

## INFORMATION MEMORANDUM



### **MOKSH ORNAMENTS LIMITED (CIN- L36996MH2012PLC233562)**

Our Company was incorporated as Moksh Ornaments Private Limited on July 19, 2012 under the Companies Act, 1956 and a certificate of incorporation was issued by the Registrar of Companies, Maharashtra, Mumbai on July 19, 2012. Our Company, upon incorporation, took over businesses carried on by Amrit J. Shah and Jawanmal M. Shah as a sole proprietor of M/s. Jineshwar Gold and M/s. Padmavati Jewels respectively. Our Company was subsequently converted into public limited Company pursuant to special resolution passed at the Extra- Ordinary General Meeting of our company held on August 30, 2017 and the name of our Company was changed to Moksh Ornaments Limited. A fresh certificate of incorporation consequent upon conversion to public limited Company was issued by the Registrar of Companies; Mumbai dated September 07, 2017.

**Registered Office:** B-405/1, B-405/2, 4th floor, 99, Mulji Jetha Bldg, Kalbadevi Road, Vitthalwadi, Kalbadevi, Mumbai, Maharashtra – 400 002.

**Contact Person & Compliance Officer:** Ms. Charmy Harish Variya (Company Secretary)  
**Tel No.:** 022-40041473; **Email:** cs@mokshornaments.com, jineshwar101@gmail.com;  
**Website:** www.mokshornaments.com

### **INFORMATION MEMORANDUM FOR MIGRATION OF 1,07,32,011 EQUITY SHARES OF RS. 10/-EACH FULLY PAID UP TO MAIN PLATFORM OF NSE**

#### **GENERAL RISKS**

Investment in equity and equity-related securities involve a degree of risk and investors should not invest in the Equity shares of Moksh Ornaments Limited unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in the shares of Moksh Ornaments Limited. For taking an investment decision, investors must rely on their own examination of the Company including the risks involved.

#### **ABSOLUTE RESPONSIBILITY OF MOKSH ORNAMENTS LIMITED**

Moksh Ornaments Limited having made all reasonable inquiries, accepts responsibility for, and confirms that this Information Memorandum contains all information with regard to Moksh Ornaments Limited, which is material, that the information contained in the Information Memorandum 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 Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

#### **LISTING**

The Equity Shares of Moksh Ornaments Limited which are listed on SME Platform of National Stock Exchange India Limited (“NSE EMERGE”) are proposed to be migrated on Main Platform of NSE.

#### **REGISTRAR & SHARE TRANSFER AGENT**

##### **BIGSHARE SERVICES PVT. LTD**

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai, Maharashtra, 400059

**Tel:** 022 - 62638200; **Fax:** 022 -62638299

**Website:** www.bigshareonline.com; **E-mail:** ipo@bigshareonline.com

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

TERMS	DESCRIPTION
"our Company", "the Company", "Moksh" or "the Issuer"	Moksh Ornaments Limited, a Public Limited Company incorporated under the Companies Act, 1956
"We", "us", "our" or "Moksh"	Unless the context otherwise indicates or implies, refers to our Company

### CONVENTIONAL/GENERAL TERMS

TERMS	DESCRIPTION
AOA/Articles/ Articles of Association	Articles of Association of Moksh Ornaments Limited
Board of Directors / Board/Director(s)	The Board of Directors of Moksh Ornaments Limited
CIN	Company Identification Number
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depositories	NSDL and CDSL
DIN	Directors Identification Number
Director(s)	Director(s) of Moksh Ornaments Limited, unless otherwise specified
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended from time to time.
Equity Shares / Shares	Equity Shares of our Company of face value of Rs. 10 each unless otherwise specified in the context thereof
EPS	Earnings Per Share
GIR Number	General Index Registry Number
GoI/ Government	Government of India
HUF	Hindu Undivided Family
Indian GAAP	Generally Accepted Accounting Principles in India
MOA/ Memorandum/ Memorandum of Association	Memorandum of Association of Moksh Ornaments Limited
NSE	The National Stock Exchange of India Limited (the designated stock exchange)
Promoters	Promoters of the Company being Mr. Amrit J. Shah and Mr. Jawanmal M. Shah
Registered office of our Company	B-405/1, B-405/2, 4th floor, 99, Mulji Jetha Bldg, Kalbadevi Road, Vitthalwadi, Kalbadevi. Mumbai – 400 002, Maharashtra.
RoC	Registrar of Companies, Mumbai, Maharashtra.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI Regulation/ SEBI (ICDR) Regulations	The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME Platform of NSE/Stock Exchange / EMERGE	The SME platform of NSE for listing of Equity Shares offered under Chapter IX of the SEBI (ICDR) Regulations, 2018
SWOT	Analysis of strengths, weaknesses, opportunities and threats



**ABBREVIATIONS:**

ABBREVIATION	FULL FORM
AGM	Annual General Meeting
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
A.Y.	Assessment Year
B.A	Bachelor of Arts
B.Com	Bachelor of Commerce
BG/LC	Bank Guarantee / Letter of Credit
CAGR	Compounded Annual Growth Rate
C. A.	Chartered Accountant
CAIIB	Certified Associate of the Indian Institute of Bankers
CC	Cubic Centimeter
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
C.S.	Company Secretary
DP	Depository Participant
ECS	Electronic Clearing System
EGM / EOGM	Extra Ordinary General Meeting of the shareholders
EPS	Earnings per Equity Share
ESOP	Employee Stock Option Plan
EMD	Earnest Money Deposit
FCNR Account	Foreign Currency Non Resident Account
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time and the regulations issued there under.
FII	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India.
FIs	Financial Institutions.
FIPB	Foreign Investment Promotion Board, Department of Economic Affairs, Ministry of Finance, Government of India
FY / Fiscal	Financial Year
FVCI	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GoI/ Government	Government of India
HUF	Hindu Undivided Family
INR / Rs./ Rupees	Indian Rupees, the legal currency of the Republic of India
NAV	Net Asset Value
No.	Number
NR	Non Resident
NSDL	National Securities Depository Limited
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoC/Registrar of Companies	Registrar of Companies, Mumbai, Maharashtra.
RONW	Return on Net Worth
SME	Small And Medium Enterprises
SSC	Secondary School Certificate
USD/ \$/ US\$	The United States Dollar, the legal currency of the United States of America



## COMPANY/INDUSTRY RELATED TERMS/TECHNICAL TERMS

Term	Description
AICTE	All India Council for Technical Education
ASSOCHAM	Associated Chambers of Commerce and Industry
BFSI	Banking Financial Services and Insurance
CSRC	Computer Security Resource Center
COVID - 19	A public health emergency of international concern as declared by World Health
EAC	Economic Advisory Council
ERP	Enterprise Resource Planning
FY	Financial Year
Franchisee	A person with whom our Company has entered into a franchisee or service agreement for operating and managing training centres.
GER	Gross Enrolment Ratio
IT-ITes	Information Technology-Information Technology Enabled Services
MCA	Masters of Computer Applications
MOSPI	Ministry of Statistics and Programme Implementation
NBA	National Board of Accreditation
NCERT	National Council of Educational Research and Training
NCTE	National Council for Teacher Education
NIST	National Institute of Standards and Technology
PDA	Personal Digital Assistant
PhD	Doctor of Philosophy
SaaS	Software as a Service
PaaS	Cloud Platform as a Service
IaaS	Infrastructure as a Service
UGC	University Grants Commission



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

### **Certain Conventions**

In this Information Memorandum, unless the context otherwise requires or unless stated otherwise, the financial data is derived from our financial statements prepared and in accordance with the applicable regulations.

### **Financial Data**

Unless indicated otherwise, the financial data in this Information Memorandum is derived from our financial information for fiscal 2020, 2019, 2018, 2017 and fiscal 2016 prepared in accordance with the Generally Accepted Accounting Principles in India (“**Indian GAAP**”) and the Companies Act.

Our fiscal year commences on April 1 of the immediately preceding year and ends on March 31 of that year, so all references to a particular fiscal year are to the 12 month period ended March 31 of that year. In this Information Memorandum, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All decimals have been rounded off to two decimal points.

There are significant differences between the Indian GAAP, the International Financial Reporting Standards (the “IFRS”) and the Generally Accepted Accounting Principles in the United States of America (the “U.S. GAAP”). Accordingly, the degree to which the financial statements included in this Information Memorandum will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, the Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations on the financial disclosures presented in this Information Memorandum should accordingly be limited. We have not attempted to quantify the impact of the IFRS or the U.S. GAAP on the financial data included in this Information Memorandum, nor do we provide a reconciliation of our financial statements to those under the U.S. GAAP or the IFRS and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

### **Currency and Units of Presentation**

All references to “Rupees” or “Rs.” are to Indian Rupees, the official currency of the Republic of India. Except where specified, in this Information Memorandum, all figures have been expressed in Lacs, except as otherwise stated. The word “Lacs”, “Lac”, “Lakhs” or “Lakh” means “One Hundred Thousand”. All references to “US\$”, “U.S. Dollar”, “USD” or “US Dollars” are to United States Dollars, the official currency of the United States of America. All references to “€” are to Euros, the single currency of the participating member states in the third stage of the European and Economic Monetary Union of the treaty establishing the European Community.

### **Industry and Market Data**

Industry and Market data used throughout this Information Memorandum has been obtained from publicly available documents from various sources believed to be reliable but it has not been independently verified by us or its accuracy and completeness is not guaranteed and its reliability cannot be assured. Although we believe the industry and market data used in this Information Memorandum is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for purposes of presentation. Data from these sources may also not be comparable. The extent to which the industry and market data is presented in this Information Memorandum is meaningful depends upon 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 we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.



## FORWARD-LOOKING STATEMENTS

Our Company has included statements in this Information Memorandum, that contain words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "project", "shall", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will continue", "will pursue" and similar expressions or variations of such expressions that are "forward-looking statements". However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding our Company objectives, plans or goals, expected financial condition and results of operations, business plans and prospects are also forward-looking statements.

These forward-looking statements include statements as to business strategy, revenue and profitability, planned projects and other matters discussed in this Information Memorandum regarding matters that are not historical fact. These forward-looking statements contained in this Information Memorandum (whether made by us or any third party) involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the Gems and Jewellery sector in India and overseas in which we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility 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. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations;
- Changes in laws and regulations relating to the Sectors in which we operate;
- Realization of Contingent Liabilities;
- Occurrence of Environmental Problems & Uninsured Losses;
- Increased competition in industries / sector in which we operate;
- Factors affecting the industry in which we operate;
- Our ability to meet our capital expenditure requirements
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Our failure to keep pace with rapid changes in technology;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices.
- Occurrence of natural disasters or calamities affecting the areas in which we have operations;
- Any adverse outcome in the legal proceedings in which we/our group companies are/may get involved;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Changes in Government policies and Regulatory actions that apply to or affect our business;
- Conflicts of interest with affiliated companies, the promoter group and other related parties; and
- The performance of the financial markets in India and globally.

For further discussion of factors that could cause Company's actual results to differ, see the section titled "Risk Factors" on page 7 of this Information Memorandum. By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.



### **Absolute Responsibility of Moksh Ornaments Limited**

**Moksh Ornaments Limited** having made all reasonable inquiries, accepts responsibility for, and confirms that this Information Memorandum contains all information with regard to the Company, which is material, that the information contained in the Information Memorandum 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 Information Memorandum as a whole or any of such information or the expression of any such opinions are intentions misleading in any material respect.

### **Migration**

The existing shares of the company are listed on SME Platform of National Stock Exchange India Limited ("NSE EMERGE"). Now the Company proposed to migrate on Main Board of NSE.

**The Information Memorandum is for the Migration of 1,07,32,011 Equity Shares of Rs. 10/-each fully paid up to Main Board of NSE.**



## SECTION II - RISK FACTORS

If any one or more of the following risks as well as other risks and uncertainties discussed in this Information Memorandum were to occur, our business, financial condition and results of our operation could suffer material adverse effects, and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of your investment.

This Information Memorandum also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in this Information Memorandum.

These risks are not the only ones that our Company faces. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.

### Materiality

The Risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality.

1. Some events may not be material individually but may be material when considered collectively.
2. Some events may have an impact which is qualitative though not quantitative.
3. Some events may not be material at present but may have a material impact in the future.

### INTERNAL RISK FACTORS

- 1. *Our Registered Office is not owned by us. If we are required to vacate the same, due to any reason whatsoever, it May adversely affect our business operations.***

The registered office of our Company is not owned by us. Our Company has been occupying such premises under Leave and License Agreements w.e.f September 01, 2017 from our Promoter Jawanmal M. Shah and Director Sangeeta A. Shah (spouse of our promoter Amrit J. Shah) at a payment of license fees. Prior to the above mentioned period, there is no agreement executed between them. Although, we believe that we have complied with all the terms of such agreement, in the event there is any breach or violation of the same, we may be required to vacate the same. Further, in any event, on expiry of such agreement, if the respective owners are not willing to renew the same, the aforesaid properties may have to be vacated and we may be required to look for alternate premise, which we may not be able to find at terms favourable to our Company. In such an event, it will adversely affect our business operations and our financial condition.

- 2. *Any fluctuation in price and supply of Gold, which account for the majority of our raw material cost could adversely impact our income.***

Gold is the primary raw material used in the manufacturing process of gold jewellery. Price of gold is volatile in nature and is linked to the international commodity indices. Any increase in the prices of raw materials shall result in the consequent increase in the price of our products. Such increase in price of our products may adversely affect their demand. There is no certainty that such price increase will be sustainable and downward pressure on gross margins and income may occur.

- 3. *Our dependency on job worker for the performance of our operation may adversely affect our business.***



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

**4. Change in the name of one of our promoter.**

Our Promoter Jawanmal M. Shah was previously known as Jawanmal M. Jain. In the year 2010, the name of our promoter Jawanmal M. Shah has been changed from "Jawanmal M. Jain" to "Jawanmal M. Shah". The documentary Evidence for the identity of the said promoter i.e. PAN, Aadhar card and Voter Identity card, bears the name Jawanmal M. Shah.

**5. Our Company had deposited cash of Rs. 8.50 lakhs during demonetization period.**

Our Company had deposited cash aggregating to Rs. 8.50 Lakhs in the bank accounts during demonetization period from November 08, 2016 to December 30, 2016. We have not received any notice from the Income Tax department regarding the same and we shall respond to it as and when received. In the event of any penalty/demand is raised by the IT authorities, it may.

**6. Our Company had negative cash flow in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.**

The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

Particulars	For the Financial Year ended March 31		
	2018	2019	2020
Net Cash Flow from/(used in) Operating Activities	(82,881,652)	2,72,45,742	2,54,44,673
Net Cash Flow from/(used in) Investing Activities	NIL	(2,23,534)	1,76,27,065
Net Cash Flow from/(used in) Financing Activities	90,583,747	15,60,18,437	10,32,81,874

**7. Our results of operations could be adversely affected by strikes, work stoppages or increased charges by job workers.**

We are unable to assure you that we will not experience disruptions to our operations due to disputes or other problems with our job worker, which may lead to strikes, increased charges. Such issues could have an adverse effect on our business, and results of operations.

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

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



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

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

**10. *We depend on a limited number of customers, and a loss of or significant decrease in business from them could affect our business and have a material adverse impact on our profitability.***

We have in the past and may in the future derive a significant portion of our revenue from a relatively limited number of customers that vary from year to year. Further, we currently do not have any long term contractual arrangements with our significant customers and conduct business with them on the basis of purchase orders that are placed from time to time. The loss of one or more of our significant customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business from our significant customers.

**11. *Our limited operating history makes it difficult to evaluate our business and prospects and may increase the risks associated with your investment.***

We were incorporated in the year 2012 and consequently have a limited operating history upon which our business and future prospects may be evaluated. We may not be able to sustain the rate of growth we have achieved to date, or even maintain our current revenue levels. We have encountered and will continue to encounter risks and difficulties frequently experienced by growing companies in rapidly evolving industries, including challenges related to recruiting, allocating and making effective use of our limited resources, achieving market acceptance of our solutions, competing against companies with greater financial and technical resources, retaining qualified employees, developing relationships with advertisers and publishers, developing new solutions, and establishing and maintaining our corporate infrastructure, including internal controls relating to our financial and information technology systems.

**12. *We are dependent on third party transportation providers for delivery of raw materials to us from our supplier's, delivery of raw materials to our job workers and delivery of our products to our clients. Any failure on part of such service providers to meet their obligations could have a material adverse effect on our business, financial condition and results of operation.***

Our success depends on the smooth supply and transportation of the raw materials required for our business, delivery of the raw materials to the job worker and transportation of our products to our clients, which are subject to various uncertainties and risks. In addition, raw materials and products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of raw materials and products which may also affect our business and our results of operation negatively. A failure to maintain a continuous supply of raw materials or to deliver the products to our clients in an efficient and reliable manner could have a material and adverse effect on our business, financial condition and results of operations.

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

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

Accordingly, reliance has been placed on declarations, undertakings and affidavits furnished by these Promoters/Director



to disclose details of their educational qualifications and professional experience.

**14. *Any failure or disruption or change of our information technology systems may adversely impact our business and operations.***

We use information technology systems to monitor all aspects of our business and rely significantly on such systems for the efficient operations and the security of our information. Our information technology systems may not always operate without interruption and may encounter temporary abnormality or become obsolete. Further, we cannot assure you that the level of security we presently maintain is adequate or that our systems can withstand intrusions from or prevent improper usage by third parties. We may not always be successful in installing, running and migrating to new software or systems as required for the development of our business. Even if we are successful in this regard, significant capital expenditure may be required, and we may not be able to benefit from the investment immediately. All of these may have a material adverse impact on our operations and profitability.

**15. *We do not register our jewellery designs under the Design Act, 2000 and we may lose revenue if our designs are duplicated by competitors.***

We do not register the design of the jewellery under the Design Act, 2000. As such, it would be difficult for us to enforce our intellectual property rights in our designs and if competitors copy our designs it could lead to a loss of revenue, which could adversely affect our results of our operations.

**16. *If we are unable to service our debt obligations in a timely manner or to comply with various financial and other covenants and other terms and conditions of our financing agreements, it may adversely affect our business, prospects, results of operations and financial condition.***

Our total debt obligations payable on account of cash credit facility availed by our Company from The Bharat Cooperative Bank (Mumbai) Ltd. as on September 30, 2020 is Rs. 1625.88 Lacs. The said cash credit facility has been secured, inter-alia, by way of hypothecation of stocks, debtors and mortgage of properties (land & building) along with personal guarantee of third parties. The agreement governing the cash credit facility contain restrictive covenants relating to changes in capital structure, making changes to objects, registered office, Directors of the Company etc. There can be no assurance that we will be able to comply with these restrictive covenants, or that we will be able to obtain the consents necessary to proceed with the actions which we believe are necessary to operate and grow our business, which

may in turn have a material adverse effect on our business and operations. Any failure to pay our dues in time or comply with any requirement or other condition or covenant under our loan agreements, may lead to a termination of our agreements, and may adversely affect our business, prospects, results of operations and financial condition.

**17. *We may not be successful in implementing our business and growth strategies.***

The success of our business depends substantially on our ability to implement our business and growth strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Further, our growth strategies could place significant demand on our management team and other resources and would require us to continuously develop and improve our operational, financial and other controls, none of which can be assured. Failure to implement our business and growth strategies would have a material adverse effect on our business and results of operations.

**18. *Our business experiences an increase in sales during seasons of weddings and festivals. Any substantial decrease in our sales during such periods would have a material adverse effect on our results of operations.***



Our sales have historically exhibited certain seasonal fluctuations, reflecting higher sales volumes on festivals and other occasions such as Durga Puja, Dhanteras, Diwali, Christmas and Valentine's Day which occur in the third and fourth quarter of the fiscal year. This period also coincides with the wedding season in India. While we stock certain inventory to account for this seasonality, our fixed costs such as lease rentals, employee salaries, are relatively constant throughout the year. Consequently, lower than expected net sales during the third or fourth 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 impair our cash flows. Any slowdown in demand for our jewellery during peak seasons or failure by us to accurately anticipate and prepare for such seasonal fluctuations could have a material adverse effect on our business, financial condition and results of operations.

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

We have not applied for the registration of our logo “ ”.

The registration of any trademark is a time-consuming process, and there can be no assurance that any such registration will be granted as and when applied. In the absence of such registration, competitors or other companies may challenge the validity or scope of our intellectual property. These trademarks are integral to our business, and the loss of any of these intellectual property rights could have a material adverse effect on our business. Further, if any of our unregistered trademarks are registered in favour of a third party, we may not be able to claim ownership or make use of such trademarks and consequently, we may be unable to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities. Our inability to obtain or maintain these registrations may adversely affect our competitive business position. This may affect our brand value and consequently our business.

**20. We may fail to attract and retain qualified designers and craftsmen as competition for skilled personnel is intense.**

The industry in which we operate is labour intensive and our success depends in large part upon our ability to attract, hire, train and retain qualified designers and craftsmen or karigars (labours). There is significant demand for karigars in India with skills necessary to perform the services. A significant increase in the job work charges would increase cost of product and decrease our operating efficiency and profit margins and could lead to adversely affect financial condition and results of operations.

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

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

**22. Our insurance policies may not adequately cover us against certain risks and hazards, which may have an adverse effect on our business.**

Our insurance policies currently comprise a jeweler's block policy, Money insurance policy, Fidelity guarantee policy and a standard fire and special perils insurance policy. Notwithstanding the insurance coverage that we carry, we may not be fully insured against some business risks. There are many events that could significantly impact our operations, or expose us to third-party liabilities, for which we may not be adequately insured. There can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part, or on time. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business, financial condition and results



of operations could be adversely affected. The extent of the possible effect on our business, financial condition and results of operation is not disclosed as it cannot be quantified.

**23. *We require a number of approvals, licenses, registration and permits for our business and failure to obtain or renew them in a timely manner may adversely affect our operations.***

We may require several statutory and regulatory permits, licenses and approvals in the ordinary course of our business, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the timeframe anticipated by us or at all. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension, delay in issuance or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business.

**24. *Our Company has unsecured loans, which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our business operations and financial condition of our Company.***

As on September 30, 2017, our Company has no unsecured loans For further details of these unsecured loans, please refer to chapter titled “*Financial Indebtedness*” beginning on page 110 of this Draft Prospectus. Further, Our Company intend to use Rs. 300.00 Lakhs of the issue proceeds to repay the said loan in full.

**25. *We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.***

We have entered into related party transactions with our Promoters, Promoter Group, Group Entities and Directors. While we believe that all such transactions have been conducted on the arms length basis, however it is difficult to ascertain whether more favorable terms would have been achieved had such transactions been entered with unrelated parties. Furthermore, it is likely that we may enter into related party transactions in the future.

**26. *Our success largely depends upon the knowledge and experience of our Promoters and our Key Managerial Personnel. Any loss of our key managerial personnel or our ability to attract and retain them could adversely affect our business, operations and financial condition.***

Our Company depends on the management skills and guidance of our Promoters for development of business strategies, monitoring its successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our key managerial personnel. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our key managerial personnel are unable or unwilling to continue in his/ her present position, it could be difficult for us to find a suitable or timely replacement and our business could be adversely affect our business, operations and financial condition.

**27. *We have not entered into any contracts with any of our customers.***

We do not have any contracts with our customers and any change in the buying pattern of the customers could adversely affect the business of our Company. Although we have satisfactory business relations with our customers and have received continued business from them in the past, there is no certainty that the same will continue in the years to come and may affect our profitability.

**28. *We have not made any dividend payments in the past and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.***



In the past, we have not made dividend payments to the shareholders of our Company. The amount of our future dividend payments, if any, will depend upon various factors including our future earnings, financial condition, cash flows and requirement to fund operations and expansion of the business. There can be no assurance that we will be able to declare dividends. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors.

**29. *Our inability to manage growth could disrupt our business and reduce profitability***

A principal component of our strategy is to continuously grow by expanding the size and geographical scope of our businesses. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

**30. *Our Promoters and certain of our Directors hold Equity Shares in our Company and are therefore interested in our performance in addition to their remuneration and reimbursement of expenses.***

Certain of our Directors including our Promoters are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Promoters may take actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders.

**31. *Some of the information disclosed in this Draft Prospectus is based on information from industry sources and publications which may be based on projections, forecasts and assumptions that may prove to be incorrect. Investors should not place undue reliance on, or base their investment decision on this information.***

The information disclosed in the “Industry Overview” section of this IM on page 45 is based on information from publicly-available industry, Government and research information, publications and websites and has not been verified by us independently and we do not make any representation as to the accuracy of the information. The data may have been re-classified by us for the purposes of presentation. 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. Accordingly, investors should not place undue reliance on, or base their investment decision on this information.

**EXTERNAL RISK FACTORS**

**32. *The COVID-19 pandemic, or any future pandemic or widespread public health emergency, could materially and adversely impact our business, financial condition, cash flows and results of operations.***

In late 2019, COVID-19 emerged and by March 11, 2020 was declared a global pandemic by The World Health Organization. Governments and municipalities around the world instituted measures

in an effort to control the spread of COVID-19, including quarantines, shelter-in-place orders, school closings, travel restrictions, lock down of cities and closure of non-essential businesses. By the end of March, the macroeconomic impacts became significant, exhibited by, among other things, a rise in unemployment and market volatility. The outbreak of COVID-19 in many countries, including India, the United Kingdom and the United States, has significantly and adversely



impacted economic activity and has contributed to significant volatility and negative pressure in financial markets, and it is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis, recession or depression, despite monetary and fiscal interventions by governments and central banks globally. On March 24, 2020, the Government of India ordered a national lockdown in response to the spread of COVID-19. Although some governments are beginning to ease or lift these restrictions, the impacts from the severe disruptions caused by the effective shutdown of large segments of the global economy remain unknown and no prediction can be made of when any of the restrictions currently in place will be relaxed or expire, or whether or when further restrictions will be announced.

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our clients and service providers, which could adversely affect our business, financial condition and results of operations. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our clients, and those of our respective service providers. There is currently substantial medical uncertainty regarding COVID-19 and no government-certified treatment or vaccine is available. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of COVID-19 will cause an economic slowdown and it is possible that it could cause a global recession. The spread of COVID-19 has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, and franchisee. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed. The extent to which the COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the corona virus and the actions taken globally to contain the corona virus or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. We are still assessing our business operations and system supports and the impact COVID-19 may have on our results and financial condition, but there can be no assurance that this analysis will enable us to avoid part or all of any impact from the spread of COVID-19 or its consequences, including downturns in business sentiment generally or in our sector in particular. The degree to which COVID-19 impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people.

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

### **33. Political, Economic and Social changes in India could adversely affect our business.**



Our business, and the market price and liquidity of our Company's shares, may be affected by changes in Government policies, including taxation, social, political, economic or other developments in or affecting India could also adversely affect our business. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms including significantly relaxing restrictions on the private sector. In addition, any political instability in India may adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of our Equity Shares.

**34. The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have effected significant changes to the existing Indian company law/ listing framework, which may subject us to higher compliance requirements and increase our compliance costs.**

A majority of the provisions and rules under the Companies Act, 2013 have come into effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital (including provisions in relation to issue of securities on a private placement basis), disclosures in Issuing documents, corporate governance norms, accounting policies and audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in futures trading. Further, the Companies Act, 2013 imposes greater monetary and other liability on us and our directors for any noncompliance.

To ensure compliance with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to the limited jurisprudence on them. In the event our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 which are yet to be notified. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

**35. Our business is dependent on economic growth in India.**

Our performance is dependent on the health of the overall Indian economy. There have been periods of slowdown in the economic growth of India. India economic growth is affected by various factors including domestic consumption and savings, balance of trade movements primarily resulting from export demand and movements in key imports, such as oil and oil products, and annual rainfall, which affect agricultural production. For example, The outbreak of COVID-19 in many countries, including India, the United Kingdom and the United States, has significantly and adversely impacted economic activity and has contributed to significant volatility and negative pressure in financial markets, and it is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis, recession or depression, despite monetary and fiscal interventions by governments and central banks globally. Economic slowdowns have harmed industries and industrial development in the country. Any future slowdown in the Indian economy could harm our business, financial condition and results of operations.

**36. The extent and reliability of Indian infrastructure could adversely affect our results of operations and financial condition.**



India's physical infrastructure is less developed than that of many developed countries. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity. Any deterioration of India's physical infrastructure would harm the national economy.

**37. Global economic downturn and adverse market conditions could cause our business to suffer. A slowdown in economic growth in India could cause our business to suffer.**

The developed economies of the world viz. U.S., Europe, Japan and others are in midst of a downturn affecting their economic condition and markets general business and consumer sentiment has been adversely affected due to the global slowdown and there can be no assurance whether the developed economies or the emerging market economies will see good economic growth in the near future. Consequently, this has also affected the global stock and commodity markets. Our performance and growth is directly related to the performance of the Indian economy. The performance of the Indian economy is dependent among other things on the interest rate, political and regulatory actions, liberalization policies, commodity and energy prices etc. A change in any of the factors would affect the growth prospects of the Indian economy, which may in turn adversely impact our results of operations, and consequently the price of our Equity Shares.

**38. Any downgrading of India's debt rating by an independent agency may harm our ability to raise debt financing.**

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our capital expenditure plans, business and financial performance.

**39. Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.**

Some parts of India have experienced communal disturbances, terrorist attacks and riots during recent years. If such events recur, our operational and marketing activities may be adversely affected, resulting in a decline in our income. The Asian region has, from time to time, experienced instances of civil unrest and hostilities among neighboring countries. Since May 1999, military confrontations between countries have occurred in Kashmir. The hostilities between India and its neighboring countries are particularly threatening because India and certain of its neighbors possess nuclear weapons. Hostilities and tensions may occur in the future and on a wider scale. Also, since 2003, there have been military hostilities and continuing civil unrest and instability in Afghanistan. There has also recently been hostility in the Korean Peninsula. In July 2006 and November 2008, terrorist attacks in Mumbai resulted in numerous casualties. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies, including our Equity Shares.

**40. The occurrence of natural disasters may adversely affect our business, financial condition and results of operations.**

The occurrence of natural disasters, including hurricanes, floods, earthquakes, tornadoes, fires and pandemic disease may adversely affect our financial condition or results of operations. The potential impact of a natural disaster on our results of operations and financial position is speculative, and would depend on numerous factors. The extent and severity of these natural disasters determines their effect on the Indian economy. Although the long term effect of diseases such as the COVID-19 virus, H5N1 – avian flu virus, or H1N1, the swine flu virus, cannot currently be predicted, previous occurrences of avian flu and swine flu had an adverse effect on the economies of those countries in which they were most prevalent. An outbreak of a communicable disease in India would adversely affect our business and financial conditions and results of operations. We cannot assure you that such events will not occur in the future or that our business, financial condition and results of operations will not be adversely affected.



**41. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations, financial condition and prospects.**

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax (“GST”) regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented. The Government has enacted the GAAR which have come into effect from April 1, 2017.

The Government of India has announced the union budget for Fiscal 2021 and the Ministry of Finance has notified the Finance Act, 2020 (“Finance Act”) on March 27, 2020, pursuant to assent received from the President, and the Finance Act will come into operation with effect from July 1, 2020. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition and results of operations. 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. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Further, a draft of the Personal Data Protection Bill, 2019 (“Bill”) has been introduced before the Lok Sabha on December 11, 2019, which is currently being referred to a joint parliamentary committee by the Parliament. 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.



## SECTION III – INTRODUCTION

### SUMMARY OF INDUSTRY & BUSINESS

The following summary should be read with the Risk Factors included from page numbers 7 to 17 and the more detailed information about the Company and the financial statements included in the Information Memorandum.

#### **INDUSTRY OVERVIEW:**

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

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

Our Promoters are Jawanmal M. Shah and Amrit J. Shah has around 32 years and 22 years of experience respectively in jewellery industry. Some of our major customers include Nakshatra Jewellery, P.N. Gadgil & Sons, Ranka Jewellers, P.N. Gadgil Jewellers Private Limited, etc.

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

#### **Indian Economy Overview**

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

#### **Introduction**

The gems and jewellery sector plays a significant role in the Indian economy, contributing around 7% to country's GDP and 15% to India's total merchandise export. It employs over 4.64 million people, which is expected to reach 8.23 million by 2022. One of the fastest growing sectors, it is extremely export oriented and labour intensive.

Based on its potential for growth and value addition, the Government declared gems and jewellery sector as a focus area for export promotion. The Government has undertaken various measures recently to promote investment and upgrade technology and skills to promote 'Brand India' in the international market.

India exports 75% of the world's polished diamonds as per statistics from the Gem and Jewellery Export Promotion Council (GJEPC). India's Gems and Jewellery sector has been contributing in a big way to the country's foreign exchange earnings (FEEs). Government has viewed this sector as a thrust area for export promotion. The Indian Government presently allows 100% Foreign Direct Investment (FDI) in the sector through the automatic route. The sector employs over 4.64 million employees, which is expected to touch 8.23 million by 2022.



## Market size

India's gems and jewellery sector is one of the largest in the world, contributing 29% to the global jewellery consumption. The sector is home to more than 300,000 gems and jewellery players. Its market size will grow by US\$ 103.06 billion during 2019–2023.

India's demand for gold reached 690.4 tonnes in 2019. In FY21\*\*, exports of gems & jewellery stood at US\$ 11.62 billion. In the same period, India exported cut and polished diamonds worth US\$ 18.66 billion, thereby contributing 52.4% to the total gems and jewellery export.

India's import of gems and jewellery stood at US\$ 24.41 billion in FY20 and for FY21\* imports accounted to US\$ 4.23 billion.

## Investments/Developments

The gems and jewellery sector is witnessing changes in consumer preferences due to adoption of western lifestyle. Consumers are demanding new designs and varieties in jewellery, and branded jewellers have managed to fulfil their changing demands better than the unorganized players. Moreover, increase in per capita income has led to an increase in sales of jewellery as jewellery is a status symbol in India.

Cumulative FDI inflows in diamond and gold ornaments in India stood at US\$ 1,183.07 million between April 2000 and September 2020 according to Department for Promotion of Industry and Internal Trade (DPIIT).

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

- In December 2020, in collaboration with Persistent Systems & IIT- Bombay, the Gem & Jewellery Skills Council of India (GJSCI) launched a Centre of Excellence (CoE) for Jewellery Artificial Intelligence & Data-science Excellence (J.A.D.E.), which will boost incorporation of AI, ML and data science techniques into the gem and jewellery industry.
- In November 2020, Platinum Guild International (PGI) launched their new 'Men of Platinum' collection for men in leading retail stores across India.
- In April 2020, majority of the players in the Indian market like Malabar Gold, Tanishq, and Joyalukkas offered jewellery online for Akshay Tritiya.
- Companies such as PC Jewellers, PNG Jewellers and Popley and Sons are planning to introduce a virtual-reality (VR) experience for their customers. The customer will have to wear a VR headset, through which they can select any jewellery, see it from different angles and zoom it to view intricate designs.

## Government Initiatives

- Indian Government made hallmarking mandatory for Gold Jewellery and Artefacts. A period of one year is provided for implementation i.e. till January 2021.
- In December 2020, All India Gem and Jewellery Domestic Council (GJC) welcomed the decision to make hallmarking compulsory from June 2021 in a phased manner; urged the government to examine the key concerns of the industry for smooth implementation of the initiative.



- In November 2020, Chairman of Gems and Jewellery Export Promotion Council, Mr. Colin Shah, proposed lowering import duties on gold from 12.5% to 4.5% and on diamonds from 7.5% to 2.5%. The proposal is under consideration.
- As per Union Budget 2019–20, the GST rate was reduced from 18% to 5% (\*5% without Input Tax Credit (ITC)) for services by way of job work in relation to gems and jewellery, leather goods, textiles etc.
- The Bureau of Indian Standards (BIS) has revised the standard on gold hallmarking in India from January 2018. The gold jewellery hallmark will now carry a BIS mark, purity in carat and fitness as well as the unit's identification and the jeweller's identification mark. The move is aimed at ensuring a quality check on gold jewellery.
- The Gem and Jewellery Export Promotion Council (GJEPC) signed a memorandum of understanding (MoU) with Maharashtra Industrial Development Corporation (MIDC) to build India's largest jewellery park in at Ghansoli in Navi-Mumbai on 25 acres land with a capacity to have more than 5000 jewellery units of various sizes ranging from 500–10,000 square feet. The overall investment will be of Rs. 13,500 crore (US\$ 2.09 billion).

### **Road Ahead**

In the coming years, growth in gems and jewellery sector would largely be contributed by the development of large retailers/brands. Established brands are guiding the organised market and are opening opportunities to grow. Increasing penetration of organised players provides variety in terms of products and designs. Online sales are expected to account for 1–2% of the fine jewellery segment by 2021–22. Also, the relaxation of restrictions of gold import is likely to provide a fillip to the industry. The improvement in availability along with the reintroduction of low-cost gold metal loans and likely stabilisation of gold prices at lower levels is expected to drive volume growth for jewellers over short to medium term. The demand for jewellery is expected to be significantly supported by the recent positive developments in the industry.



## **BUSINESS OVERVIEW**

### **Overview**

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

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

Our Promoters are Jawanmal M. Shah and Amrit J. Shah has around 30 years and 20 years of experience respectively in jewellery industry. Some of our major customers include Nakshatra Jewellery, P.N. Gadgil & Sons, Ranka Jewellers, P.N. Gadgil Jewellers Private Limited, etc.

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

### **Our Competitive Strengths**

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

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

#### *Experience of our Promoters:*

We believe that our experienced promoters have significantly contributed to the growth of our business operations. Our promoters Jawanmal M. Shah and Amrit J. Shah have been in the business of jewellery for around 32 years and 22 years respectively. We believe our management team has established good reputation for our Company with our customers and has been instrumental in our growth by being able to rapidly respond to market opportunities, customer demands and competitive environment and bring innovations to our business, marketing and strategy.

#### *Customer Satisfaction:*

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



### *Quality of our products:*

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

### **Our Business Strategies**

#### *Innovation in Designing*

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

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

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

#### *Enhancing Operating Effectiveness and Efficiency*

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

### **Our Products**

Our product range includes gold bangles, chain and mangalsutra.





## Our Business Operations

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



## Collaborations/tie ups/ joint ventures

Our Company does not have Collaboration/Tie Ups/ Joint Ventures as on the date of this Information Memorandum.

## Capacity and Capacity Utilization

Our jewellery manufacturing operations are carried on job work basis from third parties. Thus, installed capacity or capacity utilization cannot be determined.

## Marketing Strategy

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

## Competition

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



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

#### Raw Material

Our raw material comprises of gold bar. The raw materials are procured from domestic market. Generally we procure raw materials based on the basis of management estimation based on order received, past consumption and future estimation. Our suppliers for the raw materials are Kotak Mahindra Bank Ltd., Arihant Traders etc.

### **UTILITIES & INFRASTRUCTURE FACILITIES**

#### **Infrastructure Facilities**

Our registered office is located at Mumbai, Maharashtra and is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

#### Power

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

#### Water

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

#### Export and Export Obligations

Our Company doesn't have any export obligation.

Details of major Customers:

<b>SR. NO.</b>	<b>NAME</b>
1	Padmavati Chains & Pvt Ltd
2	Deendayal Creation
3	Nayantara & Sons Ltd
4	Nakshtara Jewellery
5	Vajra Gold Pvt Ltd
6	Paz Bullion & Jewls



7	Shakti Gems & Jewels Pvt Ltd
8	South India Jewellers
9	Neelkanth Jewellers
10	Rathod Jewellers (Lx)

#### Details of top Suppliers

SR. NO.	NAME
1	Arihant Bullion & Jewels Llp
2	Shree Mandev Bullion
3	Safari Bullion
4	Mehta Bullion
5	Shubhmangal Jewellers Pvt Ltd
6	Arihant Traders
7	Matra Jewels
8	J Sai
9	Nakoda Bullion

#### Plant & Machinery

As on date of this Information Memorandum, we do not own any major plant and machinery to operate our business.

#### Our Properties

Details of our property are set forth in the table below:-

Description of Property	Title(Leased/Owned/Rent)	Date of Agreement	Agreement Valid till
B-405/1, B-405/2, 4th floor, 99, Mulji Jetha Bldg, Kalbadevi Road, Vitthalwadi, Kalbadevi, Mumbai - 400 002, Maharashtra.	Rent	02/05/2018	31/05/2021

#### Human Resource

We believe that our ability to maintain growth depends to a large extent on our strength in hiring, training, motivating and retaining employees. We view this process as a necessary tool to maximize the performance of our employees.

As on March 31, 2021, we have the total strength of five (5) permanent employees.

#### Insurance



We have purchased several insurance policies from reputed insurers in order to manage the risk of losses from potentially harmful events, including: (i) Jewellers Comprehensive Protection Policy; and (ii) Fidelity guarantee policy. Our insurance policies are reviewed periodically to ensure that the coverage is adequate.

#### Intellectual Property

As on date of this Information Memorandum, our company does not hold any intellectual property.



**SUMMARY OF FINANCIAL INFORMATION**  
**Statement of Assets and Liabilities as on 31<sup>st</sup> March, 2020, 2019, 2018, 2017 and 2016**

(Amt.in Rs.)

Particulars	31.03.2020	31.03.2019	31.03.2018	31.03.2017	31.03.2016
<b>Equity &amp; Liabilities</b>					
<b>Shareholders' Funds</b>					
Share Capital	107320110	107320110	107320110	51666740	51666740
Reserve & Surplus	252346697	198875885	150892490	59165030	28172170
<b>Total (A)</b>	<b>359666807</b>	<b>306195995</b>	<b>258212600</b>	<b>110831770</b>	<b>79838910</b>
<b>Non-Current Liabilities</b>					
Long Term Borrowings				8774171	31098095
Deferred Tax Liabilities (Net)					
Other Long Term Liabilities					
Long Term Provisions					
<b>Total (B)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8774171</b>	<b>31098095</b>
<b>Current Liabilities</b>					
Short Term Borrowings	598561010	495279136	339260699	350236781	225780343
Trade Payables					
i) Due to Micro, Small, Medium Enterprises					
ii) Due to others	40378322	26183677	0	21070267	73289490
Other Current Liabilities	17451894	838385	4940599	17930477	29389204
Short Term Provisions	17907802	18690409	19378562	14540583	12906
<b>Total (C)</b>	<b>674299028</b>	<b>540991607</b>	<b>363579860</b>	<b>403778108</b>	<b>328471943</b>
<b>Total (D=A+B+C)</b>	<b>1033965835</b>	<b>847187602</b>	<b>621792460</b>	<b>523384049</b>	<b>439408948</b>
<b>Assets</b>					
(a)Fixed Assets:					
(i)Tangible Assets	577757	18451177	18471991	18687579	16566071
(ii)Intangible Assets					
(iii)Capital work in progress					
(b)Non-Current Investments					
(c)Deferred Tax Assets (Net)	151161	119388	91088	61255	48584
(d)Long-Term Loans and Advance					
(e)Other non-currents assets	6636044	2786753	2469772	1210051	701870
<b>Total (E)</b>	<b>7364962</b>	<b>21357318</b>	<b>21032851</b>	<b>19958885</b>	<b>17316525</b>
<b>Current Assets</b>					
(a)Current Investment					
(b)Inventories	272309070	464615032	433802886	378128368	268271106
(c)Trade Receivables	354602688	104015180	98578498	85241844	129923897
(d)Cash & Bank Balances	375280539	228926926	45886282	38184186	23289815
(e)Short Term Loans & Advances	24408576	28273145	224991943	1870766	607605
(f)Other Current Assets	0	0	0	0	0
<b>Total (F)</b>	<b>1026600873</b>	<b>825830283</b>	<b>600759609</b>	<b>503425164</b>	<b>422092423</b>
<b>Total (G=E+F)</b>	<b>1033965835</b>	<b>847187602</b>	<b>621792460</b>	<b>523384049</b>	<b>439408948</b>



**Statement of Profit & Loss for the Financial Years 31<sup>st</sup> March, 2020, 2019 2018, 2017 and 2016**

**(Amt.in Rs.)**

<b>Particulars</b>	<b>31.03.2020</b>	<b>31.03.2019</b>	<b>31.03.2018</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
Revenue from Operations	3439486362	3808664458	3097059313	2397205547	1429587647
Other Income	47078748	6031263	3117889	2118874	513240
<b>Total Revenue</b>	<b>3486565109</b>	<b>3814695721</b>	<b>3100177202</b>	<b>2399324421</b>	<b>1430100887</b>
<b>Expenses</b>					
Purchase of stock-in-trade	3125196658	3694089917	3022024798	2403442825	1416581417
Changes in inventories of finished goods, work-in-progress and stock-in-trade	192305962	-30812145	-55674519	-109857261	-51357391
Direct Expenses	34268561	38616365	28555548	26658558	32871861
Employees Benefit Expenses	14661436	9725431	7273000	3902000	2902430
Finance Cost	37090721	30422886	29429319	27911114	24619080
Depreciation & Amortization Expenses	246355	244348	215588	288992	370534
Other Administrative Expenses	11372431	5244272	9755980	1359732	1817644
<b>Total Expenses</b>	<b>3415142124</b>	<b>3747531074</b>	<b>3041579714</b>	<b>2353705960</b>	<b>1427805575</b>
<b>Profit before exceptional and extraordinary items and tax</b>	<b>71422985</b>	<b>67164647</b>	<b>58597488</b>	<b>45618461</b>	<b>2295312</b>
<b>Exceptional items</b>	<b>83019</b>	<b>83019</b>	<b>83019</b>	<b>83019</b>	<b>83019</b>
<b>Profit before extraordinary items and tax</b>	<b>71339966</b>	<b>67081628</b>	<b>58514469</b>	<b>45535442</b>	<b>2212293</b>
<b>Extraordinary/Exceptional items</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Profit before tax</b>	<b>71339966</b>	<b>67081628</b>	<b>58514469</b>	<b>45535442</b>	<b>2212293</b>
<b>Tax Expenses</b>					
Current Tax	17907802	18690409	19378562	14540583	694301
Short or Excess Provision	-6875	436124	0	14677	0
Deferred Tax	-31773	-28300	-29833	-12671	-1734
<b>Profit(Loss) for the period</b>	<b>53470812</b>	<b>47983395</b>	<b>39165741</b>	<b>30992853</b>	<b>1519726</b>



### STATEMENT OF DIVIDEND

The declaration and payment of dividends on our Equity Shares will be recommended by the Board of Directors and approved by the shareholders of our Company, at their discretion, and will depend on a number of factors, including but not limited to the profits, cash flows, capital expenditure, capital requirements and overall financial condition. The Board may also from time to time pay interim dividend.

The Dividend payout for the preceding ten (10) years is as under:

Financial Year	% of paid-up share capital	Amount (Rs. Lacs)
2010-11	-	-
2011-12	-	-
2012-13	-	-
2013-14	-	-
2014-15	-	-
2015-16	-	-
2016-17	-	-
2017-18	-	-
2018-19	-	-
2019-20	-	-

The declaration and payment of dividend depends upon a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

### STATEMENT OF CASH BONUSES

The statement of cash bonuses for the preceding ten (10) years is as under.

Financial Year	Amount (Rs. Lacs)
2010-11	-
2011-12	-
2012-13	-
2013-14	-
2014-15	-
2015-16	-
2016-17	-
2017-18	-
2018-19	-
2019-20	-



### **GENERAL INFORMATION**

Our Company was incorporated as Moksh Ornaments Private Limited on July 19, 2012 under the Companies Act, 1956 and a certificate of incorporation was issued by the Registrar of Companies, Maharashtra, Mumbai on July 19, 2012. Our Company, upon incorporation, took over businesses carried on by Amrit J. Shah and Jawanmal M. Shah as a sole proprietor of M/s. Jineshwar Gold and M/s. Padmavati Jewels respectively. Our Company was subsequently converted into public limited Company pursuant to special resolution passed at the Extra-Ordinary General Meeting of our company held on August 30, 2017 and the name of our Company was changed to Moksh Ornaments Limited. A fresh certificate of incorporation consequent upon conversion to public limited Company was issued by the Registrar of Companies, Mumbai dated September 07, 2017.

### **REGISTERED OFFICE:**

B-405/1, B-405/2, 4th floor, 99, Mulji Jetha Bldg,  
Kalbadevi Road, Vitthalwadi, Kalbadevi.  
Mumbai – 400 002, Maharashtra.  
**Tel:** 022-40041473

**Email Id:** [cs@mokshornaments.com](mailto:cs@mokshornaments.com), [jineshwar101@gmail.com](mailto:jineshwar101@gmail.com)

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

**COMPANY REGISTRATION NUMBER:** 233562

**COMPANY IDENTIFICATION NUMBER:** L36996MH2012PLC233562

### **BOARD OF DIRECTORS**

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

<b>SR.NO.</b>	<b>NAME</b>	<b>DESIGNATION</b>	<b>DIN</b>	<b>ADDRESS</b>
1.	Amrit Jawanmal Shah	Managing Director	05301251	505, Kamal Darshan Tower, Chvda Gally, Lalbaug, Mumbai-400012, Maharashtra, India.
2.	Jawanmal Moolchand Shah	Whole Time Director	05301300	505, Kamal Darshan Tower, Chvda Gally, Lalbaug, Mumbai-400012, Maharashtra, India.
3.	Sangeeta Amritlal Shah	Non-Executive Director	05301330	505, Kamal Darshan Tower, Chvda Gally, Lalbaug, Mumbai-400012, Maharashtra, India.
4.	Nirali Haresh Shah	Independent Director	07666165	B-201, Dilbahar CHS, East Cross Lane, Near Hi-Life Mall, Santacruz (West), Mumbai-400054, Maharashtra, India.
5.	Mitwa Nayan Shah	Independent Director	08869161	561/17, Shankar Chs, Sector-5, Charkop, Kandivali (West) Mumbai – 400067, Maharashtra India.
6.	Hardik Makwana	Independent Director	09103236	Room No 4, Subhadra Ganpat Shinde Chawl, Ambawadi, Dahisar(East).



SR.NO.	NAME	DESIGNATION	DIN	ADDRESS
				Mumbai - 400068. Maharashtra. India.

**Company Secretary and Compliance Officer**

**Ms. Charmy Harish Variya**

Company Secretary,  
B-405/1, B-405/2, 4th floor, 99, Mulji Jetha Bldg,  
Kalbadevi Road, Vitthalwadi, Kalbadevi.  
Mumbai - 400 002, Maharashtra.

**Tel:** 022-40041473

**Email Id:** [cs@mokshornaments.com](mailto:cs@mokshornaments.com), [jineshwar101@gmail.com](mailto:jineshwar101@gmail.com)

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

**Chief Financial Officer**

**Mr. Purvesh Amrit Shah**

Chief Financial Officer  
B-405/1, B-405/2, 4th floor, 99, Mulji Jetha Bldg,  
Kalbadevi Road, Vitthalwadi, Kalbadevi.  
Mumbai - 400 002, Maharashtra.

**Tel:** 022-40041473

**Email Id:** [cs@mokshornaments.com](mailto:cs@mokshornaments.com), [jineshwar101@gmail.com](mailto:jineshwar101@gmail.com)

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

**Registrar to the Company**

**BIGSHARE SERVICES PVT. LTD**

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,  
Makwana Road, Marol, Andheri East, Mumbai, Maharashtra, 400059

**Tel:** 022 - 62638200; **Fax:** 022 - 62638299

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

**E-mail:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)

Now the Equity Shares of the Company i.e. Moksh Ornaments Limited, shall be admitted to main platform of NSE. Such admission for trading will be subject to fulfillment by the Company of listing criteria of main platform of NSE and also subject to such other terms and conditions as may be prescribed by NSE at the time of the application by the Company seeking listing.

**Eligibility Criteria**

The Company is submitting its Information Memorandum, containing information about itself, making disclosures, as applicable, to NSE for making the said Information Memorandum available to public through their website viz. [www.nseindia.com](http://www.nseindia.com). The Shareholders of Moksh Ornaments Limited has approved the migration to main platform of NSE vide Postal Ballot results declared on 01<sup>st</sup> March, 2021 in accordance with Regulation 277 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

**Prohibition by SEBI**

The Company, its Directors, its Promoters, other Companies promoted by the Promoters and companies with which the Company's Directors are associated as directors have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.



### **Caution**

The Company accepts no responsibility for statements made otherwise than in the Information Memorandum or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by the Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner.

### **Disclaimer Clause of NSE**

As required, a copy of this Information Memorandum is being submitted to NSE. The NSE does not in any manner:

- warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; or
- warrant that this Company's securities will be traded or will continue to be traded on the NSE; or
- 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 to mean that this Information Memorandum has been cleared or approved by the NSE. Every person who desires to acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the NSE 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.

### **Filing**

Copies of this Information Memorandum have been filed with NSE in due compliance.

### **Demat Credit**

The Company has executed Agreements with NSDL and CDSL for its securities in demat form.

### **Dematerialisation of Shares**

Tripartite agreements have been signed between the Company, the Registrar and CDSL and NSDL. The ISIN No. allotted to the Company is INE514Y01012.



## CAPITAL STRUCTURE

Our Share Capital as on the date of this Information Memorandum is set forth below:

Sr. No	Particulars	Aggregate value at face value
<b>A.</b>	<b>Authorized share capital</b>	
	1,10,00,000 Equity Shares of Rs. 10/- each.	11,00,00,000
<b>B.</b>	<b>Issued, subscribed and paid-up share capital</b>	
	1,07,32,011 Equity Shares of Rs. 10/- each	10,73,20,110

### NOTES TO CAPITAL STRUCTURE

#### 1. Equity Share capital history of our Company

Date of/ issue allotment of Shares	No. of Equity Shares Issued	Face value (Rs.)	Issue price (Rs.)	Consideration (cash, bonus, consideration other than cash)	Nature of allotment (Bonus, swap etc.)	Cumulative no. of Equity Shares	Cumulative paid-up share capital (Rs.)
On Incorporation	5,00,000	10	10	Cash	Subscription to MOA	5,00,000	50,00,000
19/12/2014	13,33,374	10	15	Cash	Right Issue in the ratio of 8 Equity Shares for every 3 Equity Shares	18,33,374	1,83,33,740
05/08/2015	33,33,300	10	15	Cash	Right Issue in the ratio of 91 Equity Shares for every 50 Equity Shares	51,66,674	5,16,66,740
07/08/2017	25,83,337	10	NIL	Other than Cash	Bonus in the ratio of 1 Equity Share for every 2 Equity Share	77,50,011	7,75,00,110
29/12/2017	29,82,000	10	37	Cash	Initial Public Offer	1,07,32,011	10,73,20,110

**Notes:**

(i) For consideration other than cash:

We have not issued any Equity Shares for consideration other than cash except as detailed below:

Date of/ issue allotment of Shares	No. of Equity Shares Issued	Face value (Rs)	Issue price (Rs.)	Consideration (cash, bonus, consideration other than cash)	Nature of allotment (Bonus, swap etc.)
07/08/2017	25,83,337	10	NIL	Bonus in the ratio of 1 Equity Share for every 2 Equity Share	Bonus Issue



(ii) At a premium or discount,

There are no shares issued at premium or discount since incorporation of company except as detailed below:

Date of/ issue allotment of Shares	No. of Equity Shares Issued	Face value (Rs)	Issue price (Rs.)	Consideration (cash, bonus, consideration other than cash)	Nature of allotment (Bonus, swap etc.)
05/08/2015	33,33,300	10	15	Cash	Rights Issue
29/12/2017	29,82,000	10	37	Cash	Initial Public Offer

(iii) In pursuance of option:

There are no shares issued pursuant to any option, since incorporation of company.



## 2. Shareholding Pattern of our Company

The table below presents our shareholding pattern as on 31<sup>st</sup> December, 2020.

Table I - Summary of Shareholding Pattern

Table I - SUMMARY STATEMENT HOLDING OF SPECIFIED SECURITIES																		
Category (I)	Category of shareholder (II)	No.s of Shares held (III)	No. of fully paid up equity Shares held (IV)	No. of Partly paid up equity Shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)= (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C 2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a % of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C 2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights					Total as a % of (A+B+C)	No. (a)	As a % of total shares held (b)	No. (a)		As a % of total shares held (b)
								Class Equity x	Class Others y	Total								
(A)	<b>Promoter &amp; Promoter Group</b>	8	8020011	0	0	8020011	74.7298	8020011	0	8020011	74.7298	0	74.7298	2366655	29.5094	0	0.0000	8020011
(B)	<b>Public</b>	356	2712000	0	0	2712000	25.2702	2712000	0	2712000	25.2702	0	25.2702	0	0.0000	0	0.0000	2712000
(C)	<b>Non Promoter-Non Public</b>	0	0	0	0	0	0	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
(C1)	<b>Shares underlying DRs</b>	0	0	0	0	0	NA	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0



(C 2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0.00	0	0.0000	0	0.00	NA	NA	0
	<b>Total</b>	364	1073 2011	0	0	107320 11		#### ####	0	#### ####	100. 0000	0	100.000 0	236 665 5	22.0 523			107320 11

Table II – Statement showing Shareholding Pattern of the Promoter and Promoter Group

Category & Name of the shareholders (I)	PAN (II)	No of Share holders (III)	No of fully paid up equity Shares held (IV)	Partly paid up equity Shares held (V)	No. of shares under Depository Receipts (VI)	Total nos. shares held (VII)= (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C 2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a % of diluted share capital) (XI)=(V II)+(X) As a % of (A+B+C 2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights		Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)		
								Class Equity x	Class Others y									Total
1	Indian																	



(a)	<b>Individuals/Hindu undivided Family</b>																		
	JAWAN MAL MOOLC HAND SHAH	AACPJ3 081E	1	3100005	0	0	3100005	28.8856	3100005	0	3100005	28.8856	0	28.8856	2366655	76.3436	0	0.0000	3100005
	AMRIT JAWAN MALJI SHAH	AOFPS5 466R	1	3100001	0	0	3100001	28.8856	3100001	0	3100001	28.8856	0	28.8856	0	0.0000	0	0.0000	3100001
	Total		2	6200006	0	0	6200006	57.7711	6200006	0	6200006	57.7711	0	57.7711	2366655	38.1718	0	0.0000	6200006
(b)	<b>Central Government/State Government(s)</b>																		
			0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
	Total		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(c)	<b>Financial Institutions/Banks</b>																		
			0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
	Total		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(d)	<b>Any Other(DIRECTORS RELATIVES)</b>																		
	SANGEE TA AMRITLAL SHAH	AADPS 8604F	1	775001	0	0	775001	7.2214	775001	0	775001	7.2214	0	7.2214	0	0.0000	0	0.0000	775001



	JAWAN MAL MOOLC HAND SHAH HUF	AAEHJ8 995F	1	1	0	0	1	0.0000	1	0	1	0.00 00	0	0.0000	0	0.00 00	0	0.0 000	1
	AMRIT JAWAN MAL SHAH HUF	AAMHS 3898A	1	1	0	0	1	0.0000	1	0	1	0.00 00	0	0.0000	0	0.00 00	0	0.0 000	1
	VIMLA JAWAN MALJI SHAH	ADOPJ5 258Q	1	7750 01	0	0	775001	7.2214	7750 01	0	7750 01	7.22 14	0	7.2214	0	0.00 00	0	0.0 000	775001
	PURVES H AMRIT SHAH	BLJPS1 838R	1	2010 01	0	0	201001	1.8729	2010 01	0	2010 01	1.87 29	0	1.8729	0	0.00 00	0	0.0 000	201001
	HARSHI TA AMRIT SHAH	BLKPS9 057B	1	6900 0	0	0	69000	0.6429	6900 0	0	6900 0	0.64 29	0	0.6429	0	0.00 00	0	0.0 000	69000
	Total		6	182 000 5	0	0	18200 05	16.958 7	182 000 5	0	182 000 5	16.9 587	0	16.958 7	0	0.00 00	0	0.0 000	182000 5
	Sub- Total (A)(1)		8	802 001 1	0	0	80200 11	74.729 8	802 001 1	0	802 001 1	74.7 298	0	74.729 8	236 665 5	29.5 094	0	0.0 000	802001 1
<b>2</b>	<b>Foreign</b>																		
<b>(</b>	<b>Individuals(Non-Resident Individuals/Foreign Individuals)</b>																		
<b>a</b>																			
<b>)</b>																			
			0	0	0	0	0	0.0000	0	0	0	0.00 00	0	0.0000	0	0.00 00	0	0.0 000	0
	Total		0	0	0	0	0	0.0000	0	0	0	0.00 00	0	0.0000	0	0.00 00	0	0.0 000	0



(b)	<b>Government</b>																		
			0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	
	Total		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	
(c)	<b>Institutions</b>																		
			0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	
	Total		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	
(d)	<b>Foreign Portfolio Investor</b>																		
			0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	
	Total		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	
	Sub-Total (A)(2)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	
	<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+ (A)(2)</b>		<b>8</b>	<b>8020011</b>	<b>0</b>	<b>0</b>	<b>8020011</b>	<b>74.7298</b>	<b>8020011</b>	<b>0</b>	<b>8020011</b>	<b>74.7298</b>	<b>0</b>	<b>74.7298</b>	<b>2366655</b>	<b>29.5094</b>	<b>0</b>	<b>0.0000</b>	<b>8020011</b>

Table III - Statement showing Shareholding Pattern of the Public shareholder



	Category & Name of the shareholders (I)	PAN (II)	No.s of Share holders (III)	No. of fully paid up equity Share held (IV)	Partly paid-up equity Share held (V)	No.s of shares under lying Depository Receipts (VI)	Total nos. shares held (VII)= (IV)+(V)+(VI)	Shareholding % calculated as per SCRR,1957) As a % of (A+B+C 2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C 2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights		Total as a % of Total Voting Rights			No. (a)	As a % of total shares held (b)	No. (Not applicable) (a)	As a % of total shares held (b)		
									Class Equity x	Class Others y									Total
<b>1</b>	<b>Institutions</b>																		
(a)	Mutual Funds		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
(b)	Venture Capital Funds		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
(c)	Alternate Investment Funds		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0



(d)	Foreign Venture Capital Investors	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
(e)	Foreign Portfolio Investors	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
(f)	Financial Institution/Banks	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
(g)	Insurance Companies	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
(h)	Provident Funds/ Pension Funds	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
	<b>SUB TOTAL (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0.0000</b>	<b>NA</b>	<b>NA</b>	<b>0</b>
<b>2</b>	<b>Central / State government(s)</b>																	
(a)	Central Government/ State Government(s)/President of India	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
	<b>SUB TOTAL (B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0.0000</b>	<b>NA</b>	<b>NA</b>	<b>0</b>
<b>3</b>	<b>Non-institutions</b>																	
(a.1)	Individuals - i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	288	127500	0	0	127500	11.8803	127500	0	127500	11.8803	0	11.8803	0	0.0000	NA	NA	127500
(a.2)	INDIVIDUAL - ii. Individual shareholders holding nominal	18	708000	0	0	708000	6.5971	708000	0	708000	6.5971	0	6.5971	0	0.0000	NA	NA	708000



share capital in excess of Rs. 2 lakhs.																			
(b)	NBFCs registered with RBI	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0	
(c)	Employee Trusts	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0	
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0	
(e)	Any Other(BODIES CORPORATE)	5	156000	0	0	156000	1.4536	156000	0	156000	1.4536	0	1.4536	0	0.0000	NA	NA	156000	
(e)	Any Other(CLEARING MEMBER)	2	324000	0	0	324000	3.0190	324000	0	324000	3.0190	0	3.0190	0	0.0000	NA	NA	324000	
	SHRENI SHARES PRIVATE LIMITED	AANCS 4073K	1	321000	0	0	321000	2.9911	321000	0	321000	2.9911	0	2.9911	0	0.0000	0	0	321000
(e)	Any Other(HINDU UNDIVIDED FAMILY)	40	228000	0	0	228000	2.1245	228000	0	228000	2.1245	0	2.1245	0	0.0000	NA	NA	228000	
(e)	Any Other(NON RESIDENT INDIANS (NRI))	3	21000	0	0	21000	0.1957	21000	0	21000	0.1957	0	0.1957	0	0.0000	NA	NA	21000	
	SUB TOTAL (B)(3)		356	271200	0	0	271200	25.2702	271200	0	271200	25.2702	0	25.2702	0	0.0000	NA	NA	271200
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		356	271200	0	0	271200	25.2702	271200	0	271200	25.2702	0	25.2702	0	0.0000	0	NA	271200



Table IV - Statement showing Shareholding Pattern of the Non Promoter- Non Public shareholder

Category & Name of the shareholders (I)	PAN (II)	No. of Shareholders (III)	No. of fully paid up equity Share held (IV)	Partly paid up equity Share held (V)	No.s of shares underlying Depository Receipts (VI)	Total no. shares held (VII)= (IV)+(V)+(VI)	Shareholding % calculated as per SCRR,1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total Shareholding, as a % assuming full conversion of convertible securities (as a % of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights					Total as a % of (A+B+C)	No. (Not applicable) (a)	As a % of total shares held (Not applicable) (b)			
								Class Equity (x)	Class Others (y)	Total						No. (a)		As a % of total shares held (b)
<b>1</b>	<b>Custodian/DR Holder</b>																	
I			0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
	<b>Total Non Promoter- Non Public Shareholding (C)=(C)(1)+(C)(2)</b>		0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0



### 3. Equity Shares held by top ten shareholders

Our top ten shareholders and the number of Equity Shares held by them as on date 26<sup>th</sup> March, 2021.

Sr. No.	Name of the Shareholders	No. of Shares	% age
1.	Jawanmal Moolchand Shah	3100005	28.89
2.	Amrit Jawanmalji Shah	3100001	28.89
3.	Sangeeta Amritlal Shah	775001	7.22
4.	Vimla Jawanmalji Shah	775001	7.22
5.	Shreni Shares Private Limited	345000	3.21
6.	Purvesh Amrit Shah	201001	1.87
7.	Jayesh Dhirajlal Shah	96000	0.89
8.	Nikesh Shantilal Jain	84000	0.78
9.	Devansh N Jain	84000	0.78
10.	Preeti Aggarwal	75000	0.7

4. As on date of this Information Memorandum, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares.
5. As on date of this information memorandum, the entire issued capital of our company is fully paid up.
6. No payment, direct, indirect in the nature of brokerage, discount, commission, and allowance, or other special terms including an option for the issue of any kind of securities granted to any person.
7. There is no outstanding instrument including warrants pending conversion in to shares as on date.



## SECTION IV – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

The Industry information presented in this section has been extracted from publicly available documents, which have not been prepared or independently verified by our Company. In this Section, we have relied on and referred to information regarding the industry and competitors from market research reports, and other publicly available sources. Although we believe that this information is reliable, we have not independently verified the accuracy and completeness of the information.

#### Introduction

The gems and jewellery sector plays a significant role in the Indian economy, contributing around 7% to country's GDP and 15% to India's total merchandise export. It employs over 4.64 million people, which is expected to reach 8.23 million by 2022. One of the fastest growing sectors, it is extremely export oriented and labour intensive.

Based on its potential for growth and value addition, the Government declared gems and jewellery sector as a focus area for export promotion. The Government has undertaken various measures recently to promote investment and upgrade technology and skills to promote 'Brand India' in the international market.

India exports 75% of the world's polished diamonds as per statistics from the Gem and Jewellery Export Promotion Council (GJEPC). India's Gems and Jewellery sector has been contributing in a big way to the country's foreign exchange earnings (FEEs). Government has viewed this sector as a thrust area for export promotion. The Indian Government presently allows 100% Foreign Direct Investment (FDI) in the sector through the automatic route. The sector employs over 4.64 million employees, which is expected to touch 8.23 million by 2022.

#### Market size

India's gems and jewellery sector is one of the largest in the world, contributing 29% to the global jewellery consumption. The sector is home to more than 300,000 gems and jewellery players. Its market size will grow by US\$ 103.06 billion during 2019–2023.

India's demand for gold reached 690.4 tonnes in 2019. In FY21\*\*, exports of gems & jewellery stood at US\$ 11.62 billion. In the same period, India exported cut and polished diamonds worth US\$ 18.66 billion, thereby contributing 52.4% to the total gems and jewellery export.

India's import of gems and jewellery stood at US\$ 24.41 billion in FY20 and for FY21\* imports accounted to US\$ 4.23 billion.

#### Investments/Developments

The gems and jewellery sector is witnessing changes in consumer preferences due to adoption of western lifestyle. Consumers are demanding new designs and varieties in jewellery, and branded jewellers have managed to fulfil their changing demands better than the unorganised players. Moreover, increase in per capita income has led to an increase in sales of jewellery as jewellery is a status symbol in India.

Cumulative FDI inflows in diamond and gold ornaments in India stood at US\$ 1,183.07 million between April 2000 and September 2020 according to Department for Promotion of Industry and Internal Trade (DPIIT).

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



In December 2020, in collaboration with Persistent Systems & IIT- Bombay, the Gem & Jewellery Skills Council of India (GJSCI) launched a Centre of Excellence (CoE) for Jewellery Artificial Intelligence & Data-science Excellence (J.A.D.E.), which will boost incorporation of AI, ML and data science techniques into the gem and jewellery industry.

In November 2020, Platinum Guild International (PGI) launched their new 'Men of Platinum' collection for men in leading retail stores across India.

In April 2020, majority of the players in the Indian market like Malabar Gold, Tanishq, and Joyalukkas offered jewellery online for Akshay Tritiya.

Companies such as PC Jewellers, PNG Jewellers and Popley and Sons are planning to introduce a virtual-reality (VR) experience for their customers. The customer will have to wear a VR headset, through which they can select any jewellery, see it from different angles and zoom it to view intricate designs.

### **Government Initiatives**

- Indian Government made hallmarking mandatory for Gold Jewellery and Artefacts. A period of one year is provided for implementation i.e. till January 2021.
  - In December 2020, All India Gem and Jewellery Domestic Council (GJC) welcomed the decision to make hallmarking compulsory from June 2021 in a phased manner; urged the government to examine the key concerns of the industry for smooth implementation of the initiative.
- In November 2020, Chairman of Gems and Jewellery Export Promotion Council, Mr. Colin Shah, proposed lowering import duties on gold from 12.5% to 4.5% and on diamonds from 7.5% to 2.5%. The proposal is under consideration.
- As per Union Budget 2019–20, the GST rate was reduced from 18% to 5% (\*5% without Input Tax Credit (ITC)) for services by way of job work in relation to gems and jewellery, leather goods, textiles etc.
- The Bureau of Indian Standards (BIS) has revised the standard on gold hallmarking in India from January 2018. The gold jewellery hallmark will now carry a BIS mark, purity in carat and fitness as well as the unit's identification and the jeweller's identification mark. The move is aimed at ensuring a quality check on gold jewellery.
- The Gem and Jewellery Export Promotion Council (GJEPC) signed a memorandum of understanding (MoU) with Maharashtra Industrial Development Corporation (MIDC) to build India's largest jewellery park in at Ghansoli in Navi-Mumbai on 25 acres land with a capacity to have more than 5000 jewellery units of various sizes ranging from 500–10,000 square feet. The overall investment will be of Rs. 13,500 crore (US\$ 2.09 billion).



# GEMS AND JEWELLERY



## MARKET SIZE



Market Size: US\$ **100 billion** by 2025



More than **300,000** gems and jewellery players



Contributes about **7%** to India's Gross Domestic Product



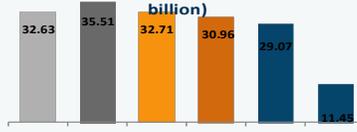
Employs over **4.64 million** people



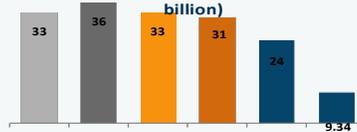
## SECTOR COMPOSITION



Net Export of Gems and Jewellery (US\$ billion)



Import of Gems and Jewellery (US\$ billion)



Source: GJEPC \* - between April 2020 and November 2020

### Share of major segments in total gems and jewellery export during FY21\*



Source: GJEPC \* - between April 2020 and November 2020



## KEY TRENDS



Source: GJEPC \* - between April 2020 and November 2020



### BIS Hallmark Scheme



### Sovereign Gold Bond Scheme

## GOVERNMENT INITIATIVES

### Gold Monetisation Scheme

- Robust demand:** Between November and December 2020, India's gems and jewellery exports achieved pre-COVID-19 peaks on the back of growing demand in all key markets, including the US.
- Increasing investments:** The cumulative foreign direct investment (FDI) inflows in diamond and gold ornaments stood at US\$ 1,265.67 million between April 2008 and September 2020.
- Policy support:** The Government has permitted 100% FDI under the automatic route in this sector.
- Attractive opportunities:** The Indian middle class is expected to touch 547 million by 2025, a subsequent rise in the young Indian middle-class working population, which is expected to increase the demand for gold.

## ADVANTAGE INDIA

(Source: [www.ibef.org](http://www.ibef.org))



## HISTORY AND CORPORATE STRUCTURE

Our Company was incorporated as Moksh Ornaments Private Limited on July 19, 2012 under the Companies Act, 1956 and a certificate of incorporation was issued by the Registrar of Companies, Maharashtra, Mumbai on July 19, 2012. Our Company, upon incorporation, took over businesses carried on by Amrit J. Shah and Jawanmal M. Shah as a sole proprietor of M/s. Jineshwar Gold and M/s. Padmavati Jewels respectively. Our Company was subsequently converted into public limited Company pursuant to special resolution passed at the Extra-Ordinary General Meeting of our company held on August 30, 2017 and the name of our Company was changed to Moksh Ornaments Limited. A fresh certificate of incorporation consequent upon conversion to public limited Company was issued by the Registrar of Companies, Mumbai dated September 07, 2017.

Our Corporate Identification Number is U36996MH2012PLC233562.

The promoters of our Company are Amrit J. Shah and Mr. Jawanmal M. Shah.

### Changes in the Registered Office of our Company

As on the date of this Information Memorandum, the Registered Office of our Company is located at 701, 18/22, Champagali, 7<sup>th</sup> Floor, Zaveri Bazar, Mumbai-400002, Maharashtra, India. There has been no change in the address of the registered office of our Company since incorporation.

### Main Objects of our Company

The main objects of our Company as contained in our Memorandum of Association are as set forth below:

1. To take over the running business of M/s. Jineshwar Gold proprietary concern of Shri Amrit Jawanmal Shah and M/s. Padmavati Jewels, proprietary concern of Jawanmal Mulchand Jain along with all its assets and liabilities and the firm stand dissolved and to carry on the business of manufacturers, importers, exporters, buyers, sellers, dealers, distributors, wholesalers, retailers, commission agent, traders, assemblers, designers, sewers, cutters, polishers and job workers of all categories of diamonds, rough diamonds, pearls, emeralds, rubies, gems, jewellery, platinum ornaments, gold ornaments, silver utensils, cut and uncut diamonds, including industrial grades, precious stones, semi-precious stones, precious metals, stainless steel and other metals jewellery, studded jewellery ornaments, watches and such other valuable articles therefrom.
2. To do the business and carry on the activities of manufacturing, cleaning, sawing, cutting, polishing, processing, assorting and of buying, selling importing, exporting, supplying, distributing, disposing and dealing as agents and retailers in cut and uncut diamonds, industrial diamonds, Board, cut and uncut precious and semi-precious stones and pearls and to act as recognized Export house and Trading house and to represent foreign companies and to provide them consultation for Indian Market.

### Amendments to the Memorandum of Association

The following changes have been made in the Memorandum of Association of our Company since inception:

Date of Shareholders Resolution	Nature of Amendment
November 14, 2014	Authorised share capital of our Company was increased from Rs. 50,00,000 consisting of 5,00,000 Equity Shares of Rs. 10.00 each to Rs. 3,00,00,000 consisting of 30,00,000 Equity shares of Rs.10.00 each.
July 14, 2015	Authorised share capital of our Company was increased from Rs. 3,00,00,000 consisting of 30,00,000 Equity Shares of Rs.10.00 each to Rs. 7,50,00,000 consisting of 75,00,000 Equity shares of Rs.10.00 each.



July 28, 2017	Authorised share capital of our Company was increased from Rs. 7,50,00,000 consisting of 75,00,000 Equity Shares of Rs.10.00 each to Rs. 11,00,00,000 consisting of 1,10,00,000 Equity shares of Rs.10.00 each.
July 28, 2017	Adoption of new set of Memorandum of Association as per the Companies Act, 2013.
August 30, 2017	Amendment to the Memorandum of Association to reflect the change in name of our company from <i>Moksh Ornaments Private Limited</i> to <i>Moksh Ornaments Limited</i> .

### Major Events and Milestones

The table below sets forth the key events in the history of our Company:

Year	Particulars
2012	Incorporation of our company
2017	Conversion of Private Limited Company to Public Limited Company

### Revaluation of Assets

Our Company has not revalued its assets since its incorporation.

### Injunctions or restraining order against our Company

There are no injunctions or restraining orders against our Company.

### Guarantees provided by our Promoters

Our Promoters have not given any guarantees to third parties that are outstanding as on the date of filing of this Information Memorandum.

### Changes in the Activities of our Company during the last five years

There have been no changes in the activities of our Company during the last five years which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

### Changes in the Management

There has been no change in the management in last 3 years.

### Defaults or rescheduling of borrowings from financial institutions/ banks and conversion of loans into equity

No defaults have been called by any financial institution or bank in relation to borrowings from financial institutions or banks. For details of our financing arrangements, this Information Memorandum. Further, none of our loans have been rescheduled or been converted into Equity Shares.

### Lock outs and strikes

There have been no lock outs or strikes at any of the units of our Company.



## MANAGEMENT

### Board of Directors

Our Company currently has Six (6) Directors on Board. The following table sets forth current details regarding our Board of Directors:

Name, Father's name, Address, Occupation, Nationality, tenure & DIN	Date of Appointment	Age	Status of Directorship in our Company	Other Directorships
<p><b>Amrit J. Shah</b></p> <p><b>Address:</b> 505, Kamal Darshan Tower, Chvda Gally, Lalbaug, Mumbai-400012, Maharashtra, India.</p> <p><b>Designation:</b> Managing Director</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Re-appointed for a period of 5 years w.e.f. September 28, 2017</p> <p><b>PAN:</b> AOFPS5466R</p> <p><b>DIN:</b> 05301251</p>	19 <sup>th</sup> July, 2012	48 years	Managing Director	Indian public limited companies Nil Indian private limited companies Nil Limited Liability Partnerships Nil
<p><b>Jawanmal M. Shah</b></p> <p><b>Address:</b> 505, Kamal Darshan Tower, Chvda Gally, Lalbaug, Mumbai-400012, Maharashtra, India.</p> <p><b>Designation:</b> Whole-Time Director</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Appointed as Whole-time Director for a period of Five years w.e.f. September 30, 2020</p> <p><b>PAN:</b> AACPJ3081E</p> <p><b>DIN:</b> 05301300</p>	19 <sup>th</sup> July, 2012	77 years	Whole-Time Director	Indian public limited companies Nil Indian private limited companies Nil Limited Liability Partnerships Nil
<p><b>Sangeeta A. Shah</b></p> <p><b>Address:</b> 505, Kamal Darshan Tower, Chvda Gally, Lalbaug,</p>	19 <sup>th</sup> July, 2012	47 years	Non – Executive & Non-Independent Director	Indian public limited companies Nil



<p>Mumbai-400012, Maharashtra, India.</p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> : Liable to Retire by Rotation</p> <p><b>PAN:</b> AADPS8604F</p> <p><b>DIN:</b> 05301330</p>				<p>Indian private limited companies</p> <p>Nil</p> <p>Limited Liability Partnerships</p> <p>Nil</p>
<p><b>Ms. Nirali Haresh Shah</b> D/o Mr. Haresh Shah</p> <p><b>Address:</b> B -201, Dilbahar Chs, East Cross Lane, Near Hi- Life Mall, Santacruz ( West) Mumbai, Maharashtra India 400054</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Tenure:</b> Retire by Rotation</p> <p><b>DIN:</b> 07666165</p>	21 <sup>st</sup> August, 2018	29 years	Non-Executive & Independent Director	<p>Indian public limited companies</p> <p>Nil</p> <p>Indian private limited companies</p> <p>Nil</p> <p>Limited Liability Partnerships</p> <p>Nil</p>
<p><b>Ms. Mitwa Nayan Shah</b> D/o Mr. Nayan Shah</p> <p><b>Address:</b> 561/17, Shankar Chs, Sector-5, Charkop, Kandivali (West) Mumbai, Maharashtra, India, 400067</p> <p><b>Occupation:</b> Service</p> <p><b>Nationality:</b> Indian</p> <p><b>Tenure:</b> Retire by Rotation</p> <p><b>DIN:</b> 08869161</p>	10 <sup>th</sup> September, 2020	24 years	Non-Executive & Independent Director	<p>Indian public limited companies</p> <p>Nil</p> <p>Indian private limited companies</p> <p>Nil</p> <p>Limited Liability Partnerships</p> <p>Nil</p>
<p><b>Mr. Hardik Makwana</b> S/o Mr Pravinbhai Makwana</p> <p><b>Address:</b> Room No 4, Subhadra Ganpat Shinde Chawl, Ambawadi, Dahisar (East). Mumbai – 400068. Maharashtra. India.</p> <p><b>Occupation:</b> Service</p> <p><b>Nationality:</b> Indian</p>	16th March 2021	26 years	Non-Executive & Independent Director	<p>Indian public limited companies</p> <p>Nil</p> <p>Indian private limited companies</p> <p>Nil</p> <p>Limited Liability</p>



<b>Tenure:</b> Retire by Rotation <b>DIN:</b> 09103236				Partnerships Nil
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**Details of Directors:-**

**Mr. Amrit J. Shah** aged 48 years, is the Promoter and Managing Director of our Company. He holds a degree in Bachelors of Commerce from the University of Mumbai. He has around 27 years of experience in the business of gold and gold ornaments. He is entrusted with the responsibility of looking after the overall management and operations, planning and implementation of the strategies of our Company. He has been on the board of our Company since its inception and has been re-appointed as a Managing Director since September 28, 2017.

**Mr. Jawanmal M. Shah** aged 77 years, is the Promoter and Whole-Time Director of our Company. He has completed his Bachelor of Commerce from the University of Mumbai. He has more than 40 years of experience in the business of gold and gold ornaments. He has been on the board of our Company since inception and has been designated as Whole-Time Director w.e.f. September 28, 2017.

**Mrs. Sangeeta A. Shah** aged 47 years, is the Non-Executive Director of our Company. She holds a Bachelor's degree in Commerce from the University of Mumbai. She has been on the board of our Company since inception and has been appointed as Non-Executive Director w.e.f. September 28, 2017.

**Ms. Nirali Haresh Shah** aged 29 years, is a Non-Executive Independent Director of our Company. She holds a degree of Bachelor in Commerce from Mumbai University. She is an Associate Member of the Institute of Companies Secretaries of India (ICSI). She has professional experience of around 6 years in the field of Legal, Secretarial compliances and business laws. She has been on the board of our Company since August 21, 2018.

**Ms. Mitwa Shah** aged 24 years, is an Additional and Independent Director of our Company. She holds a Bachelor's Degree in Commerce from University of Mumbai. She has been on board of our company and has been appointed as Additional and Independent Director W.e.f. September 10, 2020.

**Mr. Hardik Shah** aged 26 years is an Additional and Independent Director of our Company. He holds a Bachelor's Degree in Commerce from University of Mumbai. He has been on board of our company and has been appointed as Additional and Independent Director W.e.f. March 16, 2021.



## Corporate Governance

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including the Listing Agreement executed with the Stock Exchange and the SEBI Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

We have a Board constituted in compliance with the Companies Act and the Listing Agreement in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board detailed reports on its performance periodically.

Currently, our Board has Six (6) Directors. We have One (1) Managing director, One (1) Whole-Time Director, One (1) Non-Executive director and Three (3) independent non-executive directors. The constitution of our Board is in compliance with the requirements of SEBI (Listing obligations and Disclosure Requirement) Regulations, 2015.

### The following committees have been formed in compliance with the corporate governance norms:

- A) Audit Committee
- B) Stakeholders relationship Committee
- C) Nomination and Remuneration Committee

### AUDIT COMMITTEE

Our Company has constituted an audit committee ("**Audit Committee**"), as per the provisions of Section 177 of the Companies Act, 2013 and SEBI (Listing obligations and Disclosure Requirement) Regulations, 2015.

The terms of reference of Audit Committee complies with the requirements of Companies Act and SEBI LODR Regulations. The committee presently comprises following three (3) directors. Ms. Mitwa Nayan Shah is the Chairman of the Audit Committee.

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Ms. Mitwa Nayan Shah	Chairman	Independent Director
2.	Ms. Nirali Haresh Shah	Member	Independent Director
3.	Mr. Amrit Jawanmal Shah	Member	Managing Director

### Role of Audit Committee

The terms of reference of the Audit Committee are given below:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
6. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
7. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
8. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:



- a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section (3) of section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report.
9. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
  10. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
  11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
  12. 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.
  13. Discussion with internal auditors any significant findings and follow up there on.
  14. 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.
  15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
  17. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
  18. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
  19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
  20. Mandatorily reviews the following information:
    - a. Management discussion and analysis of financial condition and results of operations;
    - b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
    - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
    - d. Internal audit reports relating to internal control weaknesses; and
    - e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee
  21. Review the Financial Statements of its subsidiary company, if any.
  22. Review the composition of the Board of Directors of its Subsidiary Company, if any.
  23. Review the Vigil mechanism (whistle blowing) policy.
  24. Review the use/application of funds raised through an issue (public issues, right issues, preferential issues etc.) on a quarterly basis as a part of the quarterly declaration of financial results. Further, review on annual basis statements prepared by the Company for funds utilized for purposes other than those stated in the offer document.

In addition, to carry out such other functions/powers as may be delegated by the Board to the Committee from time to time.



## STAKEHOLDERS RELATIONSHIP COMMITTEE

Our Company has constituted a Stakeholders relationship Committee to redress the complaints of the shareholders. The committee currently comprises of three (3) Directors. Mrs. Sangeeta Amritlal Shah is the Chairman of the committee.

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Mrs. Sangeeta Amritlal Shah	Chairman	Non-Executive Director
2.	Mr. Amrit J Shah	Member	Managing Director
3.	Ms. Mitwa Nayan Shah	Member	Independent Director

Role of stakeholder Relationship committee

The Stakeholder Relationship Committee of our Board looks into:

- The Redressal of investors complaints viz. non-receipt of annual report, dividend payments etc.
- Matters related to share transfer, issue of duplicate share certificate, dematerializations.
- Also delegates powers to the executives of our Company to process transfers etc.

The status on various complaints received / replied is reported to the Board of Directors as an Agenda item.

## NOMINATION AND REMUNERATION COMMITTEE

Section 178(1) of the Companies Act, 2013 requires every listed company to constitute a Nomination and Remuneration Committee". Accordingly, during the year under review, Our Company has constituted a Nomination and Remuneration committee. The Composition of the Nomination and Remuneration Committee has been as under:

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Ms. Nirali Haresh Shah	Chairman	Independent Director
2.	Ms. Mitwa Shah	Member	Independent Director
3.	Mrs. Sangeeta Amritlal Shah	Member	Non-Executive Director

The Company Secretary of our Company shall act as the Secretary to the Nomination and Remuneration Committee. The terms of reference of the Nomination and Remuneration Committee are as follows:

- The remuneration committee recommends to the board the compensation terms of the executive directors.
- The committee to carry out evolution of every director's performance and recommend to the board his/her appointment and removal based on the performance.
- The committee to identify persons who may be appointed in senior management in accordance with the criteria laid down.
- Framing and implementing on behalf of the Board and on behalf of the shareholders, a credible and transparent policy on remuneration of executive directors including ESOP, Pension Rights and any compensation payment.
- Considering approving and recommending to the Board the changes in designation and increase in salary of the executive directors.
- Ensuring the remuneration policy is good enough to attract, retain and motivate directors.
- Bringing about objectivity in deeming the remuneration package while striking a balance between the interest of the Company and the shareholders.



## PROMOTERS

### OUR PROMOTERS

The Promoters of our Company are:

#### Individual Promoter:

1. **Mr. Amrit J. Shah**

Brief profile of our Promoters is as under:

#### Mr. Amrit J. Shah



**Mr. Amrit J. Shah** aged 48 years, is the Promoter and Managing Director of our Company. He holds a degree in Bachelors of Commerce from the University of Mumbai. He has around 20 years of experience in the business of gold and gold ornaments. He is entrusted with the responsibility of looking after the overall management and operations, planning and implementation of the strategies of our Company. He has been on the board of our Company since its inception and has been re-appointed as a Managing Director since September 28, 2017.

#### Identification

<b>Name</b>	<b>Mr. Amrit J. Shah</b>
<b>Permanent Account Number</b>	AOFPS5466R
<b>Voter ID</b>	SOK1590017
<b>Bank Account Details</b>	Indian Overseas Bank & 022201000012187
<b>Driving License</b>	MH01 19900008280
<b>AADHAR Number</b>	753000529946

2. **Mr. Jawanmal M. Shah**



**Jawanmal M. Shah** aged 77 year, is the Promoter and Whole-Time Director of our Company. He has completed his Bachelor of Commerce from the University of Mumbai. He has more than 30 years of experience in the business of gold and gold ornaments. He has been on the board of our Company since inception and has been designated as Whole-Time Director w.e.f. September 28, 2017.



### Identification

<b>Name</b>	<b>Mr. Jawanmal M. Shah</b>
<b>Permanent Account Number</b>	AACPJ3081E
<b>Voter ID</b>	SOK1052125
<b>Driving License</b>	Not Available
<b>AADHAR Number</b>	257085855414

### 3. Mrs. Sangeeta Amritlal Shah



**Sangeeta Amritlal Shah** aged 47 years, is the Non-Executive Director of our Company. She holds a Bachelor's degree in Commerce from the University of Mumbai. She has been on the board of our Company since inception and has been appointed as Non-Executive Director w.e.f. September 28, 2017.

### Identification

<b>Name</b>	<b>Mrs. Sangeeta Amritlal Shah</b>
<b>Permanent Account Number</b>	AADPS8604F
<b>Voter ID</b>	SOK1590009
<b>Driving License</b>	MH01 19930000483
<b>AADHAR Number</b>	218991800528

### 4. Mrs. Vimla Jawanmalji Shah



**Vimla Jawanmalji Shah** aged 70 years, is the promoter of our Company. She is S.S.C. passed.



<b>Identification</b>	
<b>Name</b>	<b>Mrs. Vimla Jawanmalji Shah</b>
<b>Permanent Account Number</b>	ADOPJ5258Q
<b>Voter ID</b>	SOK1052075
<b>Driving License</b>	Not Available
<b>AADHAR Number</b>	776047411259

#### 5. Mr. Purvesh Shah

	<p><b>Purvesh Shah</b> aged 25 years, is the promoter of our Company. He holds a Bachelor's degree in Commerce from the University of Mumbai. He has been appointed as Chief Financial Officer of the Company w.e.f. August 21, 2017.</p>
<b>Identification</b>	
<b>Name</b>	<b>Mr. Purvesh Shah</b>
<b>Permanent Account Number</b>	BLJPS1838R
<b>Voter ID</b>	SOK5134994
<b>Driving License</b>	MH01 20140017999
<b>AADHAR Number</b>	715599450958



#### 6. Ms. Harshita Amrit Shah



**Harshita Amrit Shah** aged 23 years, is the promoter of our Company. She holds a Bachelor's degree in Commerce from the University of Mumbai. She also holds a degree Bachelor's of Law from Narsee Monjee College of Commerce & Economics.

#### Identification

<b>Name</b>	<b>Ms. Harshita Amrit Shah</b>
<b>Permanent Account Number</b>	BLKPS9057B
<b>Voter ID</b>	SOK5351739
<b>Driving License</b>	MH01 20170045977
<b>AADHAR Number</b>	940223060183

#### 7. Jawanmal Moolchand Shah HUF

#### Identification

<b>Name</b>	<b>Jawanmal Moolchand Shah HUF</b>
<b>Permanent Account Number</b>	AAEHJ8995F

#### 8. Amrit Jawanmal Shah HUF

#### Identification

<b>Name</b>	<b>Amrit Jawanmal Shah HUF</b>
<b>Permanent Account Number</b>	AAMHS3898A



## PROMOTER GROUP INDIVIDUALS

The following natural persons (being the immediate relative of our Promoter) form part of our Promoter Group:

### Relatives of Promoters:

Promoters	Jawanmal M. Shah	Amrit J. Shah
Father	Moolchand Shah (Deceased)	Jawanmal M. Shah
Mother	Hanjaben Shah (Deceased)	Vimla J. Shah
Spouse	Vimla Shah	Sangeeta A. Shah
Brother(s)	Jethmal Shah (Deceased)	-
	Ganeshmal Shah (Deceased)	
Sister	Champaben Jain (Deceased)	Ramila Jain
		Kavita Jain
		Taruna Jain
Son	Amrit J. Shah	Purvesh A. Shah
Daughter	Ramila Jain	Harshita A. Shah
	Kavita Jain	
	Taruna Jain	
Spouse Father	Mulchand Jain (Deceased)	Kantilal Shah (Deceased)
Spouse Mother	Sakalibai Jain (Deceased)	Dharmiben Shah
Spouse Brother(s)	Hanuvant Jain	Manish Shah
	Kiran Jain	Nilesh Shah
Spouse Sister(s)	Manju Jain	Rita Jain
	Savitri Jain (Deceased)	Shefali Jain
	Shakuntala Jain	

## PROMOTER GROUP COMPANIES AND ENTITIES

As specified in clause 2 (zb) of the SEBI Regulation, the companies, HUFs, partnership firms and other entities, that form part of our Promoter Group are as follows:

### LISTED COMPANIES WITHIN OUR PROMOTER GROUP

There is no listed Company in our Promoter Group

### UNLISTED COMPANIES WITHIN OUR PROMOTER GROUP

There is no subsidiary Company and Associate Company of our Company as on the date of filing of the Information Memorandum.



## **RELATED PARTY TRANSACTIONS**

There are no Related Party Transactions of our Company as on 31<sup>st</sup> March, 2020.



## SECTION V

### **REGULATIONS AND POLICIES IN INDIA**

The regulations and policies set out below are not exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional advice. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India that are applicable to our Company. The statements below are based on the provisions of Indian law in force, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

#### **Industry Specific Regulations**

##### **Indian Stamp Act, 1899, as applicable to Bombay (the Bombay Stamp Act, 1958)**

Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state.

Instruments chargeable to duty under the Stamp Act but which have not been duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments by certain specified authorities and bodies and imposition of penalties, for instruments which are not sufficiently stamped or not stamped at all. Instruments which have not been properly stamped instruments can be validated by paying a penalty of up to 10 times of the total duty payable on such instruments.

##### **Maharashtra Shops and Establishments Act, 1948 ("The Maharashtra Shops Act")**

The Maharashtra Shops Act provides for the regulation of conditions of work in shops, commercial establishments, restaurants, theatres and other establishments. The Act is enforced by the Chief Inspector of Shops (CIS) and various inspectors under the supervision and control of Deputy/Assistant Labour Commissioners of the concerned District, who in turn function under the supervision of Labour Commissioner.

Maharashtra State Tax on Professions, Trades, Callings and Employments Acts, 1975 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 tax is 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.

#### **Laws relating to Employment and labour**

##### **The Industrial Employment Standing Orders Act, 1946**

Every establishment employing more than 100 employees is required to formulate rules and regulations for its employees and the same should be submitted for approval to the Deputy Labour Commissioner.

##### **Child Labour (Prohibition and Regulation) Act, 1986**



This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

### **The Employees (Provident Fund and Miscellaneous Provisions) Act, 1952 ("EPF Act")**

The "EPF Act" applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the Government of India from time to time. It requires all such establishments to be registered with the State provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees' provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

### **The Employees State Insurance Act, 1948 ("ESI Act")**

The "ESI Act", provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

### **The Payment of Gratuity Act, 1972 ("Gratuity Act")**

The "Gratuity Act" establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease.

However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed Rs. 1 million.

### **The Equal Remuneration Act, 1976 ("ER Act")**

The "ER Act" provides for the payment of equal remuneration to men and women workers for same work or work of a similar nature and for the prevention of discrimination, on the ground of sex, against women in the matter of employment. According to the Equal Remuneration Act, the term remuneration means the basic wage or salary and any additional emoluments whatsoever payable, either in cash or in kind, to a person employed in respect of employment or work done in such employment, if the terms of the contract of employment, express or implied, are fulfilled.

### **The Workmen Compensation Act, 1923 ("WCA")**

The "WCA" has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries by accident arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The WCA makes every employer liable to pay compensation in accordance with the WCA if a personal injury/disablement/loss of life is caused to a workman (including those employed through a contractor) by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the WCA within one month from the date it falls due, the commissioner appointed under the WCA may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

### **The Maternity Benefit Act, 1961 ("Maternity Act")**



The purpose of “Maternity Act” is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period during and after their pregnancy. It provides inter-alia for payment of maternity benefits, medical bonus and enacts prohibition on dismissal, reduction of wages paid to pregnant women etc.

## **Tax Related Legislations**

### **Income-Tax Act, 1961 (“IT Act”)**

The “IT 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. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and the like.

Every such company is also required to file its returns by September 30 of each assessment year.

### **Goods and Service Tax Act**

Goods and Service Tax Act provides for the levy of goods and service tax in respect of ‘taxable services’, defined therein. The service provider of taxable services is required to collect goods and service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this goods and service tax must register himself with the appropriate authorities. Every assessee is required to pay goods and service tax in prescribed manner on monthly basis. Further, the company is required to file a monthly return in prescribed form by the 20th of the month immediately following the month to which the return relates.

## **Laws relating to Intellectual Property**

### **The Trademarks Act, 1999 (“TM Act”)**

The “TM Act” provides for the application and registration of trademarks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label and heading and to obtain relief in case of infringement for commercial purposes as a trade description. The registration of a trademark is valid for a period of 10 years, and can be renewed in accordance with the specified procedure.

Application for trademark registry has to be made to Controller-General of Patents, Designs and TM Act who is the Registrar of Trademarks for the purposes of the TM Act. The TM Act prohibits any registration of deceptively similar trademarks or chemical compound among others. It also provides for penalties for infringement, falsifying and falsely applying trademarks.

### **Indian Copyright Act, 1957 (“Copyright Act”)**

The “Copyright Act” governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. Following the issuance of the International Copyright Order, 1999, subject to certain exceptions, the provisions of the Copyright Act apply to nationals of all member states of the World Trade Organization.

While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favoring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years.

The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner. The



Copyright Act also provides for criminal remedies, including imprisonment of the accused, imposition of fines and seizure of infringing copies.

### **The Patents Act, 1970 (“Patent Act”)**

The purpose of the “Patent Act” in India is to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent. An application for a patent can be made by (a) person claiming to be the true and first inventor of the invention; (b) person being the assignee of the person claiming to be the true and first inventor in respect of the right to make such an application; and (c) legal representative of any deceased person who immediately before his death was entitled to make such an application. Penalty for the contravention of the provisions of the Patents Act include imposition of fines or imprisonment or both.

### **The Designs Act, 2000 (“Designs Act”)**

The objective of “Designs Act” is to promote and protect the design element of industrial production. It is also intended to promote innovative activity in the field of industries. The Controller General of Patents, Designs and Trade Marks appointed under the Trademarks Act shall be the Controller of Designs for the purposes of the Designs Act. When a design is registered, the proprietor of the design has copyright in the design during ten years from the date of registration.

### **Property related laws**

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company’s operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.

In addition, regulations relating to classification of land may be applicable. Usually, land is broadly classified under one or more categories such as residential, commercial or agricultural. Land classified under a specified category is permitted to be used only for such specified purpose. Where the land is originally classified as agricultural land, in order to use the land for any other purpose the classification of the land is required to be converted into commercial or industrial purpose, by making an application to the relevant municipal or town

and country planning authorities. In addition, some State Governments have imposed various restrictions, which vary from state to state, on the transfer of property within such states.

Land use planning and its regulation including the formulation of regulations for building construction, form a vital part of the urban planning process. Various enactments, rules and regulations have been made by the Central Government, concerned State Governments and other authorized agencies and bodies such as the Ministry of Urban Development, State land development and/or planning boards, local municipal or village authorities, which deal with the acquisition, ownership, possession, development, zoning, planning of land and real estate.

Each state and city has its own set of laws, which govern planned development and rules for construction (such as floor area ratio or floor space index limits). The various authorities that govern building activities in states are the town and country planning department, municipal corporations and the urban arts commission.

### **The Indian Registration Act, 1908 (“Registration Act”)**

The Indian Registration Act, 1908 “Registration Act” details the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes, inter alia, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in the present or in future, any right, title or interest, whether vested or contingent, in immovable property of the value of Rs. 100 or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. The Registration Act also stipulates the time for registration, the place for registration and the persons who may present documents for registration. Any document which is required to be compulsorily registered but is not registered will not affect the subject property, nor be received as evidence of any transaction affecting such property (except as



evidence of a contract in a suit for specific performance or as evidence of part performance of a contract under the TP Act or as evidence of any collateral transaction not required to be effected by registered instrument), unless it has been registered.

### **The Indian Easements Act, 1882("IE Act")**

The law relating to easements and licenses in property is governed by the "IE Act". The right of easement has been defined under the Easements Act to mean a right which the owner or occupier of any land possesses over the land of another for beneficial enjoyment of his land. Such right may allow the owner of the land to do and continue to do something or to prevent and continue to prevent something being done, in or upon any parcel of land which is not his own. Easementary rights may be acquired or created by (a) an express grant; or (b) a grant or reservation implied from a certain transfer of property; or (c) by prescription, on account of long use, for a period of twenty years without interruption; or (d) local customs.

### **Foreign Investment Regime:**

The Foreign Exchange Management Act, 1999 ("FEMA") and Regulations framed thereunder.

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the 'automatic route' within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit,

restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services.

### **The Foreign Trade (Development & Regulation) Act, 1992**

The Foreign Trade (Development & Regulation) Act, 1992, provides for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India and for matters connected therewith or incidental thereto.

### **Important General laws:**

#### **The Companies Act, 1956**

The Companies Act, 1956 dealt with laws relating to companies and certain other associations. It was enacted by the Parliament in 1956. The Act primarily regulated the formation, financing, functioning and winding up of companies. The Act prescribed regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constituted the main focus of the Act. In the functioning of the corporate sector, although freedom of companies was important, protection of the investors and shareholders, on whose funds they flourish, was equally important. The Act played the balancing role between these two competing factors, namely, management autonomy and investor protection.

#### **The Companies Act, 2013**

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs vide its notification dated September 12, 2013 has notified 98 sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. Further 183 sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Ministry of Corporate Affairs, has also



issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

### **The Competition Act, 2002**

The Competition Act, 2002 prohibits anti competitive agreements, abuse of dominant positions by enterprises and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011.

Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act.

### **The Public Liability Insurance Act, 1991 (“PLI Act”)**

The “PLI Act” provides for public liability insurance for the purpose of providing immediate relief to persons affected by accident occurring while handling any hazardous substance and for matters connected therewith or incidental thereto. Every owner (in the case of a company, any of its directors, managers, secretaries or other officers who is directly in charge of, and is responsible to the company for the conduct of the business of the company) is obligated to take out, before he starts handling any hazardous substance, one or more insurance policies providing for contracts of insurance thereby he is insured against liability to give relief under the PLI Act.

The said insurance policy shall be for a minimum amount of the paid-up capital of the Company and not exceeding fifty crore rupees.

### **The Indian Contract Act, 1872 (“Contract Act”)**

The “Contract Act” codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses.

The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

### **The Consumer Protection Act, 1986 (“COPRA”)**

“COPRA” aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services; price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non compliance of the orders of these authorities attracts criminal penalties.

### **The Legal Metrology Act, 2009 and the Legal Metrology (Packaged Commodities) Rules, 2011**

Legal Metrology Act, 2009 and the rules framed under were enacted with the objectives to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. This act replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, with effect from March 1, 2011 and the rules which came into force from April 1, 2011 replaced Standards of Weights and Measures (Packaged Commodities) Rules, 1977.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”) The “SHWW Act” provides for the protection of women and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-



verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000.

### **The Negotiable Instruments Act, 1881 (“NI Act”)**

In India, the laws governing monetary instruments such as cheques are contained in the “NI Act”, which is largely a codification of the English Law on the subject. To ensure prompt remedy against defaulters and to ensure credibility of the holders of the negotiable instrument a criminal remedy of penalty was inserted in Negotiable Instruments Act, 1881 in form of the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment), 1988 which were further modified by the Negotiable Instruments

(Amendment and Miscellaneous Provisions) Act, 2002. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonor of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, and with fine which may extend to twice the amount of the cheque, or with both.



## SECTION VI: FINANCIAL INFORMATION

### FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on March 31, 2020 together with a brief description of certain significant terms / material covenants of the relevant financing arrangements.

#### I. Secured Loan:

(Rs. In Lakhs)

Name of the Lender	Type of Loan	Date of Sanction	Purpose	Sanction Amount	Rate of Interest	Securities Offered	Repayment	Outstanding as per books of accounts on 31.03.2020
The Bharat Co-op bank	CASH CREDIT	30-07-2019	Working Capital	62CR	11%	1) COMMERCIAL SHOP NO.701, D.D.IMAGE BUILDING CHAMPA GALLI ZAVERI BAZAR , MUMBAI - 400002 2) FLAT NO 505, KAMAL DARSHAN TOWER, CHIWADA GALLI LALBAUGH 3) UNIT NO 201, MATULYA CENTRE , SENAPATI BAPAT MAKRG, LOWER PAREL, MUMBAI 4) FIXED DEPOSITS	Repayable on Demand	56,30,32,978
ICICI BANK	PACKIN CREDIT & POST SHIPMENT CREDIT	28-09-2019	EXPORT	19cr	8.50 %	FIXED DEPOSITS	Repayable on Demand	3,55,28,031



**II. Unsecured Loan:**

<b>Name of the Lender</b>	<b>Purpose</b>	<b>Rate of Interest</b>	<b>Repayment</b>	<b>Outstanding as per books of accounts on 31.03.2020</b>
	Working Capital			NIL



### STOCK MARKET DATA FOR EQUITY SHARES OF OUR COMPANY

Our Company's shares are listed on NSE Emerge Platform of NSE since 3<sup>rd</sup> January 2018 under Symbol "MOKSH". The high and low closing prices recorded on NSE since listing and the number of shares traded on the days the high and low prices were recorded are stated below:

Year	High (Rs.)	High Date	Volume	Low (Rs.)	Low Date	Volume	Total Volume for the Year
2018-19	62.45	23 <sup>rd</sup> January, 2018	2136000	17.05	26 <sup>th</sup> November, 2018	3000	2139000
2019-20	34.65	19 <sup>th</sup> February, 2020	36000	16.25	27 <sup>th</sup> May, 2019	36000	72000
2020-21	50.80	31 <sup>st</sup> March, 2021	129000	21.00	12 <sup>th</sup> October, 2020	3000	132000

**There is no changes in the market lot of the Company**

**\* Company has not issued any Bonus Equity Shares Issue from the date of listing till as on date of Information Memorandum.**

The details of the share prices on the NSE during last 3 months are as follows:

Date	High	Low	Daily Average	Weekly Average
<b>Week 1</b>				
09-Mar-2021	44.00	42.70	43.44	42.05
08-Mar-2021	42.95	38.10	40.67	
<b>Week 2</b>				
05-Mar-2021	40	39.05	39.79	39.37
04-Mar- 2021	38	38	38	



01-Mar-2021	41.00	39.50	40.3	
<b>Week 3</b>				
26-Feb-2021	40.90	37.75	39.325	38.36
25-Feb-2021	38.05	37.25	37.65	
24-Feb-2021	40.00	37.50	38.75	
23-Feb-2021	39.00	37.00	38	
22-Feb-2021	37.05	36.50	36.775	
<b>Week 4</b>				
19-Feb-2021	37.00	36.00	36.5	35.65
18-Feb-2021	37.00	34.00	35.5	
17-Feb-2021	37.00	35.25	36.125	
16-Feb-2021	36.75	36.00	36.375	
15-Feb-2021	33.65	33.20	33.425	
<b>Week 5</b>				
11-Feb-2021	38.00	36.00	37	36.65
09-Feb-2021	38.00	35.00	36.5	
<b>Week 6</b>				
05-Feb-2021	38.50	37.55	38.025	



03-Feb-2021	39.00	39.00	39	39.38
02-Feb-2021	41.00	38.00	39.5	
01-Feb-2021	40.50	39.00	39.75	
<b>Week 7</b>				
29-Jan-2021	42.50	37.00	39.75	34.57
28-Jan-2021	38.00	32.00	35	
27-Jan-2021	32.00	25.00	28.5	
<b>Week 8</b>				
22-Jan-2021	27.00	25.90	26.45	28.26
21-Jan-2021	28.00	28.00	28	
20-Jan-2021	29.00	29.00	29	
19-Jan-2021	29.00	29.00	29	
18-Jan-2021	29.00	29.00	29	
<b>Week 9</b>				
11-Jan-2021 To 15-Jan-2021 (No Trading)	Since, there was no trade in the week mentioned, closing vwap of the previous week has been considered.		29.5	29.5
<b>Week 10</b>				
05-Jan-2021	29.50	29.50	29.5	29.5



<b>Week 11</b>				
01-Jan-2021	29.90	29.90	29.9	29.63
29-Dec-2020	29.00	29.00	29	
28-Dec-2020	30.00	30.00	30	
<b>Week 12</b>				
24-Dec-2020	30.25	30.25	30.25	29.54
22-Dec-2020	29.75	29.00	29.375	
21-Dec-2020	29.00	29.00	29	
<b>Week 13</b>				
18-Dec-2020	29.00	29.00	29	28.4
17-Dec-2020	29.00	29.00	29	
16-Dec-2020	30.00	28.00	29	
15-Dec-2020	28.00	28.00	28	
14-Dec-2020	27.00	27.00	27	
<b>Week 14</b>				
11-Dec-2020	26.25	26.25	26.25	26.12
10-Dec-2020	27.00	25.00	26	



<b>Average Price</b>	<b>33.54</b>	<b>33.35</b>
<b>Outstanding No. Of Equity Shares</b>	<b>1,07,32,011</b>	<b>1,07,32,011</b>
<b>Market Capitalization (Rs. Cr)</b>	<b>35,99,51,649/-</b>	<b>35,79,12,567/-</b>



## **SECTION VII – LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

There are no outstanding or pending litigation, suit, criminal or civil prosecution and proceeding against our Company and / or Promoters, Promoter Group and / or Promoter Group entities that would have a material adverse effect on our business:

#### **LITIGATION INVOLVING OUR COMPANY**

##### **Against our Company**

##### **Criminal Litigation**

Nil

##### **Civil Proceedings**

Nil

##### **Proceedings against Our Company for economic offence/securities laws/ or any other law**

Nil

##### **Penalties in Last Five Years**

Nil

##### **Pending Notice against our Company**

Nil

##### **Past Notice to our Company**

Nil

##### **Disciplinary Action taken by SEBI or stock exchanges against Our Company**

Nil

##### **Defaults including non-payment or statutory dues to banks or financial institutions**

Nil

##### **Details of material fraud against the Company in last five years and action taken by the Companies.**

Nil

#### **LITIGATION FILED BY OUR COMPANY**

##### **Criminal Litigation**

Nil

##### **Taxation Matters**



Nil

**Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law**

Nil

**LITIGATION INVOLVING DIRECTORS OF OUR COMPANY**

**Litigation against our Directors**

Nil

**Criminal Litigation**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Past Penalties imposed on our Directors**

Nil

**Proceedings initiated against our directors for Economic Offences/securities laws/ or any other law**

Nil

**Directors on list of willful defaulters of RBI**

Nil

**Litigation by Directors of Our Company**

**Criminal Litigation**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**LITIGATION INVOLVING PROMOTER OF OUR COMPANY**



**Criminal Litigation**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Past Penalties imposed on our Promoters**

Nil

**Proceedings initiated against our Promoters for Economic Offences/securities laws/ or any other law**

Nil

**Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Promoter in last five years**

Nil

**Penalties in Last Five Years**

Nil

**Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in Past**

Nil

**Adverse finding against Promoter for violation of Securities laws or any other laws**

Nil

**Litigation by Our Promoters**

**Criminal Litigation**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**LITIGATION INVOLVING OUR GROUP COMPANIES**



**Outstanding Litigation against our Group Companies**

Nil

**Criminal Litigation**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Past Penalties imposed on our Group Companies**

Nil

**Proceedings initiated against our Group Companies for Economic Offences/securities laws/ or any other law**

Nil

**Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Group Companies**

Nil

**Adverse finding against *Group Companies* for violation of Securities laws or any other laws**

Nil

**LITIGATION BY OUR GROUP COMPANIES**

**Criminal Litigation**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**LITIGATION INVOLVING OUR SUBSIDIARIES**

**Criminal Litigation**

Nil

**Civil Proceedings**



Nil

**Taxation Matters**

Nil

**Past Penalties imposed on our Subsidiaries**

Nil

**Proceedings initiated against our Subsidiaries for Economic Offences/securities laws/ or any other law**

Nil

**Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any *Subsidiaries***

Nil

**Adverse finding against *Subsidiaries* for violation of Securities laws or any other laws**

Nil

**LITIGATION BY OUR SUBSIDIARIES**

**Criminal Litigation**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**OTHER MATTERS**

Nil

**Details of any inquiry, inspection or investigation initiated under present or previous companies laws in last five years against the Company or its subsidiaries: NIL**

**Outstanding Litigation against other companies or any other person whose outcome could have an adverse effect on our company: NIL**

**Material Developments since the Last Balance Sheet**

Except as disclosed in Management Discussion and Analysis of Financial Condition and results of operations, there have been no material developments.



## **MATERIAL DEVELOPMENTS**

There have not arisen, since the date of the last financial statements disclosed in this Information Memorandum, any circumstances which materially and adversely affect or are likely to affect the performance and prospects of the Company in any manner.



## **SECTION VII – MATERIAL DOCUMENTS FOR INSPECTION**

The copies of the following documents will be available for inspection at the Registered Office of the Company from 11.00 am to 3.00 pm on Working Days i.e. Monday to Friday except public holidays.

- Certificate of Incorporation of the Company.
- Memorandum and Articles of Association of the Company as amended from time to time.
- Copy of resolution passed by Shareholders of company through Postal Ballot results declared on 01<sup>st</sup> March, 2021 for Migration of the Company to Main Board of NSE.
- Copies of Annual Report of our company i.e. for the financial year 2015-2016, 2016-17, 2017-18, 2018-19 and 2019-20;
- Copies of Agreement entered with CSDL and NSDL.



## **SECTION VIII**

### **DECLARATION**

All relevant provisions of the Companies Act, 2013, and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, applicable, as the case may be, have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made thereunder or regulations issued, as the case may be. We further certify that all the statements in this Information Memorandum are true and correct.

**On behalf of our Board of Directors**

**Amrit J. Shah**  
**Managing Director**

Date: 01<sup>st</sup> May, 2021

Place: Mumbai