya Tritiya*, *Navratri/Durga Puja*, *Gudi Padwa, Gurupushyamrut*, *Diwali* and *Dhanteras*), price of precious metals, precious and semi-precious stones, disposable income, economic outlook, employment, inflation levels, interest rates and levels of taxation, among others.

Moreover, we believe that while historically, gold jewellery has been purchased as an investment asset by consumers, there is a changing trend in consumers to invest such funds in other asset classes, which may adversely affect our business, financial condition and results of operations. Additionally, the prices of gold and diamonds at a particular time also affect the decision of our customers to purchase jewellery.

Most of our customers are individuals who purchase jewellery for personal use and who are generally less financially resilient than corporate entities. Additionally, gold and diamond jewellery are not perceived to be a necessity, which may result in a significant fall in demand in the case of adverse economic conditions as opposed to demand for those goods that are perceived as a necessity. Such adverse economic conditions include levels of employment, inflation or deflation, real disposable income, interest rates, taxation, currency exchange rates, stock market performance, the availability of consumer credit, levels of consumer debt, consumer confidence, consumer perception of economic conditions and consumer willingness to spend, all of which are beyond our control. An economic downturn or an otherwise uncertain economic outlook in our principal markets, in any other markets in which we may operate in the future, or on a global scale could adversely affect our consumer spending habits and traffic, which could have a material adverse effect on our business, results of operations and financial condition.

Volatility in the market price of gold, silver and diamonds and other raw materials has a bearing on the value of our inventory and may affect our income, profitability and scale of operations." on page 41.

Interest Rate Risk

As at July 31, 2024, we had outstanding short term & long term borrowings of ₹ 3,489.66 million (including public deposits of ₹ 12.20 million) that were at floating rate of interest linked to the MCLR of the respective banks. This exposes us to market risk, which may occur as a result of changes in interest rates. We undertake debt obligations primarily to support our working capital needs and capital expenditure. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, global interest rates, regulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. Upward fluctuations in interest rates increase the cost of debt and interest cost of outstanding variable rate borrowings. We do not currently use any derivative instruments to hedge interest rate risk considering the short-term rates charged by the bankers. For further details, please see, "*Risk factors* - ***Our Company requires significant amounts of working capital for continued growth. Our inability to meet our working capital requirements, on commercially acceptable terms, may have an adverse impact on our business, financial condition and results of operations.***" on page 34.

Liquidity Risk

Ultimate responsibility for liquidity risk management rests with the Board, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company manages liquidity risk by maintaining adequate cash reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Accordingly, no liquidity risk is perceived.

CAPITAL EXPENDITURES

Our historical capital expenditures were, and we expect our future capital expenditures to be, primarily for purchase of plant and equipment, furniture & fixture, electrical installation, civil work, office equipment, computer, software. In Fiscals 2024, 2023 and 2022, our capital expenditures (comprising of payments for acquisition of plant and equipment, furniture & fixture, electrical installation, civil work, office equipment, computer, software, intangibles, and capital work in progress including capital advances) were ₹ 197.96 million, ₹ 59.29 million and ₹ 53.49 million, respectively.

SIGNIFICANT ECONOMIC CHANGES

Other than as described above under the heading titled " – *Significant Factors Affecting Our Financial Condition and Results of Operations*," to the knowledge of our management, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

UNUSUAL OR INFREQUENT EVENTS OF TRANSACTIONS

Except as described in this Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

KNOWN TRENDS OR UNCERTAINTIES

Our business has been affected and we expect will continue to be affected by the trends identified above in the heading titled "*Significant Factors Affecting Our Financial Condition and Results of Operations*" and the uncertainties described in the section titled "*Risk Factors*" beginning on page 301 and 29 respectively. To our knowledge, except as described or anticipated in this Red Herring Prospectus, there are no known factors which we expect will have a material adverse impact on our revenues or income from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND INCOME

Other than as described in this Red Herring Prospectus, including disclosure regarding the impact of COVID-19 on our operations, to the knowledge of our management, there are no known factors that might affect the future relationship between costs and revenues.

NEW PRODUCTS OR BUSINESS SEGMENTS

Other than as described in "*Our Business*" on page 174, there are no new products or business segments in which we operate.

CHANGES IN ACCOUNTING POLICIES

Except as disclosed under "*Restated Consolidated Financial Information*" on page 230, there are no changes in the accounting policies in the last three Fiscals.

SEASONALITY OF BUSINESS

Our sales in certain regions have historically exhibited certain seasonal fluctuations, reflecting higher sales volumes and profit margins during festival periods and other occasions such as *Akshaya Tritiya*, *Navratri*, *Gudi Pavda, Gurupushyamrut* and *Diwali,* Historically, sales in the third quarter and fourth quarter have typically been higher than the first quarter and second quarter of the fiscal year. Further, our marketing schemes vary as per occasion, season and the needs of our customers and are tailored to befit occasions such as weddings, anniversaries and birthdays when people customarily buy jewellery. For further information, see "*Industry Overview*", "*Our Business*" and "*Risk Factors*" on pages 123, 174 and 29, respectively.

SUPPLIERS OR CUSTOMER CONCENTRATION

We are not dependent on major customers or suppliers for a significant portion of our revenue.

QUALIFICATION INCLUDED BY AUDITORS

There have been no reservations/ qualifications/ adverse remarks/ matters of emphasis highlighted by our statutory auditors in their auditor's reports on the audited financial statements as of and for the years ended March 31, 2024, 2023 and 2022.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2024

Except as disclosed in this Red Herring Prospectus, to our knowledge no circumstances have arisen since March 31, 2024, that could materially and adversely affect or are 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 months.

Armed Robbery at Solitary Store in Sunnyvale: On June 12, 2024, our Subsidiary's solitary store in Sunnyvale, California, USA was subjected to an armed robbery in which a significant portion of the inventory on display, as well as within the store was looted by armed robbers. The local office in Sunnyvale immediately reported the theft to the local police and subsequently filed a claim for the stolen goods. The current assessed value of the stolen items, other assets and loss of business is valued at approx. ₹192.20 million to 208.90 million approximately (US$ 2.30 to 2.50 million) and an insurance claim for full amount has been raised with Jewelers Mutual Insurance. The investigation and the insurance process are currently underway.

SECTION VI - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by regulatory or statutory authorities; (iii) claims related to direct and indirect tax matters (disclosed in a consolidated manner); and (iv) other pending litigation/arbitration as determined to be material by our Board pursuant to the Materiality Policy as approved by our Board, in each case involving our Company, Subsidiaries, Promoters and Directors ("**Relevant Parties**"). Further, there are (i) no disciplinary actions including penalties imposed by the SEBI or the stock exchanges against our Promoters in the last five Financial Years including any outstanding action; or (ii) no pending litigation involving our Group Companies which may have a material impact on our Company.*

For the purpose of material litigation/arbitration in (iv) above, our Board has considered and adopted the Materiality Policy with regard to outstanding litigation to be disclosed by our Company involving the Relevant Parties, in this Red Herring Prospectus pursuant to the Board resolution dated August 24, 2024.

In terms of the Materiality Policy, all outstanding litigation/ arbitration proceedings involving the Relevant Parties, other than (I) all outstanding criminal proceedings (including matters which are at an FIR stage even if no cognizance has been taken by any court); (II) all actions (including all penalties and show cause notices) by statutory and/ or regulatory authorities; and (III) all outstanding taxation proceedings, would be considered 'material' if (i) the aggregate monetary amount of claim/ dispute amount/ liability made by or against the Relevant Party in any such pending proceeding is equal to or in excess of 0.50% of our Company's profit after tax, amounting to ₹ 7.72 million, as per the last fiscal year in the Restated Consolidated Financial Information; or (ii) the monetary liability is not quantifiable and does not fulfil the threshold specified in (i) above, but the outcome of which could, nonetheless, directly or indirectly, or together with similar other proceedings, have a material adverse effect on the business, operations, results of operations, prospects, financial position or reputation of the Company, as determined by the Company.

It is clarified that for the purposes of the above, pre-litigation notices from third parties (other than show cause notices issued by statutory/ regulatory/ tax authorities or notices threatening criminal action) received by any of the Relevant Parties shall, unless otherwise decided by our Board, shall not be deemed as material until such time that the Relevant Parties, as the case may be, are impleaded as a defendant in proceedings before any judicial/ arbitral forum.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has pursuant to a resolution dated August 24, 2024 considered and adopted the Materiality Policy for the purpose of disclosure of material creditors in this Red Herring Prospectus. In terms of the Materiality Policy, outstanding dues to any creditor of our Company having monetary value which exceeds ₹ 74.44 million, being 5.00% of our trade payables on a consolidated basis as at March 31, 2024 (which is the date of the latest Restated Consolidated Financial Information of our Company disclosed in this Red Herring Prospectus), have been considered 'material'. For outstanding dues to any party which is a MSME, the disclosure is based on information available with our Company regarding status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended read with the rules and notifications thereunder, as has been relied upon by the Statutory Auditors.

All terms defined in a particular litigation disclosure pertain to that litigation only. Unless stated otherwise, the information provided below is as on the date of this Red Herring Prospectus.

Litigation involving our Company

Outstanding litigation against our Company

Litigation involving our Company

Outstanding litigation against our Company

Criminal proceedings

1. The Inspector, Security Guards Board for Brihan Mumbai and Thane District ("Inspector"), issued four show cause notices each dated November 5, 2019 ('**SCN**") to our Company, our Promoter and Managing Director, Saurabh Vidyadhar Gadgil and others (collectively the "**Accused**"), alleging violation of clause 13 of the Private Security Guards Regulation, of Employment & Welfare Scheme (Amended) 2005, ("**Scheme**") read with clause 42 of the Scheme and section 3(3) of the Maharashtra Private Security Guards (Regulation of Employment & Welfare) Act, 1981 ("**Act**"). These provisions relate to ensuring regular employment of security guards in the establishments of Maharashtra. The SCN directed the Accused to furnish response and information within seven days. Thereafter, the Inspector filed a complaint in the court of Judicial Magistrate First Class, at Thane, Maharashtra alleging that the Accused are principal

employers in terms of the Act and have allegedly failed to adhere to the registration requirements under the Scheme within the stipulated timeline. The Inspector prayed to direct the Accused to execute a bond for appearance in the court. The case is currently pending.

Actions by regulatory/ statutory authorities

1. The Corporation of the city of Panaji, Taxation Section, Panaji, Goa (the "**Corporation**") issued a notice to our Company and manager Yogesh Bhide (collectively the "**Respondent**") dated June 13, 2023, to remove allegedly illegally displayed advertisement boards/signboards above its store in Goa within 10 days, failing which the Corporation would remove them and recover expenses incurred from the Respondent. The Respondent pursuant to their response dated June 19, 2023, contended that the advertisement board/signboard did not obstruct pedestrian or vehicular movement along the road as the board was a non-light emitting board, and all the requisite licenses and approvals were obtained beforehand from the Corporation. Subsequently, the Corporation issued a notice dated August 4, 2023 calling upon the Respondent for hearing before the commissioner on August 16, 2023. In its order dated August 28, 2023 the Corporation held that the advertisement board displayed by the Company was violative of regulation 17 of the Goa Land Development and Building Construction Act, 2008 and the Goa Land Development Building Construction Regulation, 2010 and the board causes nuisance and distractions to the passer-by and vehicular traffic. The Corporation directed the Respondent to remove the said boards within a period of 10 days, failing which the hoardings would be removed by the Corporation. Subsequently, the Respondent appealed the order passed by the Corporation under Section 358 of the City of Panaji Corporation Act, 2002 to the Secretary of Urban Development, Secretariat, Porvorim, Goa (the "**Secretary**"). In the appeal dated December 22, 2023 (the "**Appeal**"), the Respondent pleaded that they had been issued a license for a neon signboard for an additional fees and prayed to quash the order dated August 28, 2023 (the "**Impugned Order**"). The Respondent also filed an application for condonation of delay of 105 days along with this Appeal. The Respondents have also filed an application of stay against the order passed by the Corporation dated August 28, 2023 which was granted via the stay order dated March 14, 2024. The matter is pending before the Secretary.

Other material pending proceedings

1. Bharati Sahakari Bank Limited (the "**Plaintiff**") has filed three separate suits for declaration and injunction under Sections 31, 34, 37, 38 and 39 of the Specific Relief Act, 1887, against Late Abhay Bansilal Mutha, P N Gadgil Jewellers represented through its partners, Saurabh Vidyadhar Gadgil (our Managing Director and one of our Promoters) and Parag Yashwant Gadgil, one of our Executive Directors and our Company (individually referred to as "**Defendant 1**", "**Defendant 2**", and "**Defendant 3**", respectively and collectively referred to as the "**Defendants**"), before the Court of Civil Judge, Pune at Pune ("**CJJ, Pune**"). The Plaintiff has alleged that: (i) mortgages created by Defendant 1 on three separate properties (the "**Suit Premises**") situated in Pune, with respect to a loan availed by Defendant 1 from the Plaintiff amounting to ₹ 5.00 million were illegal and were created with the intent to defraud the Plaintiff. Furthermore, the execution of a separate agreement to sale with Defendants 2 and 3 and the original apartment deed being in the possession of Defendant 3 also formed a basis for the Plaintiff's allegations. The Plaintiff has prayed before the Court to declare the agreement to sale executed between the Defendants as void. The Plaintiff has also prayed for a permanent restraint on the creation of any third-party interest on the suit premises and has claimed for costs of the suit to be granted by the Defendants.

2. Jayshree Agrawal (the "**Complainant**") filed a consumer complaint under Section 35 of the Consumer Protection Act, 2019, against our Company, Saurabh Vidyadhar Gadgil (our Managing Director and one of our Promoters), Kiran Prakash Firodiya, Hiranyamai Kulkarni, Vaishali Vidyadhar Gadgil, Parag Yashwant Gadgil and Anjani Parag Gadgil (together, the "**Respondents**") before the District Consumer Dispute Redressal Commission, Indore (the "**District Commission**"), alleging that the Respondents and/or their authorised representatives induced the Complainant into participating in a fraudulent 'saving future purchase plan' of our Company. The Complainant alleged that the Respondents cheated the Complainant by, among other things, promising a high return in such plan. The Complainant has prayed before the District Commission to direct the Respondents to deliver the 11 tolas of gold that was due to her from the Respondents. The Complainant had further prayed for an amount of ₹ 0.40 million to be paid by the Respondents for the mental agony caused to her along with the expenses incurred in relation to the litigation. An appeal has been filed by the Complainant before the State Consumer Disputes Redressal Commission, Bhopal (the "**State Commission**"), where along with the same reliefs sought by her before the District Commission, the Complainant has also prayed for the quashing of the order of the District Commission dated March 9, 2023, that dismissed her original complaint on the grounds of lapse of limitation period. The matter is currently pending before the State Commission.

3. The assistant commissioner of Income Tax, circle-4, Pune ("**Assessing Officer**") issued a notice of demand under section 156 of the Income Tax Act, 1961 ("**IT Act**") to our Company, dated January 29, 2019, alleging that in relation to assessment year 2017-18, a sum of ₹ 22.79 million was payable by our Company. This was pursuant to a limited survey conducted in case of our Company under section 133A of the IT Act, during which it was alleged that our Company had accepted payments exceeding ₹ 0.20 million in cash from customers in 2,279 instances for sale of

jewellery, without taking PAN details or filing Form 60. Pursuant to order dated January 29, 2019 ("**Impugned Order**"), the Assessing Officer passed an order stating that our Company failed to comply with section 139A(5)(c) of the IT Act in these 2,279 transactions and levied a penalty of ₹ 22.79 million. Thereafter, our Company filed an appeal dated February 28, 2019, against the Impugned Order, challenging the grounds for levying a penalty of ₹ 22.79 million and contesting that the penalty applicable should be ₹ 0.01 million in totality. The matter is currently outstanding.

4. Purushottam Tulsyan ("**Complainant**") filed a consumer complaint under Sections 35 and 38 of the Consumer Protection Act, 2019, against our Company, an online marketplace and others (together, the "**Respondents**") before the District Consumer Dispute Redressal Commission, Indore (the "**District Commission**"). The Complainant alleged that the Respondents and/or their authorised representatives gave the Complainant gold jewellery weighing two grams when the Complainant paid for jewellery weighing ten grams. Further, the Complaint also filed complaints online on the consumer helpline forum of the Government of India and sent a legal notice to the Respondents. The Complainant has prayed before the District Commission to direct the Respondents to deliver the remaining eight grams of gold that was due to the Complainant from the Respondents or prayed for the payment of ₹ 0.20 million which is the worth of the eight grams of gold along with the interest till the payment by the Respondents. The District Commission admitted the complaint and sent a notice dated April 25, 2024 to our Company directing, *inter alia,* representatives of our Company to appear before the District Commission and to produce relevant documents in reply to the complaint. The matter is currently pending before the State Commission.

5. Ravindra Failu Prajapati ("**Complainant**") had lodged a complaint dated June 18, 2021, against our Company and store manager of the Chandrapur and Nagpur stores of our Company ("**Respondents**") under section 30(2) read together with item no. 1 of Schedule IV of the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971, as amended (the "**Act**"). The Complainant alleged that he had been in continuous service since 2015 and did not receive his salary for the month of February 2020. The Complainant alleged that he was then pressurised to tender a resignation by the Respondent. Thereafter, the Complainant issued a legal notice to the Respondents demanding the permission to work and compensation for the inhuman treatment by the Respondents. The Respondent then issued a letter of suspension dated June 2, 2020 and sent a copy of a charge sheet to the Complainant, subsequent to which a departmental enquiry was held and an enquiry order was issued on March 30, 2021. The Complainant filed a stay application dated June 18, 2021 before the Labour Court at Chandrapur, Maharashtra (the "**Labour Court**") alleging that the departmental enquiry was unjust and arbitrary and did not consider the submissions made by the Complainant. The Complainant further contended that the Respondent has arbitrarily, without following due procedure of law, terminated his services. The Claimant prayed to the Labour Court that (i) the Respondent's action of terminating the Claimant's services be declared illegal and arbitrary; (ii) the Respondent be directed to reinstate the Complainant in his previous service; and (iii) the Respondent be awarded ₹0.5 million for his losses. In their reply dated September 22, 2021, the Respondents submitted that there were several managerial complaints against the Complainant, including an allegation of fraudulently claiming 75% bonus on gold savings scheme. The matter was heard by the Labour Court at Chandrapur, and the stay application was rejected. The original complainant is currently pending.

Outstanding litigation by our Company

Criminal proceedings

1. Our Company has filed a complaint under Section 138 of the Negotiable Instruments Act, 1881 ("**NIA**") against Sharada Ashok Godse (the "**Accused**"), before the Judicial Magistrate First Class, Pune ("**JMFC Pune**"). Our Company has alleged that the Accused deliberately dishonoured the payment of dues amounting to ₹ 5.50 million, including for the jewellery purchased by the Accused on credit and for the delay caused due to failure to make the part payment against the said jewellery. Further, our Company had served a demand notice dated April 8, 2019, to the Accused under Section 138 of the NIA. Our Company has prayed before the JMFC Pune to try the Accused under Section 138 of the NIA for the recovery of costs from the Accused against the jewellery supplied and prayed for an interim compensation and compensation to be granted under Section 143A of the NIA and Section 357 of the Criminal Code of Procedure, 1973. Our Company had subsequently filed an application dated September 17, 2019 before the JMFC Pune for the grant of interim compensation and the JMFC Pune vide its order dated April 13, 2022, passed an order in favour of our Company for the grant of an amount aggregating to 10% of the cheque amount. The matter is currently pending.

2. Our Company along with Anup Shankar Joshi i.e. the authorised signatory of our Company (collectively referred to as the "**Complainants**") has filed a complaint under Section 138 of the Negotiable Instruments Act, 1881 ("**NIA**") against Pooja Shivanand Pidiha (the "**Accused**"), before the Judicial Magistrate First Class, Pune ("**JMFC Pune**"). The Accused had purchased gold ornaments from the Complainants on the October 18, 2022, and October 20, 2022, on a part payment basis with an outstanding amount of ₹ 1.44 million (approximately), the cheques for which were dishonoured by the Accused on three separate occasions. Additionally, the Complainants had issued a legal notice dated March 10, 2023, to the Accused, which was returned without any instructions. The Complainants have alleged that the Accused had acted

in a mala fide manner with no intentions to pay the outstanding dues. The Complainants have prayed before the JMFC Pune for punishing the Accused under Section 138 of the NIA and for granting the amount of the dishonoured cheque along with compensation under Section 357 of the Criminal Procedure Code, 1973. The matter is currently pending before the Court of the Judicial Magistrate First Class Pune.

3. Our Company has filed a criminal appeal under the Code of Criminal Procedure, 1973, against the State of Maharashtra, Gargi Milind Desai, and Bhalchandra Vinayak Kulkarni Maharashtra (individually referred to as "**Respondent 1**", "**Respondent 2**", and "**Respondent 3**" respectively and collectively referred to as the "**Respondents**") before the Court of Sessions Judge, Pune at Pune. The appeal has been filed to quash the order dated June 8, 2021, passed by the Judicial Magistrate First Class, Pune (the "**JMFC**"), allowing for the acquittal of Respondent 2 in relation to theft and re-selling of gold, ornaments and jewellery belonging to Respondent 3 to various reputed jewellers including our Company. The JMFC allowed for the parties to compromise and ordered for the ornaments to be returned to Respondent 3 as the rightful owner causing a loss to our Company. Our Company has alleged that the gold sold by Respondent 2 was not in the form as was stolen from the house of Respondent 3 but was purchased by them for a valuable consideration. Our Company also alleged that the order of the JMFC was vitiated and was not conducted with proper examination of witnesses which led to a miscarriage of justice in relation to our Company. Our Company has prayed before the Court of the Sessions Judge, Pune at Pune that the matter be heard afresh before the JMFC to determine the ownership of the stolen ornaments. The matter is currently pending before the Sessions Judge, Pune at Pune.

4. Our Company had lodged an F.I.R dated December 13, 2023 against Mangesh Laxman Potdar, an erstwhile employee of our Company ("**Accused**"). Through the chargesheet dated February 9, 2024 submitted in the court of Judicial Magistrate First Class, Pune (the "**Court**"), it was alleged that the Accused misappropriated 1,147.60 grams of gold from our Company without recording the receipts. Further, four gold ingots were subsequently seized by the Vishrambaug Police Station upon investigation. Following this, a property return application was filed by our Company in the Court praying that our Company is the rightful owner of the seized gold. The matter is currently pending before the Court.

Litigation involving our Company

Other material pending proceedings

1. Our Company along with P N Gadgil Jewellers (collectively referred to as the "**Plaintiffs**") has filed a suit under Section 134 read with Section 6 of the Trade Marks Act, 1999 against PNJ Jewellers (the "**Defendant**"), before the Commercial Court, Pune (the "**Commercial Court**"). The suit had been filed by the Plaintiffs in relation to the Defendant's use of a deceptively similar trademark in carrying out a similar business as of the Plaintiffs. The Plaintiffs have alleged that the trademark used by the Defendant has infringed upon the trademark of the Plaintiffs by using a deceptively similar trade name, colourable imitation, phonetically similar trade name and trade dress. The Plaintiffs have also sent a legal notice dated May 3, 2018, asking the Defendant to cease and desist from using the deceptive trademark. The Plaintiffs have prayed to the Commercial Court for a perpetual injunction to restrain the Defendant from using the impugned mark and name in any manner, rendering the profits earned by the Defendant by use of the deceptive trademark and an amount of ₹ 20.00 million as damages. The Plaintiffs have further prayed that a court receiver be appointed by the Commercial Court for the purpose of destroying all relevant articles, stationery, papers, literature etc. containing the deceptive trademark. The matter is currently pending before the Commercial Court.

Litigation involving our Subsidiaries

Outstanding litigation against our Subsidiaries

Criminal proceedings

Nil

Other material pending proceedings

1. The assistant commissioner of Income Tax, circle 1(2), Pune ("**Assessing Officer**"), in lieu of notices issued under 142(1) and 143(2) of the Income Tax Act, 1961 ("**Act**") has issued an assessment order dated December 31, 2023, against our Subsidiaries, Gadgil Diamonds Private Limited alleging (i) disproportion in the opening written down value of the fixed assets against the closing written down value of fixed assets; (ii) disproportionate increase in the cash deposits during the demonetization period as compared to the pre-demonetization period; and (iii) large squared up loans. Our Subsidiary has filed an appeal with the Assessing Officer in relation to the amount of ₹ 118.50 million claimed under the show cause notice issued under Section 271AAC (1) of the Act on March 4, 2021.

Actions by regulatory/ statutory authorities

Nil

Outstanding litigation by our Subsidiaries

Criminal proceedings

2. Gadgil Diamonds Private Limited filed a First Investigation Report ("**FIR**") under Section 409 of the Indian Penal Code, 1860, against Pranav Doshi (the "**Accused**") at the MIDC police station on May 9, 2018. It is alleged by our Subsidiary that the Accused had misappropriated diamonds bearing a carat weight of 1,208.40 aggregating to an amount of ₹ 25.00 million which was payable to our Subsidiary's creditors. The Accused has filed an application for anticipatory bail before the Sessions Court at Dindoshi which was granted on July 17, 2018. The Accused has subsequently filed a discharge application before the Metropolitan Magistrate 22nd Court, Andheri, Mumbai on February 25, 2019, on the grounds that he was merely a facilitator between the creditors and our Subsidiary, and the case filed against him had no direct nexus to the offences alleged by our Subsidiary. The Accused has further alleged that the diamonds allegedly misappropriated have been duly returned to the creditors as evidenced by the ledgers maintained by our own Subsidiary and that all emails and correspondences between the Accused and the creditors show no intent to defraud our Subsidiary. The matter is currently pending before the Metropolitan Magistrate 22nd Court, Andheri, Mumbai.

Other material pending proceedings

Nil

Litigation involving our Promoters

Outstanding litigations against our Promoters

Criminal proceedings

3. For details in relation to the complaint filed by Inspector, Security Guards Board for Brihan Mumbai and Thane District, including against one of our Promoters, Saurabh Vidyadhar Gadgil, before the Judicial Magistrate First Class, at Thane, Maharashtra see "Litigations filed against our Company – Other material pending proceedings" on page 330.

Disciplinary actions including penalties imposed by the Stock Exchanges in the last five Financial Years

Nil

Actions by regulatory/ statutory authorities

Nil

Other material pending proceedings

1. For details in relation to the consumer complaint filed by Jayshree Agrawal, including against one of our Promoters, Saurabh Vidyadhar Gadgil, before the State Consumer Disputes Redressal Commission, Bhopal, see "Litigations filed against our Company – Other material pending proceedings" on page 329.

2. For details in relation to the consumer complaint filed by Bharati Sahakari Bank Limited, including against P N Gadgil Jewellers represented by its Partner, Saurabh Vidyadhar Gadgil, one of our Promoters of our Company, before the Court of Civil Judge, Pune at Pune, see "Litigations filed against our Company – Other material pending proceedings" on page 329.

3. Anand Vijaykumar Ranjalkar and Aishwariya Anand Ranjalkar (together, the "**Complainants**") have filed a complaint under Section 35 of the Consumer Protection Act, 2019, against Saurabh Vidyadhar Gadgil (our Managing Director and one of our Promoters) (the "**Opponent**"), before the District Consumer Disputes Redressal Commission, Pune (the "**District Commission**") alleging unfair trade practice in relation to a promotional scheme concerning a diamond bangle and the inability of the Complainants to buyback the diamond bangle at a price stipulated by the said promotional scheme. The Complainants have prayed before the District Commission to allow the buyback of the diamond bangle at the price offered under the promotional scheme. The Complainants have also prayed for an amount of ₹ 0.05 million as compensation for mental agony and harassment and an additional amount of ₹ 0.1 million as costs incurred during the litigation. The Opponent has filed a written statement claiming that the Complaints claims were frivolous, fraudulent and that the complaint against the Opponent was not maintainable as he was neither present nor had direct knowledge

of the transaction entered into by the Complainants. The Opponent has prayed before the District Commission for the complaint to be quashed along with the payment of heavy costs by the Complainants. The matter is currently pending before the District Commission.

4. Our Managing Director and one of our Promoters, Saurabh Vidyadhar Gadgil (the "**Respondent**") has been named as one of the respondents in an insolvency application bearing I.A. NO. 1022/2022 in CP NO. (IB) 4271/MB/C-II/2018 filed by the liquidator Jitendra Palande ("**Liquidator**"), appointed by National Company Law Tribunal, Mumbai ("**NCLT**") in the matter of Kakade Developers Private Limited (the "**Company**") under sections 60(5), 35(1)(b), 36(3)(b), 66 and 67 of the Insolvency and Bankruptcy Code, 2016 (the "**Code**") read with Rule 11 of the National Company Law Tribunal Rules, 2016 at the NCLT on April 11, 2022. After the admission of the original petition bearing no. CP NO. (IB) 4271/MB/C-II/2018 filed by the financial creditor (Essel Infra projects Limited), the board of directors of Kakade Developers Private Limited were suspended as part of the liquidation process under the Code. The suspended directors of the Kakade Developers Private Limited are alleged to have entered into transactions with five parties, including the Respondent, with the intent to defraud its creditors. The commercial space at Kakade Centre Fort Mall situated at University Road, near E-square, Premnagar, Shivajinagar, Pune, Maharashtra, owned by the Company was mortgaged to Punjab National Bank (the "**Creditor**") by the Company to secure a term loan of ₹ 500.00 million and an overdraft facility of ₹ 290.00 million. This commercial space was subsequently sold in units to the Respondents without obtaining prior consent from the Creditor. The transaction between the Company and the Respondent was a sale agreement dated June 21, 2017 for the sale of an office space. The Liquidator has submitted before the NCLT that these transactions were conducted with the intent to defraud the Creditor and deprive the Creditor of its right to exercise its security, that was furnished in lieu of the term loan and overdraft facility granted to the Company. The Liquidator has sought relief to set aside these transactions entered into by Kakade Developers Private Limited. The matter is currently pending before the NCLT, Mumbai.

Outstanding litigations by our Promoters

Criminal proceedings

1. For details in relation to the complaint filed by Inspector, Security Guards Board for Brihan Mumbai and Thane District, including against our Managing Director, Saurabh Vidyadhar Gadgil, before the Judicial Magistrate First Class, at Thane, Maharashtra see "Litigations filed against our Company – Other material pending proceedings" on page 330.

Other material pending proceedings

Nil

Litigation involving our Directors

Outstanding litigations against our Directors

Criminal proceedings

Nil

Actions by regulatory/ statutory authorities

Nil

Other material pending proceedings

1. For details in relation to the consumer complaint filed by Bharati Sahakari Bank Limited, including against our Managing Director and one of our Executive Directors, before the Court of Civil Judge, Pune at Pune, see "Litigations filed against our Company – Other material pending proceedings" on page 329.

2. For details in relation to the consumer complaint filed by Jayshree Agrawal, including against our Managing Director and certain of our other Directors, before the State Consumer Disputes Redressal Commission, Bhopal, see "Litigations filed against our Company – Other material pending proceedings" on page 329.

3. For details in relation to the consumer complaint filed by Anand Vijaykumar Ranjalkar and Aishwariya Anand Ranjalkar, including against our Managing Director, before the District Consumer Disputes Redressal Commission, Pune, see "Litigations against our Promoters – Other material pending proceedings" on page 332.

4. For details in relation to the insolvency application bearing I.A. NO. 1022/2022 in CP NO. (IB) 4271/MB/C-II/2018 against Saurabh Vidyadhar Gadgil, Managing Director of our Company before NCLT, Mumbai, "Litigations filed against our Promoter – Other material pending proceedings" on page 331.

Outstanding litigations by our Directors

Criminal proceedings

Nil

Tax Proceedings

Except as disclosed, there are no outstanding tax proceedings involving our Company, Subsidiaries, Promoters or Directors:

Nature of case	Number of cases	Amount involved* (in ₹ millions)
Company		
Direct Tax(1)	1	22.79
Indirect Tax	1	2.91
Subsidiaries		
Direct Tax	4	120.65
Indirect Tax	Nil	Nil
Promoters		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Directors (other than Promoters)		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil

*To the extent quantifiable.
(1)For further details, see "Outstanding litigation against our Company – Other material pending proceedings" on page 329.

Outstanding dues to Creditors

As of March 31, 2024, the total number of creditors of our Company was 488, and the total outstanding dues to these creditors by our Company was ₹ 1,488.88 million.

As per the Materiality Policy for the purpose of disclosure of material creditors in this Red Herring Prospectus, creditors of our Company to whom an amount having a monetary value which exceeds 5.00 % of our consolidated trade payables as on the date of the latest Restated Consolidated Financial Information (i.e., as at March 31, 2024), has been considered 'material' i.e., creditors of our Company to whom our Company owes an amount exceeding ₹ 74.44 million.

Based on the above, details of outstanding dues owed to MSMEs, material and other creditors as of March 31, 2024, is set out below:

Types of creditors	Number of creditors	Amount (in ₹ million)
MSMEs	16	64.21
Material creditors	2	231.96
Other creditors	470	1,192.71
Total outstanding dues	488	1,488.88

The details pertaining to the outstanding dues (including overdues) towards our material creditors as of March 31, 2024, along with the name and amount involved for each such material creditor, are available on the website of our Company at www.pngjewellers.com.

It is clarified that such details available on our website do not form a part of this Red Herring Prospectus.

Material developments since the date of the last balance sheet

Other than as stated in "Management's Discussion and Analysis of Financial Position and Results Of Operations" on page 301, there have not arisen, since the date of the Restated Consolidated Financial Information disclosed in this Red Herring Prospectus, any circumstances which may materially and adversely affect, or are likely to affect, within the next 12 months, our operations, our profitability taken as a whole or the value of our assets or our ability to pay our liabilities.

GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals, consents, licenses, registrations, and permits issued by relevant governmental and regulatory authorities of the respective jurisdictions under various rules and regulations. Set out below is an indicative list of all material approvals, consents, licenses, registrations, and permits obtained by our Company as applicable, for the purposes of undertaking their respective businesses and operations. Except as mentioned below no further material approvals are required to undertake the Offer. Additionally, unless otherwise stated herein, these approvals, consents, licenses, registrations, and permits are valid as on the date of this Red Herring Prospectus. Certain approvals, licenses, registrations, and permits may expire periodically in the ordinary course and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures. For further details in connection with the regulatory and legal framework applicable to our Company, see "Risk Factors", "Key Regulations and Policies in India" and "History and Certain Corporate Matters" on pages 29, 192 and 198 respectively.

We have also set out below (i) material approvals or renewals applied for but not received; and (ii) material approvals expired and renewal yet to be applied for.

A. Approvals in Relation to the Offer

For details regarding the approvals and authorisations obtained by our Company in relation to the Offer, see "*Other Regulatory and Statutory Disclosures – Authority for the Offer*" on page 337.

B. Incorporation Details

1. Certificate of incorporation dated October 28, 2013, issued by the Registrar of Companies, Maharashtra at Pune in the name of P N Gadgil Jewellers Private Limited.

2. Fresh certificate of incorporation dated April 5, 2023, issued by the Registrar of Companies, Maharashtra at Pune upon conversion of our Company from a private to a public limited company.

3. Certificate of incorporation dated June 1, 2007 issued by the State of California Secretary of State in relation to the incorporation of PNG Jewelers, Inc.

4. The Corporate Identity Number of our Company is U36912PN2013PLC149288.

C. Tax Related Approvals

1. The permanent account number ("**PAN**") of our Company is AAHCP4162E issued by the Income Tax Department, Government of India.

2. The tax deduction account number ("**TAN**") of our Company is PNEP17649C issued by the Income Tax Department, Government of India.

3. The GST registration certificates issued by the State Governments for GST payments in the states where our business operations are situated. The GST identification number for our stores situated in Maharashtra is 27AAHCP4162E1ZH and the GST identification number for our stores situated in Goa is 30AAHCP4162E1ZU.

4. Certificate of enrolment under Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975 bearing reference number 27255270548P.

5. Importer-Exporter Code bearing number 3113020433 dated December 17, 2013, issued by the Office of Joint Director General of Foreign Trade, Department of Commerce, Ministry of Commerce and Industry, Government of India.

D. Labour/ Employment Related Approvals

1. Certificate of registration bearing reference number issued by the Employees' State Insurance Corporation under the Employees' State Insurance Act, 1948.

2. Certificate of registration bearing reference number PU/PUN/309411 issued by the Employees' Provident Fund Organisation under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

3. Certificate of registration bearing reference number U36912PN2013PTC149288 issued by the Maharashtra Labour Welfare Board under the Maharashtra Labour Welfare Fund Act, 1953.

E. Business Related Approvals

As on July 31, 2024, there were 39 stores, which comprises of 28 company owned company operated stores and 11 franchise owned and company operated stores. We require certain material approvals, licenses, and registrations under several central or state level acts, rules and regulations to undertake our operations, including, registrations under the respective shops and commercial establishment acts of those states, trade licenses from the respective municipal authorities of areas where such stores are located, registrations under legal metrology laws, certifications from the Bureau of Indian Standards, as may be applicable or in force. Certain of these material approvals, licenses and registrations differ based on the location as well as the nature of operations carried out at such locations. Our Company has made renewal applications for such material approvals, licenses and registrations that may have expired in the ordinary course of business.

F. Material approvals pending in respect of our Company

1. *Material approvals for which applications are currently pending before relevant authorities*

S.no	Nature of approval	Store details	Issuing authority	Date of acknowledgement of renewal application / date of renewal application
1.	certificate of registration for selling articles with hallmark	Sr. No – 120 (P) 122, Dwarkadheesh Residency Shivar Chowk Pimple Saudagar Haveli, Pune, Maharashtra, India – 411 027	BIS	March 21, 2024

2. *Material approvals expired and approvals yet to be applied for*

For details of the material approvals expired and approvals yet to be applied for, please refer to "*Risk Factors* - on page 45.

G. Intellectual Property related approvals

1. Trademarks

Our Company has obtained and applied for various registrations in respect of the intellectual property created by our Company during the course of its business. As on the date of this Red Herring Prospectus, we have obtained 69 trademarks registrations including "PNG Jewellers", "PNG JEWELLERS SINCE 1832", "PNG" and "P.N. Gadgil Jewellers" under classes 14 and 35 of the Trade Marks Act, 1999.

Our Company also obtained trademarks for the sub-brands of the Company including '*Saptam*', '*Swarajya*', '*Rings of Love*', '*Flip Collection*', '*Litestyle*', *and* '*Eiina*'.

Further, as on the date of this Red Herring Prospectus our Company has also made 17 applications for trademarks registration under classes 14 and 35 of the Trade Marks Act, 1999.

2. Copyrights

As on the date of this Red Herring Prospectus, our Company has obtained Public Performance Licenses issued by Phonographic Performance Limited for 27 stores, authorizing the store to play/ perform all copyrighted songs and audio recordings.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

Our Board of Directors has authorised the Offer, including Fresh Issue by the Company, pursuant to its resolution dated March 14, 2024. Our Board has also taken the consent received from the Promoter Selling Shareholder dated March 24, 2024 to participate in the Offer for Sale, on record by way of its resolution dated March 26, 2024.

Our Shareholders have approved and authorised the Fresh Issue by way of its special resolution dated March 18, 2024.

Our Board had approved the Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges by way of its resolution dated March 26, 2024.

Our Board has approved this Red Herring Prospectus for filing with RoC by way of its resolution dated September 4, 2024.

Consent by the Promoter Selling Shareholder

The Promoter Selling Shareholder has confirmed and approved its participation in the Offer for Sale in relation to the Offered Shares as follows:

Name of Promoter Selling Shareholder	Number / Amount of Equity Shares offered in the Offer for Sale	Date of consent letter
SVG Business Trust*	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 2,500 million	March 24, 2024

* *Our Board has also taken the consent received from the Promoter Selling Shareholder dated March 24, 2024 on record by way of its resolution dated March 26, 2024.*

The Equity Shares being offered by the Promoter Selling Shareholder in the Offer for Sale have been held by it for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI, calculated in the manner as set out under Regulation 8 of the SEBI ICDR Regulations and are eligible for being offered in the Offer for Sale.

For details, see "*The Offer*" on page 68.

In-principle Listing Approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of our Equity Shares pursuant to letters each dated July 3, 2024.

Prohibition by SEBI, RBI or other Governmental Authorities

Our Company, Promoters, Directors, the members of the Promoter Group, the Promoter Selling Shareholder, the persons in control of our Company, are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoters or Directors are associated with as promoters or directors have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

None of our Directors are, in any manner, associated with the securities market and there is no outstanding action initiated by SEBI against our Directors in the past five years preceding the date of this Red Herring Prospectus.

Our Company, our Promoters or Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI.

There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Red Herring Prospectus.

There are no findings or observations pursuant to any inspections by SEBI or any other regulatory authority in India which are material and are required to be disclosed, or the non-disclosure of which may have a bearing on the investment decision of prospective investors in the Offer.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, and members of Promoter Group and Promoter Selling Shareholder, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent in force and applicable, as on the date of this Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the eligibility criteria provided in Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

a) Our Company has net tangible assets of at least ₹30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), *i.e.*, as at and for the Financial Years 2024, 2023 and 2022, of which not more than 50% are held in monetary assets;

b) Our Company has an average operating profit of at least ₹150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), *i.e.*, as at and for the Financial Years 2024, 2023 and 2022, with operating profit in each of these preceding three years;

c) Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), *i.e.*, as at and for the Financial Years 2024, 2023 and 2022, calculated on a restated and consolidated basis; and

d) Our Company has not changed its name in the last one year prior to the date of this Red Herring Prospectus

Our Company's net tangible assets, operating profit, net worth, monetary assets, as restated, as derived from the Restated Consolidated Financial Information, as at and for the Fiscals 2024, 2023 and 2022, is set forth below:

Derived from the Restated Consolidated Financial Information

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net tangible assets (A) (in ₹ million)	4,423.87	2,989.01	1,914.17
Operating profit (B) (in ₹ million)	2,460.74	1,011.90	895.04
Net worth (C) (in ₹ million)	5,343.77	3,735.26	3,092.20
Monetary assets, as restated (D) (in ₹ million)	796.40	492.99	452.80
Monetary assets, as restated as a % of net tangible assets (E)=(D)/(A) (in %)	18.00%	16.49%	23.66%

For further details, see "*Other Financial Information*" on page 293.

We are currently eligible to undertake the Offer as per Rule 19(2)(b) of the SCRR read with Regulations 6(1) of the SEBI ICDR Regulations. Accordingly, in terms of Regulation 32(1) of the SEBI ICDR Regulations we are required to allocate: (i) not more than 50% of the Offer to QIBs, 5% of which shall be allocated to Mutual Funds exclusively; (ii) not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders of which one-third shall be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds shall be available for allocation to Bidders with an application size of more than ₹ 1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion; and (iii) not less than 35% of the Offer shall be available for allocation to RIBs, subject to valid Bids being received at or above the Offer Price.

The Promoter Selling Shareholder has confirmed that it has held the Offered Shares in accordance with applicable law, and that it is in compliance with Regulation 8 of the SEBI ICDR Regulations and the Offered Shares are eligible for being offered in the Offer for Sale.

Further, in accordance with the conditions specified in Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees in the Offer shall not be less than 1,000 failing which the entire application monies shall be refunded forthwith, in accordance with the SEBI ICDR Regulations and timelines specified under applicable laws.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with conditions specified in Regulation 7(2) of the SEBI ICDR Regulations.

The details of compliance with Regulation 5 and Regulation 7(1) of the SEBI ICDR Regulations are as follows:

a. None of our Company, our Promoters, members of the Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI;

b. None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI;

c. None of our Company, our Promoters or Directors is a Wilful Defaulter or a Fraudulent Borrower;

d. None of our Promoters or Directors has been declared a fugitive economic offender (in accordance with Section 12 of the Fugitive Economic Offenders Act, 2018);

e. There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Red Herring Prospectus;

f. Our Company, along with the Registrar to the Offer, has entered into tripartite agreements dated January 12, 2015 and March 14, 2024 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares;

g. The Equity Shares of our Company held by our Promoters are in dematerialised form; and

h. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Red Herring Prospectus.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, MOTILAL OSWAL INVESTMENT ADVISORS LIMITED, NUVAMA WEALTH MANAGEMENT LIMITED (FORMERLY KNOWN AS EDELWEISS SECURITIES LIMITED) AND BOB CAPITAL MARKETS LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS AND THE PROMOTER SELLING SHAREHOLDER IS RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THE DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF FOR THE OFFERED SHARES, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE PROMOTER SELLING SHAREHOLDER DISCHARGE THEIR RESPECTIVE RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MARCH 26, 2024, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to the Offer will be complied with at the time of filing of this Red Herring Prospectus with the RoC in terms of section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of filing of the Prospectus with the RoC in terms of sections 26, 32, 33(1) and 33(2) of the Companies Act, 2013.

Disclaimer from our Company, Directors, the Promoter Selling Shareholder and Book Running Lead Managers

Our Company, our Directors, the Promoter Selling Shareholder and the BRLMs accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, or the respective website of any of our Subsidiaries or Group Companies or members of the Promoter Group and affiliates (each as applicable) would be doing so at his or her own risk. The Promoter Selling Shareholder, its trustees, affiliates, associates, and officers, as applicable, accept no responsibility for any statements made in this Red Herring Prospectus other than those statements or undertakings specifically made or confirmed by the Promoter Selling Shareholder in relation to itself and its Offered Shares. The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided for in the Underwriting Agreement to be entered into between the Underwriters and our Company.

All information shall be made available by our Company, Promoter Selling Shareholder and the BRLMs to the public at large and investors and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholder and the Underwriters and each of their respective directors, trustees, partners, designated partners, officers, agents, affiliates, and representatives, as applicable, that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Promoter Selling Shareholder and the Underwriters and each of their respective directors, trustees, partners, designated partners, officers, agents, affiliates, and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, its Subsidiaries, the Promoter Selling Shareholder and the members of the Promoter Group and their directors and officers, group companies, affiliates or associates or third parties, as applicable, in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, its Subsidiaries, the Promoter Selling Shareholder, their respective group companies, affiliates or associates or third parties, as applicable, for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

Disclaimer in respect of Jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Pune, Maharashtra, India only.

The Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, as amended, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitutional documents to hold and invest in equity shares, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, NBFC-SIs and permitted Non-Residents including FPIs and Eligible NRIs, AIFs, FVCIs (under Schedule I of the FEMA Non-debt Instruments Rules), and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to subscribe or purchase the Equity Shares.

Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to this Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which will comprise this Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India. Any person who possesses this Red Herring Prospectus or the Prospectus is required to keep themselves informed and observe and comply with to the extent applicable, any restrictions under the applicable legal requirements of any jurisdiction.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus was filed filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs from the date hereof or that the information contained herein is correct as of anytime subsequent to this date. Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' as defined in, and in reliance on, Regulation S and the applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Important Information for Investors – Eligibility and Transfer Restrictions

Until the expiry of 40 days after the commencement of the Offer, an offer or sale of the Equity Shares within the United States by a dealer (whether or not it is participating in the Offer) may violate the registration requirements of the U.S. Securities Act, unless made pursuant to available exemptions from the registration requirements of the U.S. Securities Act and in accordance with applicable securities laws of any state or other jurisdiction of the United States.

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved.

Disclaimer clause of BSE

BSE Limited ("the Exchange") has given vide its letter dated July 3, 2024, permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner: -

a) **warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or**

b) **warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or**

c) **take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.**

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer clause of the NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/3716 dated July 03, 2024, permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized the draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document

has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Listing

The Equity Shares issued through this Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Application will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. NSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of this Red Herring Prospectus in accordance with applicable law.

Our Company shall ensure that all steps for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed by the SEBI.

If our Company does not Allot the Equity Shares within two Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period, or such other rate as prescribed under applicable law. For avoidance of doubt, no liability to make any payment of interest or expenses shall accrue to the Promoter Selling Shareholder unless the delay in making any of the payments/refund hereunder or the delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of the Promoter Selling Shareholder and to the extent of the Offered Shares

Consents

Consents in writing of the Promoter Selling Shareholder, our Directors, our Company Secretary and Compliance Officer, our Statutory Auditor, Independent Architect, Technopak, legal counsel to our Company as to Indian law, Bankers to our Company, the Book Running Lead Managers, the Registrar to the Offer, have been obtained; and consents in writing of the Syndicate Members, Public Offer Bank, Escrow Collection Bank Refund Bank and Sponsor Banks, and Monitoring Agency to act in their respective capacities, will be obtained and filed along with a copy of this Red Herring Prospectus with the RoC as required under the Companies Act. Further, consents received prior to filing of this Red Herring Prospectus have not been withdrawn up to the time of delivery of this Red Herring Prospectus with SEBI.

Experts to the Offer

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

i. Our Company has received written consent dated August 26, 2024 from GDA & Associates, Chartered Accountants, to include their name as required under section 26 (5) of the Companies Act, read with SEBI ICDR Regulations, in this Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditor, and in respect of (i) their examination report dated August 24, 2024 on our Restated Consolidated Financial Information; and (ii) their report dated August 26, 2024 on the Statement of Tax Benefits in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

ii. Our Company has received written consent dated September 4, 2024 from Neha Patel, to include her name as the Independent Architect and as an "expert" as defined under Section 2(38) of the Companies Act, and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

iii. Our Company has received written consent dated August 26, 2024 from Technopak, for inclusion of Industry Report on "*Industry Report on Jewellery Market in India*" dated August 26, 2024, in this Red Herring Prospectus.

The above-mentioned consents have not been withdrawn as on the date of this Red Herring Prospectus.

Particulars regarding capital issues by our Company and listed group companies, subsidiaries or associate entity during the last three years

Our Company has not made any capital issues during the three years preceding the date of this Red Herring Prospectus. As on date of this Red Herring Prospectus, our Company does not have any listed group companies, subsidiaries or associate companies.

Commission and Brokerage paid on previous issues of the Equity Shares in the last five years

Since this is the initial public offer of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares for last five years by our Company.

Performance vis-à-vis objects – Public/ rights issue of our Company

Our Company has not undertaken a public or rights issue, as defined under the SEBI ICDR Regulation, in the five years preceding the date of this Red Herring Prospectus.

Performance vis-à-vis objects – Public/rights issue of our listed Subsidiaries/Promoters

As on the date of this Red Herring Prospectus, our Company does not have any listed Subsidiaries or Promoters.

Price information of past issues handled by the Book Running Lead Managers

Price information disclosed below is as per the respective designated stock exchanges as disclosed by the respective issuers at the time of their respective issues.

A. Motilal Oswal Investment Advisors Limited

1. Price information of past issues handled by Motilal Oswal Investment Advisors Limited (during the current Fiscal and two Fiscals preceding the current financial year):

#	Issue name	Designated Stock Exchange	Issue size (₹ in million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	R K Swamy Limited (6)	BSE	4,235.60	288.00	March 12, 2024	252.00	-1.30% [+1.86%]	-6.70% [+4.11%]	Not applicable
2.	Happy Forgings Limited	NSE	10,085.93	850.00	December 27, 2023	1000.00	+14.06% [-1.40%]	+4.44% [+2.04%]	+42.78% [+8.53%]
3.	Cello World Limited (5)	NSE	19,000.00	648.00	November 06, 2023	829.00	+21.92% [+7.44%]	+32.99% [+12.58%]	+40.57% [+15.78%]
4.	Updater Services Limited	BSE	6,400.00	300.00	October 04, 2023	299.90	-13.72% [-1.76%]	+9.05% [+10.80%]	6.77% [+12.92%]
5.	Sai Silks (Kalamandir) Limited	BSE	12,009.98	222.00	September 27, 2023	230.10	+8.09% [-4.49%]	+25.09% [+7.54%]	-12.30% [+10.15%]
6.	Rishabh Instruments Limited	NSE	4907.83	441.00	September 11, 2023	460.05	+20.12% [-1.53%]	+13.24% [+4.87%]	+5.94% [+12.49%]
7.	IKIO Lighting Limited	BSE	6,065.00	285.00	June 16, 2023	391.00	+44.77% [+4.22%]	+23.84% [+6.44%]	+23.86% [+9.73%]
8.	Radiant Cash Management Limited	NSE	2,566.41	94.00	January 04, 2023	103.00	+2.55% [-2.40%]	2.23% [-3.75%]	-1.31% [+6.35%]
9.	Tamilnad Mercantile Bank Limited	BSE	8,078.40	510.00	September 15, 2022	510.00	-8.43% [-3.36%]	+2.14% [+4.34%]	-11.07% [-1.33%]
10.	Dreamfolks Services Limited	BSE	5,621.01	326.00	September 6, 2022	505.00	+12.07% [-1.91%]	+14.80% [+6.20%]	+12.94%, [+1.24%]

Notes:

1. *The S&P CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index, depending upon the Designated Stock Exchange.*
2. *Price is taken from NSE or BSE, depending upon Designated Stock Exchange for the above calculations.*
3. *The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.*
4. *Not applicable – Period not completed.*
5. *A discount of ₹ 61 per Equity Share was offered to eligible employees bidding in the employee reservation portion.*
6. *A discount of ₹ 27 per Equity Share was offered to eligible employees bidding in the employee reservation portion.*

2. Summary statement of price information of past issues handled by Motilal Oswal Investment Advisors Limited

Financial Year	Total no. of	Total amount of funds raised	No. of IPOs trading at discount - 30th calendar days from listing	No. of IPOs trading at premium - 30th calendar days from listing	No. of IPOs trading at discount - 180th calendar days from listing	No. of IPOs trading at premium - 180th calendar days from listing

	IPOs	(₹ in million)	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2023-24	7	62,704.34	-	-	2	-	1	4	-	-	1	-	2	3
2022-23	3	16,265.81	-	-	1	-	-	2	-	-	2	-	-	1

** The information is as on the date of the DRHP.*
The information for each of the financial years is based on issues listed during such financial year.
Notes: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available
Data for number of IPOs trading at premium/discount taken at closing price on NSE or BSE on the respective date, depending upon the Designated Stock Exchange

B. BOB Capital Markets Limited

1. Price information of past issues handled by BOB Capital Markets Limited (during the current Fiscal and two Fiscals preceding the current financial year):

Sr. No.	Issue Name	Issue Size (₹ Mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing (1)(2)	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing (1)(2)	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing(1)(2)
1.	Ola Electric Mobility Limited^(4)	61,455.59	76.00	August 9, 2024	76.00	-*	-*	-*
2.	Bharti Hexacom Limited^^	42,750.00	570.00	April 12, 2024	755.20	+58.25% [-2.13%]	+85.03% [+7.65%]	-*
3.	Indian Renewable Energy Development Agency Limited^	21,502.12	32.00	November 29, 2023	50.00	+204.06% [+8.37%]	+373.44% [+10.08%]	+479.84% [+14.23%]
4.	IRM Energy Limited^(3)	5,443.63	505.00	October 26, 2023	477.25	-7.20% [+4.97%]	-0.25% [+12.63%]	+19.69% [+18.45%]

Source: www.nseindia.com and www.bseindia.com
^NSE as designated Stock Exchange
^^BSE as designated Stock Exchange
** Data not available*
Notes:
1. *The 30th, 90th and 180th calendar day from listing day have been taken as listing day plus 29, 89 and 179 calendar days respectively. In the event any day falls on a holiday, the price/index of the previous trading day has been considered.*
2. *Benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective Issuer Company at the time of the Issue, as applicable*
3. *Price for eligible employee was ₹457.00 per equity share, a discount of ₹48.00 per equity share.*
4. *Price for eligible employee was ₹69.00 per equity share, a discount of ₹7.00 per equity share.*

2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by BOBCAPS:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25	2	1,04,205.59	-	-	-	1	-	-	-	-	-	-	-	-
2023-24	2	26,945.75			1	1	-	-	-	-	-	1	-	1
2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Source: Prospectus for issue details
***Notes**:*
1. *The above information is as on the date of this Offer Document.*
2. *The information for the financial years is based on issues listed during such financial year.*

C. Nuvama Wealth Management Limited

1. Price information of past issues handled by Nuvama:

S. No.	**Issue Name	Issue Size (₹ million) #	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Allied Blenders and Distillers Limited	15,000.00	281.00$	July 02, 2024	320.00	9.68% [3.43%]	NA	NA
2.	Go Digit General Insurance Limited	26,146.46	272.00	May 23, 2024	286.00	22.83% [2.32%]	30.79% [7.54%]	NA
3.	Popular Vehicles and Services Limited	6,015.54	295.00^^	March 19, 2024	289.20	-15.59% [1.51%]	-13.67% [7.55%]	NA
4.	Capital Small Finance Bank Limited	5,230.70	468.00	February 14, 2024	435.00	-25.25% [1.77%]	-26.09% [1.33%]	-31.44%[10.98%]
5.	Mediassist Healthcare Services Limited	11,715.77	418.00	January 23, 2024	465.00	22.32% [3.20%]	15.66% [3.86%]	33.86% [14.54%]
6.	Flair Writing Industries Limited	5,930.00	304.00	December 01, 2023	501.00	14.69% [7.22%]	-8.63% [8.31%]	1.12% [12.93%]
7.	Gandhar Oil Refinery (India) Limited	5,006.92	169.00	November 30, 2023	298.00	61.51% [7.94%]	41.57% [10.26%]	22.99% [13.90%]
8.	ESAF Small Finance Bank Limited	4,630.00	60.00^	November 10, 2023	71.90	12.87% [7.58%]	31.18% [11.17%]	0.77% [13.26%]
9.	Sai Silks (Kalamandir) Limited	12,009.98	222.00	September 27, 2023	230.10	8.09% [-4.49%]	25.09% [7.54%]	-12.30% [10.15%]
10.	Jupiter Life Line Hospitals Limited	8,690.76	735.00	September 18, 2023	973.00	42.27% [-1.60%]	56.54% [6.57%]	51.67% [9.39%]

Source: www.nseindia.com and www.bseindia.com

$Allied Blenders and Distillers Limited- A discount of ₹ 26 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹281 per equity share

^^Popular Vehicles and Services Limited- A discount of ₹ 28 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹295 per equity share

^ESAF Small Finance Bank Limited- A discount of ₹ 5 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹60 per equity share.

#As per Prospectus

***Pursuant to order passed by Hon'ble National Company Law Tribunal, Mumbai Bench dated April 27, 2023, the merchant banking business of Edelweiss Financial Services Limited ("Edelweiss") has demerged and now transferred to Nuvama Wealth Management Limited ("Nuvama") and therefore the said merchant banking business is part of Nuvama.*

Notes

1. *Based on date of listing.*
2. *% of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.*
3. *Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.*
4. *Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information and benchmark index.*
5. *Not Applicable. – Period not completed*
6. *Disclosure in Table-1 restricted to 10 issues.*

2. **Summary statement of Disclosure:**

Fiscal Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.) #	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25	2	41,146.46	-	-	-	-	-	2	-	-	-	-	-	-
2023-24*	9	68,029.67	-	1	1	1	1	5	-	1	2	1	1	3
2022-23	3	28,334.49	-	**1**	-	-	1	1	-	**1**	**1**	-	-	**1**

The information is as on the date of the document
1. *Based on date of listing.*
2. *Wherever 30th and 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.*
3. *Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information and benchmark index.*

**For the financial year 2023-24, 9 issues have completed 30 calendar days, 9 issues have completed 90 calendar days and 8 issues have completed 180 calendar days.*
#As per Prospectus

Track record of past issues handled by the Book Running Lead Managers

1. For details regarding the track record of the Book Running Lead Managers, as specified in the SEBI circular bearing reference number CIR/MIRSD/1/2012 *dated* January 10, 2012 issued by SEBI, please see the websites of the Book Running Lead Managers, as set forth in the table below:

Sr. No.	Name of Book Running Lead Managers	Website
1.	Motilal Oswal Investment Advisors Limited	www.motilaloswalgroup.com
2.	Nuvama Wealth Management Limited	www.nuvama.com
3.	BOB Capital Markets Limited	www.bobcaps.in

For further details in relation to the BRLMs, see "*General Information –Book Running Lead Managers*" on page 76.

Stock Market Data of Equity Shares

This being an initial public offer of Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as of the date of this Red Herring Prospectus and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of Investor Grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, UPI ID, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

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

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Promoter Selling Shareholder, the Book Running Lead Managers and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

SEBI, by way of its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 ("**March 2021 Circular**") read with the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 ("**June 2021 Circular**") and amended by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures.

As per the March 2021 Circular read with the June 2021 Circular and amended by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, for initial public offerings opening for subscription on or after May 1, 2021, SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) periodic sharing of statistical details of mandate blocks/unblocks, performance of apps and UPI handles, network latency or downtime, etc., by the Sponsor Bank(s) to the intermediaries forming part of the closed user group vide email; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for nonallotted/ partially allotted applications is completed by the closing hours of one Working Day subsequent to the finalisation of the Basis of Allotment.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to the SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI ICDR Master Circular and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI ICDR Master Circular.

Separately, pursuant to the March 2021 Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock

Scenario	Compensation amount	Compensation period
Delayed unblock for non – Allotted/partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalization of the Basis of Allotment till the date of actual unblock

In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Managers shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the Book Running Lead Managers, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Disposal of Investor Grievances by our Company

Our Company shall obtain authentication on the SEBI SCORES platform and will comply with the SEBI master circular (SEBI/HO/OIAE/IGRD/P/CIR/2022/0150) dated November 7, 2022, the SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2023/156) dated September 20, 2023 and the SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2023/183) dated December 1, 2023 in relation to redressal of investor grievances through SCORES.

Our Company has not received any investor grievances in the last three Fiscals prior to the filing of this Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of filing of this Red Herring Prospectus. Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for this Redressal of routine investor grievances shall be 7 days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Hiranyamai Kulkarni as the Company Secretary and Compliance Officer for the Offer, and he may be contacted in case of any pre-Offer or post-Offer related problems. For details, see "*General Information*" on page 75.

Our Company has also constituted a Stakeholders' Relationship Committee comprising of Ravindra Marathe, Shaswati Vaishnav and Yashwant Ramchandra Gaikwad as members, to review and redress shareholder and investor grievances. For details, see "*Our Management*" on page 205.

As on the date of this Red Herring Prospectus, our Company does not have any listed subsidiaries. Further, as on the date of this Red Herring Prospectus, our Company does not have a corporate promoter.

The Promoter Selling Shareholder has, authorised the Company Secretary and Compliance Officer of our Company, and the Registrar to the Offer to redress, on its behalf, any complaints or investor grievances received from Bidders in respect of the Offered Shares.

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

Our Company has not sought or received any exemption by SEBI from complying with any provisions of securities laws, as on the date of this Red Herring Prospectus.

SECTION VII - OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, transferred and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, our Memorandum of Association and our Articles of Association, the SEBI Listing Regulations, the terms of this Red Herring Prospectus, the Prospectus, the abridged prospectus, the Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by the SEBI, the Government of India, the Stock Exchanges, the RBI, the RoC and/or any other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Promoter Selling Shareholder. The fees and expenses relating to the Offer shall be borne by each of our Company and the Promoter Selling Shareholder in the manner agreed to among our Company and the Promoter Selling Shareholder and in accordance with applicable law. The Promoter Selling Shareholder shall reimburse our Company for any expenses paid in relation to the Offer by the Company on behalf of the Promoter Selling Shareholder. For details in relation to Offer expenses, see "*Objects of the Offer*" on page 98.

Ranking of the Equity Shares

The Equity Shares being issued, transferred and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, 2013, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the SCRR, the Memorandum of Association and our Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares, including in respect of the right to receive dividend and voting. The Allottees, upon Allotment of Equity Shares under the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For more information, see "*Description of Equity Shares and Terms of the Articles of Association*" on page 380.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to our Shareholders in accordance with the provisions of Companies Act, our Memorandum of Association and our Articles of Association and provisions of the SEBI Listing Regulations and other applicable law. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable law. For more information, see "*Dividend Policy*" and "*Description of Equity Shares and Terms of the Articles of Association*" on pages 229 and 380, respectively.

Face value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹10 and the price at the lower end of the Price Band is ₹[●] per Equity Share ("**Floor Price**") and at the higher end of the Price Band is ₹[●] per Equity Share ("**Cap Price**"). The Offer Price is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Offer Price, Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLMs and shall be advertised in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and the Pune edition of Loksatta, a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, and advertised at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges to upload on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid cum Application Forms available at the website of the Stock Exchanges, on the basis of assessment of market demand for the Equity Shares offered by way of the Book Building Process.

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

At any given point of time, there shall be only one denomination of Equity Shares.

Compliance with Disclosure and Accounting Norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- right to receive dividends, if declared;
- right to attend general meetings and exercise voting rights, unless prohibited by law;
- right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
- right to receive offers for rights Equity Shares and be allotted bonus Equity Shares, if announced;
- right to receive surplus on liquidation, subject to any statutory and preferential claim(s) being satisfied;
- right of free transferability, subject to applicable laws including any rules and regulations prescribed by the RBI and other applicable law; and
- such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and our Articles of Association and other applicable laws.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "*Description of Equity Shares and Terms of the Articles of Association*" on page 380.

Allotment only in Dematerialised form

In terms of Section 29 of the Companies Act, 2013, and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, the following agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- tripartite agreement dated January 12, 2015, among our Company, NSDL and the Registrar to the Offer; and
- tripartite agreement dated March 14, 2024, among our Company, CDSL and the Registrar to the Offer.

For details in relation to the Basis of Allotment, see "*Offer Procedure*" beginning on page 359.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in dematerialised form in multiples of [●] Equity Shares subject to a minimum Allotment of [●] Equity Shares. For details of basis of allotment, see "*Offer Procedure*" on page 359.

Joint Holders

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Pune, India will have exclusive jurisdiction in relation to the Offer.

Nomination Facility to Bidders

In accordance with Section 72 of the Companies Act, 2013, and the rules framed thereunder, the sole Bidder, or the First Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by our Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised mode there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participants of the Bidder would prevail. If the Bidders wish to change the nomination, they are requested to inform their respective Depository Participants.

Bid/Offer Period

BID/OFFER OPENS ON	Tuesday, September 10, 2024 (1)
BID/OFFER CLOSES ON	Thursday, September 12, 2024 (2)(3)

(1) *Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors. The Anchor Investor Bid/Offer Period shall be Monday, September 9, 2024, i.e., one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.*

(2) *Our Company may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

(3) *UPI mandate end time and date shall be 5:00 pm on the Bid / Offer Closing Date.*

An indicative timetable in respect of the Offer is disclosed below:

Event	Indicative Date
Bid/Offer Closing Date	Thursday, 12 September, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Friday, 13 September, 2024
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA*^	On or about Tuesday, 17 September, 2024
Allotment of Equity Shares/ Credit of Equity Shares to dematerialised accounts of Allottees	On or about Tuesday, 17 September, 2024
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Wednesday, 18 September, 2024

* *In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii)any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI ICDR Master Circular and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 (to the extent these have not been rescinded by the SEBI RTA Master Circular, and SEBI RTA Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs and the relevant intermediaries, to the extent applicable.*

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (to the extent these have not been rescinded by the SEBI RTA Master Circular), and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

^ *All scheduled and non-scheduled banks will observe public holiday on September 14, 2024 (being the second Saturday of the month) and September 16, 2024 is a holiday under the Negotiable Instruments Act, 1881(https://rbi.org.in/Scripts/HolidayMatrixDisplay.aspx).*

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation on our Company, the Promoter Selling Shareholder or the BRLMs.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges within three Working Days from the Bid / Offer Closing Date, or such other period as prescribed by the SEBI are taken, the timetable may be extended due to various factors, such as extension of the Bid / Offer Period by our Company in consultation with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges, and delay in respect of final certificates from SCSBs. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Promoter Selling Shareholder confirms that they shall extend complete co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid / Offer Closing Date, or within such other period as prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid / Offer Closing Date or such other time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking, in the manner specified in the UPI Circulars, to the extent applicable, which for the avoidance of doubt, shall be deemed to be incorporated herein. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Any circulars or notifications from SEBI after the date of this Red Herring Prospectus may result in changes to the listing timelines. Further, the offer procedure is subject to change to any revised SEBI circulars to this effect.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being offered and sold only outside the United States as defined in, and in reliance on, Regulation S and the applicable laws of the jurisdictions where such offers and sales occurs.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The BRLMs will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids (Other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
Bid/Offer Closing Date*	
Submission of electronic applications (Online ASBA through 3-in-1 accounts) – For RIBs other than QIBs and NIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST

Submission of Electronic Applications (Bank ASBA through online channels like Internet Banking Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹500,000)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications where Bid Amount is more than ₹500,000	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ Revision/cancellation of Bids	
Modification of Bids by QIBs and NIB categories and modification/cancellation of Bids by Retail Individual Bidders#	Only between 10.00 a.m. and up to 5.00 p.m. IST
Upward or downward revision of Bids or cancellation of Bids by RIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST

 # QIBs and Non-Institutional Bidder scan neither revise their bids downwards nor cancel/withdraw their bids.
** UPI mandate end time and date shall be at 05:00 p.m. on Bid/ Offer Closing Date.*

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the Book Running Lead Managers and the RTA on a daily basis, as per the format prescribed in SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On the Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids and any revision in Bids will be accepted only during Monday to Friday (excluding any public holiday) during the Bid/ Offer Period. Bidders may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE, respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

In case of any discrepancy in the data entered in the electronic book *vis-a-vis* data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

Our Company, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period, provided that the revised Cap Price shall be less than or equal to 120% of the revised Floor Price, the Floor Price shall not be less than the face value of the Equity Shares, and that the revision in the Price Band shall not exceed 20% on either side, *i.e.*, the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. Provided that, the Cap Price of the Price Band shall be at least 105% of the Floor Price.

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

Minimum subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue on the Bid/Offer Closing Date, and (ii) a minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within sixty (60) days from the date of Bid Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered under this Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. If there is a delay beyond four days or such time as may be prescribed, our Company and every Director of our Company who is an officer in default, to the extent applicable, shall pay interest as prescribed under applicable law.

The requirement for minimum subscription is not applicable to the Offer for Sale.

In the event of an undersubscription in the Offer, the Equity Shares will be Allotted in the following order:

i. such number of Equity Shares will first be Allotted by our Company such that 90% of the Fresh Issue portion is subscribed;

ii. upon achieving (i), all the Equity Shares offered for sale in the Offer for Sale by Promoter Selling Shareholder will be Allotted; and

iii. once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by our Company towards the balance 10% of the Fresh Issue portion.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall be not less than 1,000.

Arrangement for disposal of odd lots

Since the Equity Shares will be traded in dematerialised form only and the market lot for the Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company is not issuing any new financial instruments through the Offer.

Restrictions on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Offer capital of our Company, the Minimum Promoters' Contribution and the Anchor Investor lock-in in the Offer as detailed in "*Capital Structure – **Details of minimum Promoters' contribution locked in for three years or any other period as may be prescribed under applicable law***" on page 92, and except as provided in the Articles of Association as detailed in "*Description of Equity Shares and Terms of the Articles of Association*" on page 380 there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/splitting.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

Withdrawal of the Offer

The Offer shall be withdrawn in the event that 90% of the Fresh Issue portion of the Offer is not subscribed. Our Company in consultation with the BRLMs, reserves the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid / Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company and the BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank(s) to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. In the event of withdrawal of the Offer and subsequently, plans of a fresh offer by our Company, a fresh draft red herring prospectus will be submitted again to SEBI. Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law.

OFFER STRUCTURE

Initial public offering of up to [●] Equity Shares bearing face value of ₹ 10 each for cash at a price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating to up to ₹11,000 million comprising a Fresh Issue of up to [●] Equity Shares aggregating up to ₹8,500.00 million and an Offer for Sale of up to [●] Equity Shares aggregating up to ₹2,500.00 million, by SVG Business Trust.

The Offer shall constitute [●]% and [●]%, respectively, of the post-Offer paid-up Equity Share Capital of our Company.

The Offer is being made through the Book Building Process, in compliance with Regulation 32(1) of the SEBI ICDR Regulations:

Particulars	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/allocation* (2)	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and RIBs	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non- Institutional Bidders
Percentage of Offer Size available for Allotment/allocation	Not more than 50% of the Offer shall be available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Offer. The allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to availability of Equity Shares in the Non- Institutional Portion and the remaining available Equity Shares, if any, shall be available for allocation out of which (a) one third of such portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹0.2 million and up to ₹1.00 million; and (b) two third of such portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either the sub-categories mentioned above may be allocated to applicants in the other sub-category of Non-Institutional Bidders	Not less than 35% of the Offer
Basis of Allotment/ allocation if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): a) up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and b) up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (of up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to	The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: a) one third of the portion available to Non-Institutional Bidders being [●] Equity Shares are reserved for Bidders Biddings more than ₹0.20 million and up to ₹1.00 million; and b) two third of the portion available to Non-Institutional Bidders being [●] Equity Shares are reserved for Bidders Bidding more than ₹1.00 million.	The allotment to each RIB shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis. For further details, see "*Offer Procedure*" on page 359.

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
	domestic Mutual Funds only, subject to valid Bids being received from Mutual Funds at or above the Anchor Investor Allocation Price	Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above, may be allocated to Bidders in the other sub-category of Non- Institutional Portion in accordance with SEBI ICDR Regulations. For details, see "*Offer Procedure*" on page 359.	
Minimum Bid	[●] Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹0.20 million	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹0.20 million	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer, (excluding the Anchor portion) subject to applicable limits to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer, (excluding the QIB portion) subject to limits applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹0.20 million
Mode of Bidding	Through ASBA process only (except Anchor Investors). In case of UPI Bidders, ASBA process will include the UPI Mechanism.		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Mode of Allotment	Compulsorily in dematerialised form		
Allotment Lot	A minimum of [●] Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		
Who can apply[4]	Public financial institutions as specified in Section 2(72) of the Companies Act, scheduled commercial banks, Mutual Funds, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident fund (subject to applicable law) with minimum corpus of ₹250 million, pension fund with minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund set up by the GoI through resolution F. No.2/3/2005-DD-II dated November 23, 2005, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs, in accordance with applicable laws.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions, societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices which are re-categorised as Category II FPIs and registered with SEBI.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)
Terms of Payment	**In case of Anchor Investors:** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[3]		

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders
	In case of all other Bidders: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank(s) through the UPI Mechanism (other than Anchor Investors) that is specified in the ASBA Form at the time of submission of the ASBA Form		

* *Assuming full subscription in the Offer.*

(1) *Our Company and the Promoter Selling Shareholder in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50 million per Anchor Investor, and (iii) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof will be permitted, subject to minimum allotment of ₹50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹100 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors, which price shall be determined by our Company and the Promoter Selling Shareholder in consultation with the BRLMs.*

(2) *Subject to valid Bids being received at or above the Offer Price. The Offer is made in accordance with the Rule 19(2)(b) of the SCRR and is being made through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations.*

(3) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms, provided that any difference between the price at which Equity Shares are allocated to the Anchor Investors and the Anchor Investor Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN. For details of terms of payment of applicable to Anchor Investors, see General Information Document available on the website of the Stock Exchanges and the BRLMs. Anchor Investors are not permitted to participate in the Offer through the ASBA process.*

(4) *In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder is required in the Bid cum Application Form and such First Bidder will be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

(5) *Subject to valid bids being received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLMs, and the Designated Stock Exchange, subject to applicable laws. In case of under-subscription in the Offer, after meeting the minimum subscription requirement of 90% of the Fresh Issue, the balance subscription in the Offer will be met in the following order of priority: (i) through the sale of Offered Shares being offered by the Promoter Selling Shareholder in the Offer for Sale; and (ii) through the issuance of balance part of the Fresh Issue. In the event of under-subscription in the Offer, Equity Shares shall be allocated in the manner specified in "Terms of the Offer" on page 349.*

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see "*Terms of the Offer*" on page 349.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

The Bids by FPIs with certain structures as described under "*Offer Procedure - Bids by Foreign Portfolio Investors*" on page 365 and having same PAN will be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) will be proportionately distributed.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, and the UPI Circulars (the "**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

Additionally, Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) issuance of CAN and allotment in the ; (vi) general instructions (limited to instructions for completing the Bid Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of unblocking intimation/making refunds, as applicable; (xi) Designated Date; (xii) interest in case of delay in allotment or refund; and (xiii) disposal of applications and electronic registration of bids.

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently, however, SEBI vide its Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 had extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**"), and modalities of the implementation of UPI Phase III has been notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, had introduced certain additional measures for streamlining the process of initial public issues and redressing investor grievances. Subsequently, the SEBI RTA Master Circular consolidated the aforementioned circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023) and rescinded these circulars to the extent relevant for the RTAs. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in T+3 Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and book running lead managers shall continue to coordinate with intermediaries involved in the said process.*

Furthermore, pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended by the SEBI circular

SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

The BRLMs shall be the nodal entity for any issues arising out of public Issuance process.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular. No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and BRLMs shall continue to coordinate with intermediaries involved in the said process.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and the SEBI RTA Master Circular.

In order to streamline the bidding process and to ensure the orderly development of securities market, the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Thereafter, all intermediaries / market infrastructure institutions shall ensure that appropriate systemic and procedural arrangements are made within three months from the date of issuance of SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022.

Our Company and the BRLMs are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus and the Prospectus.

Further, our Company, the Promoter Selling Shareholder and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Offer. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus and the Prospectus.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulations 31 and 32(1) of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, subject to availability of Equity Shares in the respective categories, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders (out of which (i) one third shall be reserved for Bidders with Bids exceeding ₹0.20 million and up to ₹1.00 million, and (ii) two-thirds shall be reserved for Bidders with Bids exceeding ₹ 1.00 million provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non- Institutional Bidders), and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Undersubscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories. In the event of under-subscription, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, the Allotment of Equity Shares shall be made towards subscription of the Fresh Issue.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including the DP ID, Client ID, PAN and UPI ID, for UPI Bidders using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, in compliance with applicable laws.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press releases dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.

Phased implementation of Unified Payments Interface

SEBI has issued UPI Circulars in relation to streamlining the process of public offer of *inter alia*, equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019, or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase was applicable from July 1, 2019 and the continuation of this phase was extended until March 31, 2020 *vide* SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019. Under this phase, submission of the ASBA Form by UPI Bidders through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase. Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, this phase was extended till further notice.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, *vide* SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Offer is being made under Phase III of the UPI (on a mandatory basis).

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the applicable law. Additionally, if there is any delay in this Redressal of investors' complaints, the relevant SCSB as well as the post–Offer BRLMs will be required to compensate the concerned investor.

Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. The Offer is being made under Phase III of the UPI Circulars. The Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders using the UPI Mechanism.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such SCSBs make an application as prescribed in Annexure I of SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and the SEBI RTA Master Circular. Such application shall be given only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For further details, refer to the "*General Information Document*" available on the websites of the Stock Exchanges and the BRLMs.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available with the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. UPI Bidders are mandatorily required to use the UPI Mechanism for submitting their bids to Designated Intermediaries and are allowed to use ASBA Process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

All ASBA Bidders must provide either (i) bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form; or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Form that does not contain such details are liable to be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection.

ASBA Bidders shall ensure that the Bids are made through ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub- Syndicate Members, Registered Brokers, RTAs or CDPs or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers and QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, Sub-Syndicate member(s), Registered Brokers, RTAs or CDPs. For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLMs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid. In order to ensure timely information to Bidders, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non- repatriation basis	White
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions	Blue
Anchor Investors	White

* *Excluding electronic Bid cum Application Forms Notes:*

(1) Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com)
(2) Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLMs

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges. For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds.

Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders Bidding through the UPI Mechanism) to the respective SCSB where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For ASBA Forms (other than UPI Bidders using UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the Bankers to the Offer) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to the Offer. The Sponsor Banks and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send alerts as specified in SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI RTA Master Circular.

For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/ Offer Closing Date ("Cut- Off Time"). Accordingly, UPI Bidders Bidding through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

The Sponsor Banks shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

Electronic registration of bids

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.

b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and will be disclosed in this Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm for the RIBs and 4.00 pm for NIBs and QIBs on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

The Equity Shares Issued in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in 'offshore transactions' as defined in, and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such issues and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by Promoters and members of our Promoter Group of the Company, the BRLMs and the Syndicate Member(s) and the persons related to Promoters, Promoter Group, BRLMs and the Syndicate Members.

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in the Offer in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Member(s) may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Member(s), shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the BRLMs or any associates of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs other than individuals, corporate bodies and family offices which are associate of the BRLMs or pension funds sponsored by entities which are associates of the BRLMs nor (ii) any "person related to the Promoters/ Promoter Group" shall apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "person related to the Promoters/ Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoters or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Except for Mutual Funds, AIFs or FPIs other than individuals, corporate bodies and family offices sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs, no BRLMs or its respective associates can apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an associate of the BRLMs, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs.

Further, except for the sale of Equity Shares by the Promoter Selling Shareholder in the Offer, our Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible Non Resident Indians

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour).

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their respective SCSB or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non- Resident External ("**NRE**") accounts (including UPI ID, if activated), or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their respective SCSB to block their Non-Resident Ordinary ("**NRO**") accounts or confirm or accept the UPI mandate request (in case of UPI Bidders using the UPI Mechanism) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form. Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour). Participation by Eligible NRIs in the Offer shall be subject to the FEMA Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment. By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment. For details of investment by NRIs, please see the section titled "*Restrictions on Foreign Ownership of Indian Securities*" on page 379.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall 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 warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. The limits of investments by NRIs and OCIs has been increased from 10% to 12% of the paid-up equity share capital of the Company provided that the shareholding of each NRI or OCI in the Company shall not exceed 5% of the paid-up equity share capital on a fully dilutes basis or such other limit as may be stipulated by RBI in each case from time to time by passing a special resolution.

Bids by Hindu Undivided Families

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *karta*". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

Bids by Foreign Portfolio Investors

In terms of applicable FEMA Rules and the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post-offer Equity Share capital on a fully diluted basis. Further, in terms of the FEMA Non-debt Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates. In terms of the FEMA Non-Debt Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the offer are advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for Offer procedure, as prescribed by SEBI from time to time.

A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognized stock exchange in India, and/ or may purchase or sell securities other than equity instruments. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may offer, 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 a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time. In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, 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 issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

An FPI issuing offshore derivate instruments is also required to ensure that any transfer of derivative instrument is made by, or on behalf of it subject to, *inter alia*, the following conditions:

a) each offshore derivative instruments are transferred to persons subject to fulfilment of 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.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents. Further, Bids received from FPIs bearing the same PAN will be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 (such structure "**MIM Structure**") provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected.

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids will be rejected. Further, in the following cases, the bids by FPIs will not be considered as multiple Bids involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments ("**ODI**") which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category I FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs,

Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs or FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Category I and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. However, large value funds for accredited investors of Category I AIFs and Category II AIFs may invest up to 50% of the investible funds in an investee company. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. However, large value funds for accredited investors of Category III AIFs may invest up to 20% of the investible funds in an investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed.

Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee is required to be attached to the Bid cum Application Form, failing which our Company in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, (the "**Banking Regulation Act**"), and the Master Directions – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, ,as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid up share capital and reserves. A banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on investment made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the RBI (Financial Services provided by Banks) Directions, 2016, as amended. Bids by banking Companies should not exceed the investment limits prescribed for them under the applicable laws.

Bids by Self Certified Syndicate Banks

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under Regulation 9 the Insurance Regulatory and Development

Authority (Investment) Regulations, 2016 (**IRDA Investment Regulations**), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended, are broadly set forth below:

- equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer or health insurer;
- the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or health insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or health insurer or 15% of the investment asset, whichever is lower.

* *The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹0.50 million or more but less than ₹2,500,000 million.*

Insurance companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI, from time to time, including the IRDAI Investment Regulations for specific investment limits applicable to them.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250.00 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserves the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250.00 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250.00 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLMs in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company in consultation with the BRLMs may deem fit.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditors, and (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below:

a) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

b) The Bid was required to be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid could not be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund were aggregated to determine the minimum application size of ₹ 100 million .

c) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

d) Bidding for Anchor Investors opened one Working Day before the Bid/Offer Opening Date and will completed on the same day.

e) Our Company, in consultation with the BRLMs, finalised allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion was not less than:

- maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100.00 million;

- minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100.00 million but up to ₹ 2,500.00 million, subject to a minimum Allotment of ₹ 50.00 million per Anchor Investor; and

- in case of allocation above ₹ 2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500.00 million and an additional 10 Anchor Investors for every additional ₹ 2,500.00 million , subject to minimum Allotment of ₹ 50.00 million per Anchor Investor.

f) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation will be made, is required to be made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

g) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

h) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price

i) 50% Equity Shares allotted to Anchor Investors shall be locked–in for a period of 90 days from the date of Allotment, whereas, the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.

j) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices which are associate of the BRLMs or pension funds sponsored by entities which are associates of the BRLMs nor any "person related to the Promoters or Promoter Group" could apply in the Offer under the Anchor Investor Portion.

k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion were not considered multiple Bids

l) For more information, see the General Information Document.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Offer.

The above information is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be

held by them under applicable law or regulation or as specified in this Red Herring Prospectus or as will be specified in the Prospectus.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid. In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual bidders can revise or withdraw their Bid(s) until the Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

***Do's*:**

1. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.

2. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

3. Ensure that you have Bid within the Price Band;

4. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;

5. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not an UPI Bidder Bidding through the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle) in the Bid cum Application Form;

6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate Member(s), Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;

7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries. Ensure that you use only your own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer;

8. In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form;

9. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms;

10. Ensure that you request for and receive a stamped acknowledgement counterfoil or acknowledgment specifying the application number as a proof of having accepted Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;

12. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the link available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for SCSBs and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 for mobile applications or at such other websites as may be prescribed by SEBI from time to time;

13. UPI Bidders bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

14. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

15. Retail Individual Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;

16. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

17. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

18. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

19. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

20. Ensure that the category and the investor status is indicated in the Bid cum Application Form;

21. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

22. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;

23. Since the Allotment will be in demat form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the

name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;

24. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;

25. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

26. Anchor Investors should submit the Anchor Investor Application Forms to the BRLMs;

27. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank by 5:00 p.m. on the Bid/ Offer Closing Date;

28. FPIs making bids under the MIM Structure using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

29. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;

30. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders Bidding through the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).

31. Ensure sufficient balance in the relevant ASBA account.

32. UPI Bidders bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

33. Ensure that Bids above ₹ 500,000 submitted by ASBA Bidders are uploaded only by the SCSBs;

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not Bid for a Bid Amount exceeding ₹ 0.20 million (for Bids by Retail Individual Bidders)

4. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

5. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

6. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

7. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

8. Do not submit the Bid for an amount more than funds available in your ASBA account.

9. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;

10. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;

11. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;

12. Anchor Investors should not Bid through the ASBA process;

13. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

14. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

15. Do not submit the General Index Register (GIR) number instead of the PAN;

16. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

17. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

18. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

19. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

20. Do not submit your Bid after 5.00 pm on the Bid/Offer Closing Date;

21. If you are a QIB, do not submit your Bid after 5:00 pm on the QIB Bid/Offer Closing Date;

22. Do not Bid on another ASBA Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

23. Do not Bid for Equity Shares in excess of what is specified for each category;

24. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of this Red Herring Prospectus;

25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/Offer Closing Date;

26. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;

27. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;

28. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;

29. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders Bidding through the UPI Mechanism;

30. Do not submit a Bid cum Application Form with a third-party UPI ID or using a third-party bank account (in case of Bids submitted by UPI Bidders using the UPI Mechanism);

31. In case of ASBA Bidders (other than 3-in-1 Bids), Syndicate Member(s) shall ensure that they do not upload any bids above ₹ 0.50 million;

32. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned in the list provided on the SEBI website is liable to be rejected;

33. Do not Bid if you are an OCB; and

34. The Bidder does not have sufficient balance in relevant ASBA account.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders were requested to note that Bids could be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);

6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

7. Bids submitted without the signature of the first Bidder or sole Bidder;

8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

9. ASBA Form by the RIBs by using third party bank accounts or using third party linked bank account UPI IDs;

10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

11. GIR number furnished instead of PAN;

12. Bids by RIBs with Bid Amount of a value of more than ₹ 200,000 (net of retail discount);

13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

14. Bids accompanied by stock invest, money order, postal order or cash; and

15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges. On the Bid/Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid-cum-Application Forms as stated herein and as informed to the Stock Exchanges.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, please see the section titled "*General Information*" on page 75.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. Further, Investors shall be entitled to compensation in the manner specified in the March 2021 Circular in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For helpline details of the BRLMs pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see the section titled "*General Information – Book Running Lead Managers*" on page 76.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares through this Red Herring Prospectus and the Prospectus except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% per cent of the Offer may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis. Not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders. The Equity Shares available for allocation to Non-Institutional Bidders under the Non- Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

(a) In case of resident Anchor Investors: "P N GADGIL JEWELLERS LIMITED-ANCHOR R"

(b) In case of Non-Resident Anchor Investors: "P N GADGIL JEWELLERS LIMITED-ANCHOR NR"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, and the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing this Red Herring Prospectus with the RoC, publish a pre- Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) all editions of Financial Express, an English national daily newspaper; (ii) all editions of Jansatta, a Hindi daily newspaper; and (iii) Pune edition of Loksatta, a Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation.

Our Company shall, in the pre-Offer advertisement state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment Advertisement

Our Company, the BRLMs and the Registrar to the Offer shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in: (i) all editions of Financial Express, an English national daily newspaper; (ii) all editions of Jansatta, a Hindi daily newspaper; and (iii) Pune edition of Loksatta, a Marathi daily newspaper, Marathi being the regional language of Maharashtra,, where our Registered Office is located, each with wide circulation.

The allotment advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, before 9:00 p.m. IST, on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from all the Stock Exchanges is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, then the allotment advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, following the receipt of final listing and trading approval from all the Stock Exchanges.

The above information is given for the benefit of the Bidders/applicants. Our Company, and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and the RoC Filing

a) Our Company and the Underwriters intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Offer Price but prior to the filing of Prospectus.

b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"*Any person who—*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI;

- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law for the delayed period;

- it shall not issue any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;

- the funds required for making refunds to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- no further offer of the Equity Shares shall be made till the Equity Shares Issued through this Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.;

- Promoter's contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;

- that if our Company does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

- that if our Company in consultation with the BRLMs withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh draft Offer document with SEBI, in the event our Company subsequently decides to proceed with the Offer thereafter; and

- no further offer of Equity Shares shall be made until the Equity Shares issued or offered through this Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.

Undertakings by the Promoter Selling Shareholder

The Promoter Selling Shareholder, severally and not jointly undertake the following:

- they are legal and beneficial owner of, and has clear and marketable title to, the Equity Shares which are offered by it pursuant to the Offer for Sale;

- the Offered Shares have been held by it for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus with SEBI

- the Equity Shares offered for sale by the Promoter Selling Shareholder in the Offer are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;

- it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;

- the Equity Shares being offered for sale by the Promoter Selling Shareholder pursuant to the Offer are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be in dematerialized form at the time of transfer;

- it shall deposit its Equity Shares offered for sale in the Offer in an escrow demat in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement;

- that it shall provide such reasonable assistance to our Company and the BRLMs in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer;

- it shall provide such reasonable support and cooperation to our Company and the BRLMs in relation to the Equity Shares offered by it in the Offer for Sale for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges; and

- it shall not have recourse to the proceeds of the Offer until final approval for trading of the Equity Shares from the Stock Exchanges has been received.

The decisions with respect to the Price Band, the minimum Bid lot, revision of Price Band, Offer Price, will be taken by our Company in consultation the BRLMs, in accordance with applicable law.

Utilisation of Net Proceeds

The Promoter Selling Shareholder together with our Company declares that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account (for the purpose of monitoring by the Monitoring Agency) other than the bank account referred to in sub- section (3) of Section 40 of the Companies Act, 2013;

- details of all monies utilised out of the Offer shall be from the above-mentioned separate bank account only and the same shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

- details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. The Government of India makes policy announcements on FDI through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The DPIIT (formerly Department of Industrial Policy & Promotion) issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (the "**FDI Policy**"), which consolidates, subsumes and supersedes all previous press note, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of Press Note 3 of 2020, dated April 17, 2020 ("**Press Note**"), issued by the DPIIT, the FDI Policy and the FEMA (Non-debt Instruments) Rules has been amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Further, in accordance with the amendment to the Companies (Share Capital and Debentures) Rules, 2014 vide notification dated May 4, 2022 issued by Ministry of Corporate Affairs, a declaration shall be inserted in the share transfer form stipulating whether government approval shall be required to be obtained under Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to transfer of shares, as applicable. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the FDI Policy, FDI in companies engaged in manufacturing, which is the sector in which our Company operates, is permitted up to 100% of the paid-up share capital of such company under the automatic route.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and such transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI. For details of the aggregate limit for investments by NRIs and FPIs in our Company, see "*Offer Procedure – Bids by Eligible NRIs*" and "*Offer Procedure – Bids by Foreign Portfolio Investors*" on page 365.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see "*Offer Procedure*" beginning on page 359.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII - DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

*This set of Articles of Association has been approved pursuant to the provisions of Section 14 of the Companies Act, 2013 and by a special resolution no. 2 passed at the Extraordinary General Meeting of the P N Gadgil Jewellers Limited (the "**Company**") held on March 18, 2024. These Articles have been adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof. Capitalised terms used in this section have the meanings that have been given to such terms in the Articles of Association of our Company. No material clause of the Articles of Association having a bearing on the Offer or the disclosures required in this Red Herring Prospectus has been omitted. Pursuant to Schedule I of the Companies Act and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:*

Regulations in Table F in the first schedule to the Companies Act, 2013 shall apply to this Company except in so far as they are not inconsistent with any of the provisions contained in these regulations and except in so far as they are hereinafter expressly or impliedly excluded or modified.

INTERPRETATION

1. In these Regulations unless the context otherwise requires, the words and expressions contained shall bear the same meaning as in the Act or any statutory modification thereof.

(a). **"The Act"** means "The Companies Act, 2013" or any statutory modification or re-enactment therefore for the time being in force;

(b). **"The Company"** or **"This Company"** means **P N Gadgil Jewellers Limited;**

(c). **"These Articles"** means and include the articles of association of the Company from time to time in force;

(d). "**Board of Directors**" or "**Board**", in relation to the Company, means the collective body of the directors of the Company;

(e). "**Beneficial Owner**" means the beneficial owner as defined under the Depositories Act;

(f). **"Capital"** means the share capital for the time being raised or to be raised for the purpose of the Company;

(g). **"Directors"** means a director appointed to the Board of the Company;

(h). **"Dividend"** includes any interim dividend;

(i). **"Depositories Act"** means the Depositories Act, 1996, including any statutory modification or re-enactment thereof, including all the rules, notifications, circulars issued thereof and for the time being in force;

(j). **"Depository"** means a depository as defined under the Depositories Act;

(k). **"Electronic Form"** with reference to information means, any information generated, sent, received or stored in media, magnetic, optical, computer memory, micro film, computer generated micro fiche or similar device;

(l). **"Electronic Mode"** means tele-conferencing and/or video conferencing facility i.e. audio-visual electronic communication facility which enables all persons participating in that meeting to communicate concurrently with each other without an intermediary, and to participate effectively in the meeting;

(m). **"Electronic Record"** means data, record or data generated, image or sound stored, received or sent in an electronic form or micro film or computer generated micro fiche;

(n). **"In writing"** and **"Written"** include printing, lithography and other modes representing or reproducing words in a visible form;

(o). "**Key Management Persons**" means and includes a person appointed as a key managerial person in terms of the section 203 read with section 2(51) of the Act.

(p). **"Member"** means the duly registered member from time to time of the shares of the Company and includes the subscribers of the memorandum of the Company and whose name is entered as Beneficial Owner in the records of the Depository**;**

(q). **“Memorandum”** means memorandum of association of a company as originally framed or as altered from time to time in pursuance of any previous company law or of this Act;

(r). **“Month”** means a calendar month;

(s). **“Office”** means the registered office for the time being of the Company;

(t). **“Persons”** include corporations and firms as well as individuals;

(u). “**Record**” includes the records, copies, accounts etc. maintained in form of books or electronic form stored in a computer or such other electronic media;

(v). **“Rules and Regulations”** mean and include rules and regulations of the Company from time to time in force and the Board of Directors of the Company shall have the power to formulate, revise, rescind, delete, and substitute all or any of such rules and regulations;

(w). Words importing the singular number include where the context admits or requires the plural number and vice versa;

(x). Words importing the masculine gender also include the feminine gender;

(y). The **"Marginal Notes”** hereto shall not affect the construction thereof save as aforesaid any words or expressions defined in the Act shall if not inconsistent with the subject or context bear the same meaning in these Articles.

SHARE CAPITAL AND VARIATION OF RIGHTS

2. The authorized share capital of the Company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause 5th of the Memorandum of Association of the Company with power to increase or reduce the capital in accordance with the Company’s regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Rules and Regulations of the Company and allowed by law.

   Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the general meeting of the members of the Company to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call for shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

3. (1) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue provide, -

   (a) one certificate for all his shares without payment of any charges; or
   (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first certificate is issued.

   (2) Every certificate shall specify the shares to which it relates and the amount paid-up thereon.

   (3) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

4. (1) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of such fees for each certificate as may be specified by the Board

(which fees shall not exceed the maximum amount permitted under applicable law) for each certificate. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

(2) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its shares and to offer shares in a dematerialized form pursuant to provisions of Depositories Act.

(3) Every person subscribing to shares offered by the Company shall have an option to receive the share certificate or to hold the shares in dematerialize form with a Depository, as per the provisions of the Depositories Act.

(4) If a person opts to hold his share with a Depository, the Company shall intimate such Depository the details of allotment of the share, and on receipt of the information, the Depository shall enter, in its record, the name of the allottee as the Beneficial Owner of the share.

(5) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the Company.

(6) Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors so determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission , sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Directors may prescribe and approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holders.

The Company shall cause to be kept a register and index of Members in accordance with all applicable provisions of the Act and the Depositories Act with details of shares held in physical and dematerialized forms in any medium as may be permitted by law including in any form of electronic medium.

5. Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

6. (1) The Company may exercise the powers of paying commissions as per conferred by sub-section (6) of Section 40 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that Section and rules made thereunder.

   (2) The rate or amount of the commission shall not exceed the rate or amount prescribed in the rules made under sub-section (6) of Section 40 of the Act.

   (3) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

7. (1) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48 of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

   (2) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

8. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari-passu therewith.

9. (1) The Company, subject to the applicable provisions of the Act, shall have the power to issue on a cumulative or noncumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors

may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

(2) The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible preference shares liable to be converted in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for conversion at a premium or otherwise and/or conversion of such shares into such securities on such terms as they may deem fit.

(3) A. Where at any time, it is proposed to increase the subscribed capital of the Company by allotment of further shares then:

(a) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer, subject to the following conditions, namely;-

(i) The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days (or such lesser number of days as may be prescribed under the Act or the rules made thereunder, or other applicable law) and not exceeding thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;

(ii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (i) shall contain a statement of this right;

(iii) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Members and the Company.

(b) Such further shares shall be offered to employees under a scheme of employees' stock option, subject to a special resolution passed by the Company and subject to such conditions as may be prescribed under applicable law; or

(c) Such further shares shall be offered to any persons, if authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, in accordance with applicable law.

Nothing in sub-clause (ii) of (a) hereof shall be deemed:

(a) To extend the time within which the offer should be accepted; or
(b) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

B. The notice referred to in sub-clause (i) of clause (a) of sub-regulation (A) shall be dispatched through registered post or speed post or through Electronic Mode to all existing shareholders at least three days before the opening of the issue or such other time prescribed under applicable law.

C. Nothing in this regulation shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or a loan raised by the Company to convert such debentures or loans into shares in the Company:

Provided that the terms of the issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the members of the Company in a general meeting.

D. Notwithstanding anything contained in sub-regulation (C), where any debentures have been issued, or loan has been obtained from any Government by a company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to the Tribunal which shall after the Company and Government pass such order as it deems fit.

E. In determining the terms and conditions of conversion under sub-regulation (D), the Government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.

F. Where the Government has, by an order made under sub-regulation (E), directed that any debenture or loan or any part thereof shall be converted into shares in a Company and where no appeal has been preferred to the Tribunal under sub-regulation (D) or where such appeal has been dismissed, the memorandum of such Company shall, stand altered and the authorized share capital of such Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

G. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the members of the Company in a General Meeting by a special resolution.

LIEN

10. (1) The Company shall, subject to applicable law, have a first and paramount lien-

(a) on every share/ debenture (not being a fully paid share/ debenture), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share/debenture and no equitable interest in any share/ debenture shall be created upon the footing and condition that this Article will have full effect; and

(b) on all shares/ debentures (not being fully paid shares/ debentures) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company:

Unless otherwise agreed, the registration of transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares / debentures. Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(2) The Company's lien, if any, on a share shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares.

(3) The fully paid-up shares shall be free from all lien and in the case of partly paid up shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

11. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made -

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

12. (1) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.

(2) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(3) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

13. (1) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(2) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares, at the date of the sale.

CALLS ON SHARES

14. (1) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(2) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

(3) A call may be revoked or postponed at the discretion of the Board.

15. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

16. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

17. (1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

(2) The Board shall be at liberty to waive payment of any such interest wholly or in part.

18. (1) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(2) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

19. The Board-

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance. Nothing contained in this regulation shall confer on the Member (i) any right to participate in profits or dividends; or (ii) any voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable by him. The provisions of these regulations (a) and (b) shall mutatis mutandis apply to debentures of the Company.

TRANSFER OF SHARES

20. (1) A common form of transfer shall be used and the instrument of transfer of any share in the Company shall be in writing which shall be duly executed by or on behalf of both the transferor and transferee and all the provisions of the Companies Act for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
(2) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

21. The Board may, subject to the right of appeal conferred by Section 58 of the Act decline to register-

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the Company has a lien.

22. The Board may decline to recognize any instrument of transfer unless -

(a) The instrument of transfer is in the form as prescribed in rules made under sub-section (1) of Section 56 of the Act;

(b) The instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) The instrument of transfer is in respect of only one class of shares.

23. On giving not less than seven days' previous notice in accordance with Section 91 of the Act and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

24. Subject to the provisions of Section 58 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company. The Company shall within thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

TRANSMISSION OF SHARES

25. (1) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.

(2) Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

26. (1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(2) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

27. (1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

(2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(3) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

28. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

29. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

30. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

    The notice aforesaid shall-

    (1) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

    (2) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

31. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

32. (1) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

    (2) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

33. (1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.

    (2) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

34. (1) A duly verified declaration in writing that the declarant is a Director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

    (2) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favor of the person to whom the share is sold or disposed of.

    (3) The transferee shall thereupon be registered as the holder of the share.

    (4) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

35. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

36. The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

37. Subject to the provisions of Section 61 of the Act, the Company may, by ordinary resolution, —

    (1) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

    (2) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(3) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum

(4) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

38. Where shares are converted into stock, -

(1) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(2) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(3) such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

39. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law, -

(a) its share capital;
(b) any capital redemption reserve account; or
(c) any share premium account.

CAPITALIZATION OF PROFITS

40. (1) The Company in a general meeting may, upon the recommendation of the Board, resolve-

(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(2) The sum aforesaid shall not be paid in cash but shall be applied, either in or towards -

(a) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);

(d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

(e) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

41. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall-

(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and

(b) generally, do all acts and things required to give effect thereto.

(2) The Board shall have power -

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;

(3) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

42. Notwithstanding anything contained in these Articles but subject to the provisions of Sections 68 to 70 of the Act and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

GENERAL MEETINGS

43. All the general meetings other than the Annual General Meetings shall be called Extra Ordinary General Meetings.

44. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year and not more than fifteen months shall elapse between the dates of two annual general meetings.

45. The Board of Directors may call an Extra Ordinary General Meeting on their own accord or on the requisition of members pursuant to provisions of the Act.

46. A general meeting can be called by giving 7 days' notice.

47. Matters requiring simple majority can be decided by more than 50 % majority votes. Matters requiring 2/3 majority shall be decided with 2/3 majority votes.

PROCEEDINGS AT GENERAL MEETINGS

48. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in Section 103 of the Act.

The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.

49. If there is no chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting, the Directors present shall elect one of their members to be Chairperson of the meeting.

50. If at any meeting no Director is willing to act as Chairperson or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

51. (1) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so, directed by the meeting, adjourn the meeting from time to time and from place to place.

(2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(4) Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

52. Subject to any rights or restrictions for the time being attached to any class or classes of shares,

    (a) on a show of hands, every member present in person shall have one vote; and

    (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.

53. A member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.

54. (1) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

    (2) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

55. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

56. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

57. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

58. (1) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

    (2) Any such objection made in due time shall be referred to the chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

59. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

    Provided, in case the meeting conducted at a shorter notice, the above-mentioned period of depositing proxy shall be decided by the Board of Directors.

60. An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105 of the Act.

61. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

    Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

62. Unless otherwise determined by a General Meeting, the number of Directors shall not be less than three and more than fifteen.

63. The first Directors of the Company were: -

1. Mr. Anant Ganesh Gadgil
2. Mr. Vidyadhar Anant Gadgil
3. Mr. Saurabh Vidyadhar Gadgil
4. Mr. Parag Yashwant Gadgil

64. (1) The remuneration of the Directors shall be such sum as may be decided by the Company from time to time in accordance with the Act.

(2) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them –

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company, or

(b) in connection with business of the Company.

65. (1) The Board may pay all expenses incurred in setting up and registering the Company.

(2) Subject to applicable law, any person whether a Member of the Company or not may be appointed as Director and a Director shall not be required to hold any qualification shares in the Company.

66. The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register, and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

67. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

68. Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

69. (1) Subject to the provisions of Section 149 of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional Director, provided the number of the Directors and additional Directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

70. (2) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.

71. The Board shall be entitled to appoint any one or more of them as alternate/Technical/ Financial/ Marketing/ Managing/ Special/ Executive/ Whole time Directors whose terms of appointment shall be as may be decided by the Board subject to provisions of the Act. The Board has power to appoint any other qualified person to be additional or casual vacancy Director.

72. The Board shall have power to co-opt one or more Ex-officio / Nominee Directors who may be nominated by the Central or State Government or by any financial corporation, institution or authority from whom the Company might obtain or enter into arrangement for financial, technical or other assistance and term of appointment of such nominee Directors shall be, notwithstanding anything contained in these Regulations, as agreed to by the Board with the nominating authority.

73. The Directors may be paid a sum not exceeding the amount as may be prescribed under the Act per meeting and as may be fixed from time to time by the Board for attending the meetings of the Board or of any sub-committee thereof in addition to the actual expenses incurred for attending the meeting.

74. Any Director who serves on any committee or who devotes special attention to the business of the Company or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary percentage of profit or royalty or otherwise as the Directors may determine.

PROCEEDINGS OF THE BOARD

75. (1) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(2) Any Director of the Company may, and the manager and secretary or where there is no Company Secretary, any other person authorized by the Board in this behalf on the requisition of a Director shall, at any time, summon a meeting of the Board.

76. Notice of every meeting of the Board of Directors shall be given in writing to every Director for the time being in India, and at his usual address in India or by Electronic Mode at his email address registered with the Company to every other Director.

77. The quorum for the meetings of the Board of Directors of the Company shall be as prescribed under the Act.

78. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

79. The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.

80. (1) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be Chairperson of the meeting.

81. (1) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(2) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

1) A committee may elect a Chairperson of its meetings.

2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

82. (1) A committee may meet and adjourn as it thinks fit.

(2) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present.

83. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.

84. Save as otherwise expressly provided in the Act, a resolution shall be as valid and effectual as if it had been passed by the Board or committee thereof, if the draft thereof in writing is circulated with the necessary papers if any, to all Directors or members of the committee of the Board (including alternate Director) as the case may be, at the usual address whether in or outside India or through electronic mode at the usual email addresses, and has been approved by a majority of those as are entitled to vote on the resolution.

BORROWING POWERS

85. (a) Subject to the provision of the Act and these Articles, the Board may from time to time at their desecration raise or borrow or secure the payment of any such sum of money for the purpose of the Company, in such manner and upon such terms and conditions in all respect as they think fit, and in particular, by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, debenture, perpetual or otherwise, including, debentures convertible into Shares of this Company or any other company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the

same absolutely or in trust and to give the lenders power of sales and other powers as may be expedient and to purchase, redeem or pay off any such security, provided however, that the moneys to be borrowed, together with the money already borrowed by the Company apart from temporary loans (as define under Section 180 (1) of the Act) obtained from the Company's banker in the ordinary course of the business shall not, without the sanction of the Company by a Special Resolution at General Meeting, exceed the aggregate of the paid capital of the Company it's free reserve and security premium. Provided that every Special Resolution pass by the Company in general meeting of the Company in relation to the exercise of the power to borrow shall specify the total amount upto which moneys may be borrowed by the Board of Directors.

(b) The Directors may by resolution at a meeting of the board delegate the above power to borrow money otherwise than debentures to a committee of Directors or Managing Director or to any other person permitted by applicable law, if any, within the limit prescribed.

(c) To the extent permitted under the applicable law and subject to compliances with the requirement thereof, the Directors shall be empower to grant loans to such entities at such terms as may deem to be appropriate and he same shall be in the interest of the Company.

(d) Any bonds, debentures, debenture-stock or other securities may if permissible under applicable law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity shares of any denomination, and with any privileges and conditions as to this Redemption, surrender, allotment of shares, attending (but not voting) in the General Meeting, appointment of directors or otherwise. Provided that debenture with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

KEY MANAGEMENT PERSONS

86. (1) As per the provisions of the Act and rules made thereunder, the Company shall have whole time Key Managerial Persons.

(2) A Director may be appointed as Key Management Person.

(3) The Company may at its discretion, in pursuance of these articles, appoint or reappoint an individual as the Chairperson of the Company, as well as the Managing Director or Chief Executive Officer of the company at the same time.

MANAGING DIRECTOR

87. The Board of Directors shall have the powers to appoint from time to time one or more Directors as Managing Directors of the Company on such conditions and remuneration whether by way of salary or otherwise as they may think fit subject to the provisions of the Act.

THE SEAL

88. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Directors may prescribe and approve.

DIVIDENDS AND RESERVES

89. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

90. Subject to the provisions of Section 123, the Board may from time to time pay to the members such dividend including interim dividend as appear to it to be justified by the profits of the Company.

91. (1) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit.

(2) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

92. (1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

93. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

94. (i) Any dividend, interest or other monies payable in cash in respect of shares maybe paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

95. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

96. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

97. No dividend shall bear interest against the Company.

98. (1) Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Unpaid Dividend Account"

(2) The Company shall, within a period of ninety days of making any transfer of an amount under sub- regulation (1) to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the Company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be prescribed under the applicable law.

(3) If any default is made in transferring the total amount referred to in sub-regulation (1) or any part thereof to the Unpaid Dividend Account of the Company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent. per annum and the interest accruing on such amount shall ensure to the benefit of the members of the Company in proportion to the amount remaining unpaid to them.

(4) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under Section 125 of the Act and the Company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said fund and that authority shall issue a receipt to the Company as evidence of such transfer.

(5) All shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company in the name of the Investors Education and Protection Fund subject to the provisions of the Act and Rules.

(6) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

ACCOUNTS

99. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being Directors.

(ii) No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board or by the Company in general meeting.

WINDING UP

100. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(1) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(3) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

101. Every Director, Managing or whole-time Director, Manager, Secretary or other officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

GENERAL POWER

102. Where in any provisions of the Act any other statute or law, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles in every such case, this regulation hereby authorizes and empowers the Company to have such right, privilege or authority and to carry out such transactions as have been permitted by the Act, without there being any specific regulation in that behalf herein provided.

NOTICE BY COMPANY

103. Any document or notice may be served by the Company to any member or officer of the Company under the signature of the Director or such other authorized person, even personally or through post. However, notwithstanding anything in these Articles and subject to the provision of Act or any other applicable law for the time being in force, documents including but not limited to, notice convening General Meeting, explanatory statement, balance sheet, profit & loss account, directors' report, auditors' report etc can be sent by the Company in electronic form, to the electronic mail address provided/updated by Members and made available to the Company. If, however any Member wants to have physical copies of the aforesaid documents the same shall be supplied by the Company free of cost.

NOTICE TO THE COMPANY

104. Any document or notice may be served by member to the Company by sending it to the address of the registered office and addressed to the Company or its officer and sent through post.

SECRECY

105. Every Director, Secretary, Auditor or any other officer or employees of the Company shall, if so required by the Directors, before entering upon duties, sign a declaration pledging to observe a strict secrecy respecting all the affairs of the Company.

SECTION IX - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, will be attached to the copy of this Red Herring Prospectus which will be filed with the RoC, and will also be available at the following web-link: https://www.pngjewellers.com/investors#corporate-governance. Copies of the above-mentioned documents referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Red Herring Prospectus until the Bid/Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date).

Material contracts to the Offer

1. Offer agreement dated March 26, 2024 entered into among our Company, the Promoter Selling Shareholder and the BRLMs.

2. Registrar agreement dated March 26, 2024 entered into among our Company, the Promoter Selling Shareholder and the Registrar to the Offer.

3. Monitoring agency agreement dated September 3, 2024 entered into between our Company and the Monitoring Agency.

4. Cash escrow and sponsor bank agreement dated September 4, 2024 entered into among our Company, the Promoter Selling Shareholder, the BRLMs, the Syndicate Members, Banker(s) to the Offer, and the Registrar to the Offer.

5. Share escrow agreement dated September 4, 2024 entered into among our Company, the Promoter Selling Shareholder, and the Share Escrow Agent.

6. Syndicate agreement dated September 4, 2024 entered into among our Company, the Promoter Selling Shareholder, the Registrar, the BRLMs and Syndicate Members.

7. Underwriting agreement dated [●] entered into among our Company, the Promoter Selling Shareholder, the BRLMs and Syndicate Members.

Material documents

1. Certified copies of the Memorandum of Association and the Articles of Association, as amended until date.

2. Certificate of incorporation dated October 28, 2013, issued by Registrar of Companies, Pune at Maharashtra.

3. Certificate of incorporation dated April 5, 2023, issued by the RoC, consequent to the change of name from 'P N Gadgil Jewellers Private Limited' to 'P N Gadgil Jewellers Limited', pursuant to conversion into a public limited company.

4. Copies of the annual reports of the Company as of and for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022.

5. Resolution dated March 14, 2024, passed by the Board authorising the Offer and other related matters.

6. Resolution dated March 18, 2024, passed by the Shareholders authorising the Fresh Issue and other related matters.

7. Consent letter dated March 24, 2024, by the Promoter Selling Shareholder, for participation in the Offer for Sale, as detailed in "*The Offer*" on page 68.

8. Resolution dated March 26, 2024, passed by the Board taking on record the consent received from the Promoter Selling Shareholder to participate in the Offer for Sale.

9. Resolution dated March 26, 2024, passed by the Board, approving the Draft Red Herring Prospectus.

10. Report titled "***Industry Report on Jewellery Market in India***" dated August 26, 2024, issued by Technopak which has been commissioned and paid for by our Company pursuant to an engagement letter dated January 8, 2024 entered into with our Company, exclusively for the purposes of the Offer.

11. Resolution dated September 4, 2024, passed by the Board, approving this Red Herring Prospectus.

12. Consent letter dated August 26, 2024, issued by Technopak with respect to the report titled "Industry Report on Jewellery Market in India" dated August 26, 2024.

13. The examination report dated August 24, 2024 of the Statutory Auditors on the Restated Consolidated Financial Information.

14. The report dated August 26, 2024 of the Statutory Auditors, on the statement of special tax benefits.

15. Consent dated August 26, 2024 from the Statutory Auditors, GDA & Associates, Chartered Accountants to include their name as required under Section 26(5) of the Companies Act read with the SEBI ICDR Regulations in this Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) the examination report dated August 24, 2024 on the Restated Consolidated Financial Information, and (ii) the report dated August 26, 2024 on the statement of special tax benefits, included in this Red Herring Prospectus.

16. Written consent dated September 4, 2024, from Neha Patel, Independent Architect, to include her name as required under Section 26 of the Companies Act, 2013 as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in her capacity as an architect.

17. Consents of the BRLMs, the Registrar to the Offer, the Bankers to the Company, the Syndicate Members, Banker(s) to the Offer, Monitoring Agency, the legal counsels, Promoter Selling Shareholder, our Directors and the Company Secretary and Compliance Officer, to act in their respective capacities.

18. Resolutions of the Board dated March 14, 2024, and the Shareholders dated March 18, 2024, in relation to re-appointment of Saurabh Vidyadhar Gadgil as the Managing Director of our Company.

19. Resolutions of the Board dated March 14, 2024, and the Shareholders dated March 18, 2024, in relation to remuneration of Saurabh Vidyadhar Gadgil as the Managing Director of our Company.

20. Resolutions of the Shareholders dated August 31, 2023, in relation to re-appointment of Parag Yashwant Gadgil as the Executive Director of our Company.

21. Resolutions of the Board and the Shareholders, dated March 14, 2024 and March 18, 2024, respectively in relation to remuneration of Parag Yashwant Gadgil as the Executive Director of our Company.

22. Resolutions of the Board dated February 16, 2023, and the Shareholders dated August 31, 2023, in relation to appointment of Radhika Saurabh Gadgil and Kiran Prakash Firodiya, as the Executive Directors of our Company.

23. Shareholders resolution dated September 3, 2024, in relation to appointment of Radhika Saurabh Gadgil and Kiran Prakash Firodiya, as the Executive Directors of our Company.

24. Resolution of the Shareholders dated March 18, 2024, in relation to remunerations of Radhika Saurabh Gadgil and Kiran Prakash Firodiya, as the Executive Directors of our Company.

25. Royalty Agreement dated March 11, 2020, amongst our Company and P N Gadgil Jewellers, forming a part of our Promoter Group.

26. Amendment Agreement to the Royalty Agreement dated March 19, 2024, amongst our Company and P N Gadgil Jewellers, forming a part of our Promoter Group.

27. Business Transfer Agreement dated November 16, 2013, amongst our Company and P N Gadgil Jewellers, forming a part of our Promoter Group.

28. Complaint letter to SEBI dated May 21, 2024.

29. Tripartite agreement dated January 12, 2015, among our Company, NSDL and the Registrar to the Offer.

30. Tripartite agreement dated March 14, 2024, among our Company, CDSL and the Registrar to the Offer.

31. Certificate from GDA & Associates, Chartered Accountants, Statutory Auditors of our Company, dated August 26, 2024 in relation to certain key performance indicators concerning our Company's operational and financial performance.

32. Resolution dated August 24, 2024 passed by the Audit Committee approving KPIs for disclosure.

33. Due diligence certificate to SEBI from the BRLMs dated March 26, 2024.

34. In-principle listing approvals dated July 3, 2024 from BSE and NSE, respectively.

35. Final observations letter bearing number SEBI/HO/CFD/RAC-DIL2/P/OW/2024/23587/1 dated July 22, 2024 issued by SEBI.

Any of the contracts or documents mentioned in this Red Herring Prospectus 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 reference to the shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements in this Red Herring Prospectus are true and correct.

SIGNED BY

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Saurabh Vidyadhar Gadgil

Designation: Managing Director

Place: Pune

Date: September 4, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements in this Red Herring Prospectus are true and correct.

SIGNED BY

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Kiran Prakash Firodiya

Designation: Executive Director and Chief Financial Officer

Place: Pune

Date: September 4, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements in this Red Herring Prospectus are true and correct.

SIGNED BY

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Radhika Saurabh Gadgil

Designation: Executive Director

Place: Pune

Date: September 4, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements in this Red Herring Prospectus are true and correct.

SIGNED BY

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Parag Yashwant Gadgil

Designation: Executive Director

Place: Pune

Date: September 4, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements in this Red Herring Prospectus are true and correct.

SIGNED BY

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Yashwant Ramchandra Gaikwad

Designation: Independent Director

Place: Pune

Date: September 4, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements in this Red Herring Prospectus are true and correct.

SIGNED BY

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Ravindra Prabhakar Marathe

Designation: Independent Director

Place: Pune

Date: September 4, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements in this Red Herring Prospectus are true and correct.

SIGNED BY

Shaswati Vaishnav

Designation: Independent Director

Place: Pune

Date: September 4, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements in this Red Herring Prospectus are true and correct.

SIGNED BY

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Vaijayanti Ajit Pandit

Designation: Independent Director

Place: Pune

Date: September 4, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements in this Red Herring Prospectus are true and correct.

SIGNED BY

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Susmit Ajit Ranade

Designation: Independent Director

Place: Pune

Date: September 4, 2024

DECLARATION

We, SVG Business Trust, hereby confirm that all statements, disclosures and undertakings specifically made by us in this Red Herring Prospectus in relation to ourselves, as a Promoter Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings, including any of the statements, disclosures and undertakings, made by, or relating to, the Company or any other person(s) in this Red Herring Prospectus.

SIGNED FOR AND ON BEHALF OF SVG BUSINESS TRUST

Name: Saurabh Vidyadhar Gadgil

Designation: Authorised signatory

Place: Pune

Date: September 4, 2024