



Silgo Retail Limited

Our Company was incorporated as "Silgo Retail Private Limited" on January 9, 2016, under the Companies Act, 2013 with the Registrar of Companies, Jaipur. Subsequently, our Company was converted into a Public Limited Company and the name of our Company was changed to "Silgo Retail Limited" vide special resolution dated July 24, 2018 and a fresh certificate of incorporation consequent to the conversion was granted to our Company on July 28, 2018, by the Registrar of Companies, Jaipur. The registered office of our Company was originally situated at 29, Taru Chaya Nagar, Tonk Road, Sanganer, Jaipur, India. Thereafter, the registered office of our Company was changed to B-11, Mahalaxmi Nagar, Jawahar Lal Nehru Marg, Jaipur - 302 017, Rajasthan, India. For details in relation to the changes in the registered office of our Company, please refer to "General Information" on page 36.

Registered Office: B-11, Mahalaxmi Nagar, Jawahar Lal Nehru Marg, Jaipur - 302 017, Rajasthan, India
Contact person: Tripti Sharma, Company Secretary & Compliance Officer
Telephone: +91 0141-4919655; | **E-mail id:** info@silgo.in | **Website:** www.silgo.in
Corporate Identity Number: L36911RJ2016PLC049036

PROMOTERS OF OUR COMPANY: NITIN JAIN AND BELA AGRAWAL

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF SILGO RETAIL LIMITED (OUR "COMPANY" OR THE "ISSUER" ONLY)

ISSUE OF UP TO 1,02,70,000[#] FULLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF OUR COMPANY (THE "RIGHTS EQUITY SHARES") FOR CASH AT A PRICE OF ₹ 25/- PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ 15/- PER EQUITY SHARE) (THE "ISSUE PRICE"), AGGREGATING UP TO ₹ 2,567.50 LAKHS[#] ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 1 EQUITY SHARE FOR EVERY 1 FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS THURSDAY, FEBRUARY 22, 2024 (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS 2.5 TIMES THE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO "TERMS OF THE ISSUE" BEGINNING ON PAGE 140.

[#]Assuming full subscription.

WILFUL DEFAULTERS

Neither our Company nor any of our Promoters or any of our Directors have been declared as Wilful Defaulters or Fraudulent Borrowers by the RBI or any other government authority.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Letter of Offer. Specific attention of the investors is invited to "Risk Factors" beginning on page 16.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, and that the information contained in this Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares are listed on NSE (the "Stock Exchange"). Our Company has received 'in-principle' approval from the NSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide letter dated February 13, 2024. Our Company will also make application to the Stock Exchange to obtain its trading approval for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is NSE.

LEAD MANAGERS TO THE ISSUE

REGISTRAR TO THE ISSUE



SRUJAN ALPHA CAPITAL ADVISORS LLP

Registered Address: 112A, 1st floor, Arun Bazar, S.V. Road, Beside Bank of India, Malad (West), Mumbai - 400 064
Correspondence Address: 824 & 825, Corporate Avenue, Sonawala Rd, opposite Atlanta Centre, Sonawala Industry Estate, Goregaon, Mumbai - 400 063
Tel: +91 022-46030709
Contact Person: Jinesh Doshi
E-mail: silgo.rightsissue@srujanalpha.com
Website: www.srujanalpha.com
SEBI Registration Number: INM000012829

BIGSHARE SERVICES PRIVATE LIMITED

Registered Address: Office No. 36-2, 6th Floor, Pinnacle Business Park, Next to Ahura Center, Mahakali Caves Road, Andheri East, Mumbai-400093
Tel: +91 22-6263 8200
Fax No.: +91 22-6263 8299
Contact Person: Mr. Mosses Shirsat
Email Id: rightsissue@bigshareonline.com
Website: www.bigshareonline.com
SEBI Registration Number: INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSES ON [#]
WEDNESDAY, FEBRUARY 28, 2024	FRIDAY, MARCH 08, 2024	TUESDAY, MARCH 12, 2024

[#]Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.

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

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

Unless otherwise specified, the capitalized terms used in this Letter of Offer shall have the meaning as defined hereunder. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

*The words and expressions used in this Letter of Offer but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, SEBI Listing Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in "**Statement of Special Tax Benefits**" and "**Financial Information**" beginning on pages 49 and 80 respectively, shall have the meaning given to such terms in such sections.*

General Terms

Term	Description
“Company”, “our Company”, “the Company”, “the Issuer”, “We”, “our”, “us”, or “SRL”	Unless the context otherwise requires, indicates or implies or unless otherwise specified, our Company, Silgo Retail Limited, a company incorporated in India under the Companies Act, 2013, having its registered at B-11, Mahalaxmi Nagar, Jawahar Lal Nehru Marg, Jaipur - 302 017, Rajasthan, India

Company Related Terms

Term	Description
Articles of Association or Articles	The articles of association of our Company, as amended from time to time
Audit Committee	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013
Audited Financial Statements	The audited financial statements of our Company as at and for the financial year ended March 31, 2023 (along with comparative financial statements for the financial year ended March 31, 2022) prepared in accordance with applicable accounting standards, which comprises the balance sheet as at March 31, 2023 (along with comparative balance sheet as at March 31, 2022) and the statement of profit and loss, including other comprehensive income, the statement of cash flows and the statement of changes in equity for the years then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information
Board/ Board of Directors/ Directors	The Board of Directors of our Company or a duly constituted committee thereof, as appointed from time to time
Chief Financial Officer	The Chief Financial Officer of our Company, namely, Arihant Jain
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, namely, Tripti Sharma
Equity Shareholders	Holders of Equity Share(s), from time to time
Equity Shares	Equity shares of face value of ₹10/- each of our Company
Executive Director	Whole-time Director/ Executive Director on our Board
Financial Statements	Our Audited Financial Statements together with our Limited Reviewed Financial Results
Independent Director(s)	Independent Directors on the Board, who are eligible to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, please refer to " Our Management " beginning on page 75.
Key Managerial Personnel	The key managerial personnel of our Company as per the definition provided in Regulation 2(1) (bb) of the SEBI ICDR Regulations
Limited Reviewed Financial Results	The limited reviewed unaudited financial results for the six-month period ended September 30, 2023, prepared in accordance with the Companies Act and SEBI Listing

Term	Description
	Regulations. For details, see “ Financial Information ” on page 80.
Materiality Policy	A policy adopted by our Company for identification of material litigation(s) for the purpose of disclosure of the same in this Letter of Offer
Memorandum of Association/ MoA	The Memorandum of Association of our Company, as amended from time to time
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board, as described in “ Our Management ” beginning on page 75.
Non-Executive Director(s)	Non-executive non-independent director of our Company. For details, see “ Our Management ” on page 75.
Promoter Group	The individuals and entities constituting the promoter group of our Company determined in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations
Promoters	The promoters of our Company, namely, Nitin Jain and Bela Agrawal
Registered Office	Registered office of our Company at B-11, Mahalaxmi Nagar, Jawahar Lal Nehru Marg, Jaipur - 302 017, Rajasthan, India
Registrar of Companies/ RoC	The Registrar of Companies, Jaipur situated at C/6-7, 1st Floor, Residency Area, Civil Lines, Jaipur-302001, Rajasthan, India
Statutory Auditors	The current statutory auditors of our Company, namely, M/s JKSS & Associates Chartered Accountants (formerly known as J K Sarawgi & Co., Chartered Accountants)
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board as described in “ Our Management ” beginning on page 75.

Issue Related Terms

Term	Description
Abridged Letter of Offer/ ALOF	Abridged letter of offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act, 2013.
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement
Allotment/ Allot/ Allotted	Allotment of Rights Equity Shares pursuant to the Issue
Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, Axis Bank Limited.
Allotment Account(s)	The account(s) to be opened with the Banker(s) to this Issue, into which the amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Investor who has been or is to be Allotted the Rights Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allotment Date / Date of Allotment	Date on which the Allotment is made pursuant to this Issue
Allotment/Allot/Allotted	Allotment of Rights Equity Shares pursuant to the Issue
Allottee(s)	Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue
Applicant(s)/ Investors	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to apply or make an application for the Rights Equity Shares pursuant to the Issue in terms of this Letter of Offer
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Rights Equity Shares at the Issue Price
Application Form	Unless the context otherwise requires, an application form or through the website of the SCSBs (if made available by such SCSBs) under the ASBA process used by an Investor to make an application for the Allotment of Rights Equity Shares
Application Money	Amount payable at the time of Application, i.e., ₹ 25/- per Rights Equity Share in respect of the Rights Equity Shares applied for in the Issue at the Issue Price

Term	Description
Application Supported by Blocked Amount or ASBA	Application (whether physical or electronic) used by an ASBA Investor to make an application authorizing the SCSB to block the Application Money in a the ASBA Account maintained with the SCSB
ASBA Account	Account maintained with the SCSB and specified in the Application Form or the plain paper Application by the Applicant for blocking the amount mentioned in the Application Form or the plain paper Application. in case of Eligible Equity Shareholders, as the case may be.
ASBA Applicant/ ASBA Investor(s)	Eligible Equity Shareholders proposing to subscribe to the Issue through ASBA process
Banker(s) to the Issue	Together, the Escrow Collection Bank, the Allotment Account Bank and Refund Bank, in this case being Axis Bank Limited.
Banker to the Issue Agreement	Agreement dated January 10, 2024 entered into by and amongst our Company, the Registrar to the Issue, the Lead Manager and the Banker(s) to the Issue for collection of the Application Money from Applicants/Investors making an application for the Rights Equity Shares.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in " Terms of the Issue " beginning on 140.
Controlling Branches /Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate with the Registrar to the Issue and the Stock Exchanges, a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Demographic Details	Details of Investors including the Investor's address, PAN, DP ID, Client ID, bank account details and occupation, where applicable
Designated Branches	Such branches of the SCSBs which shall collect the Application Form or the plain paper application, as the case may be, used by the ASBA Investors and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Designated Stock Exchange	National Stock Exchange of India Limited i.e. NSE
Draft Letter of Offer or DLOF	The Draft Letter of Offer, dated January 23, 2024, submitted with SEBI and the filed with Stock Exchange in accordance with the SEBI ICDR Regulations
Eligible Equity Shareholder(s)	Holder(s) of the Equity Shares of our Company as on the Record Date. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, see " Notice to Investors " beginning on page 8.
Equity Shareholder(s) /Shareholders	Holder(s) of the Equity Shares of our Company
Escrow Account	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident investors – eligible equity shareholders as on record date making an Application through the ASBA facility
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being Silgo Retail Limited – Rights Issue Allotment Account – 2023-24.
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fraudulent Borrower	Company or person, as the case may be, categorized as a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on fraudulent borrower issued by RBI as defined under Regulations 2(1)(III) of the SEBI ICDR Regulations
IEPF	Investor Education and Protection Fund
Investor(s)	Eligible Equity Shareholder(s) and / or Renounee(s) who are entitled to apply or make an application for the Equity Shares pursuant to the Issue in terms of the Letter of Offer.
ISIN	International securities identification number i.e., INE01II01013
Issue / Rights Issue	Issue of up to 1,02,70,000 [#] Equity Shares of face value of ₹ 10/- each of our Company for cash at a price of ₹ 25/- per Rights Equity Share aggregating up to ₹ 2,567.50 [#] Lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of 1 (One) Rights Equity Shares for every 1 (One) Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date i.e. Thursday, February 22, 2024. ^{#Assuming full subscription}
Issue Agreement	Issue Agreement dated January 9, 2024 between our Company and the Lead Managers, pursuant to which certain arrangements are agreed to in relation to the Issue.

Term	Description
Issue Closing Date	Tuesday, March 12, 2024
Issue Materials	Collectively, the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer, the Application Form and Rights Entitlement Letter and any other material relating to the Issue
Issue Opening Date	Wednesday, February 28, 2024
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants can submit their Applications, in accordance with the SEBI ICDR Regulations
Issue Price	₹ 25/- per Equity Share
Issue Proceeds or Gross Proceeds	The gross proceeds raised through the Issue
Issue Size	The issue of up to Rights Equity Shares for cash at a price of ₹ 25/- per Rights Equity Share (including a premium of ₹ 15/- per Rights Equity Shares) aggregating up to ₹ 2,567.50/- lakhs [#] ^{#Assuming full subscription}
Lead Manager	The Lead Manager to the Issue, namely, Srujan Alpha Capital Advisors LLP
Letter of Offer	The final letter of offer to be filed with the Stock Exchange and submitted with SEBI for information and dissemination on the SEBI's website
Listing Agreement	The listing agreement entered into between our Company and the Stock Exchange in terms of the SEBI Listing Regulations
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However, supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please refer to " Objects of the Issue " beginning on page 42.
Non-Institutional Investors	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off-market transfer through a Depository Participant in accordance with the SEBI ICDR Master Circular and the circulars issued by the Depositories, from time to time, and other applicable laws
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stockbroker in accordance with the SEBI ICDR Master Circular and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before Friday, March 08, 2024.
Qualified Institutional Buyers or QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Record Date	Designated date for the purpose of determining the Eligible Equity Shareholders eligible to apply for Rights Equity Shares, being Thursday, February 22, 2024.
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being Axis Bank Limited.
Registrar Agreement	Agreement dated January 9, 2024 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue.
Registrar to the Issue / Registrar to the Company/Registrar	Bigshare Services Private Limited, situated at, Office No. 36-2, 6th Floor, Pinnacle Business Park, Next to Ahura Center, Mahakali Caves Road, Andheri East, Mumbai-400093
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on Friday, March 08, 2024 in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date
Retail Individual Bidders(s)/Retail Individual Investor(s)/ RII(s)/RIB(s)	An individual Investor (including an HUF applying through Karta) who has applied for Rights Equity Shares and whose Application Money is not more than ₹2,00,000 in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations

Term	Description
RE ISIN	ISIN for Rights Entitlement i.e. INE01II20013
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
Rights Entitlement(s)	Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being 1 (one) Equity Shares for every 1 (one) Equity Shares held by an Eligible Equity Shareholder, on the Record Date, excluding any fractional entitlements. The Rights Entitlements with a separate ISIN: INE01II20013 will be credited to the respective demat account of Eligible Equity Shareholder before the Issue Opening Date, against the Equity Shares held by the Eligible Equity Shareholders as on the Record Date
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue.
Self-Certified Syndicate Banks /SCSB(s)	Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34
Stock Exchange	The stock exchange where the Equity Shares of our Company are presently listed, being NSE
Transfer Date	The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange
Wilful Defaulter	Company or person, as the case may be, categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI
Working Day(s)	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchange, working day means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI

Business and Industry Related Terms

Term	Description
B2B	Business – to – Business
B2C	Business – to – Customer
BIS	Bureau of Indian Standards
CAD	Computer – Aided Designing
CAM	Computer – Aided Manufacturing
DG	Diesel Generator
EPZ	Export Promotional Industrial Park
POP	Plaster of Paris
QA	Quality Assurance
QC	Quality Control
RPT	Rapid Prototyping System

Conventional and General Terms/Abbreviations

Term	Description
₹, Rs., Rupees or INR	Indian Rupees
AGM	Annual General Meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AY	Assessment year
BSE	BSE Limited

Term	Description
CAGR	Compound annual growth rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate identity number
Companies Act, 1956	Erstwhile Companies Act, 1956 along with the rules made thereunder
Companies Act, 2013/ Companies Act	Companies Act, 2013 along with the rules made thereunder
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CrPC	Code of Criminal Procedure, 1973
Depositories Act	Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996
Depository Participant / DP	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
DP ID	Depository Participant's identification
DTAA	Double Taxation Avoidance Agreement
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation and amortization expense, as presented in the statement of profit and loss
EGM	Extraordinary general meeting
EPS	Earnings per Equity Share
FCNR Account	Foreign currency non-resident account
FDI Circular 2020	Consolidated FDI Policy dated October 15, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
FEMA	Foreign Exchange Management Act, 1999, together with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year, Fiscal Year or Fiscal/FY	Period of 12 months ended March 31 of that particular year, unless otherwise stated
FIR	First information report
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign venture capital investors as defined under and registered with SEBI pursuant to the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 registered with SEBI
GAAP	Generally accepted accounting principles
GDP	Gross domestic product
GoI or Government	Government of India
GST	Goods and Service Tax
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
Income Tax Act	Income-tax Act, 1961
Ind AS	Indian accounting standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended
IFRS	International Financial Reporting Standards
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
ITAT	Income Tax Appellate Tribunal
LTV	Loan to value ratio
MCA	Ministry of Corporate Affairs
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of (Mutual Funds) Regulations, 1996
Net Asset Value per Equity Share or NAV per Equity Share	Net Worth/ Number of Equity shares subscribed and fully paid outstanding as at March 31
Net Worth	Aggregate of Equity Share capital and other equity
NBFC	Non-banking financial companies
NPA(s)	Non-performing assets

Term	Description
NRE Account	Non-resident external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO Account	Non-resident ordinary account
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 03, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
PAN	Permanent account number
PAT	Profit after tax
QP	Qualified purchaser as defined in the U.S. Investment Company Act
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Rights Issue Circulars	SEBI circular bearing number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023
Stock Exchange	NSE
STT	Securities transaction tax
Supreme Court	Supreme Court of India
TAT	Turnaround time
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Total Borrowings	Aggregate of debt securities, borrowings (other than debt securities) and subordinated liabilities
U.S.\$, USD or U.S. dollar	United States Dollar, the legal currency of the United States of America
U.S. Investment Company Act	Investment Company Act of 1940, as amended
U.S. Person	U.S. persons as defined in Regulation S under the U.S. Securities Act or acting for the account or benefit of U.S. persons (not relying on Rule 902(k)(1)(viii)(B) or Rule 902(k)(2)(i) of Regulation S)
U.S. QIB	Qualified Institutional Buyer as defined in Rule 144A
USA, U.S. or United States	United States of America
U.S. SEC	U.S. Securities and Exchange Commission
U.S. Securities Act or Securities Act	U.S. Securities Act of 1933, as amended
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be
WHO	World Health Organization

NOTICE TO INVESTORS

The distribution of the Letter of Offer, this Letter of Offer, the Abridged Letter of Offer, Application Form, Rights Entitlement Letter and other issue materials and the issue of Rights Entitlement and Rights Equity Shares on a right basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer, Application Form or other Issue material may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will send/dispatch the Draft Letter of Offer/ this Letter of Offer/ Abridged Letter of Offer, Application Form, Rights Entitlement and other Issue material Letter through email and courier only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. This Letter of Offer will be provided, through email and courier, by the Registrar, on behalf of our Company, to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

In case the Eligible Equity Shareholders have provided their valid e-mail address, the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer, and the Application Form will be sent only to their valid e-mail address, and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Investors can also access the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Lead Manager, and the Stock Exchange.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer is being filed with Stock Exchange for observations. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Draft Letter of Offer, this Letter of Offer or the Abridged Letter of Offer will not constitute an offer, invitation to or solicitation by anyone in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Draft Letter of Offer, this Letter of Offer, and the Abridged Letter of Offer must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of the Draft Letter of Offer, this Letter of Offer, or the Abridged Letter of Offer or Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Draft Letter of Offer, this Letter of Offer, or the Abridged Letter of Offer to any person outside India where to do so, would or might contravene local securities laws or regulations. If the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer or the Application Form.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction and India, without the requirement for our Company or our affiliates or the Lead Manager or its affiliates to make any filing or registration (other than in India). In addition, each purchaser of Rights Entitlements and the Rights Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in “***Other Regulatory and Statutory Disclosures***” on page 134. Our Company, in consultation with the lead manager, the Registrar, or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe that Application Form is incomplete, or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

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

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

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by any regulatory authority, nor has any regulatory authority passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in certain jurisdictions. The Issue Materials are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold or resold or otherwise transferred within the United States of America or the territories or possessions thereof ("**United States**"), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Rights Entitlements (including their credit) and the equity shares are only being offered and sold outside the United States in offshore transactions in reliance on regulations under Regulation S of the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy or transfer any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, the Draft Letter of Offer/ this Letter of Offer / Abridged Letter of Offer and the enclosed Application Form and Rights Entitlement Letters should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation or purchase of the Equity Shares and/ or Rights Entitlements from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States, electronically transmitted from the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer of securities under this Letter of Offer, and all persons subscribing for the Rights Equity Shares and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and the Draft Letter of Offer/ this Letter of Offer/ Abridged Letter of Offer and Application Form and Rights Entitlement Letter will be dispatched only to Eligible Equity Shareholders who have an address in India. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not, and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that the Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

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

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (the "**US SEC**"), any other federal or any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Equity Shares or the accuracy or adequacy of this Letter of Offer.

Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants/ Investors. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under the applicable laws or regulations.

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

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Conventions

All references to "India" contained in this Letter of Offer are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Letter of Offer to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. Unless otherwise specified, any time mentioned in this Letter of Offer is in Indian Standard Time ("IST"). Unless indicated otherwise, all references to a year in this Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

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

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Letter of Offer has been derived from our Audited Financial Statements. For details, please see "**Financial Information**" beginning on page 80 of this Letter of Offer. Our Company's financial year commences on April 01 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Government of India has adopted the Indian accounting standards ("**Ind AS**"), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board ("**IFRS**") and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the "**Ind AS Rules**"). The Financial Statements of our Company have been prepared in accordance with Ind AS and recognition and measurement principles laid down in Ind AS 34 prescribed under the Section 133 of the Companies Act 2013 and Regulation 33 of SEBI Listing Regulations. Our Company publishes its financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited.

Unless otherwise stated, the financial numbers stated in this Letter of Offer are derived from the Audited Financial Statements and /or the Limited Reviewed Financial Information.

The Audited Financial Statements of our Company have been prepared in accordance with Ind AS, as prescribed under Section 133 of Companies Act read with the Ind AS Rules and other the relevant provisions of the Companies Act and in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised), 2019, issued by the ICAI. Our Company publishes its financial statements in Rupees in Lakhs.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off and unless otherwise specified all financial numbers in parenthesis represent negative figures. Our Company has presented all numerical information in the Financial Statements in whole numbers and in this Letter of Offer in "lakh" units or in whole numbers where the numbers have been too small to represent in lakh. One lakh represents 1,00,000 and one million represents 1,000,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Letter For further information, see "**Financial Information**" beginning on page 80.

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

such respective sources. In this Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Currency and Units of Presentation

All references to:

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

Our Company has presented certain numerical information in this Letter of Offer in "lakh" or "Lac" units or in whole numbers. One lakh represents 1,00,000 and one million represents 1,000,000. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh. Any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Conditions and Results of Operation*" beginning on pages 16, 62, and 125 and elsewhere, unless otherwise indicated, have been calculated based on our Financial Information.

Exchange Rates

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

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

		(in ₹)			
Name of the Currency	As of December 31, 2023	As of March 31, 2023	As of March 31, 2022	As of March 31, 2021	
United States Dollar	82.76	82.22	75.81	73.50	

(Source: www.rbi.org.in and www.fbil.org.in)

Note: In case March 31 of any of the respective years / period or December 31 is a public holiday, the previous Working Day not being a public holiday has been considered.

Industry and Market Data

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

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but the accuracy and completeness of such information are not guaranteed, and their reliability cannot be assured. This information is subject to change and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. Although we believe the industry and market data used in this Letter of Offer is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" beginning on page 16 of this Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

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

FORWARD-LOOKING STATEMENTS

In this Letter of Offer, we have included statements, which contain words or phrases such as "will", "may", "aim", "is likely to result", "believe", "expect", "continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "pursue" and similar expressions or variations of such expressions, that are "forward-looking statements". However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Letter of Offer that are not historical facts. These forward-looking statements contained in this Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

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 industry in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, the competition in our industry and markets, technological changes, our exposure to market risks, general economic and political conditions in India and globally, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, performance of the financial markets in India and globally, changes in laws, regulations and taxes, the incidence of natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- Any non-availability or increase in cost of silver, gem stones and other stones;
- Our ability to continue to develop innovative, fashionable and popular designs;
- Our ability to expand our product offerings and distribution channels
- Any adverse changes in central or state government policies;
- Our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks that have an impact on our business activities or investments;
- Our ability to maintain or improve our technology infrastructure;
- Occurrence of natural calamities or natural disasters affecting the areas in which our Company has operations;
- Any adverse development that may affect our operations; and
- General, political, economic, social and business conditions in India and other global markets.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, please refer to "**Risk Factors**", "**Our Business**" and "**Management's Discussion and Analysis of Financial Position and Results of Operations**" beginning on pages 16, 62, and 125 respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward looking statements reflect the current views of our Company as of the date of this Letter of Offer and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although, we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, our Promoters, nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company will ensure that investors are informed of material developments from the date of this Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchange.

SUMMARY OF LETTER OF OFFER

The following is a general summary of certain disclosures included in this Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Letter of Offer, including, "**Risk Factors**", "**Objects of the Issue**", "**Our Business**" and "**Outstanding Litigation and Defaults**" beginning on pages 16, 42, 62 and 131, respectively.

Primary Business of our Company

Our Company specializes in the comprehensive spectrum of designing, manufacturing, retailing, and wholesaling of exquisite silver jewelry. Our expertise lies in curating a diverse range of designs that cater to the discerning preferences of our valued customers. Recognizing the regional variations in tastes and preferences, we have curated a versatile portfolio of ornaments and jewelry to accommodate a wide spectrum of choices. Our adept team is dedicated to staying attuned to the latest trends, fashion movements, and demographic preferences, enabling us to craft jewelry products that seamlessly align with the dynamic and evolving desires of our esteemed clientele.

For further details, please see chapter titled "**Our Business**" beginning on page 62.

Objects of the Issue

The details of the Net Proceeds are summarized in the table below:

Particulars	Amount
Gross Proceeds from the Issue [#]	2,567.50
Less: Issue related expenses	37.94
Net Proceeds of the Issue	2,529.56

[#]assuming full subscription and allotment

^{*}The issue size shall aggregate up to ₹ 2,567.50 lakhs. If there is any reduction in the amount on account of or at the time of finalisation of issue price, the same will be adjusted against General Corporate Purpose.

The Net Proceeds are proposed to be used in the manner set out in the following table:

Particulars	Amount
Repayment in full, of unsecured loan availed from one of the Promoters, Mr. Nitin Jain;	1,204.19
Repayment/ Pre-payment of certain secured loan availed from lenders of the Company either in part or full	365.00
To augment the existing and incremental working capital requirement of our Company	855.00
General Corporate Purposes [#]	105.37
Total Net Proceeds	2,529.56

[#]To be finalized on determination of the Issue Price and updated in the Letter of Offer prior to filing with the Stock Exchange and submitted with SEBI. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

For further details, please see chapter titled "**Objects of the Issue**" beginning on page 42.

Intention and extent of participation by our Promoters and Promoter Group shareholders

Our Promoters and member of our Promoter Group have, vide their letters dated December 25, 2023 ("**Subscription Letters**") have undertaken to subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoters or member(s) of the Promoter Group of our Company.

Further they would subscribe to, Additional Rights Equity Shares over and above the Rights Entitlements of the Promoter and Promoter Group including unsubscribed portion of the Issue, if any, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations, Companies Act, the SEBI ICDR Regulations, the SEBI Takeover Regulations and other applicable laws.

The additional subscription, if any, by our Promoters and members of our Promoter Group shall be made subject to such additional subscription not resulting in the minimum public shareholding of our Company falling below the level prescribed in SEBI Listing Regulations and SCRR. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

Outstanding litigation and defaults

A summary of the outstanding legal proceedings involving our Company as on the date of this Letter of Offer is set forth in the table below:

Particulars	Criminal Matters	Matters involving material violations of statutory regulations	Economic offences where proceedings have been initiated against our Company	Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold and other pending matters, which if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company	Tax Proceedings	Aggregate amount involved (₹ in lakhs)
Against the Company	-	-	-	-	7	10.56
By the Company	-	-	-	-	-	-

Risk Factors

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares of the Company, material litigations which impact the business of the Company and other economic factors please refer to "**Risk Factors**" beginning on page 16.

Related Party Transactions

For details regarding our related party transactions, please see "**Audited Financial Statements**" on pages 80.

Issue of equity shares made in last one year for consideration other than cash

Our Company has not made any issuances of Equity Shares in the last one year for consideration other than cash.

SECTION II: RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all the information disclosed in this Letter of Offer, including the risks and uncertainties described below and the "Financial Statements" on page 80 of this Letter of Offer, before making an investment in the Equity Shares. The risks described below are not the only risks relevant to us or the Equity Shares or the industries in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, cash flows, prospects, results of operations and financial condition. In order to obtain a complete understanding about us, investors should read this section in conjunction with "Our Business", "Industry Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 62, 51 and 125, respectively, as well as the other financial information included in this Letter of Offer. If any of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business, cash flows, prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of the value of their investment. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below.

However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Issue. The following factors have been considered for determining the materiality: (1) some events may not be material individually but may be found material collectively; (2) some events may have material impact qualitatively instead of quantitatively; and (3) some events may not be material at present but may have material impact in future.

This Letter of Offer 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 certain factors, including the considerations described below and elsewhere in this Letter of Offer. Any potential investor in, and purchaser of, the Equity Shares should pay particular attention to the fact that our Company is an Indian company and is subject to a legal and regulatory environment which, in some respects, may be different from that which prevails in other countries. For further information, please refer to "Forward Looking Statements" beginning on page 13 of this Letter of Offer.

Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Financial Statements and Unaudited Financial Results included in this Letter of Offer. For further information, please refer to "Financial Statements" beginning on page 80 of this Letter of Offer. In this section, unless the context requires otherwise, any reference to "we", "us" or "our" refers to Silgo Retail Limited.

INTERNAL RISK FACTORS

1. Non-availability or increase in cost of silver, gem stones and other stones may have an adverse effect on our business, results of operations and financial condition.

We are engaged in the business of designing, manufacturing and trading of silver jewellery and gem stones. Our primary raw material includes silver bars, and stones. Majority of our raw materials are sourced from the domestic market. The procurement process is typically guided by management estimations, considering factors such as current orders, historical consumption patterns, and future projections. The procurement of raw materials together with their superior quality and cost-effectiveness, significantly contributes to the efficient functioning of our business operations.

Silver bar is the primary raw material used in our manufacturing process. During the six months ending September 30, 2023, and financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, we incurred cost of ₹ 1,277.63 lakhs ₹ 1,515.78 lakhs, ₹ 2,002.70 lakhs and ₹ 1,473.67 lakhs, on purchases of silver which constitute almost 78.77 %, 44.49%, 57.46% and 46.21% of the revenue from operations, respectively. Price of silver is volatile in nature and is linked to the international commodity indices. Although we source silver and sell our products on an variable price basis, any significant increase in the price of silver or a negative outlook on future silver prices could, in the short term, adversely affect our sales volumes. We may also require specific quality other raw materials including certain stones for specific jewellery design. Accordingly, our business may be affected by the availability, cost and quality of raw materials. A sudden fall in the market price of silver, gem stones and other stones may affect our ability to recover our procurement costs. Conversely, an increase in the price of silver, gem stones and other stones could lead to a decrease in our profit margins if we are unable to pass such increased cost to our customers. Further, any rise in prices of raw materials used by us may also cause customers to delay their purchases, thereby adversely affecting our business, operations and financial condition.

Further the prices and supply of silver, precious and semi-precious stones and other raw materials depend on factors beyond our control, including general economic conditions, competition, production levels and regulatory factors such as import duties etc. Although, we have not faced any significant shortage with respect to availability of our raw material in past three fiscals, we cannot assure you that we will be able to procure quality raw materials at competitive prices or at all.

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

Our total inventory was Rs.4,758.97 Lakhs against the total sales of Rs. 1621.99 Lakhs for the six month period ending September 30, 2023, Rs.3,383.70 Lakhs against the total sales of Rs.3,407.08 Lakhs for the Year ended on March 31, 2023 and Rs.3,342.74 Lakhs against the total sales of Rs.3,485.27 Lakhs for the year ended on March 31, 2022 and Rs.2,646.45 Lakhs against the total sales of Rs.3,189.26 Lakhs for the year ended on March 31, 2021, which is 293.40%, 99.31%, 95.91% and 82.98 % of total sales respectively for the said period.. The inventory includes silver and gem stones amongst others. Our results of operations are dependent on our ability to effectively manage our inventory. We must be able to accurately estimate customer demand and supply requirements and manufacture new Jewellery to effectively manage our inventory. If our management misjudge expected customer demand, it could adversely impact the results by causing either a shortage of inventory or an accumulation of excess inventory. Further, if we fail to sell the inventory, manufactured by us, we may incur loss pertaining to the labour charges of such unsold materials and will also result in blockage of working capital thereby incurring loss of interest, which would have an adverse impact on our income as well as cash flows.

3. We have recently started deriving a substantial portion of our revenue from trading activities encompassing of trading in silver jewellery (including artifacts) and gemstone.

We are primarily engaged in designing and manufacturing of silver jewellery (including artifacts) and gem stone. However, in the last two of the preceding three financial years and the six-month period ending September 30, 2023, a significant portion of our revenue has also been generated from the trading of silver (bullion) and gemstones.

The below table sets out the sales turnover of our trading and manufacturing business.

(Rs in lakhs)

Segments	Six months ended on September 30, 2023		FY 2022-2023		FY 2021-2022		FY 2020-2021	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%
Manufacturing	783.70	48.32	2495.23	73.24	3482.02	100.00	2253.44	70.94
Trading	838.29	51.68	911.55	26.76	-	-	922.95	29.06
Total	1621.99	100.00	3406.78	100.00	3482.02	100.00	3176.39	100.00

The substantial increase of revenue from trading activity can be solely attributed toward our approach to take benefit of the emerging trading market in addition to revenue generated from our designing and manufacturing activities. If in future, our trading activities contributes to a larger portion of revenue than that of designing and manufacturing activities then in such case, our historical financial statements would not be able to reflect our future business prospects and the same could affect our ability to raise funds in form of equity or debt and hence the same could materially adversely affect our results of operations and financial conditions

4. We are dependent upon few suppliers for purchase of major portion of our raw material and there are no long-term supply agreements with our vendors/suppliers.

Our primary raw material is silver and our top ten suppliers contribute 93.07%, 77.73% and 78.41% of our total purchases for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 respectively. The discontinuation of any of this large supplier may affect our operations, revenue and profitability although the raw material can be procured easily from other suppliers.

We do not have any long-term agreements with our vendors/suppliers from whom we procure our raw material. In absence of any formal contract with our vendors/suppliers, we are exposed to the risks of irregular supplies or no supplies at all or delayed supplies or price variation which would materially affect our results of operations. In the event of any disruption in the raw material supply or the non-availability of raw material in the required quantity and quality from alternate source, the production schedule may be adversely affected impacting the sales and profitability of the Company.

5. We have experienced negative cash flows in previous years / periods. Any operating losses or negative cash flow in the future could adversely affect our results of operations and financial condition.

Our Company had negative cash flows from our operating activities in previous year's i.e 2022 and 2021 and negative cash flows in investing activities in the previous year's i.e. 2023 and 2021. Cash flow of a Company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and to make new investments without raising finance from external resources. Any operating losses or negative cash flows could adversely affect our results of operations and financial conditions. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

(Rs.in Lakhs)

Particulars	For the fiscal year ended on		
	2023	2022	2021
Net Cash flow generated from Operating activities	237.82	(78.94)	(147.87)
Net Cash flow Generated from Investing Activities	(0.97)	1.35	(1.39)
Net Cash flow Generated from Financing Activities	(239.70)	71.91	146.40

6. We have entered into loan agreements with Banks, which contain conditions and restrictions on our operations, additional financing and capital structure.

As of December 31, 2023, our total secured outstanding debt, was ₹ 965 Lakhs from State Bank of India. The financing agreements governing such facilities include conditions and restrictive covenants that require us to obtain consents, approvals, no-objections or waivers from lenders prior to carrying out specified activities or entering into certain transactions or events. It may also impose a duty on us to intimate them of certain transactions or events. Additionally, under such financing agreements, we are also required to comply with certain financial covenants, such as maintaining prescribed financial ratios at all times. Undertaking any transaction or events which are restricted as provided herein above, without the consent of our lenders or non-compliance with any of the covenants of our financing agreements, constitute defaults under the relevant financing agreements and will entitle the respective lenders to declare a default against us and enforce remedies under the terms of the financing agreements as stated. This can include, among others, enforcement of any security interest created under the financing agreements and taking possession of the assets given as security in respect of the financing agreements. Further, we cannot assure you that we will be able to obtain approvals to undertake any of these activities as and when required or to comply with such covenants or other covenants in the future in a timely or guaranteed manner. Further, we intend to utilise a portion of the Net Proceeds of the Issue towards repayment, in part or full, of the outstanding amount. For details, see “*Objects of the Issue*” on page 42.

7. We do not register our jewellery designs under the Designs Act, 2000 and thus we may not be able enforce our intellectual property rights on our designs.

Although we change our jewellery designs on a regular basis, we do not register such designs under the Designs Act, 2000. As such, it would be difficult for us to enforce our intellectual property rights on our designs if, our competitors copy our designs, in particular the designs of our products available on our website or the designs given to craftsmen or employee. If our competitors successfully copy our designs, we may suffer a loss of revenue, which could adversely affect our results of operations and financial condition. Further, designs developed by us may inadvertently infringe the intellectual property rights of third parties, which may expose us to legal proceedings. As a result, we are susceptible to litigation for infringement of intellectual property rights. Any such litigation, proceedings or allegations could materially and adversely affect our reputation

8. Our business depends on our ability to attract and retain skilled in-house designers, craftsmen and sales personnel. Our failure to attract or retain such personnel could materially and adversely affect our business, results of operations and financial condition.

Our success depends on our ability to attract, hire, train and retain skilled in-house designers, craftsmen and sales personnel. In the silver jewellery (including artifacts) and gemstone industry, the level and quality of in-house designers and sales personnel are key competitive factors and our inability to recruit, train and retain suitably qualified and skilled designers and sales personnel could adversely impact our reputation, business prospects and results of operations. While we spend resources in training of our employees, we cannot assure you that our employees will be able to perform their respective tasks in a skilled manner or at all. We have experienced a reduction of our employee strength in the six months ended September 30, 2023, as compared to six months ended September 30, 2022. Our average attrition rate was 24.00% and 17.86% for six months ending September 30, 2023 and financial year ending March 31, 2023, respectively, as compared to 10.17% and 37.78% for six months ending September 30, 2022 and financial year ending March 31, 2022. There can be no assurance that attrition rates

for our employees, particularly our sales personnel, will not increase. A significant increase in our employee attrition rate could also result in decreased operational efficiencies and productivity, loss of market knowledge and customer relationships, and an increase in recruitment and training costs, thereby materially and adversely affecting our business, results of operations and financial condition

9. *We may be unable to expand our product offerings and distribution channels as per our strategy and the same may have an adverse effect on our business, results of operations and financial condition.*

Our Company is focused on strategically tapping into untapped regions and capitalizing on emerging opportunities which allow increased sales and brand visibility. As a part of our business strategy, we intend to enter into new market through modern trade channels and also enhance the catalogue of our product offerings from time to time as per customer preferences and market trends. To achieve and give effect to our proposed strategy, we would require adequate amount of planning and execution. We cannot assure that the strategy and the level of planning and efficiency that we may implement to expand our product offerings and distribution channels will yield effective result and we may be unable to expand our product offerings and distribution channels as per the market requirement and the same may have an adverse effect on our business, results of operations and financial condition.

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

The silver jewellery (including artifacts) and gem stone industry is subject to rapid and unpredictable changes in fashion trends and customer preferences. We have in-house designers responsible for introducing new and innovative designs for our jewellery. Over the years while we have embraced new technologies and machineries to introduce new and innovative designs, including 3D Computer-Aided Designing (CAD) and CAM machines to cater to the demand for newer designs in a time bound manner. However, there is no guarantee that adoption of such technology will allow us to gain favourable position with customers or that our designs will meet customer preferences. Customer preferences for jewellery designs and types may vary significantly from region to region in India and abroad.

Our success depends on our capacity to discern, initiate, and delineate patterns of our jewellery and market development, both domestically and internationally, while also being able to foresee, assess, and respond to swiftly evolving customer preferences in a prompt way. Our jewellery must also cater to a diverse client base with varying tastes across different locations, which are difficult to accurately forecast. We cannot guarantee the sustained growth of our jewellery demand among end-consumers, nor can we ensure our ability to consistently create attractive trends or match the swiftly evolving consumer wants in the future. Underestimating the market demand for our jewellery items or omitting to predict a change in consumer preferences might have a negative impact on our brand reputation, our business, and our financial condition



11. *Our Company is subject to certain obligations and reporting requirements as may be required under applicable regulations framed by SEBI and may be subject to monetary penalty on account of delayed compliance.*

Our Company is subject to certain obligations and reporting requirements as may be required under applicable regulations framed by SEBI and may be subject to monetary penalty on account of delayed compliance. As a listed company, we are required to comply with certain conditions for continuous listing under the SEBI Listing Regulations and other rules and regulations imposed by SEBI, which require us to make certain periodic disclosures, including disclosures about any material events or occurrences with respect to our Company, disclosure of our financial statements and disclosure of our updated shareholding pattern. In past there have been a few instances of non-compliances with the strict provisions of SEBI Listing Regulations. For instance, there had been a delay of 4 days in submission of report detailing the disclosures of related party transactions under Regulation 23(9) to Stock exchange and accordingly a fine was levied on Company by NSE which was paid by the Company. Further, our Company obtained approval from the shareholders for the related party transaction entered during March 2023 to September 2023 in the AGM dated September 30, 2023. However, in compliance with regulation 23(4) of the SEBI Listing Regulations, our Company was required to obtain prior approval from shareholders and thus it may subject us to penalty from stock exchanges. Although, we have not received any adverse order imposing penalty from NSE or other regulatory authority, we cannot assure you that we will not receive and adverse order in future.

In past one year from the date of filing the Letter of Offer, our Company has complied with all the filing and disclosure requirement as required under the SEBI Listing Regulations and thus making the disclosure in this Letter of Offer in compliance with Part B of Schedule VI. Our Company shall endeavour to comply with all obligations/reporting requirements

under various regulations framed by SEBI and/or Stock Exchanges. Any failure to comply with such rules and regulations or any wrong disclosure/ non filing to the NSE or any statutory authority could result in penalties being imposed on us, which may adversely affect our business and operations.

12. Our inability to protect or use our trademark or logo may adversely affect our business.

Our name and trademarks are significant to our business and operations. We believe that several of our trade names have significant brand recognition. The use of our brand name or logo by third parties could adversely affect our reputation, which could in turn adversely affect our financial performance and the market price of the Equity Shares. As on date of this Letter of Offer, our Company has 21 registered trademarks/logos under various classes. Further, our Company also uses two artistic works i.e. “” and “”.which are registered in the name of our Promoter Mr. Nitin Jain and our Company uses such copyright under assignment agreement entered into between our Company and Mr. Nitin Jain.. For further details, see “**Our Business**” on page 62. Our inability to maintain these registrations may adversely affect our competitive business position, affect our brand value and consequently have an adverse effect on our business, results of operations and financial condition.

13. We do not own our registered office, show room and manufacturing unit from which we operate.

Our Registered Office situated at B-11, Mahalaxmi Nagar, Jawahar Lal Nehru Marg, Jaipur, Rajasthan- 302017 and the our manufacturing unit, located at G-1-10, Export Promotional Industrial Park, Gems & Jewellery Zone, Sitapura, Jaipur – 302022, is not owned by our Company but owned by the Promoter and Managing Director, Mr. Nitin Jain and the Company is occupying the premises on permitted to use basis There can be no assurance that the tenure of the arrangement will be continued for very long time and in the event our Promoter terminates the arrangement., we may require to vacate the registered office, show room and manufacturing unit, identify alternative premises immediately at reasonable rent and enter into fresh lease or leave and license agreement. If alternative premises are not available at the same or similar costs, size or locations, our business, financial condition and results of operations may be adversely affected. In addition, any adverse development relating to the landlord's title or ownership rights to such properties may entail incurring significant legal expenses and adversely affect our operations. Such a situation could result in loss of business, time overruns and may adversely affect our operations and profitability.

14. Erroneous accounting and disclosure in Financial Statements and Financial results.

There are following erroneous instances in Limited Review Financial Statement and Audited Financial Statements respectively viz.:

1. An amount of Rs. 0.81 lakhs was erroneously categorized/booked as/under the head non-current liability in the financial results for the period ended September 2023, instead of current liability. We have taken a note of the same and it shall necessitate correction at the time of auditing financial statements for the ensuing year end.
2. In “Note no. 23 – Cost of Material Consumed” of the Financial Statements for March 31, 2023, the Closing Stock of raw material and Purchases were erroneously overstated. However, the total Cost of Material Consumed was not affected as an increase in closing stock of raw material was negated by erroneous increase of Purchases. The said error is explained in a tabular manner below:

Note - 23 - Cost of Material Consumed

Particulars (Rs. In lakhs)	Year Ended 31.3.2023		
	Erroneous	Actual	Difference
Opening Stock	2510.57	2510.57	-
Add: Purchases	1756.35	1716.05	40.29
	4266.92	4226.62	40.29
Less: Closing Stock	1785.14	1744.85	40.29
Total	2481.77	2481.77	-

In “Note no. 6 - Inventories” of the Financial Statements for March 31, 2023, the total amount of Inventories was not disturbed and the same was correctly mentioned in the said Note and the Balance Sheet as at 31.03.2023. However, the closing Stock of raw material was incorrectly overstated consequential to the error in Note 23, in the said Note to the tune of Rs. 40.29 lakhs, without impacting the total Inventories of the said Note and also the amount taken in the Balance Sheet. The said error is explained in a tabular manner below:

Note - 6 – Inventories

Particulars (Rs. In lakhs)	As at 31.3.2023		
	Erroneous	Actual	Difference
Valued at lower of Cost or Net Realizable Value			
Raw Materials	1,785.14	1,744.85	40.29
Work-in-progress	40.29	40.29	-
Finished Goods	1,598.56	1,598.56	-
Total	3,383.70	3,383.70	-

We wish to emphasize that this discrepancy of overstatement of inventory of raw material of Rs. 40.29 lakhs is solely a typographical error in the notes to account as mentioned above, and that the Balance Sheet and Profit & Loss statements represent the true and fair values (i.e. the values are neither overstated nor understated). While no legal proceedings or regulatory action has been initiated against us in relation erroneous filings as of the date of this Draft Letter of Offer, we cannot assure you that such proceedings or regulatory actions will not be initiated against us in the future in relation to such erroneous filings. We cannot assure you that any such proceedings will not have a material adverse effect on our financial condition or reputation.

15. *There have been certain instances of delayed compliance with respect to certain regulatory filings of the Company in the past. Consequently, we may be subject to regulatory actions and penalties, if any, for any such delayed compliance and our business, financial condition and reputation may be adversely affected.*

We are subject to various compliances and are required to file various forms/ reports with ROC under the Companies Act and other statutory authorities from time to time under the applicable laws. In the past, there has been instances of incorrect filings and/or delays in filing statutory forms with the Registrar of Companies (RoC). However, subsequently filings have been submitted along with the payment of additional fees as specified by the RoC.

Although, the late filing fees levied are small but if we continue this practice, the accumulated amounts of each delay may adversely affect our cash flows. It is important to note that as of now, no show cause notices have been issued against our Company in relation to the aforementioned matters. However, in the event that the relevant authorities take cognizance of these issues, actions may be initiated against our Company and its directors. Such actions could have implications on the financials of our Company and our Directors.

Furthermore, as we expand our operations, there is no guarantee that deficiencies in our internal controls and compliance will not arise. We cannot assure that we will be able to effectively implement and consistently maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls, whether in a timely manner or at all.

16. *Our Promoter and Director have issued personal guarantees and/or mortgaged their property in relation to debt facilities availed by us, which if revoked, may require alternative guarantees, repayment of amounts due or termination of the facilities.*

Our Promoter, Mr. Nitin Jain and Anjana Jain, Director and Promoter group individual, have provided their personal guarantees and/or mortgaged their property in relation to our secured debt facilities availed from State Bank of India. In the event any of these guarantees are revoked or mortgaged properties are moved against, then the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. While we have not faced any revocation of such guarantees in the past, if any of these guarantees are revoked, our lenders may require alternative guarantees or collateral or cancellation of such facilities, entailing repayment of amounts outstanding under such facilities. Further we may not be successful in procuring alternative guarantees satisfactory to the lenders and as a result, may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition.

17. *Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.*

We operate in a working capital intense industry therefore our business demands substantial funds to meet the working capital requirements. Generally, we meet our working capital requirement through secured and unsecured loans from financial institutions and related parties. We propose to raise up to Rs. 855 lakhs from the Issue to partly finance our working capital requirements. For further details, see “*Objects of the Issue*” on page 42. Further, our working capital requirements may be affected due to factors beyond our control including force majeure conditions, delay or default of payment by our clients, non-

availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

Our ability to arrange financing and the costs of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from financial institutions, the amount and terms of our existing indebtedness, investor confidence, etc. Our attempts to consummate future financings may not be successful or be on terms favourable to us. In addition, our ability to raise funds, either through equity or debt, may be limited by certain restrictions imposed under Indian law or judicial order.

18. We require certain approvals or licenses in the ordinary course of business, and the failure to obtain, renew, maintain them in a timely manner or at all may adversely affect our business and operations

We require certain approvals, licenses, registrations and permissions for operating our businesses, some of which may have expired and for which we may have either made or are in the process of making an application for obtaining the approval or its renewal. Failure to renew, maintain or obtain required permits or approvals at the requisite time may result in interruption of our operations and may have an adverse impact on our business, financial condition and results of operations. As on date, our Company does not have no objection certificate for our manufacturing facility from the Fire Department, Government of Rajasthan and although our Company has applied to obtain the no objection certificate, our Company may be subject to penalty and other action for non-compliance in past and we cannot guarantee that the relevant authority will issue the no objection certificate in the timeframe anticipated or at all. Any failure to obtain or renew the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us may impede our operations. We may need to apply for further approvals in the future including renewal of approvals that may expire from time to time. There can be no assurance that the relevant authorities will issue such permits or approvals in the timeframe anticipated or at all. Further, the copies of the domain registration certificate of the Company, is not available / traceable as on date. However, we have reviewed on domain purchase bill of the Company for the purpose of verifying the domain registration. Although we have reviewed the domain purchase bill, neither the Lead Manager nor the Company can verify the registration details of the Company's domain with certainty.

19. We face significant competition. Any failure to compete effectively may have a material adverse effect on our business and operations.

In India, silver jewellery (including artifacts) and gemstone industry is highly divided between organised sector and unorganized sector. If we fail to create a position or our existing position deteriorates, the operating results or financial condition will get adversely affected. Aggressive discounting and marketing by competitors may also adversely impact our performance for a temporary period. We may in future experience increase competition from existing or new manufacturer and designers. Due to increase in competition, we may temporarily experience downward pressure on prices, lower demand for our products, reduced margins and a loss of market share, all of which would have an adverse impact on our business and results of operations.

20. Our Promoter may have interest in entities, which are engaged in lines of business similar to that of our Company. Any conflict of interest which may occur between our business and the activities undertaken by such entities could adversely affect our business and prospects.

Our Promoter Mr. Nitin Jain is the sole proprietor of M/s. Creative Jewellery and Director of Silgo Creations (Jaipur) Private Limited, promoter group entities, which are engaged in lines of business similar to that of our Company and thus, may potentially compete with us. Interests of such persons may conflict with the interests of our Company and they may, for business considerations or otherwise, cause us to take actions, or refrain from taking actions, in order to benefit him, which may conflict with the best interest of our Company or that of our other Shareholders, which in turn may materially adversely impact our business, financial condition, results of operations and cash flows.

21. The management of our Company is dependent upon our senior management, directors and key personnel and designers.

We operate in an industry where the quality of our people is a critical asset. We benefit significantly from the vision, strategic guidance, experience and skills of several key members of our management team, which includes our Promoters, supported by the skills, efforts, expertise, continued performance and motivation of our Key Management Personnel, and other personnel. If any of our Promoters, Key Management Personnel cease to be associated with our Company and we fail to recruit suitable replacements in a timely manner, our ability to manage our growth and our business, results of operations and prospects may be adversely affected.

Further, in the silver jewellery (including artifacts) and gem stone industry, the level and quality of designs is one of key competitive factors and an inability to recruit, train and retain suitably qualified and skilled designers could adversely impact our reputation, business, prospects and results of operations.

22. Our Company is subject to certain tax proceedings, which, if determined adversely, may affect our business and financial condition.

Our Company are currently involved in certain tax proceedings in India. We cannot assure you that such proceedings will be decided in favour of our Company. Any adverse decision in such proceedings may render our Company to pay penalties. Additionally, during the course of our business we are subject to risk of litigation in relation to contractual obligations, employment and labour law related, civil litigation etc.

A classification of the outstanding proceedings is given in the following table:

Particulars	Criminal Matters	Matters involving material violations of statutory regulations	Economic offences where proceedings have been initiated against our Company	Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold and other pending matters, which if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company	Tax Proceedings	Aggregate amount involved (₹ in lakhs)
Against the Company	-	-	-	-	7	10.56
By the Company	-	-	-	-	-	-

Decisions in such proceedings, adverse to interests of our Company, may require us to pay penalty along with the interest. Even if we are successful in defending such cases, we will be subject to legal and other costs relating to defending such litigation. In addition, we cannot assure you that similar proceedings will not be initiated in the future. For further details, please refer to "*Outstanding Litigation and Material Developments*" on page 131.

23. We have entered into certain transactions with related parties. These transactions or any future transactions with our related parties could potentially involve conflicts of interest.

We have entered into certain transactions with related parties, including with our Promoter, directors and other related parties and may continue to do so in future. Our Company has entered into such transactions due to easy proximity and quick execution. However, there is no assurance that we could not have obtained better and more favourable terms than from transaction with related parties. Additionally, our company believe that all our related party transactions have been conducted on an arm's length basis, but we cannot provide assurance that we could have achieved more favourable terms had such transactions been entered with third parties. Except as mentioned in Risk Factor No. 11 the related party transactions entered into by the Company in past are in compliance with Companies Act, 2013 and other applicable laws. Our Company may enter into such transactions in future also and we cannot assure that in such events there would be no adverse effect on results of our operations, although going forward, all related party transactions that we may enter will be subject to board or shareholder approval, as required under the Companies Act, 2013 and the Listing Regulations.

24. Our business depends, in part, on factors affecting consumer spending that are beyond our control.

Jewellery purchases are dependent on consumers' discretionary spending power and disposable income. Various factors affect discretionary consumer spending, including economic conditions, perceptions of such conditions by consumers, economic outlook, levels of employment, inflation or deflation, real disposable income, interest rates, taxation, currency exchange rates, stock market performance, the availability of consumer credit, levels of consumer debt, consumer confidence, consumer perception of economic conditions and consumer willingness to spend, all of which are beyond our control. An economic downturn or an otherwise uncertain economic outlook in our principal markets, in any other markets in which we may operate in the future, or on a global scale could adversely affect our consumer spending habits and traffic, which could have a material adverse effect on our business, results of operations and financial condition.

25. Our business is seasonal in nature with significant sales during the festive season and other significant seasons. In case, we are unable to cope up with the demand during this time, then our revenues and profitability will be affected and have a negative effect on our image.

Our business is seasonal in nature with a significant proportion of our sales generated during the festive seasons like Diwali season, Valentine's Day, Raksha Bandhan, Akshay Tritiya, Guru Pushya Nakshatra, Christmas etc. and during Marriage seasons. If our Company is unable to cope up with the demand and requirement of the customers during the Festive and Marriage seasons, our profitability will be adversely affected on account of reduction of sales. Further we may not be able to recover the shortfalls of sales of such periods. We expect to continue to experience a seasonal fluctuation in our sales and income. We have limited ability to compensate for shortfalls in our sales or income during such periods by introducing changes in operations and strategies for rest of the year, or to recover from any extensive disruption, i.e. due to sudden adverse changes in consumer confidence, global pricing of silver jewellery (including artifacts) and gem stone, lower disposable income, etc. A significant shortfall in sales during these periods would therefore be expected to have a material adverse effect on our results of operations.

26. Our Registered office and manufacturing facility is geographically located at Jaipur, Rajasthan and any localized social unrest, natural calamities, distress, etc. could have material adverse effect on the business and financial operations.

Our Registered office and manufacturing facility is geographically located at Jaipur, Rajasthan. Our concentration of sales in Jaipur heightens our exposure to adverse developments in Jaipur. As a result, any localized social unrest, natural calamities, distress or breakdown of services and utilities in and around Jaipur, could have material adverse effect on our business, financial position and results of operations. Further, any continuous addition of manufacturing facility in and around our manufacturing facility. i.e., located at G-1-10, Export Promotional Industrial Park, Gems & Jewellery Zone, Sitapura, Jaipur – 302022, without commensurate growth of its infrastructural facilities may put pressure on the existing infrastructure, and may adversely affect our operations and business.

27. Any failure or disruption or change of our information technology (IT) systems may adversely impact our business and operations.

We depend on information technology systems and accounting systems to support our business processes, including designing, procurement, inventory management, quality control, product costing, human resources and finance. Although these technology initiatives are intended to increase productivity and operating efficiencies, they may not achieve such intended results. These systems may be potentially vulnerable to outages due to fire floods, power loss, telecommunications failures, natural disasters, computer viruses or malware, break-ins and similar events. Effective response to such disruptions or malfunctions will require effort and diligence to avoid any adverse effect to our information technology systems.

28. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control. Further, we may not be able to utilise the proceeds from this Issue in a timely manner or at all.

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions and have not been appraised by any bank or financial institution or other independent agency. Furthermore, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control. For further details, see "**Objects of the Issue**" on page 42. Further, our funding requirements and the deployment of the proceeds from this Issue are based on our current business plan and strategy and therefore we may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as fluctuations in raw material prices, changes in input cost, and other financial and operational factors. Accordingly, we may not be able to utilise the proceeds from this Issue in the manner set out in this Letter of Offer in a timely manner or at all. As regards utilisation of Net Proceeds for repayment of loans or prepayment of loan will be based on various factors, including the factors specified in the section "**Objects of the Issue**" on page 42.

29. Information included in this Letter of Offer relating to the installed capacity, actual production and capacity utilisation at our manufacturing facilities are based on various assumptions and estimates and future production and capacity may vary.

Information included in this Letter of Offer relating to the installed capacity, actual production and capacity utilisation at our manufacturing facilities are based on various assumptions and estimates of our management in the calculation of the installed capacity, actual generation and capacity utilisation of our Manufacturing Facility and such calculations may be made on certain assumptions or such calculations not be computed on the basis of any standard methodology and may not be comparable to that employed by other companies. Undue reliance should therefore not be placed on our installed capacity and capacity utilisation included in this Letter of Offer. As on date, we are under utilising our capacity and our Company strive to increase

our utilisation of capacity. However, we cannot assure you that our utilisation of capacity would increase in future and we shall be in a position to utilise of capacity to the fullest. For details, see **“Our Business”** on page 62.

30. A portion of Issue proceeds will be utilized by our Company for repayment of unsecured loan availed by it from our Promoter.

One of the Objects of this Issue is to repay the unsecured loan amounting to ₹1,204.19 lakhs availed by our Company from our Promoter, Mr. Nitin Jain. As on December 31, 2023, we have outstanding unsecured loan aggregating to ₹ 1,204.19 lakhs from Mr. Nitin Jain. Out of the Issue proceeds, we intend to utilize ₹1,204.19 lakhs for repayment of unsecured loan availed by our Company from our Promoter. The said unsecured loan was obtained by our Company to meet its fund requirement for day to day operations. Further, our Promoter have vide their subscription letters dated December 25, 2023, have confirmed that the application money due from them in lieu of their Rights Entitlements, can be adjusted towards the amount proposed to be repaid or pre-paid pursuant to this Issue.

Further, our Promoter, Mr. Nitin Jain has vide his request letter dated January 23, 2024, has requested that the application money to be paid by him in lieu of subscription of Right Equity Shares to be adjusted towards the unsecured loan amount proposed to be repaid pursuant to this Issue. Accordingly, the utilization of Net Proceeds for repayment of unsecured loan would not result in an actual cash flow from our Company to our Promoter and will also not result in the creation of any tangible assets for our Company. For further details, please see the chapter titled **“Objects of the Issue”** beginning on page 42.

31. We may be unable to grow our business in additional geographic regions or international markets, which may adversely affect our business prospects and results of operations.

Our Company seeks to grow its market reach domestically to explore untapped markets and segments; however, we cannot assure you that we will be able to grow our business as planned. Infrastructure and logistical challenges in addition to the changing customers’ taste and preferences may prevent us from expanding our presence or increasing the penetration of our products in other geographical area. Further, customers may be price conscious and we may be unable to compete effectively with the products of our competitors. If we are unable to grow our business in these new markets effectively, our business prospects, results of operations and financial condition may be adversely affected.

Further, expansion into new international markets is important to our long-term prospects. Competing successfully in international markets requires additional management attention and resources to tailor our services to the unique aspects of each new country. We may face various risks, including legal and regulatory restrictions, increased advertising and brand building expenditure, challenges caused by distance, language and cultural differences, in addition to our limited experience with such markets and currency exchange rate fluctuations. Further, we do not deal with end use customers, therefore we will have to engage distributors, dealers and other intermediaries to enter the international markets. If we are unable to make long-lasting relations with the major intermediaries in the overseas market or if we are unable to justify the quality of our products to them, it may make it difficult for us to enter into such markets. These and other risks, which we do not foresee at present could adversely affect any international expansion or growth, which could have an adverse effect on our business, results of operations and financial condition.

32. We may not be able to implement our growth strategy successfully.

We may not be able to achieve our planned growth of expansion for our jewellery business. If we are unable to implement our growth strategies successfully, our future growth in income and profits may be adversely affected. In order to expand our business operations successfully, we should enhance our production capacity and access new markets and operate in a profitable manner. If we are unable to access new markets or introducing new designed jewellery in timely manner, it is likely to affect our ability to meet these expansion plans. There can be no assurance that we will be able to achieve our expansion goals, in a timely manner, or at all, or that our expansion plans will be profitable. If we fail to continue to improve our infrastructure or managerial capacity and manpower our growth rate and operating results could be adversely affected.

33. Our Promoters will continue to retain significant shareholding in our Company after the issue, which will enable them to exercise significant control over us.

After the completion of the Issue, Our Promoters and Promoter Group will continue to collectively own a substantial portion of our issued Equity Shares. Pursuant to subscription of Equity Shares in the Issue, in case public shareholders do not subscribe fully, the collective holding of our Promoters and Promoter Group may increase above their current holdings. Our Promoters and Promoter Group will therefore continue to have the ability to exercise a controlling influence over our business which will

allow them to vote together on certain matters in our general meetings. Accordingly, the interests of our Promoters as our controlling shareholders may conflict with your interests and the interests of our other shareholders. We cannot assure you that the Promoters will act to resolve any conflicts of interest in our favour and any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

34. Our Promoters and certain of our Directors have interests in our Company other than their normal remuneration or benefits and reimbursement of expenses.

Our Promoters and certain of our Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses. Our Promoters and Directors holding Equity Shares may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. Our Promoter and Managing Director, Mr. Nitin Jain is also interested in the registered office as well as the factory premises used by our Company which are owned by him and our Promoter Group entity Silgo Creations (Jaipur) Private Limited where he is a director. However, as on date neither he nor Silgo Creations (Jaipur) Private Limited are receiving any rent and they have waived off their right to receive any rent against the use of such properties by our Company. However, we cannot assure you that he will continue to waive off such rent in the future. He may also be interested in the consideration received by his proprietorship firm, M/s Creative Jewellery, against the purchase of goods by our Company. Our Promoters and some of the Directors will be deemed to be interested to the extent of these transactions. Therefore, we cannot assure you that our Promoters and Directors will exercise their rights to the benefit and best interest of our Company.

35. The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled “Objects of the Issue”.

As the Issue size is not more than ₹10,000 lakhs, under Regulation 82 of the SEBI ICDR Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilization of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilization of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoters shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same.

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

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the chapter titled “***Industry Overview***” of this Letter of Offer. We have made disclosures in the said chapter on the basis of the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Letter of Offer. Further, the industry data mentioned in this Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Letter of Offer in this context.

37. Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.

We have obtained Jewellers Comprehensive Protection Policy. For further information, see “Our Business” on page 62 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 honoured fully, in part, or at all. 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.

38. *Our Company has not paid any dividends in the past three years and we may not be able to pay dividends in the future.*

Our Company has not declared dividends for last three financial year and our Company may not be able to declare dividends in the future. The declaration, payment and amount of any future dividends is subject to the discretion of the Board and Shareholders, and will depend upon various factors, inter alia, our earnings, financial position, capital expenditures and availability of profits, restrictive covenants in our financing arrangements and other prevailing regulatory conditions from time to time. Any of these factors may thus restrict our ability to pay dividends in the future. If we are unable to pay dividends in the future, realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

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

Employee misconduct, errors or frauds could expose us to business risks or losses. Such employee misconduct may include misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes, and improper use of confidential information. While we have not faced any such instances of material nature in the last three financial years, it may not always be possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which may result in write-off of such amounts.

40. *Relevant copies of educational qualification of Whole-time Director & Independent Director is not available / traceable.*

Certain relevant copies of the educational qualification of some of our Directors is not available / traceable as on date. However, our Directors are in the process of undertaking relevant steps for tracing such records. Therefore, neither the Lead Manager nor the Company can verify the information pertaining to educational qualification of some of our Directors. However, we have obtain the relevant affidavits from the concerned Directors and thus have relied on affidavits for the purpose of ascertaining their educational qualification.

ISSUE SPECIFIC RISK

41. *Our Company will not distribute the Letter of Offer and Application Form to certain overseas Shareholders who have not provided an address in India for service of documents.*

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

42. *SEBI has recently, by way of circulars dated January 22, 2020, May 6, 2020, July 24, 2020, January 19, 2021 and April 22, 2021 and October 1, 2021 streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Letter of Offer.*

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020, May 6, 2020, July 24, 2020, January 19, 2021 and April 22, 2021, October 1, 2021 and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, please refer to "**Terms of the Issue**" beginning on page 140 of this Letter of Offer.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense

account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

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

In accordance with the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow de-mat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their de-mat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

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

Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renounees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renounees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On-market Renunciation, such Renounee will not be able to apply in this Issue with respect to such Rights Entitlements. For details, please refer to "*Terms of the Issue*" beginning on page 140 of this Letter of Offer.

45. Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoter or members of our Promoter Group may adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoter and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoter and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

46. You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares.

47. You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

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

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

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

Under the Companies Act, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

50. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our operating results.

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

51. Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

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

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

Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

EXTERNAL RISK FACTOR

53. The coronavirus disease (COVID-19) has had an adverse effect on our business and operations and the extent to which it may continue to do so in the future, is uncertain and cannot be predicted.

In the first half of calendar year 2020, COVID-19 spread to a majority of countries across the world, including India. The COVID-19 pandemic has had, and may continue to have, significant repercussions across local national and global economies and financial markets. The global impact of the COVID-19 pandemic has rapidly evolved, and public health officials and governmental authorities had responded by taking measures, including in Rajasthan where our operations are primarily based, such as prohibiting people from assembling in large numbers, instituting quarantines, restricting travel, issuing “stay at home” orders and restricting the types of businesses that may continue to operate, among many others. On March 14, 2020, India declared COVID-19 as a “notified disaster” and imposed a nationwide lockdown beginning March 25, 2020. Further, India experienced a severe second wave of COVID-19 between March 2021 and June 2021.

While the lockdown does not remain in force, in case the lockdown is reintroduced, it could result in subdued growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect our business, prospects, results of operations and financial condition. The COVID-19 pandemic has affected our business and operation. The pandemic may continue to affect our business, results of operations and financial condition in a number of ways. The ultimate impact will depend on a number of factors, many of which are outside our control. These factors include the duration, severity and scope of the pandemic, the impact of the pandemic on economic activity in India and globally, the eventual level of infections in India or in the regions in which we operate, and the impact of any actions taken by governmental bodies or health organisations (whether mandatory or advisory) to combat the spread of the virus. Any intensification of the COVID-19 pandemic or any future outbreak of another highly infectious or contagious disease may adversely affect our business, results of operations and financial condition.

54. Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which investors may be more familiar with and consider material to their assessment of our financial condition.

Summary statements of assets and liabilities as at March 31, 2021 and summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the Fiscals 2021 have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Ind AS Rules and, the SEBI Circular and the Prospectus Guidance Note.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Letter of Offer, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Financial Information included in this Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited.

55. Political, economic or other factors that are beyond our control may have adversely affect our business and results of operations.

The Indian economy is influenced by economic developments in other countries. These factors could depress economic activity which could have an adverse effect on our business, financial condition and results of operations. Any financial disruption could have an adverse effect on our business and future financial performance.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies.

Economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production.

Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

56. A slowdown in economic growth in India could cause our business to suffer.

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- prevailing regional or global economic conditions; and
- other significant regulatory or economic developments in or affecting India

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

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

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, 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.

The Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards ("ICDS"), thereby creating a new framework for the computation of taxable income. The ICDS became applicable from the assessment year for Fiscal 2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

- the General Anti Avoidance Rules ("**GAAR**") have been made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.
- a comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure, which came into effect from July 1, 2017. We cannot provide any assurance as to any aspect of the tax regime following implementation of the GST. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the

profitability of such transactions.

In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. 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 affect the viability of our current business or restrict our ability to grow our business in the future.

Any increase in taxes and levies, or the imposition of new taxes and levies in the future, could increase the cost of production and operating expenses. Taxes and other levies imposed by the central or state governments in India that affect our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability.

58. Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections.

There are concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance and the trading price of the Equity Shares.

59. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations,

cash flows and financial condition may be adversely affected.

Further, the GOI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

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

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

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

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

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

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

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

Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

63. We are subject to regulatory, economic, social and political uncertainties and other factors beyond our control.

We are incorporated in India and we conduct our corporate affairs and our business in India. Consequently, our business, operations, financial performance will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations may include:

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;

- epidemic or any other public health in India or in countries in the region or globally, including in India's various neighboring countries;
- hostile or war like situations with the neighboring countries;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- downgrading of India's sovereign debt rating by rating agencies; and
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.
- Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy or certain regions in India, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares.

The recent outbreak of Novel Coronavirus has significantly affected financial markets around the world. Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

SECTION III – INTRODUCTION

THE ISSUE

This Issue has been authorised through a resolution passed by our Board at its meeting held on August 28, 2023, pursuant to Section 62(1)(a) of the Companies Act. The terms and conditions of the Issue including the Rights Entitlement, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by the Board of Directors held on February 16, 2024. The following is a summary of the Issue, and it should be read in conjunction with, and is qualified entirely by, the information set out in the chapter titled "*Terms of the Issue*" beginning on page 140.

Particulars	Details of Equity Shares
Rights Equity Shares proposed to be issued	Up to 1,02,70,000 [#] Equity Shares fully paid-up <i>#Assuming full subscription</i>
Rights Entitlement	Up to 1 (One) Equity Share for every 1 (One) fully paid-up Equity Share(s) held on the Record Date
Fractional Entitlement	Since the Rights Entitlement Ratio is 1 (One) Rights Equity Shares for every 1 (One) fully paid-up Equity Shares held, there will not be any fractional entitlement in the Issue.
Record Date	Thursday, February 22, 2024
Face Value per Equity Share	₹ 10/-
Issue Price per Rights Equity Shares	₹ 25/- per Equity Share (including a premium of ₹ 15/- per Equity Share)
Issue Size	Up to 1,02,70,000 [#] Equity Shares of face value of ₹10/- each for cash at a price of ₹ 25/- (including a premium of ₹ 10/-) per Rights Equity Share aggregating up to ₹ 2,567.50/- Lakhs [#] <i>#Assuming full subscription, to be adjusted as per the Rights Entitlement ratio</i>
Voting Rights & Dividend	The Equity Shares issued pursuant to this Issue shall rank pari passu in all respects with the Equity Shares of our Company and such dividend as may be declared by our Board and our shareholders, as per applicable laws.
Equity Shares issued, subscribed and paid up prior to the Issue	1,02,70,000 Equity Shares. For details, please refer to " <i>Capital Structure</i> " beginning on page 40.
Equity Shares subscribed and paid-up after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	Up to 2,05,40,000 [#] Equity Shares <i>#Assuming full subscription</i>
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	2,05,40,000
Scrip Details	ISIN: INE01II01013 NSE: SILGO
ISIN for Rights Entitlements	INE01II20013
Use of Issue Proceeds	For details, please refer to " <i>Objects of the Issue</i> " beginning on page 42.
Terms of the Issue	For details, please refer to " <i>Terms of the Issue</i> " beginning on page 140.
Terms of Payment	For details, please refer to " <i>Terms of the Issue</i> " beginning on page 140.

Please refer to the chapter titled "*Terms of the Issue*" on page 140.

GENERAL INFORMATION

Our Company was incorporated as “Silgo Retail Private Limited” on January 9, 2016, under the Companies Act, 2013 with the Registrar of Companies, Jaipur. Subsequently, our Company was converted into a Public Limited Company and the name of our Company was changed to “Silgo Retail Limited” vide special resolution dated July 24, 2018 and a fresh certificate of incorporation consequent to the conversion was granted to our Company on July 28, 2018, by the Registrar of Companies, Jaipur. The registered office of our Company was originally situated at 29, Taru Chaya Nagar, Tonk Road, Sanganer, Jaipur, India. Thereafter, the registered office of our Company was changed to B-11, Mahalaxmi Nagar, Jawahar Lal Nehru Marg, Jaipur - 302 017, Rajasthan, India

Registered Office of our Company

Silgo Retail Limited

B-11, Mahalaxmi Nagar

Jawahar Lal Nehru Marg

Jaipur - 302 017, Rajasthan, India

Telephone: +91 70555 70555

Website: www.silgo.in

E-mail: info@silgo.in

Corporate Identity Number: L36911RJ2016PLC049036

Registration Number: 049036

Address of the Registrar of Companies

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

Registrar of Companies, Jaipur

C/6-7, 1st Floor, Residency Area, Civil Lines

Jaipur-302001, Rajasthan, India

Telephone: 0141-2981913/ 14/ 15/ 17

Email: roc.jaipur@mca.gov.in

Company Secretary and Compliance Officer

Tripti Sharma

B-11, Mahalaxmi Nagar

Jawahar Lal Nehru Marg

Jaipur - 302 017, Rajasthan, India

Telephone: +91 0141-4919655

E-mail: cs@silgo.in

Lead Manager to the Issue

Srujan Alpha Capital Advisors LLP

Registered Address: 112A, 1st floor, Arun Bazar

S.V. Road, beside Bank of India

Malad (West), Mumbai - 400 064

Correspondence Address: 824 & 825, Corporate Avenue

Sonawala Rd, opposite Atlanta Centre, Sonawala Industry Estate

Goregaon, Mumbai – 400 064

Tel: +91 022- 46030709

Contact Person: Jinesh Doshi

E-mail: silgo.rightsissue@srujanalpha.com

Website: www.srujanalpha.com

SEBI Registration Number: INM000012829

Legal Advisor to the Issue

Vidhigya Associates, Advocates

501, 5th Floor, Jeevan Sahakar Building

Sir P M Road, Homji Street

Fort, Mumbai - 400 001

Tel No: +91 84240 30160

Email: rahul@vidhigyaassociates.com

Contact Person: Rahul Pandey

Statutory Auditors of our Company

M/s JKSS & Associates

91, Siddhartha Enclave

Near Ashram Chowk - 110014

New Delhi, India

Telephone: +91 93140 83222

E-mail: laxmitatiwala@gmail.com

Peer review certificate no.: 014028

Firm registration number: 006836C

Registrar to the Issue

Bigshare Services Private Limited

Office No. 36-2, 6th Floor, Pinnacle Business Park,

Next to Ahura Center, Mahakali Caves Road,

Andheri East, Mumbai-400093

Tel: +91 22-6263 8200

Fax No: +91 22-6263 8299

E-mail: rightsissue@bigshargonline.com

Investor Grievance ID: investor@bigshareonline.com

Website: www.bigshareonline.com

Contact Person: Mr. Mosses Shirsat

SEBI Registration No.: INR000001385

Banker(s) to the Issue

Axis Bank Limited

Matru Smriti Plot No.326, Main Linking Road,

Next to Zoya Showroom, Khar (West), Mumbai-400052

Contact Person: Vijaya Maruti Shetti

Designation: Branch Head

Contact No: +91 9167001861

Email: khar.branchhead@axisbank.com

Website: www.axisbank.com

Designated Intermediaries

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs or the SBA Process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

Inter-se allocation of responsibilities

Since only one lead manager has been appointed for purposes of the Issue, there is no requirement of an inter-se allocation of responsibilities. The Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue.

Credit Rating:

This is an issue of Equity Shares; credit rating is, therefore, not required.

Debenture Trustees

This is an issue of Equity Shares; the appointment of Debenture trustees is, therefore, not required.

Monitoring Agency

The Net Proceeds of the Issue will be less than ₹10,000 Lakhs. The SEBI ICDR Regulations does not mandate appointment of a monitoring agency for such issues. Our Company will, therefore, not appoint a monitoring agency.

Underwriting Agreement

Our Company may enter into an Underwriting Agreement with Underwriter(s) for underwriting the Rights Equity Shares. The details of such Underwriting Agreement, if entered into, shall be included in the Letter of Offer to be filed with the Stock Exchange pursuant to receipt of observations on this Letter of Offer, if any. Our Company shall ensure and provided a declaration to the effect that the Underwriter(s) appointed shall have sufficient resources to enable them to discharge their underwriting obligations in full.

Investor Grievance

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the Application Form, or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please see "*Terms of the Issue- Making of an Application through the ASBA process*" on page 143.

Minimum Subscription

The objects of the Issue involve (i) Repayment in full of unsecured loan availed from one of the Promoters, Mr. Nitin Jain; (ii) Repayment/ Pre-payment of certain secured loan availed from lenders of the Company either in part or full; (iii) To augment the existing and incremental working capital requirement of our Company and (iv) General corporate purposes.

Our Promoters and member of our Promoter Group have, vide their letters dated December 25, 2023 (the "Subscription Letters") undertaken to subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoters or member(s) of the Promoter Group of our Company.

Accordingly, in terms of Regulation 86 of the SEBI ICDR Regulations, the requirement of minimum subscription is not applicable to the Issue.

Appraising Entity

The objects of this Issue have not been appraised by any bank or any other independent financial institution or any other independent agency.

Filing

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold for filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees Ten lakhs to Rupees Five thousand lakhs. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with NSE and not with SEBI. However, this Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

Issue Schedule

Last Date for credit of Rights Entitlements	Friday, February 23, 2024
Issue Opening Date	Wednesday, February 28, 2024
Last date for On Market Renunciation of Rights Entitlements[#]	Friday, March 08, 2024
Issue Closing Date[*]	Tuesday, March 12, 2024
Finalization of Basis of Allotment (on or about)	Tuesday, March 19, 2024
Date of Allotment (on or about)	Wednesday, March 20, 2024
Date of credit (on or about)	Wednesday, March 20, 2024
Date of listing (on or about)	Tuesday, March 26, 2024

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

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

The above schedule is indicative and does not constitute any obligation on our Company or the Lead Manager.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date have not provided details of their demat accounts to our Company or to the Registrar, they must provide their demat account details to our Company or the Registrar no later than two Working Days prior to the Issue Closing Date, i.e., March 10, 2024 to enable credit of the Rights Entitlements to their respective demat accounts by transfer from the demat suspense escrow account, which will happen one day prior to the Issue Closing Date, i.e., Monday, March 11, 2024. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar, is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar at www.bigshareonline.com Such Eligible Equity Shareholders can make an application only after the Rights Entitlements are credited to their respective demat accounts.

Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company or the Registrar will not be liable for any loss on account of non-submission of Application Forms on or before the Issue Closing Date. It is encouraged that the Application Forms are submitted well in advance before the Issue Closing Date. For details on submitting Application Forms, please refer to "**Terms of the Issue - Procedure for Application**" beginning on page 140.

The details of the Rights Entitlements with respect to each Eligible Equity Shareholder may be accessed by such respective Eligible Equity Shareholder on the website of the Registrar at www.bigshareonline.com after keying in their respective details along with other security control measures implemented thereat. For further details, please refer to "**Terms of the Issue - Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders**" beginning on page 140.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before the Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from the market and the purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who receive credit of the Rights Entitlements must make an Application to subscribe to the Equity Shares offered under the Rights Issue.

CAPITAL STRUCTURE

The share capital of our Company, as at the date of this Letter of Offer, and details of the Equity Shares proposed to be issued in the Issue, and the issued, subscribed and paid-up share capital after the Issue, are set forth below:

<i>(in ₹, except shares data)</i>		
	Aggregate value at Face Value	Aggregate value at Issue Price
A AUTHORISED SHARE CAPITAL		
2,50,00,000 Equity Shares of ₹10 each	25,00,00,000	-
B ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE		
1,02,70,000 Equity Shares of ₹10 each	10,27,00,000	-
C PRESENT ISSUE IN TERMS OF THIS LETTER OF OFFER⁽¹⁾		
Up to 1,02,70,000 Equity Shares, each at a premium of ₹ 15/- per Equity Share, i.e., at a price of ₹ 25/- per Equity Share	10,27,00,000	25,67,50,000
D ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE		
2,05,40,000 Equity Shares of ₹ 25/- each, fully paid up ⁽²⁾	20,54,00,000	N.A.
E SECURITIES PREMIUM ACCOUNT		
Before the Issue		10,34,57,156
After the Issue ⁽²⁾		25,75,07,156

⁽¹⁾The Issue has been authorised by our Board pursuant to a resolution dated August 28, 2023. The terms of the Issue, including the Record Date and Rights Entitlement Ratio, have been approved by a resolution passed by our Board at their meeting held on February 16, 2024.

⁽²⁾Assuming full subscription for, and Allotment of, the Equity Shares. Subject to finalisation of Basis of Allotment, Allotment and deduction of Issue related expenses.

Notes to the Capital Structure

1. Intention and extent of participation by our Promoters and Promoter Group in the Issue:

Our Promoters and member of our Promoter Group have, vide their letters dated December 25, 2023 (“Subscription Letters”) undertaken to subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoters or member(s) of the Promoter Group of our Company.

Further they would subscribe to, Additional Rights Equity Shares over and above the Rights Entitlements of the Promoter and Promoter Group including unsubscribed portion of the Issue, if any, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations, Companies Act, the SEBI ICDR Regulations, the SEBI Takeover Regulations and other applicable laws.

The additional subscription, if any, by our Promoters and members of our Promoter Group shall be made subject to such additional subscription not resulting in the minimum public shareholding of our Company falling below the level prescribed in SEBI Listing Regulations and SCRR. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

2. The ex-rights price of the Equity Shares offered pursuant to this Issue and in compliance with the valuation formula set out in Regulation 10(4)(b)(ii) of the Takeover Regulations is ₹ 29.49/- per Equity Share.

3. Shareholding Pattern of our Company as per the last filing with the Stock Exchange, in compliance with the provisions of the SEBI LODR Regulations:

(i) The shareholding pattern of our Company, as on December 31, 2023, may be accessed on the website of the NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern>.

(ii) A statement as on December 31, 2023, showing holding of Equity Shares of persons belonging to the category of “Promoter and Promoter Group”, including details of lock-in, pledge and encumbrance thereon, may be accessed on the website of the NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern>.

(iii) A statement as on December 31, 2023, showing holding of securities (including Equity Shares, warrants, convertible securities) of persons belonging to the category "Public", including equity shareholders holding more

than 1% of the total number of Equity Shares, as well as details of shares which remain unclaimed may be accessed on the website of the NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern>.

4. Details of shares locked-in, pledged, encumbrance by Promoters and Promoter Group:

The details of shares locked-in, pledged and encumbered by the Promoters and Promoter Group may be accessed on the website of the NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern>.

5. Our Company shall ensure that any transaction in the Equity Shares by the Promoters and the Promoter Group during the period between the date of filing this Letter of Offer and the date of closure of the Issue shall be reported to the Stock Exchange within 24 hours of such transaction.

6. At any given time, there shall be only one denomination of the Equity Shares of our Company.

7. Details of specified securities acquired by our Promoters and Promoter Group in the last one year immediately preceding the date of filing of the Letter of Offer

Neither of our Promoters nor our Promoter Group have acquired any securities in the last one year, immediately preceding the date of filing of this Letter of Offer.

8. Details of outstanding securities of our Company

As on date of this Letter of Offer, there are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Letter of Offer.

9. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Letter of Offer. The Rights Equity Shares, pursuant to this Issue shall fully paid up.

10. Our company does not have any employee stock option scheme (ESOS) or employee stock purchases scheme (ESPS).

Further, the Rights Equity Shares allotted pursuant to the Rights Issue, shall be fully paid up. For further details on the terms of the Issue, please see the section entitled "*Terms of the Issue*" on page 140.

OBJECTS OF THE ISSUE

The Net Proceeds from the Issue are proposed to be utilized by our Company for the objects set out below (“**Objects**”).

1. Repayment in full of unsecured loan availed from one of the Promoters, Mr. Nitin Jain;
2. Repayment/ Pre-payment of certain secured loan availed from lender of the Company either in part or full;
3. To augment the existing and incremental working capital requirement of our Company; and
4. General corporate purposes.

We intend to utilize the gross proceeds raised through the Issue (the “**Issue Proceeds**”) after deducting the Issue related expenses (“**Net Proceeds**”) for the above-mentioned Objects.

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

Details of objects of the Issue

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

Particulars	Estimated Amount
Gross Proceeds from the Issue ^{*#}	2,567.50
Less: Issue Related Expense ^{**}	37.94
Net Proceeds from the Issue	2,529.56

^{*} Assuming full subscription and Allotment of the Rights Entitlement.

^{**} See “**Estimated Issue Related Expenses**” on page 48.

[#] If there is any reduction in the amount on account of or at the time of finalization of Issue Price and Rights Entitlements Ratio, the same will be adjusted against General Corporate Purpose.

Requirement of Funds

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

Sr. No.	Particulars	Estimated Amount
1.	Repayment in full of unsecured loans availed from one of the Promoters, Mr. Nitin Jain	1,204.19
2.	Repayment/ Pre-payment of certain secured loan availed from lender of the Company either in part or full	365.00
3.	To augment the existing and incremental working capital requirement of our Company	855.00
4.	General Corporate Purposes [*]	105.37
Net Proceeds from the Issue^{**}		2,529.56

^{*} Subject to the finalization of the Basis of Allotment and the Allotment. The amount is subject to adjustment upon finalization of Issue related expenses, however, in no event, shall general corporate purposes exceed 25% of the Gross Proceeds.

^{**} Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

Means of Finance

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

Schedule of Implementation and Deployment of Funds

(₹ In lakhs)

Sr. No.	Particulars	Amount to be deployed from Net Proceeds	Estimated deployment of Net Proceeds for the FY 2023-24	Estimated deployment of Net Proceeds for the FY 2024-25
1.	Repayment in full of unsecured loan availed from one of the Promoters, Mr. Nitin Jain	1,204.19	1,204.19	-
2.	Repayment/ Pre-payment of certain secured loan availed from lender of the Company either in part or full	365.00	-	365.00
3.	To augment the existing and incremental working capital requirement of our Company	855.00	-	855.00
4.	General Corporate Purposes [#]	105.37	-	105.37
Total Net Proceeds from the Issue*		2,529.56	1,674.56	855.00

[#]The amount to be utilized for General corporate purposes will not exceed 25% of the Gross Proceeds;

^{*}Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio

Our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our Board. If additional funds are required for the purposes mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them. Further, in the event of any shortfall of funds for any of the activities proposed to be financed out of the Net Proceeds, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Our Company may also utilize any portion of the Net Proceeds, towards the aforementioned objects of the Issue, ahead of the estimated schedule of deployment specified above. Further, in the event, the Net Proceeds are not utilized (in full or in part) for the objects of the Issue during the period stated above due to any reason, including (i) the timing of completion of the Issue; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized in subsequent periods as may be determined by our Company, in accordance with applicable laws.

In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met, the same shall be utilised in the next fiscal year, as may be determined by our Company, in accordance with applicable laws. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding other existing objects, if required and towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations.

Details of the Objects of the Issue

1. Repayment in full of unsecured loan availed from one of the Promoters, Mr. Nitin Jain

Our Company has availed an unsecured loan of ₹1,204.19 lakhs from one of the Promoters of our Company, Mr. Nitin Jain through his proprietary firm M/s. Creative Jewellery. This unsecured loan was raised by our Company to meet the fund requirement for our business operations. The loan is repayable on demand.

The following table provides details of the relevant terms of the unsecured loan that have been availed and outstanding as on December 31, 2023 from Mr. Nitin Jain, out of which we propose to repay, the same as:

(₹ In lakhs)

Sr. No.	Name of the entity/person*	Outstanding Unsecured loans as on December 31, 2023	Purpose of availing Loan	Interest rate (%) p.a.	Prepayment penalty	Proposed repayment from Net Proceeds
1.	Mr. Nitin Jain, through his proprietary firm M/s. Creative Jewellery	1,204.19	To meet requirement of business purposes	Nil	N.A.	1,204.19

*Our Statutory auditors have provided a certificate dated January 22, 2024, bearing UDIN: 24418000BKGDFS4075 confirmed the amount outstanding as Unsecured Loan as on December 31, 2023.

Pursuant to a letter dated December 25, 2023, Mr. Nitin Jain, has confirmed that he intends to subscribe, to the full extent of his Rights Entitlements or subscribe to the full extent of any Rights Entitlement that may be renounced in his favour by any other Promoters or Promoter Group of our Company.

Further, our Promoter, Mr. Nitin Jain has made a request vide a letter dated January 23, 2024 to adjust the above detailed identified unsecured loan given by Mr. Nitin Jain to the Company against the rights issue application money payable by Mr. Nitin Jain, to the extent of his subscription and allotment of the Rights Equity Shares to him under the Issue, whether pursuant to his Rights Entitlement or subscription to Additional Rights Equity Shares (as the case may be).

Our Company has acknowledge to the said request of Mr. Nitin Jain, to adjust the unsecured loan given by Mr. Nitin Jain against the Rights Issue application money payable by him, to the extent of his subscription and allotment of the Rights Equity Shares to him under the Issue, whether pursuant to his Rights Entitlement or subscription to additional Rights Equity Shares (as the case may be). Further, no portion of the Issue proceeds are proposed to be paid by Mr. Nitin Jain except to adjust the unsecured loan given by him (through my Proprietary Firm, M/s. Creative Jewellery) against the Rights Issue application money payable by him, to the extent of his subscription and allotment of the Rights Equity Shares to him under the Issue, whether pursuant to my Rights Entitlement or subscription to additional Rights Equity Shares (as the case may be). Consequently, share application money would be received by the Company from Mr. Nitin Jain for any shares that may be subscribed by me over and above the amount to be adjusted against unsecured loan. There are no material existing or anticipated transactions in relation to the utilisation of the Issue proceeds with Mr. Nitin Jain and the Company;

2. Repayment/ Pre-payment of certain secured loan availed from lender of the Company either in part or full

Our Company has, in the regular course of business, entered into various financing arrangements, including, availing Guaranteed Emergency Credit Line (“GECL”) in the form of working capital term loan. The GECL availed by us are typically short term in nature and are to be repaid as per the terms sanctioned. Further, depending on the conduct and utilisation of advances or as per lender’s scheme and business requirements of our Company and other considerations, GECL are reviewed/renewed every twelve months. Such review/renewal may result in changes to the certain commercial terms and conditions of such loans, including the change in the facility amount. Acknowledging the short repayment cycles and potential review/revision, we anticipate repaying 2-3 instalments of loan being repaid by our company account meanwhile our company receives the rights issue-proceeds. Further, upon receipt of the entire Rights issue proceeds, the amount earmarked for GECL Repayment shall be reduced to the amount paid by the Company in the interim, aligning with the outstanding amount of loan.

As at December 31, 2023, the amount outstanding under various borrowing facility namely GECL facility and Cash Credit Facility (CC) availed by our Company from our lender i.e. State Bank of India was ₹965.00 lakhs out of which ₹365.00 lakhs is the principal amount outstanding against GECL and the interest thereon shall be paid through internal accruals. Our Company proposes to utilise an estimated amount of ₹365.00 lakhs from the Net Proceeds towards repayment or pre-payment of GECL availed by our Company. Further, our Company has obtained NOC dated January 11, 2024 from the State Bank of India, our lender with respect to this Issue and made intimation to lender with respect to the repayment of GECL, as applicable, as on the date of this Letter of Offer.

The following table provides details along with the terms on which the GECL have been availed by our Company which are proposed to be repaid/prepaid from the Net Proceeds.

Name of the Lender	Date of sanction	Principal loan amount sanctioned (₹ in lakhs)	Principal loan amount outstanding as on December 31, 2023 (₹ in lakhs)	Principal loan amount considered for repayment from Issue proceed (₹ in lakhs)	Interest Rate	Date of Repayment	Purpose for which disbursed amount was utilized [§]	Prepayment Penalty
State Bank of India	Sanction Letter dated November 26, 2021 and sanction with effect from October 19, 2021 and November 2, 2021*	355	348	348	9.30% [#]	To be paid in monthly instalments from October 2023 up to October 2026	Working Capital Term Loan	Nil
State Bank of India	Sanction Letter dated May 29, 2020 and sanction with effect from May 29, 2020	120	17	17	9.30% [#]	To be paid in 36 monthly instalment from May 2021.	Working Capital Term Loan	Nil

*The GECL was initially sanctioned on May 29, 2020 and thereafter was extended on November 26, 2021.

[#]calculated on daily balance of the loan amount at monthly rests. The interest rate is subject to variation depending upon variation of external benchmark base lending rate and margins.

^sAs certified by our Statutory Auditors certificate dated January 22, 2024 bearing UDIN: 24418000BKGDF6634.

We believe that such repayment or prepayment will help reduce our outstanding indebtedness and our debt-equity ratio and enable utilization of our internal accruals for further investment in business growth.

The selection of borrowings proposed to be repaid and/ or pre-paid (excluding interest thereon, which shall be paid on internal accruals) is based on various factors, including (i) cost of the borrowings to our Company, including applicable interest rates; (ii) receipt of consents for prepayment from the respective lenders; (iii) levy of any prepayment penalties; (iv) provisions of any law, rules, regulations governing such borrowings; and (v) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under these borrowings may vary from time to time, and our Company may, in accordance with the relevant repayment schedule, repay or refinance, or prepay, some of their existing borrowings. In the event Net Proceeds are insufficient for the said repayment, such repayment shall be made from the internal accruals of our Company. For details, see the **Risk Factor – “Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control” on page 24.**

We may also utilise the Net Proceeds for full or partial prepayment or repayment of any such refinanced facilities, or full or partial prepayment, or repayment of any additional facilities obtained by our Company. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of borrowings (including refinanced or additional facilities availed, if any), in part or full, would not exceed ₹365.00 lakhs. In the event our Board deems appropriate, the amount allocated for estimated schedule of deployment of Net Proceeds in a particular Financial Year may be repaid/ pre-paid in part or full by our Company in the subsequent Financial Year. Further, the amounts outstanding under the borrowings as well as the sanctioned limits are dependent on several factors and may vary with the business cycle of our Company with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits.

3. To augment the existing and incremental working capital requirement of our Company

The majority of our working capital requirements are met from our internal accruals and working capital loans availed from banks and financial institutions. We operate in a competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, our fund requirements may also change.

Basis of estimation of working capital requirement and Details of Projected Working Capital Requirements

The details of our Company’s working capital as at March 31, 2022, March 31, 2023 and September 30, 2023 and source of funding of the same as tabled below. Further on the basis of the existing working capital requirements of the Company and the incremental and proposed working capital requirements, the details of our Company’s expected working capital requirements, as approved by the management for the Fiscal 2024 and Fiscal 2025 and funding of the same are as provided in the table below:

Particulars	Fiscal 2022		Fiscal 2023		Period ended 30.09.2023		Fiscal 2024		Fiscal 2025		
	Amount	Holdin g Period (No. of days)	Amount	Holdin g Period (No. of days)	Amount	Holdin g Period (No. of days)	Amount	Holdin g Period (No. of days)	Amount	Holdin g Period (No. of days)	
I	Current Assets										
1	Inventories	3,342.74	432	3,383.70	446	4,758.97	670	3,850.00	435	4,350.00	429
2	Financial Assets										
	i) Trade Receivables	1,586.44	166	1,649.13	177	595.22	67	1,946.00	178	2,147.95	170
	ii) Other Financial Assets	0.05	-	0.05	-	0.05	-	0.05	-	0.05	-
3	Other Current Assets	155.45	-	150.08	-	354.50	-	160.00	-	170.00	-
	Total Current Assets (A)	5,084.68	-	5,182.96	-	5,708.74	-	5,956.05	-	6,668.00	-

II	Current Liabilities										
1	Financial Liabilities										
	i) Trade Payables	45.21	1	103.22	11	41.71	3	150.00	15	124.66	11
	ii) Other Financial Liabilities	65.53	-	30.01	-	111.10	-	50.00	-	60.00	-
2	Provisions	94.41	-	92.39	-	137.06	-	100.00	-	140.00	-
3	Other Current Liabilities	149.58	-	26.16	-	27.98	-	37.13	-	40.00	-
	Total Current Liabilities (B)	354.73	-	251.78	-	317.85	-	337.13	-	364.66	-
III	Total Working Capital Gap (A-B)	4,729.95	-	4,931.18	-	5,390.89	-	5,618.92	-	6,303.34	-
IV	Funding Pattern										
1	Working Capital Facilities from Bank	1,515.21	-	1,576.10	-	605.43	-	600.00	-	600.00	-
2	GECL Loan(to be repaid from proceeds of RI)	403.89	-	295.70	-	387.59	-	354.88	-	354.88	-
3	Unsecured Promoter Loan (to be converted under RI)	-	-	-	-	1,204.19	-	1,204.19	-	1,204.19	-
4	Internal Accruals / Owned Funds	2,810.85	-	3,059.38	-	3,193.68	-	3,459.85	-	3,289.27	-
5	From Right Issue Proceeds	-	-	-	-	-	-	-	-	855.00	-
	Total	4,729.95	-	4,931.18	-	5,390.89	-	5,618.92	-	6,303.34	-

Assumptions for Working Capital Requirements

Sr. No.	Particulars	Assumption
1.	Receivables	We had trade receivables of 166 days, 177 days and 67 days of total sales at the end of Fiscal 2022, Fiscal 2023 and 30 th September 2023, respectively. We have assumed trade receivables of 178 days and 170 days of total sales at the end of each Fiscal 2024 and Fiscal 2025.
2.	Inventory	Inventory days were 432 days, 446 days, and 670 days of cost of goods sold for Fiscal 2022, Fiscal 2023 and 30 th September 2023 respectively. We have assumed inventory to be 435 days and 429 days of cost of goods sold in Fiscal 2024 and Fiscal 2025.
3.	Trade payables	Trade payable days were 1 days, 11 days, and 3 days of total purchase for Fiscal 2022, Fiscal 2023 and 30 th September 2023, respectively. We have assumed trade payables to be 15 days and 11 days of total purchase in Fiscal 2024 and Fiscal 2025.
4.	Working capital Cycle	The working capital cycle of our Company was at 597 days, 612 days, and 734 days for Fiscal 2022, Fiscal 2023 and 30 th September 2023 respectively. Our Company expects the working capital cycle to be around 598 days and 588 days in Fiscal 2024 and Fiscal 2025.

The total working capital requirement for F.Y. 2024-25 as per the above working shall be ₹ 6,303.34 lakhs which is to be funded through:

- Working capital loan of ₹ 600 lakhs,
- Owned funds / Internal accruals of ₹ 4,848.34 lakhs as under:
 - Repayment of GECL and CECL Loan of ₹ 354.88 lakhs [currently used towards existing working capital requirement], from proceeds of proposed Right Issue
 - Conversion of Unsecured Promoter Loan of ₹ 1,204.19 lakhs [currently used towards existing working capital requirement], under the proposed Right Issue
 - Existing Internal Accruals / Owned Funds of ₹ 3,289.27 lakhs

- Balance additional working capital requirement ₹ 855 lakhs through proceeds of the proposed right issue

As such, the management of the Company as per the Resolution of Board of Directors dated January 23, 2024 earmarked ₹ 855 lakhs towards Working capital requirements from the proceeds of the Rights Issue.

**Pursuant to certificate dated January 23, 2024, bearing UDIN: 24418000BKGD FX8948 issued by our statutory auditors*

4. General Corporate Purposes

Our Company intends to deploy the balance Gross Proceeds, aggregating to ₹ 105.37 lakhs towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the Gross proceeds in compliance with the SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilise Net Proceeds may include, but are not restricted to, brand building and other marketing expenses, salaries and wages, rent, administration expenses, electricity bills of manufacturing plants, godown and offices, upgradation of information technology infrastructure, insurance related expenses, payment of taxes and duties, repair, maintenance, renovation and upgradation of our offices or branches, strategic initiatives, funding growth opportunities such as acquiring assets include furniture, fixtures and vehicles, leasehold improvements and intangibles, and similar other expenses incurred in the ordinary course of our business or towards any exigencies.

The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time, subject to compliance with applicable law.

In addition to the above, our Company may utilise the Net Proceeds towards other purposes considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals.

Issue Related Expenses

Sr. No.	Particulars	Expenses*	As a % of total expenses*	As a % of Gross Issue size*
1.	Fees of the Lead Manager, Bankers to the Issue, Registrar to the Issue, Legal Advisor, Auditor's fees, including out of pocket expenses etc.	21.65	57.07	0.86
2.	Expenses relating to advertising, printing, distribution, marketing and stationery expenses	2.47	6.52	0.10
3.	Regulatory fees, filing fees, listing fees and other	13.81	36.41	0.55
Total estimated Issue expenses*		37.94	100.00	1.50

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

**Our Statutory auditors have provided a certificate dated February 16, 2024, bearing UDIN: 24418000BKGDGE8525 confirming the amount utilized as on date of this Letter of Offer towards Issue Expense is ₹ 8.99 Lakhs.*

Interim use of Funds

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Net Issue Proceeds for any investment in equity and/ or real estate products and/ or equity linked and/ or real estate linked products.

Appraisal by Appraising Agency

None of the objects have been appraised by any bank or financial institution or any other independent third party organizations.

Bridge Financing Facilities

As on the date of this Letter of Offer, we have not entered into any bridge financing arrangements which is subject to being repaid from the Issue Proceeds.

Strategic or Financial Partners

There are no strategic or financial partners to the Objects of the Issue.

Monitoring of Utilization of Funds

Our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds. Pursuant to Regulation 18(3) of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Letter of Offer and place it before our Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors of our Company.

Further, in accordance with Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilisation of the Net proceeds from the Objects, as stated above; and (ii) details of category wise variations in the utilisation of the Net Proceeds from the Objects, as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results of our Company, after placing such information before our Audit Committee.

Key Industrial Regulations for the Objects of the Issue

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

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters and Promoter group, the directors, associates or key management personnel or group companies, except for the part of the Net Proceeds that will be utilized towards repayment in full of unsecured loans availed from one of the Promoters, Mr. Nitin Jain. There are no material existing or anticipated transactions.

Interest of Promoters, Promoter Group and directors, as applicable to the project or objects of the issue

Our Promoter, Mr. Nitin Jain has made a request vide a letter dated January 23, 2024 to adjust the above detailed identified unsecured loan given by Mr. Nitin Jain to the Company against the rights issue application money payable by Mr. Nitin Jain, to the extent of his subscription and allotment of the Rights Equity Shares to him under the Issue, whether pursuant to his Rights Entitlement or subscription to Additional Rights Equity Shares (as the case may be).

Our Company has agreed to the said request of our Promoter, Mr. Nitin Jain, to adjust the unsecured loan given by Mr. Nitin Jain against the Rights Issue application money payable by him, to the extent of his subscription and allotment of the Rights Equity Shares to him under the Issue, whether pursuant to his Rights Entitlement or subscription to additional Rights Equity Shares (as the case may be).

Except as stated above, none of our Promoters, members of the Promoter Group and Directors have any interest in the objects of the Issue. No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, Promoter Group, Directors and Key Managerial Personnel of our Company, except for the part of the Net Proceeds that will be utilized towards the repayment of unsecured loans availed by our Company from our Promoter, Mr. Nitin Jain.

STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS AS PER THE CERTIFICATE ISSUED BY STATUTORY AUDITOR OF THE COMPANY

To,
The Board of Directors
Silgo Retail Limited
B-11, Mahalaxmi Nagar,
Jawahar Lal Nehru Marg,
Jaipur - 302 017, Rajasthan, India

Sub: Statement of possible special direct tax benefits available to Silgo Retail Limited (“the Company”) and its shareholder (“the statement”)

Dear Sirs,

We hereby confirm that the enclosed statement states the possible special direct tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 ("Act") as amended from time to time, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company may or may not choose to fulfil.

This statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the rights issue of equity shares of the Company particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Neither are we suggesting nor are we advising the investor to invest money based on this statement.

The contents of the enclosed statement are based on the information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company. We do not express any opinion or provide any assurance as to whether:

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

This statement is intended solely for information and for inclusion in the Draft Letter of Offer / this Letter of Offer in relation to the Issue of equity shares of the Company and is not to be used, circulated or referred to for any other purpose without our prior written consent. Our views are based on the existing provisions of law referred to earlier and its interpretation, which are subject to change from time to time.

We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

**For J K S S & Associates,
(Formerly known as M/s. J K Sarawgi & Co.)
Chartered Accountants**

Sd/-
Partner
CA. LAXMI TATIWALA
Membership No: 418000
Firm Reg No: 006836C
Place: Jaipur
Date: January 22, 2024
UDIN: 24418000BKGDFP3467

Statement of Special Tax Benefits available to the Company and its Shareholders under the Income Tax Act, 1961 and other Direct Tax Laws presently in force in India.

Special Tax Benefits

I. Benefits available to the Company:

There are no special tax benefits available to the Company

II. Benefits available to the Shareholders:

There are no special tax benefits available to the shareholders for investing in the proposed right issue of shares of the Company

**For J K S S & Associates,
(Formerly known as M/s. J K Sarawgi & Co.)
Chartered Accountants**

**Sd/-
Partner
CA. LAXMI TATIWALA
Membership No: 418000
Firm Reg No: 006836C
Place: Jaipur
Date: January 22, 2024
UDIN: 24418000BKGDFP3467**

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

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

Before deciding to invest, prospective investors should read the entire Letter of Offer, including the information in the sections "*Risk Factors*" and "*Financial Statements*".

Global Economy Overview

By one measure, the global economy is in a better place than it was a year ago: the risk of a global recession has receded, largely because of the strength of the U.S. economy. But mounting geopolitical tensions could create fresh near-term hazards for the world economy. Meanwhile, the medium-term outlook has darkened for many developing economies amid slowing growth in most major economies, sluggish global trade, and the tightest financial conditions in decades. Global trade growth in 2024 is expected to be only half the average in the decade before the pandemic. Meanwhile, borrowing costs for developing economies - especially those with poor credit ratings—are likely to remain steep with global interest rates stuck at four-decade highs in inflation-adjusted terms.

The baseline forecast is for global growth to slow from 3.5 percent in 2022 to 3.0 percent in 2023 and 2.9 percent in 2024, well below the historical (2000–19) average of 3.8 percent. Advanced economies are expected to slow from 2.6 percent in 2022 to 1.5 percent in 2023 and 1.4 percent in 2024 as policy tightening starts to bite. Emerging market and developing economies are projected to have a modest decline in growth from 4.1 percent in 2022 to 4.0 percent in both 2023 and 2024. Global inflation is forecast to decline steadily, from 8.7 percent in 2022 to 6.9 percent in 2023 and 5.8 percent in 2024, due to tighter monetary policy aided by lower international commodity prices. Core inflation is generally projected to decline more gradually, and inflation is not expected to return to target until 2025 in most cases.

Source: World Bank Report, IMF, October 2023 World Economic Outlook.

Overview of Global Growth Outlook Projections (in %)

	2022	2023	2024
World Output	3.5	3.0	2.9
Advanced Economies	2.6	1.5	1.4
United States	2.1	2.1	1.5
Euro Area	3.3	0.7	1.2
Germany	1.8	-0.5	0.9
France	2.5	1.0	1.3
Italy	3.7	0.7	0.7
Spain	5.8	2.5	1.7
Japan	1.0	2.0	1.0
United Kingdom	4.1	0.5	0.6
Canada	3.4	1.3	1.6
Other Advanced Economies	2.6	1.8	2.2
Emerging Market and Developing Economies	4.1	4.0	4.0
Emerging and Developing Asia	4.5	5.2	4.8
China	3.0	5.0	4.2
India	7.2	6.3	6.3

Source: IMF, October 2023 World Economic Outlook

Note: For India, data and forecasts are presented on a fiscal year basis, with FY 2022/23 (starting in April 2022) shown in the 2022 column. India's growth projections are 6.5 percent in 2023 and 5.7 percent in 2024 based on calendar year.

Indian Economy Overview

Strong economic growth in the first half of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Real GDP at constant prices (2011-12) in the first quarter of 2023–24 is estimated at Rs. 40.37 trillion (US\$ 484.94 billion), showing a growth of 7.8% as compared to the first quarter of 2022-23 estimated at Rs. 37.44 trillion (US\$ 449.74 billion). Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector was the main driver of development in 2022–2023. In 2023-24 (April-September), India's service exports stood at US\$ 164.89 billion. Furthermore, India's overall exports (services and merchandise) in 2023- 24 (April-September) were estimated at US\$ 376.29 billion. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalization of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing the pent-up and the sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

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 global partnerships.

India's appeal as a destination for investments has grown stronger and more sustainable as a result of the current period of global unpredictability and volatility, and the record amounts of money raised by India- focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

Market Size

India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 301.75 trillion (US\$ 3.62 trillion) in 2023-24. Additionally, the Nominal GDP at current prices in Q1 of 2023-24 was Rs. 70.67 trillion (US\$ 848.92 billion), as against Rs. 65.42 trillion (US\$ 785.85 billion) in 2022-23, estimating a growth of 8%. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

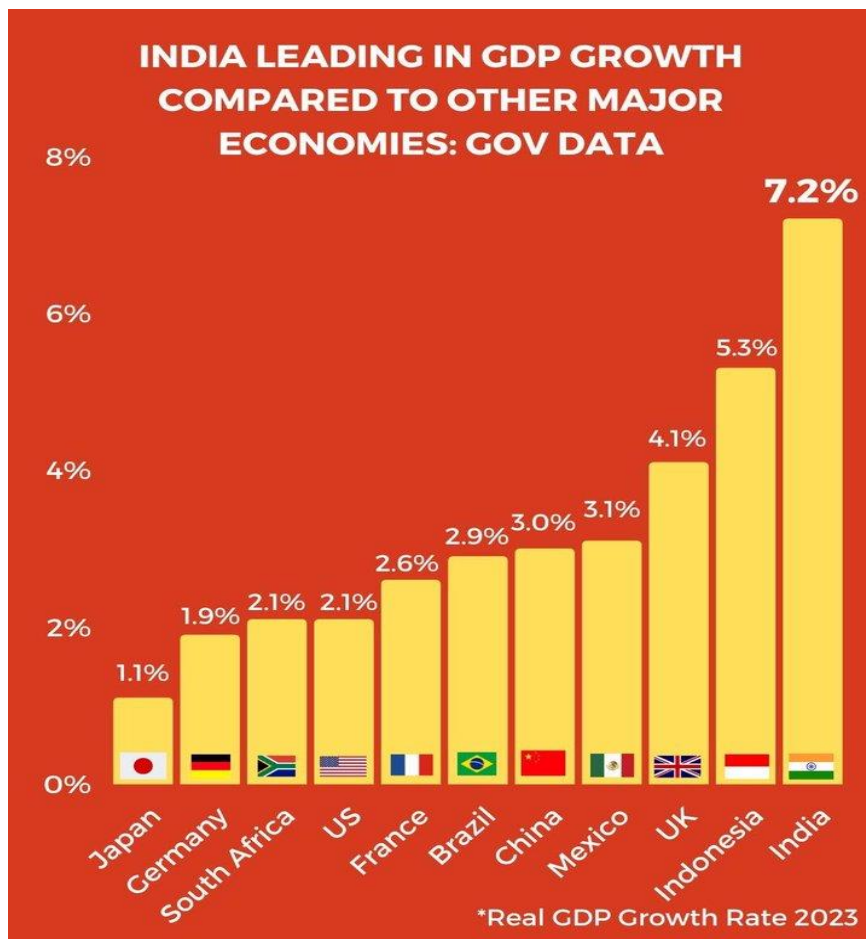
In the first half of FY24, the Indian economy exhibited notable growth, recording a 7.2% expansion, as per data released on November 30, 2023. The First Advance Estimates of GDP, released by the NSO, factor in industrial production data for an additional month (October) and certain lead indicators until November and December. These estimates imply a GDP growth of 6.95% in the current financial year's second half (October-March).

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. For the first half of 2023-24, India's current account deficit more than halved to \$17.5 billion from \$48.8 billion in April-September 2022. India's current account deficit (CAD) narrowed to \$8.3 billion in the second quarter of 2023-24, according to data released on December 26 by the Reserve Bank of India (RBI).

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.

The National Statistical Office (NSO) has projected a robust growth of 7.3% for the Indian economy in the fiscal year 2023-2024, surpassing the Reserve Bank of India's estimate of 7%. This optimistic outlook assumes an investment-led recovery in the fifth-largest global economy. The projection exceeds prevailing Street estimates, with most economists anticipating GDP growth between 6.5% and 6.7% for the ongoing financial year, following a 7.2% expansion in FY23.

(Source: <https://www.ibef.org/news/india-s-gdp-may-grow-7-3-in-fy24-govt-s-first-advance-estimates>)



Introduction to Gems and Jewellery

India's silver jewellery (including artifacts) and gem stone industry involves the manufacturing, processing, and trading of various gemstones, diamonds, gold, silver, platinum, and other precious metals and ornaments. It encompasses a diverse array of products, from traditionally handcrafted jewellery to modern designer pieces, showcasing a blend of craftsmanship, culture, and innovation. The India Gem and Jewellery Market has been a prominent global player, contributing significantly to the country's economy. Factors like cultural significance, growing disposable incomes, evolving consumer preferences, and the wedding and festive seasons fuel market expansion. The industry is predominantly centered in locations like Mumbai, Surat, Jaipur, and Ahmedabad, known for their diamond processing, gold jewellery crafting, and skilled artisans. The industry's growth is propelled by factors such as a surge in demand for branded jewellery, rising e-commerce penetration, increasing Western influences, and the emergence of millennials as significant consumers. The government's initiatives to liberalize policies, boost exports, and encourage investments contributed to India's Gem and Jewellery Market growth. Trends include a preference for lightweight jewellery, the use of technology in design and marketing, sustainable and ethical practices, and a focus on customization to meet diverse consumer demands.

India's silver jewellery (including artifacts) and gem stone industry, constituting 7.5% of India's GDP and 14% of its merchandise exports as per the latest available government data updated in 2023, is a formidable force. The sector has shown robust potential for growth, employing around 8.23 million individuals by 2022, indicating its significance in the nation's economic landscape. Recognizing its value, the Indian Government designated it a focus area for export promotion, initiating strategic measures to elevate 'Brand India' internationally. In pursuit of fostering industry growth, the Government has facilitated substantial advancements. Under the automatic route, the allowance of 100% Foreign Direct Investment (FDI) in the sector streamlined the investment process, exempting prior approval from authorities. Additionally, signing the Comprehensive Economic Partnership Agreement (CEPA) with the UAE in March 2022 marked a pivotal move. This agreement grants the gems and jewellery industry duty-free access to the UAE market, propelling export prospects. The Gems and Jewellery Export Promotion Council (GJEPC) aims to triple exports to the UAE post-CEPA, envisioning substantial growth opportunities in this India Gem and Jewellery Market.

(Source: IBEF, GJEPC India, <https://indbiz.gov.in/sector/gems-jewellery/>)

Gems and Jewellery Sector Analysis

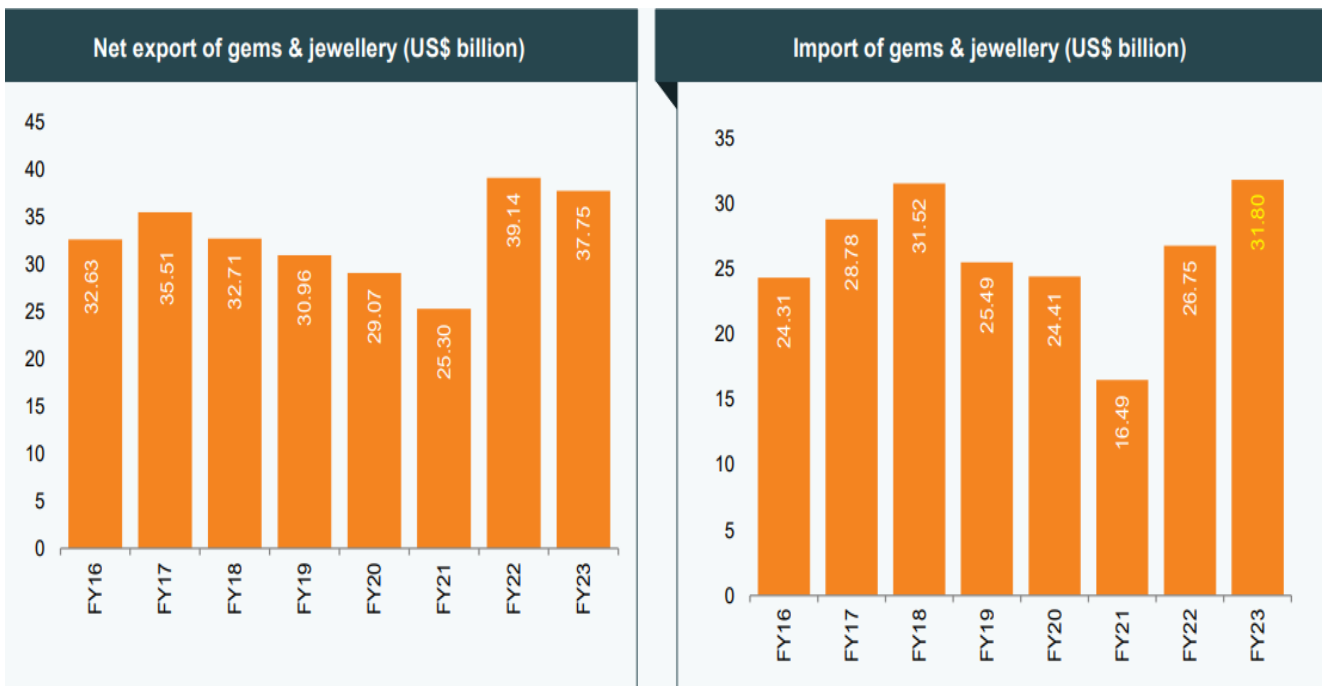
As per the latest government data available till 2023, India’s gold and diamond trade contributed ~7.5% to India’s Gross Domestic Product (GDP) and 14% to India’s total merchandise exports. Employment in Gems and Jewellery sector has increased to ~8.23 million people in 2022, from ~5 million in 2020. Based on its potential for growth and value addition, the Government declared the gems and jewellery sector as a focus area for export promotion.

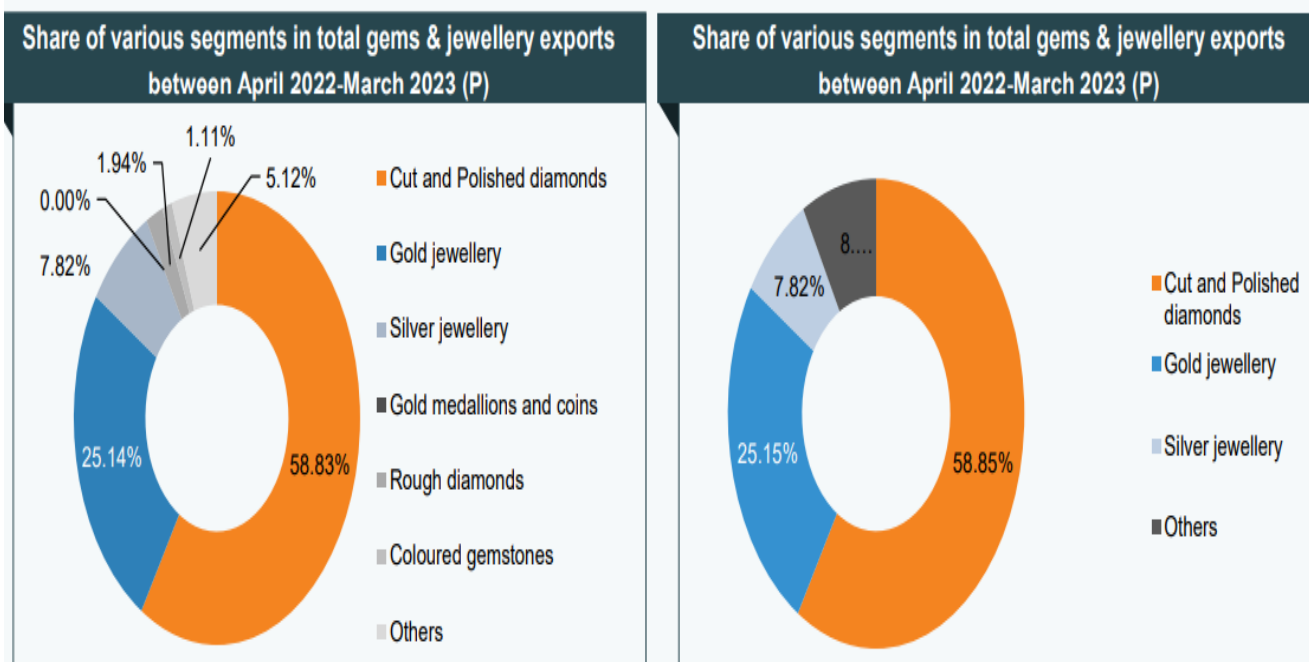
The Government has undertaken various measures recently to promote investment and upgrade technology and skills to promote ‘Brand India’ in the international market. The Government has permitted 100% FDI in the sector under the automatic route, wherein the foreign investor or the Indian company do not require any prior approval from the Reserve Bank or the Government of India. The Indian Government also signed a Comprehensive Economic Partnership Agreement (CEPA) with the United Arab Emirates (UAE) in March 2022, this will allow the Indian Gems and Jewellery industry to further boost exports. CEPA will provide the industry with duty-free access to the UAE market. India’s Gems Jewellery Export Promotion Council (GJEPC) aims to triple its exports to the UAE post the CEPA.

Market Size

India Gem and Jewellery Market size was valued at USD 43.71 billion in 2023 and the total India Gem and Jewellery Market revenue is expected to grow at a CAGR of 17.35 % from 2024 to 2030, reaching nearly USD 133.96 billion. Growth in exports is mainly due to revived import demand in the export market of the US and the fulfilment of orders received by numerous Indian exhibitors during the Virtual Buyer-Seller Meets (VBSMs) conducted by GJEPC.

Gems & Jewellery exports decreased by (-) 24.27% to US\$ 15.67 billion in April – September 2023-24 from US\$ 20.69 billion registered in April –September 2022-23. Gross exports of Gem and Jewellery from all regions except Rajasthan & Cochin region have recorded negative growth in April – September 2023. There is a decline of (-) 31.04% in exports from SEZ to US\$ 2717.22 million in April – September 2023 from US\$ 3940.32 million recorded in April – September 2022. Exports from Jaipur & Cochin SEZs have increased in April - September 2023 compared to April – September 2022 while exports from SEEPZ, Surat Delhi, Kolkata, Visakhapatnam and Chennai have declined in the same period.





Major Hubs for Gems and Jewellery:

- Surat
- Mumbai
- Jaipur
- Thrichor
- Nellore
- Delhi
- Hyderabad
- Kolkata

Overall Exports/Imports

In Continuation of the FY 2022-23 trends, gem and jewellery exports recorded a degrowth of -25.76% in the first half of FY 2023- 2024. The gem and jewellery exports growth rose decreasingly from -27.04% in quarter 1 to -24.48% in quarter 2. Polished diamonds, LGDs and Synthetic Stones, Studded gold jewellery, and Silver jewellery reported negative exports during April - September 2023 in comparison to same period last year. This is majorly on account of global economic challenges, geopolitical tensions, reduced supply of rough diamonds, closure of key units exporting silver jewellery, reduced consumer demand in top 10 export destinations and loss of competitiveness due to higher export costs. Colored gemstones, Plain gold jewellery and Platinum jewellery reported positive exports due to increase in demand in key export markets, low gold rates, advantage gained due to signing of India-UAE FTA and rising interest in CGS due to social media and improving living standards. The outlook for the industry for 2023-24 will be affected by factors such as recessionary impact in major economies, price rise and shift away from luxury items due to geopolitical tensions, ongoing sanctions on Russia and reduced demand.

However, recent announcement by the government of increasing drawback on gold and silver exports, upcoming trade shows such as IJS Signature 2024, Hong Kong Show 2024, among others, ongoing festive and holiday season, signing of FTAs with countries like UK, Canada, Israel, EU and continued government support in terms of policy resolutions may act as catalyst to help Gems and Jewellery sector to revive its exports.

In H1FY2024, gross exports of almost all key gems and jewellery commodities such as cut & polished diamonds, gold jewellery, silver jewellery, polished lab-grown diamonds and polished synthetic stones have recorded a negative growth as compared to exports recorded in the same period last year. However, colored gemstones and platinum jewellery are the only commodities whose exports have increased in the same period in comparison to April-September 2022.

Exports of Gem & Jewellery(Chapter-71) as on NOV 2023 (In Value Terms)														
Commodity	NOV 2023		APR 2023 - NOV 2023		NOV 2022		APR 2022 - NOV 2022		APR 2022 - NOV 2022		%Growth(YoY)		%Growth(YoY)	
	(Provisional)		(Provisional)		(Same Ports)		(Same Ports)		(Exports all ports)		NOV 2023		APR 2023 - NOV 2023	
	Rs. Crores	US\$ Million	Rs. Crores	US\$ Million	Rs. Crores	US\$ Million	Rs. Crores	US\$ Million	Rs. Crores	US\$ Million	Rs %	US\$ %	Rs %	US\$ %
Cut & Polished Diamonds (Qty in Lakhs Carat)	9217.88 (12.73)	1,100.09	91455.94 (126.05)	11,063.62	10202.54 (13.65)	1,248.41	121602.56 (169.73)	15,355.09	121608.12 (169.75)	15,355.76	-9.65 (-6.76)	-11.88	-24.79 (-25.73)	-27.95
Polished Lab Grown Diamonds	908.89	108.74	7,783.24	941.10	861.28	105.41	9,743.28	1,227.77	9,743.72	1,227.83	5.53	3.16	-20.12	-23.35
Coloured Gemstones	186.03	21.97	2,665.13	322.21	173.05	21.18	2,091.64	263.86	2,092.20	263.93	7.50	3.69	27.42	22.11
Polished Synthetic Stones	15.23	1.82	47.38	5.71	3.09	0.38	36.32	4.59	36.35	4.59	392.41	382.78	30.44	24.35
Pearls - Worked	10.34	1.24	47.33	5.71	0.39	0.05	15.43	1.93	15.43	1.93	2,556.54	2,486.38	206.79	196.00
Plain Gold Jewellery	3,595.74	425.11	27,813.53	3,355.57	2,629.70	321.76	21,873.17	2,754.47	22,189.25	2,792.99	36.74	32.12	27.16	21.82
Studded Gold Jewellery	3,129.21	372.34	24,863.14	3,003.24	3,528.86	431.74	30,475.79	3,838.34	31,088.68	3,913.26	-11.33	-13.76	-18.42	-21.76
Total Gold Jewellery	6,724.95	797.45	52,676.66	6,358.80	6,158.56	753.50	52,348.96	6,592.82	53,277.93	6,706.26	9.20	5.83	0.63	-3.55
Silver Jewellery	1,296.63	154.00	8,121.50	979.31	2,058.25	252.25	17,273.85	2,177.62	17,322.59	2,183.56	-37.00	-38.95	-52.98	-55.03
Platinum Jewellery	125.76	14.61	921.67	110.92	18.64	2.27	198.89	25.02	198.89	25.02	574.51	542.64	363.41	343.39
Imitation Jewellery	28.12	3.18	383.85	46.32	22.20	2.71	278.90	35.44	328.73	41.51	26.66	17.40	37.63	30.71
Articles of Gold, Silver & Others	32.51	3.72	296.51	35.68	29.97	3.66	255.79	32.09	266.02	33.33	8.47	1.57	15.92	11.21
Coin	1.40	0.17	17.12	2.07	0.00	0.00	8.57	1.07	11.71	1.45	93,387.46	91,310.67	99.75	92.83
SUB TOTAL	18,547.73	2,207.00	1,64,416.32	19,871.46	19,527.97	2,389.82	2,03,854.18	25,717.29	2,04,901.69	25,845.17	-5.02	-7.65	-19.35	-22.73
Rough Diamonds (Qty in Lakhs Carat)	390.67 (19.09)	46.88	4,463.49 (168.79)	540.57	343.87 (13.44)	42.09	3,619.88 (165.95)	454.88	3,619.88 (165.95)	454.88	13.61 (42.08)	11.36	23.30 (2.32)	18.84
Rough Lab Grown Diamonds	51.46	6.18	441.59	53.42	28.07	3.44	362.44	45.44	362.44	45.44	83.34	79.82	21.84	17.55
Rough Coloured Gemstones	4.45	0.53	61.64	7.46	4.32	0.53	45.84	5.80	48.69	6.15	3.09	1.03	34.45	28.56
Gold Bar	0.06	0.01	2.35	0.28			8.39	1.07	8.39	1.07	0.00	0.00	-71.98	-73.56
Others	23.81	2.75	327.06	39.46	13.51	1.65	210.90	27.03	284.59	36.01	76.28	66.54	55.08	45.99
GROSS EXPORTS	19,018.18	2,263.34	1,69,712.45	20,512.65	19,917.73	2,437.53	2,08,101.63	26,251.52	2,09,225.68	26,388.73	-4.52	-7.15	-18.45	-21.86
CPD (Qty in Lakhs Carat)	2863.90 (1.69)	343.80	31367.19 (18.31)	3,795.51	4303.74 (1.52)	526.90	40751.21 (15.84)	5,148.87	40751.21 (15.84)	5,148.87	-33.46 (10.94)	-34.75	-23.03 (15.63)	-26.28
Return Consignment Others	367.44	44.00	4,572.60	552.52	495.07	60.52	3,996.44	501.48	3,996.44	501.48	-25.78	-27.31	14.42	10.18
NET EXPORTS	15,786.84	1,875.53	1,33,772.65	16,164.62	15,118.93	1,850.11	1,63,353.99	20,601.17	1,64,478.04	20,738.38	4.42	1.37	-18.11	-21.54

- Note:-
1. Figures in bracket shows quantity in lakh carats.
2. Figures for April 2023 to November 2023 are provisional and subject to revision.
i) Figures don't include Delhi Air Cargo October - November 2023
3. Above figures does not include data for Sales to foreign tourists.
4. To be compared with DGCI & S data and Delhi Aircargo data April -August 2023 as per DGCI&S

Imports of Gem & Jewellery (Chapter-71) as on NOV 2023 (In Value Terms)														
Commodity	NOV 2023		APR 2023 - NOV 2023		NOV 2022		APR 2022 - NOV 2022		APR 2022 - NOV 2022		%Growth(YoY)		%Growth(YoY)	
	(Provisional)		(Provisional)		(Same Ports)		(Same Ports)		(Imports all ports)		NOV 2023		APR 2023 - NOV 2023	
	Rs. Crores	US\$ Million	Rs. Crores	US\$ Million	Rs. Crores	US\$ Million	Rs. Crores	US\$ Million	Rs. Crores	US\$ Million	Rs %	US\$ %	Rs %	US\$ %
Rough Diamonds (Qty in Lakhs Carat)	2622.59 (33.20)	314.26	72577.52 (749.95)	8,793.89	10871.77 (119.63)	1,330.49	92541.43 (853.95)	11,684.50	92541.43 (853.95)	11,684.50	-75.88 (-72.25)	-76.38	-21.57 (-12.18)	-24.74
Rough Lab Grown Diamond	522.99	62.77	5,674.60	686.52	631.99	77.26	6,736.80	851.78	6,736.80	851.78	-17.25	-18.75	-15.77	-19.40
Rough Coloured Gemstone	335.37	39.99	2,509.63	303.48	295.22	36.10	2,345.01	295.97	2,345.01	295.97	13.60	10.79	7.02	2.54
Rough Synthetic Stones	3.25	0.39	26.24	3.17	2.90	0.35	21.60	2.71	21.60	2.71	11.92	9.49	21.50	17.13
Raw Pearls	1.18	0.14	89.23	10.81	5.48	0.67	53.80	6.85	53.80	6.85	-78.48	-78.83	65.85	57.80
Gold Bar	1,718.74	199.02	14,284.52	1,718.98	929.09	113.51	12,619.29	1,586.71	13,180.92	1,655.65	84.99	75.33	13.20	8.34
Silver Bar	40.70	4.73	307.50	37.04	24.34	2.98	257.86	32.58	257.86	32.58	67.19	59.09	19.25	13.69
Platinum Bar	40.81	4.90	418.75	50.67	36.24	4.43	732.46	93.26	732.46	93.26	12.61	10.70	-42.83	-45.67
TOTAL - A	5,285.63	626.20	95,887.98	11,604.55	12,797.03	1,565.78	1,15,308.25	14,554.35	1,15,869.88	14,623.29	-58.70	-60.01	-16.84	-20.27
Cut & Pol Diamonds - SEZ	2,022.19	242.70	8,048.97	971.74	513.79	63.08	4,849.21	611.99	4,849.21	611.99	293.58	284.76	65.99	58.78
Cut & Pol Diamonds - BDWH			4.58	0.55									0.00	0.00
Cut & Pol Diamonds - MUM	175.30	21.04	1,984.65	240.27	379.15	46.39	2,403.23	302.42	2,403.23	302.42	-53.77	-54.64	-17.42	-20.55
Cut & Pol Diamonds - SUR	9.83	1.18	208.46	25.23	17.46	2.13	213.65	26.82	213.65	26.82	-43.68	-44.63	-2.43	-5.92
Cut & Pol Diamonds - Other	3.10	0.37	27.69	3.35	1.11	0.14	20.09	2.53	20.09	2.53	179.41	173.83	37.84	32.41
TOTAL - B (Qty in Lakhs Carat)	2210.41	265.29	10274.36	1,241.15	911.50	111.74	7486.18	943.76	7486.18	943.76	142.50	137.43	(-13.25)	31.51
Polished Lab Grown Diamond	32.38	3.38	738.24	88.78	45.71	5.59	568.13	71.52	568.13	71.52	-29.17	-39.53	29.94	24.14
Coloured Gemstones	84.06	9.74	736.48	88.74	2,243.22	274.49	15,283.10	1,923.65	15,283.10	1,923.65	-96.25	-96.45	-95.18	-95.39
Polished Synthetic Stones	16.58	1.94	63.38	7.60	5.12	0.62	45.73	5.74	45.73	5.74	224.13	210.50	38.60	32.27
Pearls - Worked	2.87	0.34	40.57	4.91	1.99	0.24	47.25	5.95	47.25	5.95	44.22	40.58	-14.14	-17.53
Gold Jewellery	367.46	43.88	3,376.44	408.71	181.22	22.15	1,533.64	193.41	1,533.64	193.41	102.77	98.09	120.16	111.32
Silver Jewellery	95.43	11.33	633.50	76.46	46.41	5.67	666.33	84.11	666.33	84.11	105.65	99.85	-4.93	-9.10
Imitation Jewellery	8.12	0.97	21.40	2.58	0.94	0.12	8.73	1.10	8.73	1.10	759.07	743.18	145.00	134.65
Others	16.69	1.88	227.63	27.39	3.16	0.39	47.85	6.04	47.85	6.04	428.33	385.96	375.73	353.49
TOTAL - C	623.58	73.48	5,837.63	705.17	2,527.77	309.28	18,200.77	2,291.53	18,200.77	2,291.53	-75.33	-76.24	-67.93	-69.23
TOTAL (A+B+C)	8,119.62	964.97	1,11,999.97	13,550.87	16,236.31	1,986.80	1,40,995.19	17,789.64	1,41,556.82	17,858.58	-49.99	-51.43	-20.56	-23.83

- Note:-
1. Figures in bracket shows quantity in lakh carats.
2. Above Figures for Rough Diamonds are Gross Imports (without subtracting export of rough diamonds)
i) Figs for Gold Bar from UBI, SBI & Bank of India November 2023 is not included

Emphasis on Silver Jewellery

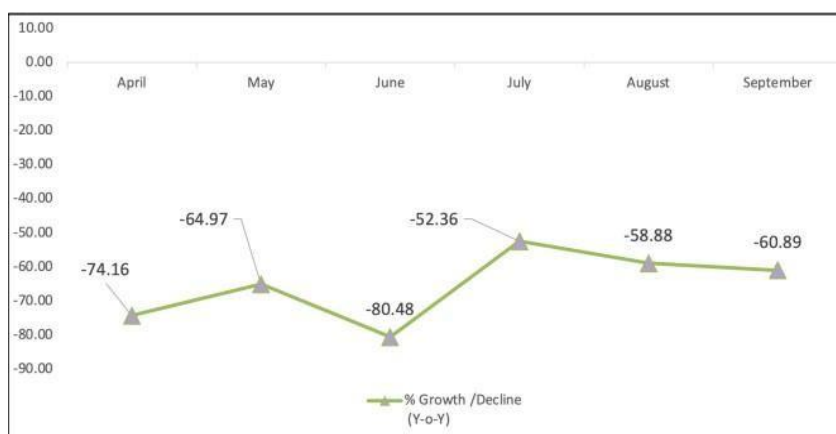
Global demand for silver rose by 18% in 2022 to a record high of 1.24 billion ounces, creating a huge supply deficit predicting more shortages in the years to come. The silver market was undersupplied by 237.7 million ounces in 2022, as per the latest World Silver Survey, calling this "possibly the most significant deficit on record. Silver should average \$21.30 an ounce this year (2024), below last year's average of \$21.73 as per World Silver Survey. Demand for silver rose to record highs from all major users jewelers, industry and buyers of silver bars and coins, according to the report of Silver Institute.

Silver is preferred over gold due to the price difference. It is considered auspicious to buy these precious metals during Akshaya Tritiya, Diwali and Dhanteras. In order to ensure quality and protect consumer interests, hallmarking was made mandatory for gold jewellery in the notified districts. From June 1, 2022, Jewelers can only sell hallmarked gold jewellery irrespective of the purity. According to the Bureau of Indian Standards (BIS) rules, it is not mandatory for jewelers to get silver jewellery and coins hallmarked before selling these. The Government of India, vide notification dated June 14, 2018, has subjected silver jewellery and artifacts to hallmarking. However, it has not made it mandatory, unlike in the case of gold jewellery. This is because the government has not issued a Quality Control Order under the BIS Act to make hallmarking mandatory. Once the Quality Control Order is issued by the government, hallmarking for silver jewellery will become mandatory.

Silver jewellery exports fell by -65.52% from US\$ 1746.16 million during April-September 2022 to US\$ 602.05 million recorded in April-September 2023.

Months	Gross Exports 2022-2023 (US\$ mn)	Gross Exports 2023-2024 (US\$ mn)	% Growth /Decline (Y-o-Y)
April	251.95	65.11	-74.16
May	239.55	83.91	-64.97
June	327.96	64.01	-80.48
July	240.51	114.57	-52.36
August	301.91	124.15	-58.88
September	384.28	150.3	-60.89
April - September	1746.16	602.04	-65.52

Source: GJEPC Analysis. Notes: (P) stands for provisional Gross Exports pertains to inclusive of return consignments, Net Exports pertains to exclusive of return consignments. Figures from Chennai & Bangalore Aircargo September 2022 are not included as yet to receive from the Customs



Growth obstructers for decline in export growth of Silver Jewellery:

- Firstly, it is primarily due to the closure of one to two major units in Surat SEZ exporting silver jewellery. Surat SEZ being a significant contributor to the overall exports of all SEZ's has impacted hugely to the decline in exports of silver jewellery.
- Another contributing factor is the unavailability of precious metals within SEZ units. This unavailability stems from the fact that Authorized Dealer (AD) banks are currently not permitting advanced payments for the procurement of precious metals.
- The duty drawback rates in place are inadequate to cover the duty expenses associated with silver bullion. This is not cost-effective to the exporters and hampering the competitiveness of Indian silver jewellery in the international

markets. Additionally, SEZ units are unable to claim duty drawbacks on precious metal supplies they receive from Domestic Tariff Area (DTA) sources.

- In the case of exports from DTA, more than 25% of the decrease in exports is caused due to the lack of access to duty-free precious metals. Among these metals, silver presents a more significant concern compared to gold.
- Reduction in the price of LGDs is affecting the export value of studded silver jewellery.
- The silver merchandise is high, while its value is less augmenting the shipping cost which is the same as gold.
- The marketing and exhibition costs are very high thus making it impossible for smaller exporters to promote their products domestically and internationally.

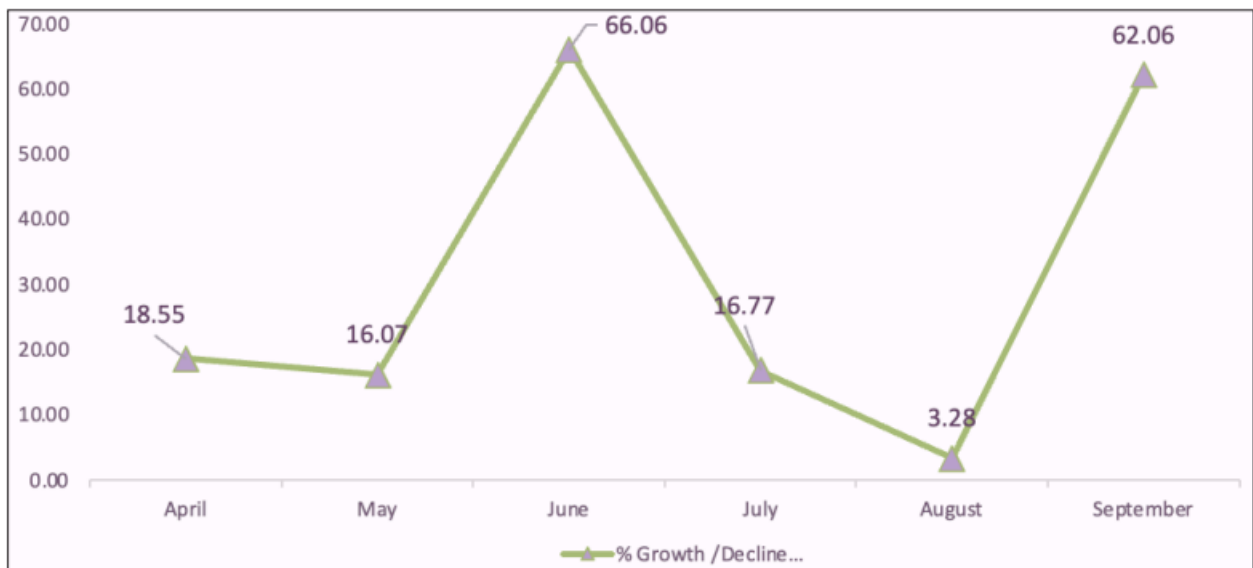
Growth Outlook:

With the recently announced increase in duty-drawback for silver jewellery, there is a very optimistic outlook for the likelihood of a slight revival in exports in the next six months. Also, the Diwali and Christmas festival have contributed to the rise in exports.

Emphasis on Colored Gemstones

Exports of colored gemstones continued its positive growth in H1FY2024 y-o-y. Overall, its exports rose by 29.81 % to US\$ 271.66 million during April -September 2023 from US\$ 209.27 million witnessed in April -September 2022.

Months	Gross Exports 2022-2023 (US\$ mn)	Gross Exports 2023-2024 (US\$ mn)	% Growth /Decline (Y-o-Y)
April	32.38	38.38	18.55
May	43.67	50.69	16.07
June	23.48	38.99	66.06
July	21.39	24.97	16.77
August	41.78	43.15	3.28
September	46.57	75.48	62.06
April - September	209.27	271.66	29.81



Source: GJEPC Analysis

Reason for rise in export of colored gemstones:

- Increase in demand from USA and Europe
- Rise in prices of colored gemstones by 40% without fall in the quantity demanded
- Adequate and regular supply of raw materials
- Social Media Impact: The influence of social media boosted the desirability of colored gemstone jewellery among consumers, thus increasing its exports.
- Rising Middle-Class Aspirations: A growing middle-class population with desires for a luxurious lifestyle increased the demand for colored gemstones, thus rising its exports.
- Improved Standard of Living: An overall improvement in the standard of living has resulted in increased consumer spending on luxury items like colored gemstone jewellery, rising its exports

Growth Outlook:

The export growth outlook for gemstones is optimistic due to a steady supply of raw materials, strong consumer demand in key export destinations, holiday and festive season and high demand due to social media marketing. However, global fear of recession, fall in demand due to further increase in prices are challenging factors faced by the sector.

Recent Investment / 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 jewelers 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.

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

- Indian retail investors bought around 730 million ounces (Moz) of silver, representing 90 percent of 2022's global silver mine production.
- In February 2022, GJPEC organized a four-day Internal Jewellery Show Signature 2022, where 850 exhibitors participated and there were more than 400 international visitors, buyers, and delegations from the US, UAE, Egypt, Nepal, Uzbekistan, and Bangladesh.
- Companies such as PC Jewelers, PNG Jewelers 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.
- In June 2021, Tanishq launched antimicrobial jewellery in certain markets as a pilot project. Currently, the range is available in stores across Chennai and Lucknow, with further launches planned in Kolkata and Hyderabad followed by other key markets. Antimicrobial jewellery is being offered in categories such as chains and rings, which feature special-coated layers that self-disinfect the surface and impede any further microbial growth.
- 2022 saw a healthy recovery in physical investment, jumping to 79.4 Moz last year, the highest total since 2015.
- A recent investment opportunity in India is silver exchange-traded products (ETPs), launched in September 2021. Currently, there are seven ETPs and five silver ETP Fund-of-Funds (FoFs, which invest in ETPs). As of end 2022, silver ETP holdings in India stood at an estimated 8 Moz, a good start given the fact that these products were only released in late 2021.

Recent Government Initiatives

- India has signed an FTA with the UAE which will further boost exports and is expected to reach the target of US\$ 52 billion.
- The Government has reduced custom duty on cut and polished diamond and colored gemstones from 7.5% to 5% and NIL.
- Revised SEZ Act is also expected to boost gems and jewellery exports.
- The proposed Mines and Minerals (Development and Regulation) Amendment Bill provides permits for reconnaissance, prospecting, mining leases, and composite licenses. The Amendment Bill introduces the concept of an exploration license, allowing reconnaissance or prospecting, or both, for specified minerals. This license covers 29 minerals listed

in the Seventh Schedule, which includes silver.

- A Memorandum of Understanding (MoU) has been signed between the Gems and Jewellery Export Promotion Council (GJEPC) and the Maharashtra Industrial Development Corporation (MIDC). This action is being made to create the biggest gem and jewellery park in the country at Ghansoli, Navi Mumbai. Over 5100 jewellery units will be built as part of this project on 25 acres of land. A substantial investment of Rs. 13,500 crore (US\$ 2.08 billion) will be required.

The Road Ahead

In the coming years, growth in the gems and jewellery sector would largely be contributed by the development of large retailers/brands. Established brands are guiding the organized market and are opening opportunities to grow. Increasing penetration of organized players provides variety in terms of products and designs. Ambitious targets set by the government aim to propel exports to US\$ 45.7 billion in 2022-23, indicating a proactive approach to stimulating growth.

Silver Industrial demand was expected to grow 8% to a record 632 million ounces (Moz) in 2023 as per the report from The Silver Institute.

Given the risks currently surrounding the global economy, Silver could stand out as a potential low-cost safe haven for investors who are seeking stability. Its attractive price point compared to gold also makes it appealing, as more investors can afford it.

The Silver Institute predicted a record industrial demand for silver in 2023. The industrial demand forecast for 2023 was estimated 632 million ounces, an increase of 105 million ounces from 2022. The reason lies in the accelerated adoption of solar photovoltaic cells, especially in China. In addition, the high demand for smartphones, especially those with 5G technology containing more silver, is expected to contribute further to the growth in demand for this precious metal. The key factor will be industrial demand, particularly related to renewable energy sources and smart technologies. Investment demand for silver is characterized by its volatility, with significant fluctuations each year. This aspect of silver demand plays a pivotal role in determining its price. Investment vehicles such as Exchange-Traded Funds (ETFs), which are popular among funds and institutions, heavily influence silver's market value. If inflation continues to scare investors in 2024, precious metals like gold and silver could benefit.

Gov Capital, another algorithm-based forecasting service, issued a silver price prediction stating that the metal would close out 2023 at a potential average of \$27.895. The platform sees silver rising to an average of \$57.534 by the end of December 2025, \$80.471 by the end of 2026, and \$97.648 by December 2027.

Source: www.silverinstitute.org.

Advantage India



(Source: <https://www.ibef.org/industry/gems-and-jewellery-presentation>)

India's gems and jewellery sector is one of the largest in the world, contributing around 29% to the global jewellery consumption. The market size is estimated to reach Rs. 6.99 lakh crore (US\$ 100 billion) by 2025. The sector is home to more than 300,000 gems and jewellery players, contributing about 7.5% to India's Gross Domestic Product (GDP) and employing over 8.23 million employees.

India's gems and Jewellery sector contributes around 14% to India's total merchandise export. The overall gross exports of Gems & Jewellery at US\$ 2195.23 million (Rs. 18281.49 crores) in the month of DEC 2023 is showing a decline of 9.04% (- 8.14% in Rs. term) as compared to US\$ 2413.46 million (Rs. 19901.55 crores) for the same period previous year (2022).

*Includes export of CPD (Bonded Warehouse) also References: Media Reports, Press Releases, Reserve Bank of India, Gem & Jewellery Export Promotion Council (Source: [https:// 496037587 Gem and Jewellery Exports-Imports -- Master Report for the Month of December 2023.pdf \(gjepc.org\)](https://496037587.Gem.and.Jewellery.Exports-Imports--Master.Report.for.the.Month.of.December.2023.pdf(gjepc.org)))
(Source: <https://www.ibef.org/industry/gems-and-jewellery-presentation>)

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contains forward-looking statements that involve risks and uncertainties. You should read "*Forward-Looking Statements*" on page 13 of this Letter of Offer for a discussion of the risks and uncertainties related to those statements and also "*Risk Factors*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 16 and 125 of this Letter of Offer, respectively, for a discussion and analysis of factors that may affect our business, financial condition, results of operations or cash flows. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our fiscal year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular "Fiscal" are to the 12 months ended March 31 of that year. All financial information included herein is given on a consolidated basis unless stated otherwise. Please read "*Presentation of Financial and Other Information*" on page 11 of this Letter of Offer before reading this section.

OVERVIEW

SILVER JEWELLERY

We are engaged in the business of designing, manufacturing, retailing, and wholesaling of silver jewellery. In addition to the designing and manufacturing of silver jewellery, we have recently started dealing in gem stones as well. We take pride in our extensive product collection, which showcases a diverse array of carefully crafted designs to cater to the discerning tastes of our valued customers. Drawing upon our deep understanding of regional variations in preferences, we have curated a versatile portfolio encompassing a wide range of ornaments and jewellery. We believe that proficiency of our team in designing jewellery products aligns with the latest trends and fashion movements ensuring that our offerings complement with our clients' preferences.

We offer a wide range of products of silver jewellery for special occasions such as weddings and festivals to daily-wear jewellery for all ages, genders and across various price points. Our product portfolio includes rings, earrings, bracelets, necklaces, jhumki, bangles, and customized pieces tailored that cater to our customers taste, preference, choice and the ever-changing trends. Our portfolio offers our customers a wide variety of traditional, Indo-western, & modern design and silver jewellery. Specializing in silver jewellery, our offerings bear the BIS hallmark certification, ensuring authenticity. All our jewellery is crafted from 925 sterling silver. Catering to various occasions, our collection spans from special event pieces for weddings and festivals to daily wear jewellery suitable for all age, available at different price points.

Our Company started dealing in gemstones starting from Fiscal year 2022, marking a significant expansion in our product offerings. Our foray into the world of gemstones signifies not just a business venture but also indicates our dedication towards serving our clientele with best of our ability.

We are a customer centric company and primarily focus on attaining the utmost client satisfaction by delivering them quality products. We believe that our ethical trade practices, transparent business dealings and timely delivery of products help us in maintaining cordial relations with our customers. Our company strives at all the times to provide product that offers our customer the best-in-class designs with superior finish and quality.

We have a dedicated and efficient design team, which solely focuses on developing new products and designs that meet customers' requirements using the latest 3D Computer-Aided Designing (CAD) Software. Our designers are skilled in CAD and are up-to-date with the latest trends and fashion in the market and constantly provide designs for new ornaments regularly. Apart from being technically capable, our design team members are fashion enthusiasts that are updated with the latest fashion trends around the globe and constantly focus on adding trendy designs to our product portfolio.

EXPORT BUSINESS

Our company was previously involved in the export of silver jewelry. However, due to the adverse effects of the COVID-19 pandemic on international markets, due to a decline in opportunities in the global market, we fulfilled existing orders and temporarily scaled back our operations. With international markets now showing signs of recovery, we are planning to resume our focus, particularly on penetrating the US markets. Additionally, we have plans to organize exhibitions there in the near future.

The table below sets forth the distribution of sales from our key export markets for last three fiscal years and the stub period.

(Rs in lakhs)

Country	Six months ended on September 30, 2023		2022-2023		2021-2022		2020-2021	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%
USA	-	-	1008.83	96.21	1001.42	100.00	448.29	97.83
Hongkong	-	-	30.79	2.94	-	-	-	-
Thailand	-	-	8.99	0.86	-	-	-	-
Canada	-	-	-	-	-	-	0.38	0.08
UK	-	-	-	-	-	-	9.55	2.08
Total	-	-	1048.61	100.00	1001.42	100.00	458.22	100.00

The Company focuses on quality standards across the value chain and has a dedicated quality assurance department that solely works towards monitoring and examining the new products and designs being delivered to the customers. The quality check is implemented at various stages including design, polish, size and purity to ensure that customers are served with products that meet industry standards.

Our Products

Silver Jewelry

Our company specializes in the manufacturing of casting-based silver jewelry, with a primary focus on high-quality silver products. Our online offerings feature hallmarked jewelry, certified by BIS (Bureau of Indian Standards), ensuring authenticity and quality. Utilizing a Sterling Silver alloy composed of 92.5% pure silver and 7.5% copper, each piece of jewelry crafted by our company is cast in 925 sterling silver. Our diverse product range includes Rings, Earrings, Pendants, Bracelets, Necklaces, Bangles, Jhumki, and more. These products are curated into distinct collections such as Mayuri, Kaustubh, Vigyor, Aura, reflecting varied and exquisite designs.



Gemstones

Our company is also engaged in the meticulous craftsmanship of precious and semi-precious gemstones. With a passion for transforming raw, uncut stones into exquisite, polished gems, we are dedicated to delivering top-quality, bespoke pieces that captivate and inspire. Our highly skilled artisans employ traditional and innovative techniques in the art of gemstone cutting and carving. We work with a diverse range of precious and semi-precious gemstones, including diamonds, emeralds, rubies, sapphires, amethysts, and more. Each gem is carefully selected for its unique qualities, ensuring that our final creations embody unparalleled beauty and rarity



The table below sets forth certain key operational metrics for the periods indicated on consolidated basis:

Particulars	Six months ended on September 30, 2023		FY 2022-2023		FY 2021-2022		FY 2020-2021	
	Amount	% of total revenue	Amount	% of total revenue	Amount	% of total revenue	Amount	% of total revenue
Revenue from Operations	1621.99	100.0%	3407.08	98.26%	3485.27	99.17%	3189.26	100.0%
Other Income	-	0.0%	60.43	1.74%	29.15	0.83%	0.27	0.0%
Total Revenue	1621.99	100.0%	3476.51	100.0%	3514.42	100.0%	3189.53	100.0%
Total Expenditures (Excl. Interest & Depreciation)	1371.95	84.6%	2950.47	85.1%	3061.75	87.1%	2786.68	87.4%
Profit before Interest, Depreciation and Tax (PBITD)	250.04	15.4%	517.04	14.9%	452.67	12.9%	402.85	12.6%
Less: Depreciation	2.12	0.1%	5.17	0.1%	7.51	0.2%	10.37	0.3%
Less: Finance Cost	71.63	4.4%	192.39	5.5%	129.41	3.7%	94.75	3.0%
Profit/(Loss) before tax	176.29	10.9%	319.48	9.2%	315.75	9.0%	297.73	9.3%
Less: Tax Expenses (including Deferred Tax)	45.93	2.8%	84.30	2.4%	85.18	2.4%	77.88	2.4%
Profit/(Loss) after tax	130.36	8.0%	235.18	6.8%	230.57	6.6%	219.84	6.9%

As certified by statutory Auditors vide their certificate dated January 22, 2024, bearing UDIN: 24418000BKGDVFU3179.

BUSINESS OPERATIONS

Our business segments can be categorized broadly into Silver Jewelry and Gemstones.

The below mentioned table sets out the sales turnover of our product categories for the periods indicated below:

(Rs. in lakhs)

Segments	Six months ended on September 30, 2023		2022-2023		2021-2022		2020-2021	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%
Silver	1604.69	98.93	2295.79	67.38	3441.79	98.76	3176.39	99.60
Gemstones	17.30	1.07	1110.99	32.61	40.23	1.15	-	-
Others	-	-	0.30	0.01	3.25	0.09	12.87	0.40
Total	1621.99	100.00	3407.08	100.00	3485.27	100.00	3189.26	100.00

As certified by statutory Auditors vide their certificate dated January 22, 2024 bearing UDIN: 24418000BKGDVFV2234.

The company is primarily involved in manufacturing and trading business of silver jewellery and gemstones. The below table sets out the sales turnover of our trading and manufacturing business.

(Rs in lakhs)

Segments	Six months ended on September 30, 2023		2022-2023		2021-2022		2020-2021	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%
Manufacturing	783.70	48.32	2495.23	73.24	3482.02	100.00	2253.44	70.94
Trading	838.29	51.68	911.55	26.76	-	-	922.95	29.06
Total	1621.99	100.00	3406.78	100.00	3482.02	100.00	3176.39	100.00

As certified by statutory Auditors vide their certificate dated January 22, 2024 bearing UDIN: 24418000BKGDFV2234

Our Major Customers

The percentage of income derived from our top customers for period ending September 30, 2023 and Financial Year 2022-2023 2021-2022 and 2020-2021 is given below:

(Rs in lakhs)

Particular	For Period ending September 30, 2023		For Year ending March 31,					
			2022-2023		2021-2022		2020-2021	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%
Income from Top 5 Customers (%)	1178.68	72.67	2530.35	74.27	2637.22	75.67	2244.88	70.39
Income from Top 10 Customers (%)	1471.94	90.75	3058.35	89.76	3086.01	88.54	2814.43	88.25

As certified by Statutory Auditors vide their certificate dated January 22, 2024, bearing UDIN: 24418000BKGDFW5247

Although our top 10 customers may vary from one reporting period to another depending on the requirements of a particular industry segment, we believe, we have experienced a high degree of returning customers over the years, which reflects the value proposition provided by us. We constantly try to address the needs of our customers fostering a long-term working relation, which leads to business generation.

Our Major Suppliers

The percentage of sales made to our top Suppliers for period ending September 30, 2023 and Financial Year 2022-2023 2021-2022 and 2020-2021 is given below:

(Rs in lakhs)

Particular	For Period ending September 30, 2023,		For Year ending March 31,					
			2022-2023		2021-2022		2020-2021	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%
Income from Top 5 Suppliers (%)	1,986.20	74.46	1,993.98	70.98	1,817.32	51.57	2,016.03	58.41
Income from Top 10 Suppliers (%)	2,427.87	91.02	2,614.73	93.07	2,739.42	77.73	2,706.19	78.41

As certified by Statutory Auditors vide their certificate dated January 22, 2024, bearing UDIN: 24418000BKGDFW5247

OUR COMPETITIVE STRENGTHS

We believe that our primary competitive strengths include the following:

Experienced Promoters and well-trained management team

We believe that our promoters Mr. Nitin Jain and Mrs. Bela Agrawal have been engaged in the jewellery business for over a decade and have a proven background and rich experience in this industry and have contributed significantly to the growth of our business operations.

Our management team consists of a mix of experienced and professional personnel with experience in different aspects of the silver jewellery (including artifacts) and gem stone industry. Our team is well qualified and experienced in silver jewellery (including artifacts) and gem stone industry and have been pivotal for the growth of our operations.

We believe the stability of our management team and the industry experience brought in by the promoters coupled with their strong client relationships has enabled us to respond to changing market conditions and further it will enable us to continue to take advantage of future market opportunities and expand into new markets. For further details of the educational qualifications and experience of our Management Team and our Key Managerial Personnel please refer the chapter titled “*Our Management*” beginning on page no. 75 of this letter of offer.

Extensive Product Portfolio

Our company provides an extensive range of silver jewellery products, including rings, earrings, pendants, bracelets, necklaces, bangles, jhumki, and customized jewelry tailored to meet customer demands. Our offerings span across diverse categories, and are designed for special occasions like weddings and festivals, as well as everyday wear suitable for all ages, genders, and are available across price ranges. We actively engage in the retail and wholesale market segments, addressing the specific requirements of our clientele through our well-crafted collection of silver jewelry products.

Quality Products

Our Company is dedicated towards quality of our products. We endeavor to maintain the quality of our products, strive to create works of art that are true to nature, maintain the quality standards, follow strict procedures to ensure timely delivery and competitive prices. We believe that varied designs and quality of our products’ finish enables us to get better margins on the products manufactured by us.

Access to advanced technology and modern equipment

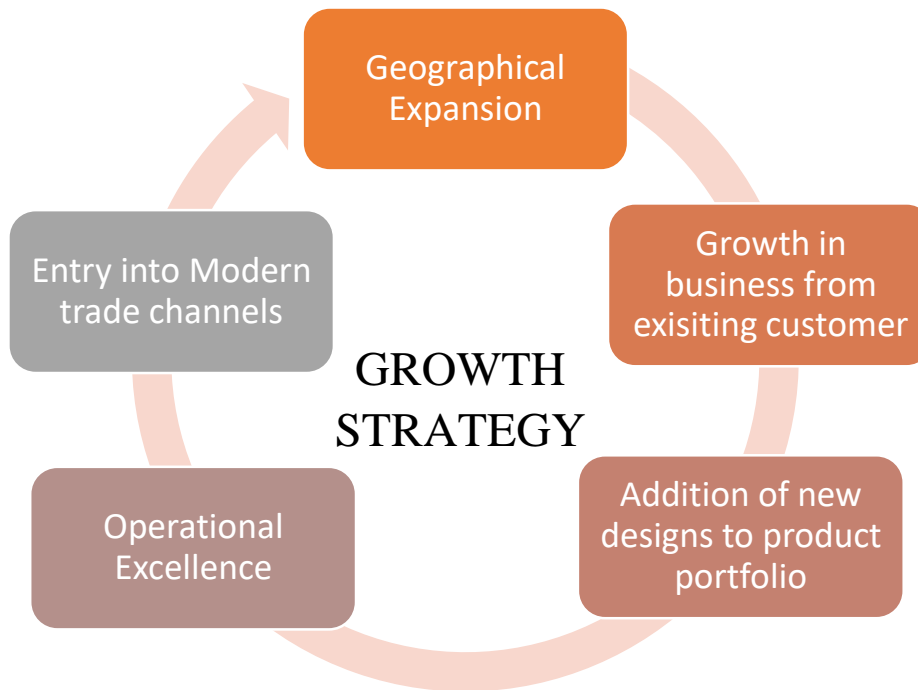
We have a technology intensive manufacturing process in which we make use of equipment like wax injection, casting machine, CAD machine, etc. We have a design studio equipped with CAD machines. Designs are developed manually as well as with the aid of sophisticated CAD and CAM machines pursuant to consultations with our customers, marketing and products development teams.

We use laser technology for stamping and quality testing purposes. We also use metal mold process to produce light weight products. We believe that our ability to use the latest machineries and techniques for our precision-oriented jewellery enhances our offering capabilities.

Customer Satisfaction

With an aim to attain maximum customer satisfaction, we assure accurate and timely delivery of these adornments at the customer’s end while ensuring product quality. We also provide customized solution to our customers keeping in mind their precise requirement. Our strength lies in understanding the requirement of the customer and our execution capabilities, which has enabled us to get repeat orders from our existing customers and attract new customers.

BUSINESS STRATEGY



Growth in business from existing customer

We are a customer centric company and hence our business strategy has been consumer centric to bring them value for money by imbibing best practices and processes with an aim to deliver best quality products and creating value for all our stakeholders. We place a paramount emphasis on cultivating robust relationships with our clientele, recognizing that this constitutes a pivotal factor in the success of our business. 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 and international markets.

Adding new designs to the portfolio

In the highly competitive jewelry market, our strategic focus revolves around continually introducing new and fashionable designs for our customers. Our dedicated marketing team actively engages in exhibitions and trade fairs, where they encounter a variety of novel designs. These designs are subsequently shared with our in-house designers, who refine and enhance them in alignment with the latest trends and customer preferences. We are committed to developing innovative designs that cater to the astute, knowledgeable, and demanding nature of our clientele in the jewelry industry. Regularly bringing forth fresh ideas and designs is integral to our approach in meeting and exceeding the evolving expectations of our customers.

Entry into modern trade channels

In the modern business landscape, digital market place serves as a facilitator of rapid, efficient, and dependable communication with customers and partners. Leveraging this platform, our company has actively embraced online sales of jewelry, ensuring seamless accessibility of our products to end customers. This strategic marketing approach, not only allows us to operate in the B2C and B2B markets, but also helps the company optimize the marketing related overheads. With a forward-looking perspective, we are committed to expanding our presence on the e-commerce platform, thereby broadening our horizons and increasing penetration in newer markets. Our aspiration extends beyond the familiar territories as we endeavor to tap into untapped market segments, aiming to increase and diversify our customer base. This proactive approach aligns with our aim of staying at the forefront of technological advancements and embracing innovative strategies to foster sustained growth and success in the ever-evolving business landscape.

Operational excellence

Our Company aims on continuously improving our operational effectiveness and efficiencies in order to achieve cost reductions including overheads. We believe that this can be achieved through continuous business process review and timely corrective measures in case of diversion or technology upgradation. Our investment in value adding equipment and technology has resulted in twin benefits of consistent high quality and enhanced productivity, ensuring optimum operational efficiency. We are addressing the increase in operational output through continuous process improvement, Quality Assurance (QA) and technology development. We continually focus on the skill enhancement of our team members to align them with the latest processed and technology being used in the business.

Geographical expansion

Our Company is focused on strategically tapping into untapped regions and capitalizing on emerging opportunities which allow increased sales and brand visibility. This approach not only diversifies our market reach but also positions us to adapt to varying consumer demands across different geographical locations, contributing to sustained market share in our industry.

OUR UNITS

Currently, our Company is operating from following locations:

Type of Facility	Location
Registered Office cum Retail outlet	B-11, Mahalaxmi Nagar, Jawahar Lal Nehru Marg, Jaipur, Rajasthan- 302 017
Manufacturing Unit	G-1-10, Export Promotional Industrial Park, Gems & Jewellery Zone, Sitapura, Jaipur – 302022

CAPACITY AND UTILIZATION

Particulars	September 30, 2023	for the Financial Year		
		2022-2023	2021-2022	2020-2021
Installed Capacity (kgs p.a.)	7,000	7,000	7,000	7,000
Estimated Utilised Capacity (%)	27.26	52.72	52.23	51.84

BUSINESS PROCESS



- **Procurement of Raw Materials**

Our raw material requirements include Silver Bars and stones, along with elements like Investment Mix, Alloy, Rubber, Wax, Polishing Bars, Ambry Papers, Polishing Lusters, etc. Majority of our raw materials are sourced from the domestic market. The procurement process is typically guided by management estimations, considering factors such as current orders, historical consumption patterns, and future projections. This approach ensures a strategic and efficient acquisition of the necessary raw materials to meet our production needs.

- **Designing**

Our marketing team actively engages in various fairs and exhibitions to stay up-to-date with the latest market trends, ensuring a diverse array of designs that resonate with end customer preferences. Following the insights gathered by the marketing team and client specifications, our design team transforms ideas into reality, marking the initial phase of the manufacturing process.

Equipped with latest technology, our design studio employs both manual techniques and sophisticated CAD and CAM machines. This collaborative approach involves consultations with customers, marketing professionals, and product development teams to ensure precision and alignment with expectations.

The utilization of CAD software enhances productivity and elevates design quality. Beginning with a conceptualization on paper, the design is seamlessly transitioned into the system for the finalization process. Presently, the camming process, involving the creation of wax resin pieces for the designed items, is outsourced.



- **Manufacturing of Jewelry**

- Model making

Once the CAD design file is ready, the resin model is created using 3D Rapid Prototyping system (RPT). Resin output from CAD-CAM is then converted into silver model by using casting process.

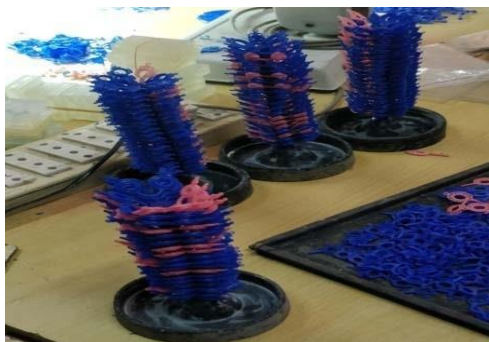
- Silicon/Rubber Moulds

The silver model is then used to create the moulds made up of either silicon or rubber. This procedure ensures that the jewellery items can be accurately duplicated at any time in future. Majorly moulds are made of at least two parts and shim with keys placed between the parts during construction so that the mould can be put together accurately. The method used for mould making is called “Vulcanizing”.



➤ Waxing / Wax Tree

Once the mould is finished, the rubber mould is placed on the commercial wax injector machine. Molten wax is pressure injected into the mould cavity to create wax models for casting. The process of soldering the wax pieces on a wax stem is called “treeing.” A spruce is attached to each piece which in turn is attached with the stem. Each and every wax piece is cleaned carefully which are spruced with tree like structure of wax that eventually provides path for the molten casting material to flow.



➤ Investment Mixing

A spruced wax copy is dipped into the slurry of P.O.P under air vacuum. The slurry is poured into wax tree carefully with proper mixture of water and P.O.P.

➤ Burnout

The P.O.P shell is then put into furnace for heating. It is heated overnight at the temperature of 750 – 900 degrees Celsius. Through this process the wax will melt and the cavity of the tree is left behind.

➤ Casting

Casting is a very complex process and requires utmost skilled and experienced casters for the desired final product. Molten silver is poured into the mould as entire mould is placed under vacuum. The vacuum and the pressure action draw the silver down into every negative space of the mould, which is allowed to cool, then demolished to reveal the Jewellery in casting form. Through this the mould is bound to form a perfect copy of original design. The hardened mould is then dipped into water to remove silica/ P.O.P and is cleaned with water jet thoroughly. The individual silver item is ready to be cut from the tree for hand finishing and polishing.

➤ Grinding

As soon as the raw casting is clipped off from the casting tree, it has a tiny nub leftover at a place where the silver piece was attached to the spruce. The polisher grinds off this nub using the motorized grinding machine, which acts as an abrasive to smooth the surface of the silver piece/ jewellery. A final polishing is then done by holding the piece against a spinning grinding wheel to achieve a smooth surface.

➤ Assembly

Assembly is the process where two or more component of the same design are joint with the help of solder and laser technique.

➤ Cleaning & Polishing

After Assembling the jewellery is transferred to cleaning & polishing department. Jewellery items are cleaned with the help of various tools, offering a finish to the product by removing dust and oxides. Along with this process, texture and polish is also added to the jewellery piece. It helps to refine the surfaces without rough compounds on jewellery piece.

➤ Stone Setting

In the final stage of manufacturing, the stone setting department securely sets and attaches the stones in the jewellery. Various types of settings are used to create varied designs, many a times even a combination of two setting is also used to make a piece look more appealing.

Quality Check and Final Dispatch

The company has adopted a set of procedures where the finished product is assessed in order to ensure that it meets the client specification and quality requirement criteria set by the company in accordance with the industry standards. The different method of quality control includes measurement, visual inspection and mechanical inspection. As soon as the quality approval is given the finished product is sent to for packing and ultimately dispatched to the end customer.

PLANT AND MACHINERY

Our Manufacturing facility uses the latest technology and has various jewellery making equipment and machinery. Below are some of the key machineries used for designing and manufacturing silver jewellery:

- Casting Machine
- Furnace
- Injector
- Investment Mixer
- Polish Machine
- Water Jet
- Steam Machine
- Magnetic Machine Polisher
- Ultra Sonic
- Laser Machine
- Tumbling Machine
- Leaping Machine
- Vulcanizer
- Pneumatics Casting Machine

UTILITIES AND INFRASTRUCTURE

Power

Our Company has made adequate arrangements for its power requirements. We currently source power from Jaipur Vidhyut Vitran Nigam Limited. Additionally, our company has installed DG Sets as standby arrangement, which can be used in case additional power requirement or shortage of the power or power-cut.

Water

In jewellery manufacturing the water requirement is very nominal. The same can be met from the water supplied by the Municipality.

Quality Measures:

We have stringent quality control process for procuring the raw material as well as manufacturing of products.

Technology

Our business model encompasses manufacturing of silver jewellery. We use advanced technology in the form of CAD/CAM machines for our designing and model making purposes. Some of our crucial machinery used to manufacture studded silver jewellery includes wax injectors, furnaces and air compressors.

HUMAN RESOURCES

We believe that a motivated and empowered employee base is the key to our operations and business strategy. Over the years we have focused on developing a skilled and experienced team that strives towards the company's growth. Our manpower includes a mix of skilled employees and unskilled labor that work across various domains of operations in the company including manufacturing, quality control, design, sales and marketing, etc. We employ 20 employees as on 30th September, 2023 (including Executive Directors and KMP). The details of manpower employed as under:

Category	No. of Employees
Executive Directors	2
Key Managerial Personnel (KMP's)	2
Other Employees	16
Total	20

INVENTORY MANAGEMENT

We have adopted a comprehensive approach towards inventory management, and we organize items based on specific criteria like categories, weight, serial number, and size. We have strict controls in place to keep a close eye on our entire inventory. Each item gets a unique barcode which allows for real time tracking.

Our registered office in Jaipur serves as our central procurement system, where the inventory is received. Upon arrival, raw materials undergo thorough verification against corresponding invoices before being subjected to stringent quality control measures. This systematic approach ensures accuracy, transparency, and quality standards throughout our inventory processes.

EXPORT AND EXPORT OBLIGATION

The total exports of the company for stub period and last three fiscal years i.e., September 30, 2023, 2022-2023, 2021-2022 and 2020-2021 was NIL, Rs. 1048.61 lakhs, Rs.1001.42 lakhs and Rs. 458.82 lakhs.

COLLABORATION

The Company has so far not entered into any technical or financial collaboration agreement.

MARKETING SET-UP

The success of our company heavily relies on the efficiency of our marketing and sales network. As a prominent player in the silver jewellery (including artifacts) and gem stone industry, we, as manufacturers, wholesalers, and suppliers, prioritize customer confidence by delivering quality products tailored to their needs. Our marketing strategy centers on competitive pricing, reliable and timely product delivery, and maintaining a high standard of customer service. To bolster customer retention and drive business growth through word-of-mouth, the company lays strong emphasis on after-sales services and product quality.

The Company employs a hybrid approach, utilizing both traditional marketing channels and modern platforms website for marketing its product. Online sales are strategically generated through our official channels and social media marketing initiatives.

In the offline channel, our jewelry items are wholesaled from our Jaipur branch, while our sales team actively engages with customers across various locations to drive sales. Additionally, our products are available at retail from our outlet in Jaipur. This diversified approach allows us to reach a broader customer base and adapt to the evolving dynamics of the jewelry market.

The efficiency of the marketing and sales network is a critical success factor for our Company. We have an exclusive sales and marketing team headed by Mr. Kishore Singh who primarily focus on maintaining customer relations. Our promoters through their experience and marketing network, play an instrumental role in creating and expanding the market reach for our company. Our marketing team regularly connects with existing and potential customers by providing them with trendy designs and updated product catalogues. Our marketing initiatives includes participation in national and international trade fairs and jewellery exhibitions for increasing our customer base and expanding our brand visibility.

COMPETITION

As a global industry, the Gems and Jewellery sector is characterized by fierce competition, involving both domestic and international players of varying sizes and structures. The competitive landscape spans across organized and unorganized segments, with a particular emphasis on quality, design, availability, and pricing.

In this highly competitive environment, our company operates in the design, manufacturing, retail, and wholesale aspects of the silver jewellery business. While there are no major organized player specializing exclusively in silver jewellery, we do encounter competition from various unorganized and regional players in the market.



Key factors influencing competition in our industry include design innovation, purity of materials, technological advancements, competitive pricing, etc. Our strategic focus involves maintaining strong customer relations, emphasizing innovation, and implementing measures to optimize procurement, production, and distribution costs, thereby enhancing operational efficiencies. In this dynamic landscape, we recognize the significance of these elements in staying competitive and thriving in the silver jewellery (including artifacts) and gem stone industry.

INTELLECTUAL PROPERTY

Trade Mark

Sr. No.	Particulars of the mark	Word/ Label mark	Applicant/ Owner	Trade Mark No. / Application No.	Class
1.		Device	Silgo Retail Pvt. Ltd.	1447958	14
2.		Device	Silgo Retail Pvt. Ltd.	3284732	14
3.	DYUTI	Word	Silgo Retail Pvt. Ltd.	3186013	1
4.	DYUTI	Word	Silgo Retail Pvt. Ltd.	3186014	3
5.	DYUTI	Word	Silgo Retail Pvt. Ltd.	3186015	5
6.	DYUTI	Word	Silgo Retail Pvt. Ltd.	3186016	9
7.	DYUTI	Word	Silgo Retail Pvt. Ltd.	3186017	14
8.		Device	Silgo Retail Pvt. Ltd.	3284733	14
9.	DYUTI	Word	Silgo Retail Pvt. Ltd.	3186018	16
10.	DYUTI	Word	Silgo Retail Pvt. Ltd.	3186019	18
11.	DYUTI	Word	Silgo Retail Pvt. Ltd.	3186020	21
12.	DYUTI	Word	Silgo Retail Pvt. Ltd.	3186021	24
13.	DYUTI	Word	Silgo Retail Pvt. Ltd.	3186022	25
14.	DYUTI	Word	Silgo Retail Pvt. Ltd.	3186023	26
15.	DYUTI	Word	Silgo Retail Pvt. Ltd.	3186024	28
16.	DYUTI	Word	Silgo Retail Pvt. Ltd.	3186026	29
17.	DYUTI	Word	Silgo Retail Pvt. Ltd.	3186027	30
18.	DYUTI	Word	Silgo Retail Pvt. Ltd.	3186028	31
19.	DYUTI	Word	Silgo Retail Pvt. Ltd.	3186029	32
20.	DYUTI	Word	Silgo Retail Pvt. Ltd.	3186030	35
21.	DYUTI	Word	Silgo Retail Pvt. Ltd.	3186031	45

Copyright

Sr. No.	Description	Copyright	Registration No.	Status
1.	Application for Registration of Copyright under the Copyright Act, 1957.		A-117764/2017	Registered
2	Application for Registration of Copyright under the Copyright Act, 1957.		A-117998/2017	Registered

PROPERTIES

Our Registered office located at B-11, Mahalaxmi Nagar, Jawahar Lal Nehru Marg, Jaipur, Rajasthan- 302017 is owned by Mr. Nitin Jain is the Promoter and Managing Director of our Company and we are permitted to use this premise as our Registered office. Our manufacturing facility situated at G-1-10, Export Promotional Industrial Park, Gems & Jewellery Zone, Sitapura, Jaipur – 302022 held by M/s. Silgo Creations (Jaipur) Pvt. Ltd. which is our Group Company.

INSURANCES

The details of insurance policies obtained by the company are:

Sr. No.	Name of the Insurance Company	Type of Policy	Validity Period	Policy No	Sum insured (Rs. In lakhs)	Premium p.a. (Rs. in lakhs)
1.	Bajaj Allianz General Insurance Co. Ltd.	Jewellers Comprehensive Protection Policy	November 05, 2023 to November 04, 2024	OG-24-1401-4097-00000042	1,205.00	0.27

⁽¹⁾ Jewellers Comprehensive Protection Policy covering risk on Stock in Premises, Stock in Custody of The Insured and Specified Person, Money in Transit covering our office located at B-11, Mahalaxmi Nagar, Jawahar Lal Nehru Marg, Jaipur, Rajasthan- 302017 and G-1-10, Export Promotional Industrial Park, Gems & Jewellery Zone, Sitapura, Jaipur – 302022.

OUR MANAGEMENT

The composition of the Board is governed by the provisions of the Companies Act, 2013, the rules prescribed thereunder, the SEBI Listing Regulations and the Articles of Association.

Our Articles of Association requires us to have not less than three and not more than fifteen Directors. As on date of filing of this Letter of Offer, we have six (6) Directors on our Board, comprising of two (2) executive directors, four (4) non-executive directors including three (3) independent directors and two (2) woman director. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

BOARD OF DIRECTORS

The following table provides details regarding the Board of Directors of our Company as of the date of this Letter of Offer:

No.	Name, address, DIN, date of birth, term, period of directorship, occupation	Designation	Other directorships
1.	<p>Nitin Jain</p> <p><i>Address:</i> S-42, Adinath Nagar, Opposite World Trade Part, J.L.N. Marg, Jawahar Circle, Jaipur, Durgapura - 302 018, Rajasthan, India</p> <p><i>DIN:</i> 00935911</p> <p><i>Date of Birth:</i> November 9, 1974</p> <p><i>Age:</i> 49 years</p> <p><i>Term:</i> From June 13, 2023 till June 12, 2028</p> <p><i>Period of Directorship:</i> Since January 9, 2016</p> <p><i>Occupation:</i> Business</p>	<p>Chairman and Managing Director</p>	<ul style="list-style-type: none"> • Stylick Fashions Private Limited; • Dyuti Creations Private Limited; • Jewelick Global Private Limited; • Silgo Creations (Jaipur) Private Limited; • Glamo Retail Private Limited; • Colorsoul Fashion Private Limited; • Vraddhi Finvest Private Limited; • Jain International Trade Organisation – Jaipur; • Glamo Fashions Private Limited; • Stylick Creation Private Limited; • Dyuti Fashions Private Limited.
2.	<p>Anjana Jain</p> <p><i>Address:</i> S-42, Adinath Nagar, Opposite World Trade Part, J.L.N. Marg, Jawahar Circle, Jaipur, Durgapura - 302 018, Rajasthan, India</p> <p><i>DIN:</i> 01874461</p> <p><i>Date of Birth:</i> December 16, 1975</p> <p><i>Age:</i> 48 years</p> <p><i>Term:</i> From December 20, 2021 till December 19, 2026 and liable to retire by rotation</p> <p><i>Period of Directorship:</i> Since June 14, 2018</p> <p><i>Occupation:</i> Business</p>	<p>Whole-Time Director</p>	<ul style="list-style-type: none"> • Stylick Fashions Private Limited; • Dyuti Creations Private Limited; • Jewelick Global Private Limited; • Silgo Creations (Jaipur) Private Limited; • Glamo Retail Private Limited; • Colorsoul Fashion Private Limited; • Vraddhi Finvest Private Limited; • Glamo Fashions Private Limited; • Stylick Creation Private Limited; • Dyuti Fashions Private Limited. Glamo Fashions Private Limited.

<p>3. Anisha Jain</p> <p><i>Address:</i> S-42, Adinath Nagar, Opposite World Trade Part, J.L.N. Marg, Jawahar Circle, Jaipur, Durgapura - 302 018, Rajasthan, India</p> <p><i>DIN:</i> 09704885</p> <p><i>Date of Birth:</i> September 13, 2001</p> <p><i>Age:</i> 22 years</p> <p><i>Term:</i> Liable to retire by rotation</p> <p><i>Period of Directorship:</i> Since August 22, 2022</p> <p><i>Occupation:</i> Business</p>	<p>Non-Executive Director</p> <p>-</p>
<p>4. Tarun Kumar Rathi</p> <p><i>Address:</i> 30/28/03, Varun Path, Mansarover, Jaipu - 302 020, Rajasthan, India</p> <p><i>DIN:</i> 09054818</p> <p><i>Date of Birth:</i> May 9, 1990</p> <p><i>Age:</i> 33 years</p> <p><i>Term:</i> From February 8, 2021 till February 7, 2026</p> <p><i>Period of Directorship:</i> Since February 8, 2021</p> <p><i>Occupation:</i> Professional</p>	<p>Independent Director</p> <p>-</p>
<p>5. Gopal Singh</p> <p><i>Address:</i> 124, Sadhu Sadan, opposite Khawas ji ki Haveli, Chandi ki Taksal, Tripolia Bazar, Jaipur - 302 002, Rajasthan, India</p> <p><i>DIN:</i> 08183913</p> <p><i>Date of Birth:</i> May 27, 1980</p> <p><i>Age:</i> 43 years</p> <p><i>Term:</i> From July 27, 2023 till July 26, 2028</p> <p><i>Period of Directorship:</i> Since July 28, 2018</p> <p><i>Occupation:</i> Service</p>	<p>Independent Director</p> <p>-</p>

6. Shalabh Gupta Independent Director -

Address: 41, Vidhya Nagar, Sec. 4, Manwa Khera (Rural), Udaipur H Magri, Udaipur - 313 002, Rajasthan, India

DIN: 08183900

Date of Birth: September 23, 1982

Age: 41 years

Term: From July 27, 2023 till July 26, 2028

Period of Directorship: Since July 28, 2018

Occupation: Business

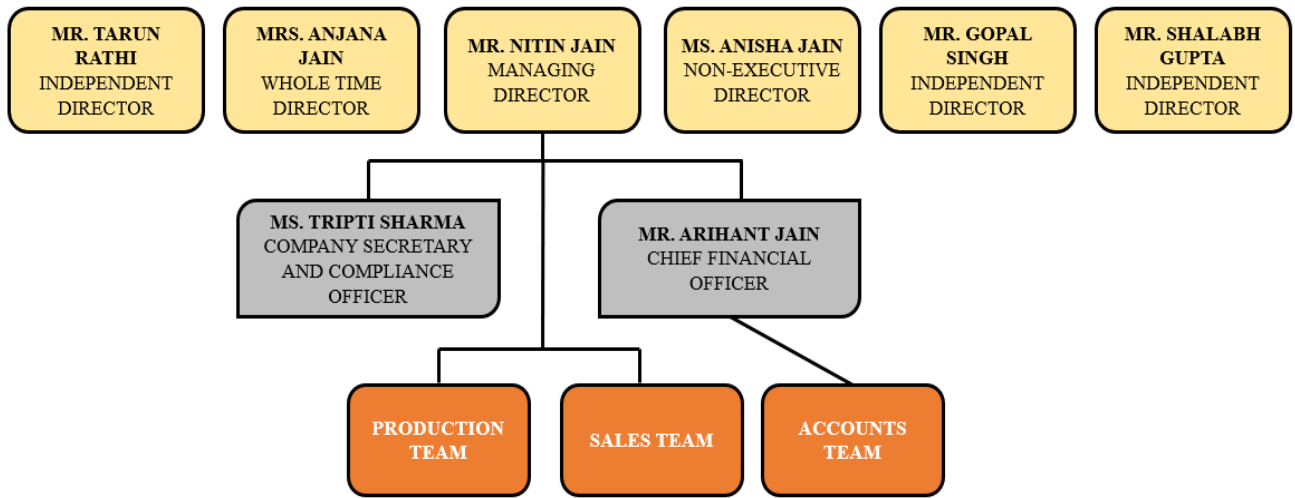
Confirmations

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

Details of Key Managerial Personnel and Senior Management

No.	Name of Key Managerial Personnel/Senior Management	Designation	Date of joining Company
<i>Key Managerial Personnel</i>			
1.	Nitin Jain	Chairman and Managing Director	January 09, 2016
2.	Anjana Jain	Whole-time Director	June 14, 2018
3.	Tripti Sharma	Company Secretary & Compliance Officer	June 14, 2018
4.	Arihant Jain	Chief Financial Officer	July 26, 2023

Management Organisation Structure



DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited, capital expenditure, profitable growth, cash flow and liquidity position, accumulated reserves, earnings stability, etc. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. Our Company has not declared any dividend in last three financials years and has also not declared any interim dividend during the six month period ended September 30, 2023.

The amount paid as dividends in the past is not necessarily indicative of our dividend distribution policy or dividend amount, if any, in the future and there is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in future. For details in relation to the risk involved, see "***Risk Factors – Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows and working capital and capital expenditure requirements.***" on page 26.

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Sr. No.	Particulars
1.	Audited Financial Statements as at and for the year ended March 31, 2023
2.	The Limited Reviewed Financial Results for the six month period ended September 30, 2023



M/s. J K S & ASSOCIATES
(Chartered Accountants)

INDEPENDENT AUDITOR'S REPORT

To,

**THE MEMBERS OF
SILGO RETAIL LIMITED.**

Report on the Financial Statements

We have audited the accompanying financial statements of M/S SILGO RETAIL LIMITED ("the Company"), which comprise the balance sheet as at March 31, 2023 and the Statement of Profit and Loss and statement of cash flow and Statement of changes in Equity for the year then ended, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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M/s. J K S S & ASSOCIATES
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There are no Key Audit Matters Reportable as per SA 701 issued by ICAI.

Information other than the financial statements and Auditors' Report thereon.

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis,

Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. Based on work we performed, we conclude that there is no material misstatement of this other information. We have nothing to report in this regard.

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.



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M/s. J K S & ASSOCIATES
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Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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M/s. J K S & ASSOCIATES
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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

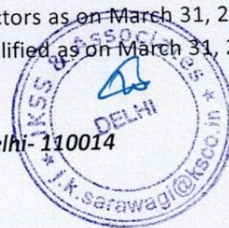
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The balance sheet, the statement of profit and loss, the cash flow statement, and the statement of change in equity dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

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M/s. J K S S & ASSOCIATES
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- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- A) The Company does not have any pending litigations which would impact on its financial position.
- B) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- C) there has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Company.
- D) (i) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, outside the Group, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on

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jaipur@jskco.in M.No. :9314083222





M/s. J K S S & ASSOCIATES
(Chartered Accountants)


behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide 109 any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- E) No dividend had been declared by Board of Directors during the year ended March 31, 2023, hence there is no liability for the same.
- F) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For J K S S & ASSOCIATES
(Formerly known as M/s. J K SARAWGI & CO.)
Chartered Accountants FRN-006836C


CA Laxmi Tatiwala
Partner
M.No. 418000
UDIN: 23418000BGXRRY6774

Date: 30.05.2023
Place: Jaipur

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M/s. J K S & ASSOCIATES
(Chartered Accountants)

Annexure –A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Silgo Retail Limited of even date)

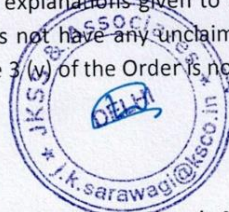
- I. In respect of the Company's property, plant, and equipment:
 - A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant, and equipment ("PPE").
 - B) The PPE has been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the PPE is reasonable having regard to the size of the Company and the nature of its assets.
 - C) Total Assets of company includes Immovable property also and the title deeds of Immovable Properties are held in the name of the company.

- II. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification between the physical stock and the books of accounts.

- III. According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.

- IV. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

- V. According to the information and explanations given to us, the Company has not accepted any deposits during the year and does not have any unclaimed deposits as at March 31, 2023 and hence, the provisions of the clause 3 (v) of the Order is not applicable to the Company.



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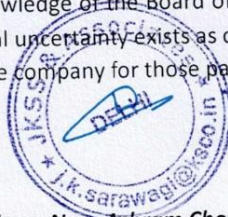
- VI. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.
- VII. According to the information and explanations given to us, in respect of statutory dues:
- A) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, cess, and other material statutory dues applicable to it to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, goods and service tax, value added tax, cess and other material statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- B) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income tax, sales- tax, goods and service tax and value added tax which have not been deposited on account of any dispute.
- VIII. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks and dues to debenture holders. The Company has not borrowed any funds from the government.
- IX. During the year, the Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and term loans during the year. Accordingly, paragraph 3(ix) to the information and opinion given to us, all of the money has been applied for the purpose for which it was raise.
- X. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

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M/s. J K S S & ASSOCIATES
(Chartered Accountants)

- XI. In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- XII. The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
- XIII. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards
- XIV. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
(b) The reports of the Internal Auditor for the period under audit have been considered by us.
- XV. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act is not applicable to the Company.
- XVI. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- XVII. The company has not incurred cash losses in the financial year and in the immediately.
- XVIII. There has been no resignation of the statutory auditors during the year and accordingly the reporting under Clause (xviii) is not applicable.
- XIX. According to the information and explanations given to us and based on our examination of the records of the Company and financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we were in the opinion that no material uncertainty exists as on the date of the audit report. There was no any liability in the books of the company for those payable within one year of the date of balance-sheet date.



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- XX. (a) The company has not any other than ongoing projects, therefore provisions of section 135 of Companies Act, 2013 is not applicable to the company; (b) This clause is not applicable to the company. (b) This clause is not applicable to the company.
- XXI. There are not any qualifications or adverse remarks given by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports, hence this clause is not applicable to the company.

For J K S S & ASSOCIATES
(Formerly known as M/s. J K SARAWGI & CO.)
Chartered Accountants FRN-006836C

(CA Laxmi Tatiwala)

Partner
M.No.- 418000
UDIN: 23418000BGXRRY6774



Date: 30.05.2023
Place: Jaipur

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M/s. J K S & ASSOCIATES
(Chartered Accountants)

Annexure – 'B' to the Independent Auditors' Report:

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act'). We have audited the internal financial controls over financial reporting of Silgo Retail Limited ('the Company') as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



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M/s. J K S S & ASSOCIATES
(Chartered Accountants)

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



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jajour@jsco.in M.No. :9314083222



M/s. J K S & ASSOCIATES
(Chartered Accountants)

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial control over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For J K S & ASSOCIATES
(Formerly known as M/s. J K SARAWGI & CO.)
Chartered Accountants FRN-006836C

(CA Laxmi Tatiwala)

Partner
M.No.- 418000
UDIN: 23418000BGXRRY6774



Date: 30.05.2023
Place: Jaipur

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SILGO RETAIL LIMITED

AUDITED STATEMENT OF ASSET AND LIABILITES AS AT March 31, 2023

₹ in 'lakhs

Particulars	Notes	As at 31st March 2023	As at 31st March 2022
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3	20.42	24.36
(b) Intangible Assets	4	0.23	0.50
(c) Financial Assets			
(i) Investments		-	-
(ii) Other Financial Assets		-	-
(d) Other Non Current Assets		-	-
(e) Deferred tax Assets (Net)	5	6.13	4.79
Total Non Current Assets		26.78	29.65
(2) Current Assets			
(a) Inventories	6	3,383.70	3,342.74
(b) Financial Assets			
(i) Trade Receivables	7	1,649.13	1,586.44
(ii) Cash and Cash Equivalents	8	1.55	4.40
(iii) Other Financial Assets	9	0.05	0.05
(c) Other Current Assets	10	150.08	155.45
Total Current Assets		5,184.51	5,089.07
Total Assets		5,211.29	5,118.71
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	11	1,027.00	1,027.00
(b) Other Equity	12	2,046.75	1,812.62
Total Equity		3,073.75	2,839.62
(2) Liabilities			
(A) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	295.70	403.89
(ii) Other Financial Liabilities			
(b) Provisions	14	13.97	5.26
Total Non Current Liabilities		309.67	409.15
(B) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	1,576.10	1,515.21
(ii) Trade Payables			
Total Outstanding dues of Micro Enterprises and Small Enterprises	16		
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		103.22	45.21
(ii) Other Financial Liabilities	17	30.01	65.53
(b) Provisions	18	92.39	94.41
(c) Other Current Liabilities	19	26.16	149.58
Total Current Liabilities		1,827.87	1,869.94
Total Equity and Liabilities		5,211.29	5,118.71

The accompanying notes 1 to 44 form an integral part of these financial statements
FOR AND ON BEHALF OF THE BOARD
SILGO RETAIL LTD.

NEEL JAIN
 (Managing Director)
 DIN: 00935911

CS TRIPATI SHARMA
 (Company Secretary)
 M.No. - A52232
 Place: Jaipur
 Date: 30.05.2023

ANJANA JAD
 (Director)
 DIN: 01874461
Mayank K. Gattayni
 (CFO)

**AS PER OUR AUDIT REPORT
 OF EVEN DATE ATTACHED**

**FOR JKSS & ASSOCIATES
 CHARTERED ACCOUNTANTS**

(CA. LAXMI TATI WALA)
 PARTNER
 M. No. 418000
 FRN-006836C

SILGO RETAIL LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED March 31, 2023

"₹ in Lakh Except EPS"

	Particulars	Notes	Year Ended	
			31.03.2023	31.03.2022
			Audited	Audited
I	Revenue from Operations	20	3,407.08	3,485.27
II	Other Income	21	60.43	29.15
III	Total Income (I+II)		3,467.51	3,514.42
IV	Expenses:			
	Purchase of traded goods	22	1,093.24	259.63
	Cost of Materials Consumed	23	2,481.77	2,687.97
	Changes in Inventories of Finished goods & Work in Progress	24	(806.68)	(119.64)
	Employee Benefits Expense	25	66.95	97.77
	Direct Costs	26	78.03	81.64
	Finance Costs	27	192.39	129.41
	Depreciation & Amortization Expense	28	5.17	7.51
	Other Expenses	29	37.16	54.36
	Total Expenses (IV)		3,148.03	3,198.67
V	Profit/(Loss) before Exceptional Items & Tax (III-IV)		319.48	315.75
VI	Exceptional Items			
VII	Profit/(Loss) Before Tax (V-VI)		319.48	315.75
VIII	Tax Expense:			
	Current Tax		85.30	85.36
	Deferred Tax		(0.99)	(0.18)
	Income Tax for Earlier Year			
	Total Tax Expenses (VIII)		84.30	85.18
IX	Profit/(loss) for the year (VII-VIII)		235.17	230.57
X	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss			
	- Remeasurement Gains/(Losses) on Defined Benefit Plans		(1.39)	4.70
	- Income tax on above		0.35	(1.18)
XI	Total Other Comprehensive Income for the year		(1.04)	3.52
XII	Total Comprehensive Income for the year (IX+XI)		234.13	234.08
XIII	Paid up equity share capital (face vale of Rs. 10 each)		1,027.00	1,027.00
XIV	Other Equity		2,046.75	1,812.62
XV	Earnings per Equity Share: (Face value per Equity Share of ₹ 10 each)			
	Basic and Diluted (in ₹) (Re-stated)	30	2.28	2.28

The accompanying notes 1 to 44 form an integral part of these financial statements

FOR AND ON BEHALF OF THE BOARD
SILGO RETAIL LTD.

NUTIN JAIN
(Managing Director)
DIN: 00935911

C. TRIPATHI SHARMA
(Company Secretary)
M.No. -A52232
Place: Jaipur Date: 30.05.2023

ANJANA JAIN
(Director)
DIN: 01874461

Mayank K. Gattayni
(CFO)

AS PER OUR AUDIT REPORT
OF EVEN DATE ATTACHED

FOR JKSS & ASSOCIATES
CHARTERED ACCOUNTANTS
C.A. LAXMI TATIWA
PARTNER
M. NO. 11800011
ERN-006836C

SILGO RETAIL LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

₹ in 'lakhs


Particulars	Year ended 31st March 2023		Year ended 31st March 2022	
A. Cash Flow from Operating Activities				
Profit before tax		319.48		315.75
Adjustments for:				
Remeasurement Gains/(Losses) on Defined Benefit Plans				
Depreciation & Amortisation	5.17		7.51	
Expected Credit Loss	4.45		(3.95)	
Tax Adj.	(1.04)		3.52	
Interest Cost	192.39		113.46	
Interest Income	-		(0.06)	
Deferred Tax Asset	(1.34)		1.00	
Tax Paid	(84.30)		(85.18)	
		115.32		36.30
Operating profit before working capital changes		434.80		352.05
Adjustments for				
Trade receivables	(67.14)		(279.70)	
Trade Payables	58.01		4.41	
Other current assets	5.36		361.73	
Inventories	(40.96)		(696.29)	
Change in Provisions	7.61		3.38	
Other financial liabilities	(36.44)		38.04	
Other current liabilities	(123.43)		137.43	
		(196.99)		(430.99)
Net Cash from Operating Activities (A)		237.82		(78.94)
B. Cash Flow from Investing Activities				
Purchase of property, plant and equipment	(0.97)		(0.92)	
Sale of Property, Plant and Equipment	-		-	
Purchase of Intangible Assets	-		-	
Interest from Other than Bank deposits	-		2.21	
Interest Income	-		0.06	
Net Cash Flow from Investing Activities(B)		(0.97)		1.35
C. Cash Flow from Financing Activities				
Proceeds from share issued during the year	-		-	
Proceeds from / (Repayment of) Short Term Borrowings	60.89		(126.30)	
Proceeds from / (Repayment of) Long Term Borrowings	(108.20)		311.67	
Interest Cost	(192.39)		(113.46)	
Net cash used in Financing Activities (C)		(239.70)		71.91
Net increase in cash and cash equivalents(A+B+C)		(2.85)		(5.68)
Cash and cash equivalents at the beginning of the year		4.40		10.08
Cash and cash equivalents at the close of the year		1.55		4.40


Cash and Cash Equivalent includes:-


Particulars	As at 31st March 2023	As at 31st March 2022
Cash on hand	1.52	4.39
Balance in current account	0.02	0.01
Total	1.54	4.40


Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

FOR AND ON BEHALF OF THE BOARD
SILGO RETAIL LTD.


NITIN JAIN
 (Managing Director)
 DIN: 00935911


ANJANA JAIN
 (Director)
 DIN: 01874461



CS TRIPTI SHARMA
 (Company Secretary)
 M.No. A52232


Mayank K. Gattayni
 (CFO)

Place: Jaipur
Date: 30.05.2023

AS PER OUR AUDIT REPORT
OF EVEN DATE ATTACHED

FOR JKSS & ASSOCIATES



Laxmi Tatiwala
 (CA. LAXMI TATIWALA)
 PARTNER
 M.No. 418000
 FRN: 006836C
 laxmi@jkssco.in

SILGO RETAIL LIMITED
Standalone Statement of Changes in Equity
For The Year Ended 31 March, 2023

A. Equity Share Capital		(Amount in Rs.)
Particulars	Amount	
As at 31st March 2022	10,27,00,000.00	
Changes in equity share capital during year ended 31st March 2023	-	
As at 31st March 2023	10,27,00,000.00	

B. Other Equity
Year ended 31st March 2023 (Amount in Rs.)

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
Balance as at 1st April 2022	10,34,57,156.00	7,78,04,685.83	18,12,61,841.83
Profit for the year	-	2,35,17,195.21	2,35,17,195.21
Other Comprehensive Income (expense)(net of tax)	-	(1,04,068.31)	(1,04,068.31)
Dividend Paid (including Dividend tax)	-	-	-
Premium Received during the year	-	-	-
Less: Bonus	-	-	-
Less: Share Issue Expenses	-	-	-
Balance as at 31st March, 2023	10,34,57,156.00	10,12,17,806.77	20,46,74,962.77

Year ended 31st March 2022 (Amount in Rs.)

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
As at 1st April 2021	10,34,57,156.00	5,43,96,195.12	15,78,53,351.12
Profit for the year	-	2,30,56,648.75	2,30,56,648.75
Other Comprehensive Income (expense)(net of tax)	-	3,51,836.00	3,51,836.00
Dividend Paid (including Dividend tax)	-	-	-
Premium Received during the year	-	-	-
Share Issue Expenses	-	-	-
Balance as at 31st March, 2022	10,34,57,156.00	7,78,04,679.87	18,12,61,835.87

FOR AND ON BEHALF OF THE BOARD
SILGO RETAIL LTD.

Nitin Jain
NITIN JAIN
(Managing Director)
DIN: 00936911

Anjana Jain
ANJANA JAIN
(Director)
DIN: 01874361

Steph T. Sharma
STEPH T. SHARMA
(Company Secretary)
M.No. -A52232

Place: Jaipur
Date: 30.05.2023

AS PER OUR AUDIT REPORT
OF EVEN DATE ATTACHED

FOR JKSS & ASSOCIATES
CHARTERED ACCOUNTANTS

Laxmi Tatiwala
(CA. LAXMI TATIWALA)
PARTNER
M. NO. 418000
FRN-006836C

DELHI
sarawagi@kscocin

“Notes forming part of financial statement for the period ended March 31, 2023”

1. Corporate information

Our Company was incorporated as “Silgo Retail Private Limited” on January 09, 2016, under the Companies Act, 2013 with the Registrar of Companies, Jaipur at Rajasthan bearing Registration No. 049036. The status of our Company was changed to a public limited company and the name of our Company was changed to “Silgo Retail Limited” with effect from July 28, 2018. The Company is engaged in business of manufacturing & trading of Silver Jewellery and related business.

2. Significant Accounting Policies

A) Basis of Accounting:

These financial statements are prepared in accordance with Indian Accounting Standards (“Ind AS”), the provisions of the Companies Act, 2013 (“the Companies Act”), as applicable and guidelines issued by the Securities and Exchange Board of India (“SEBI”). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All amounts included in the financial statements are reported in Thousands of Indian rupees except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

B) Use of Estimates and Judgments:

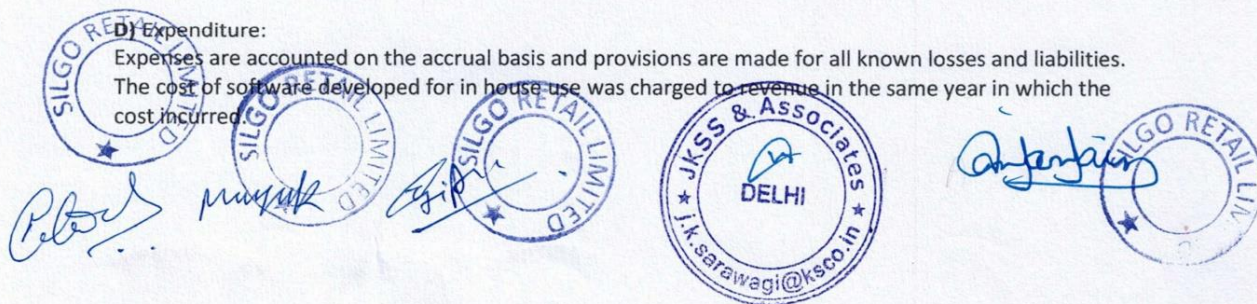
The preparation of financial statement in conformity with accounting standard requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affects the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statement and reported amounts of revenue and expenses during the period. Accounting estimates could change from period to period. Actual result could differ from those estimates. As soon as the Management is aware of the changes, appropriate changes in estimates are made. The effect of such changes are reflected in the period in which such changes are made and, if material, their effect are disclosed in the notes to financial statement.

C) Revenue recognition:

Sales are recorded net of Goods and Service Tax collections. Purchases are recorded net of Input credit in respect of indirect taxes that are subsequently eligible for Input Credit / Refund.

D) Expenditure:

Expenses are accounted on the accrual basis and provisions are made for all known losses and liabilities. The cost of software developed for in house use was charged to revenue in the same year in which the cost incurred.



The bottom of the page features several blue circular stamps and handwritten signatures. On the left, there are three stamps for 'SILGO RETAIL LIMITED' with handwritten signatures over them. In the center, there is a stamp for 'JKSS & Associates DELHI' with the email 'j.k.sarawagi@ksco.in' and a handwritten signature. On the right, there is another 'SILGO RETAIL LIMITED' stamp with a handwritten signature over it.

E) Property, Plant and Equipment:

Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

F) Method of Depreciation:

Depreciation on Fixed Asset is provided as per the useful life of such asset as per the guidance provided in schedule II of Companies Act, 2013 on Written Down Value method of Depreciation.

G) Investments:

Current Investment are valued at the lower of cost and fair value as at the Balance Sheet date. Non-Current Investments are carried at cost. However, where there is a decline, other than temporary in nature, the value.

H) Inventories:

Inventories are valued at weighted average price. Cost of Inventory comprises of all cost of conversion and other cost incurred in bringing them to their respective present location, condition and valued on the basis of Weighted Average Price Method.

I) Borrowing cost:

The borrowing costs that are directly attributable to the acquisition, construction or productions of a qualifying asset are capitalized as part of the cost of that asset. The amount of borrowing cost eligible for capitalization is determined in accordance with Ind AS 23.

J) Foreign currency transactions

Foreign currency transactions during the year are booked at the applicable customs rates on the date of transactions. Monetary Assets & Liabilities related to foreign currency transactions, remaining un- settled at the end of the year are translated at rate prevailing on reporting date.

K) Employee Benefits

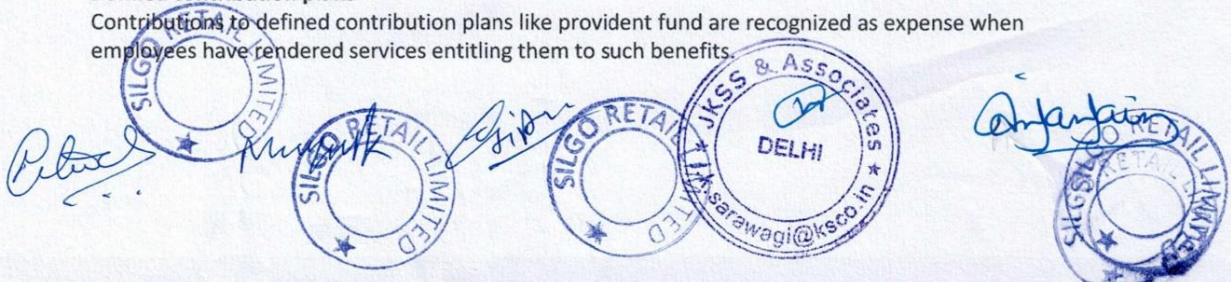
Employee benefits Employee benefits include contribution to provident fund, gratuity fund and employee state insurance scheme.

Defined benefit plans

Gratuity and Pension are defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations, being carried out at the date of each statement of financial position. The retirement benefit obligations recognized in the statement of contributions to the scheme. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial risks fall on the Company.

Defined contribution plans

Contributions to defined contribution plans like provident fund are recognized as expense when employees have rendered services entitling them to such benefits.



L) Taxes on Income

Tax on income for the current period is determined on the basis of the taxable income computed in accordance with the provisions of Income Tax Act, 1961. Deferred Tax is recognized on timing differences between accounting income and taxable income for the year, and based on the rates of tax as per law enacted or substantively enacted as on the balance sheet date at the year end. Deferred tax assets is recognised and carried forward, subject to consideration of prudence, to the extent that there is a reasonable certainty of its realization.

M) Cash Flow Statement

The statement of cash flow has been prepared under the indirect method as set out in Accounting Standard – 3 issued under the Companies (Accounting Standard) Rules, 2006.

N) Earnings Per Share

Basic earnings per share is computed by dividing the profit after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

O) Cash and Cash Equivalents

Cash and Cash Equivalents include Cash and Cheques in Hand, Balances with Banks, and demand deposits with Banks and other Short term highly liquid investments where the original maturity is less than three months or less.

P) Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

Based on the information available with the company, none of suppliers have been identified, who are registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED) to whom the company owes and the same is not outstanding for more than 45 days as at 31 March 2023. The information has been determined to the extent such parties have been identified on the basis of information available within the company.

Q) Government Grant

Government grant/subsidies are recognized on the reasonable assurance of receipt of subsidy and completion of all conditions attached. If the grant/subsidies are related to subvention a particular-expenses than in that case, it deducted from those expenses in the year of recognition government grant/subsidies.

The image shows five blue circular stamps and handwritten signatures. The stamps are for SILGO RETAIL LIMITED, DELHI. One stamp includes 'JKSS & Associates' and 'DELHI'. Another stamp includes 'JKSS & Associates' and 'DELHI'. The fifth stamp includes 'JKSS & Associates' and 'DELHI'.

SILGO RETAIL LIMITED
Notes Forming Part of Standalone Financial Statements

3 Property, Plant & Equipment
As at 31st March 2023

Particulars	Rate of Dep.	Gross Block			Depreciation		Net Block			
		As at 01.04.2022	Addition	Deletion	As at 31.03.2023	As at 01.04.2022	For the year	As at 31.03.2023	As at 01.04.2022	
Equipments	45.07%	3,73,650.00	-	-	3,73,650.00	3,50,315.77	4,647.00	3,54,962.77	18,687.23	23,334.23
Computer	63.16%	10,23,414.10	96,601.69	-	11,20,015.79	9,49,054.00	46,791.00	9,95,845.00	1,24,170.79	74,360.10
Plant & Machinery	18.10%	46,96,926.10	-	-	46,96,926.10	25,64,641.70	3,85,674.00	29,50,315.70	17,46,610.40	21,32,284.40
Furniture	25.89%	6,06,114.20	-	-	6,06,114.20	4,00,464.80	53,233.00	4,53,697.80	1,52,416.40	2,05,649.40
Grand Total		67,00,104.40	96,601.69	-	67,96,706.09	42,64,476.27	4,90,345.00	47,54,821.27	20,41,884.32	24,35,628.13

As at 31st March 2022

Particulars	Rate of Dep.	Gross Block			Depreciation		Net Block			
		As at 01.04.2021	Addition	Deletion	As at 31.03.2022	As at 01.04.2021	For the year	As at 31.03.2022	As at 31.03.2021	
Equipments	45.07%	3,73,650.00	-	-	3,73,650.00	3,37,312.00	13,003.77	3,50,315.77	23,334.23	36,338.00
Computer	63.16%	10,23,414.10	-	-	10,23,414.10	8,28,264.00	1,20,790.00	9,49,054.00	74,360.10	1,95,150.10
Plant & Machinery	18.10%	46,04,951.10	91,975.00	-	46,96,926.10	20,96,724.00	4,67,917.70	25,64,641.70	21,32,284.40	25,08,227.10
Furniture	25.89%	6,06,114.20	-	-	6,06,114.20	3,28,635.00	71,829.80	4,00,464.80	2,05,649.40	2,77,479.20
Grand Total		66,08,129.40	91,975.00	-	67,00,104.40	35,90,935.00	6,73,541.27	42,64,476.27	24,35,628.13	30,17,194.40 (10.34)

(a) The Company has elected to measure all of its Property, Plant and Equipment at their previous GAAP carrying value on the date of transition to Ind AS (subject to adjustment for restoration liabilities). The Gross Block and Accumulated Depreciation as on the date of transition to Ind AS as per previous GAAP was ₹ 52,16,150 and ₹ 16,03,820 respectively.

4 Intangible Assets
As at 31st March 2023

Particulars	Rate of Dep.	Gross Block			Depreciation		Net Block			
		As at 01.04.2022	Addition	Deletion	As at 31.03.2023	As at 01.04.2022	For the year	As at 31.03.2023	As at 01.04.2022	
Software & ERP	45.07%	2,97,730.00	-	-	2,97,730.00	2,48,088.34	26,792.00	2,74,880.34	22,849.66	49,641.66
Total		2,97,730.00	-	-	2,97,730.00	2,48,088.34	26,792.00	2,74,880.34	22,849.66	49,641.66

As at 31st March 2022

Particulars	Rate of Dep.	Gross Block			Depreciation		Net Block			
		As at 01.04.2021	Addition	Deletion	As at 31.03.2022	As at 01.04.2021	For the year	As at 31.03.2022	As at 31.03.2021	
Software & ERP	45.07%	2,97,730.00	-	-	2,97,730.00	1,70,430.00	77,658.34	2,48,088.34	49,641.66	1,27,300.00
Total		2,97,730.00	-	-	2,97,730.00	1,70,430.00	77,658.34	2,48,088.34	49,641.66	1,27,300.00

(a) As on transition to Ind AS, the Company has elected to select the option to carry their Intangible Assets at their previous GAAP carrying value. The Gross Block and Accumulated Amortization as on the date of transition to Ind AS as per previous GAAP was ₹ 1,11,340 and ₹ 56,530 respectively.


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Notes Forming Part of Standalone Financial Statements

5 Deferred Tax Assets (Net) (Amount in Rs.)

Particulars	As at 31st March 2023	As at 31st March 2022
Deferred Tax Assets, on account of		
Property, Plant & Equipment and Intangible Assets	1,52,420.08	1,61,010.08
Allowance for doubtful debt	1,85,941.49	1,85,941.49
Expenses deductible on payment basis	2,75,093.00	1,32,376.00
Net Deferred Tax Assets	6,13,454.57	4,79,327.57

(c) Movement of Deferred Tax Assets/(Liabilities)
For the year ended 31st March 2023 (Amount in Rs.)

Particulars	As at 1st April 2022	Recognized in Profit or Loss	Recognized in OCI	As at 31st March 2023
Deferred Tax Assets, on account of				
Expenses deductible on payment basis	1,32,376.00	-	1,42,717.00	2,75,093.00
Allowance for doubtful debt	1,85,941.49	-	-	1,85,941.49
Property, Plant & Equipment and Intangible Assets	1,61,010.08	(8,590.00)	-	1,52,420.08
Total	4,79,327.57	(8,590.00)	1,42,717.00	6,13,454.57

For the year ended 31st March 2022 (Amount in Rs.)

Particulars	As at 1st April 2021	Recognized in Profit or Loss	Recognized in OCI	As at 31st March 2022
Deferred Tax Assets, on account of				
Expenses deductible on payment basis	2,50,720.00	-	(1,18,344.00)	1,32,376.00
Allowance for doubtful debt	1,88,359.49	(2,418.00)	-	1,85,941.49
Property, Plant & Equipment and Intangible Assets	1,40,534.08	20,476.00	-	1,61,010.08
Total	5,79,613.57	18,058.00	(1,18,344.00)	4,79,327.57

6 Inventories (Amount in Rs.)

Particulars	As at 31st March 2023	As at 31st March 2022
Valued at lower of cost or Net Realizable value		
Raw Materials	17,44,85,056.65	25,10,56,660.00
Work in progress	40,29,416.44	60,27,581.78
Finished Goods	15,98,55,951.64	7,71,89,898.22
Total	33,83,70,424.73	33,42,74,140.00

Refer Note No. 15.1 for information on inventories pledged as security by the company.



Particulars	(Amount in Rs.)	
	As at 31st March 2023	As at 31st March 2022
7 Current Financial Assets: Trade Receivables		
Trade Receivables (refer note below)	16,57,11,341.23	15,90,06,675.07
Receivables from related parties	-	-
Trade receivables which have significant increase in credit risk	-	-
Trade Receivables- credit impaired	7,97,926.64	3,52,918.64
Less : Allowance for doubtful trade receivables	-	-
Total Receivables	16,49,13,414.59	15,86,53,756.43
Current Portion	16,49,13,414.59	15,86,53,756.43
Non-current portion	-	-
Total	16,49,13,414.59	15,86,53,756.43
Breakup of security details		
Secured, considered good	16,57,11,341.23	15,90,06,675.07
Unsecured, considered good	-	-
Doubtful	16,57,11,341.23	15,90,06,675.07
Total	7,97,926.64	3,52,918.64
Allowance for doubtful trade receivable	-	-
Total Trade receivables	16,49,13,414.59	15,86,53,756.43

Note

- a) Refer Note No. 15.1 for information on receivables pledged as security by the company
b) Movement in Impairment Allowance for doubtful debts

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at the beginning of the year	3,52,918.64	7,48,331.64
Allowance for the year	4,45,008.00	(3,95,413.00)
Write off Bad Debts (Net of Recovery)	-	-
Balance at the end of the year	7,97,926.64	3,52,918.64

Particulars	(Amount in Rs.)	
	As at 31st March 2023	As at 31st March 2022
8 Cash & Cash Equivalents		
Cash on Hand	1,51,647.00	4,39,599.00
Balance with Banks - Current Accounts	2,914.87	20.04
Total	1,54,561.87	4,39,619.04

Particulars	(Amount in Rs.)	
	As at 31st March 2023	As at 31st March 2022
9 Other Current Financial Assets		
Security Deposit	4,500.00	4,500.00
Total	4,500.00	4,500.00

Particulars	(Amount in Rs.)	
	As at 31st March 2023	As at 31st March 2022
10 Other Current Assets		
TDS Receivable	1,39,747.03	1,63,401.03
Advance to Suppliers	1,41,22,705.00	1,33,33,846.00
Prepaid Expenses	11,584.00	17,784.00
Prepaid Insurance Expense	-	34,000.00
TCS Input	-	6,110.00
Other Advances	7,33,502.97	19,89,384.72
Total	1,50,07,539.00	1,55,44,525.75











Particulars	(Amount in Rs.)	
	As at 31st March 2023	As at 31st March 2022
Authorized 1,10,00,000 Equity Shares of par value ₹ 10/- Each (75,00,000 Equity shares of ₹ 10/- each as at 31st March 2020; (75,00,000 Equity shares of ₹ 10/- each as at 1st April 2019)	11,00,00,000.00	11,00,00,000.00
Issued, Subscribed and Fully Paid Up 1,02,70,000 Equity Shares of ₹ 10/- Each (66,66,000 Equity shares of ₹ 10/- each at 31st March 2020; 50,66,000 Equity shares of ₹ 10/- each as at 1st April 2019)	10,27,00,000.00	10,27,00,000.00
Total	10,27,00,000.00	10,27,00,000.00

Particulars	As at 31st March 2023	As at 31st March 2022
	No. of Shares	No. of Shares
Shares outstanding at the beginning of the year	1,02,70,000	1,02,70,000
Add: Shares issued during the year	-	-
Shares outstanding at the end of the year	1,02,70,000	1,02,70,000

(b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is entitled to one vote per equity share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the company has, and has exercised, any right of lien.

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

Particulars	No. of Shares held	% of holding
As at 31st March 2023		
Nitin Jain	43,73,262	42.58%
Bela Agrawal	10,93,750	10.65%
Vanita Chordia	5,26,277	5.12%
Amisha Chordia	2,00,000	1.95%
As at 31st March 2022		
Nitin Jain	43,73,262	42.58%
Bela Agrawal	10,93,750	10.65%
Vanita Chordia	7,35,000	7.16%










Particulars	(Amount in Rs.)	
	As at 31st March 2023	As at 31st March 2022
Securities Premium	10,34,57,156.00	10,34,57,156.00
Retained Earnings	10,12,17,806.77	7,78,04,679.87
Total	20,46,74,962.77	18,12,61,835.87

Nature, Purpose and Movement of Each Reserve

(i) Securities Premium

This reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

(Amount in Rs.)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
At the beginning of the year	10,34,57,156.00	10,34,57,156.00
Add: Premium Received during the year	-	-
Less: Bonus Share	-	-
Less: Share Issue Expenses	-	-
Total	10,34,57,156.00	10,34,57,156.00

(ii) Retained Earnings

Retained earnings are the profits that Company has earned till date, less dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans (net of taxes) that will not be reclassified to Profit and Loss. Retained earnings is a free reserve available to the Company.

(Amount in Rs.)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
At the beginning of the year	7,78,04,679.87	5,43,96,195.12
Add: Profit/(Loss) for the year	2,35,17,195.21	2,30,56,648.75
Add: Other Comprehensive Income	(1,04,068.31)	3,51,836.00
Total	10,12,17,806.77	7,78,04,679.87

13 Non Current Financial Liabilities: Borrowings

Particulars	(Amount in Rs.)	
	As at 31st March 2023	As at 31st March 2022
(i) Secured		
Loans Repayable on Demand From Other Parties		
From State Bank of India		
Cash Credit	-	-
EPC Limit	-	-
From		
Bank Loan	2,95,70,031.21	4,03,89,498.00
Total	2,95,70,031.21	4,03,89,498.00

*There has been no default in repayment of any of the Principal or Interest thereon as at the end of the year.

14 Non Current Liabilities: Provisions

Particulars	(Amount in Rs.)	
	As at 31st March 2023	As at 31st March 2022
Provision for Employee Benefits:		
Gratuity	13,96,855.00	5,25,944.00
Total	13,96,855.00	5,25,944.00



Muzak



Shruti



Anjan Jain



Peter

15 Current Financial Liabilities: Borrowings			(Amount in Rs.)	
Particulars	As at 31st March 2023	As at 31st March 2022		
(i) Secured				
Loans Repayable on Demand From Other Parties				
From State Bank of India				
Cash Credit	6,05,19,794.77	5,08,04,811.09		
EPC Limit	8,64,66,354.44	9,54,25,781.00		
From				
Bank Loan	1,06,23,850.79	52,90,710.00		
Total	15,76,10,000.00	15,15,21,302.09		

*There has been no default in repayment of any of the Principal or Interest thereon as at the end of the year.

15.1 Securities/Guarantees from SBI

a) Primary secured against hypothecation and first charge over the firm's all the present and future stocks, book-debts, sales receivables as also cheque, drafts, bills-clean or documentary- whether accepted or otherwise.

b) Collaterally Secured against:

- i) Residential Building situated at S-42, Adinath Nagar, JLN Marg, Jaipur, Rajasthan- 302004
- ii) Residential plot situated at plot no. S-32, Adhinath Nagar, JLN Road, Jaipur, Rajasthan- 302004
- iii) Residential plot situated at plot no. S-51,52 Adinath Nagar, JLN Road, Jaipur, Rajasthan, 302004

c) Personally guaranteed by Directors Shri Nitin Jain S/o Shri Hira Chand Dhore and Smt. Anjana Jain W/o Shri Nitin Jain.

16 Current Financial Liabilities: Trade Payables			(Amount in Rs.)	
Particulars	As at 31st March 2023	As at 31st March 2022		
Payable to:				
Micro and Small Enterprises				
Other than Micro and Small Enterprises				
Creditors for Purchases	83,82,356.74	12,36,630.20		
Creditors for Expenses	19,39,230.33	32,84,510.00		
Total	1,03,21,587.07	45,21,140.20		

The company has not received any intimation from suppliers regarding their status under the Micro Small and Medium Enterprise s Development Act 2006 and hence disclosures, if any, relating to the amount unpaid as at the year end together with interest payable/paid as required under the said Act have not been furnished.

17 Other Current Financial Liabilities

Particulars	As at 31st March 2023	As at 31st March 2022
Other Current Liabilities	40,000.00	-
Salary Payable	29,60,544.00	65,52,618.38
Total	30,00,544.00	65,52,618.38

18 Short Term Provisions

Particulars	As at 31st March 2023	As at 31st March 2022
Provision for Gratuity (current)	82,465.00	3,85,808.00
Provision for Taxation	85,29,561.00	85,36,497.00
Provision for Audit Fees	40,000.00	92,500.00
Provision for Interest on Income tax	5,86,530.00	4,25,866.00
Total	92,38,556.00	94,40,671.00

19 Other Current Liabilities

Particulars	As at 31st March 2023	As at 31st March 2022
Statutory Dues	10,56,318.03	58,13,267.01
Advance Received	14,59,272.00	-
Other Liabilities	1,00,009.97	91,45,191.37
Total	26,15,600.00	1,49,58,458.38



Anjan Jain

Abhishek



20 Revenue From Operations (Amount in Rs.)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Sale of Products and Services		
Sale of Jewellery	34,06,78,611.78	34,82,02,255.03
Other Operating Revenues		
Export Incentives (Duty Drawback)	29,277.00	3,24,367.00
Total	34,07,07,888.78	34,85,26,622.03

Disaggregation of revenue

Revenue based on Geography (Amount in Rs.)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Domestic	23,58,17,037.70	24,80,59,960.49
Export	10,48,61,574.08	10,01,42,394.54
Revenue from operations	34,06,78,611.78	34,82,02,255.03

21 Other Income (Amount in Rs.)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Interest Income	-	6,037.03
Reversal of Provision on Debtors	-	3,95,413.00
Gain on Exchange Rate Variation (Net)	52,38,692.03	23,36,685.71
Gem Replenishment Scheme	-	1,76,898.00
Written off	1,04,304.35	-
Discount Received	7,00,000.00	-
Total	60,42,996.38	29,15,034

22 Purchases (Amount in Rs.)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Purchase of Traded Goods	10,93,24,000.00	2,59,62,840.00
Total	10,93,24,000.00	2,59,62,840.00

23 Cost of materials consumed (Amount in Rs.)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Opening Stock	25,10,56,660.00	19,33,92,190.30
Add :- Purchase	17,16,05,396.65	32,64,61,197.84
	42,26,62,056.65	51,98,53,388.14
Less :- Closing stock	17,44,85,056.65	25,10,56,660.00
Total	24,81,77,000.00	26,87,96,728.14

24 Changes in inventories of Finished Goods & Work in Progress (Amount in Rs.)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Closing Inventories		
Work in progress	40,29,416.44	60,27,581.78
Finished Products	15,98,55,951.64	7,71,89,898.22
	16,38,85,368.08	8,32,17,480.00
Opening Inventories		
Work in progress /Finished Product	8,32,17,480.00	7,12,53,237.59
	8,32,17,480.00	7,12,53,237.59
(Increase)/Decrease in Inventories	(8,06,67,888.08)	(1,19,64,242.41)



(Amount in Rs.)

25 Employee Benefit Expense		
Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Salary & Allowances	61,11,625.43	93,46,798.00
Staff Welfare Expenses	34,014.78	44,603.00
Gratuity	5,49,653.00	3,85,808.00
Total	66,95,293.21	97,77,209.00

Disclosures as per Ind AS 19 in respect of provision made towards various employee benefits are made in Note 36

(Amount in Rs.)

26 Direct Costs		
Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Job Work Expenses	-	1,82,099.35
Labor Expenses	28,84,919.00	42,94,447.00
Power and Fuel Expenses	6,94,344.00	4,68,491.50
Cam Expenses	-	20,958.00
Consumables	42,17,921.26	31,64,601.88
License Fees	6,200.00	6,200.00
Jewelry Designing Exp	-	27,004.00
Total	78,03,384.26	81,63,801.73

(Amount in Rs.)

27 Finance cost		
Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Bank Interest	1,60,46,541.44	91,56,555.80
Interest on TDS	1,33,909.84	1,61,669.00
Processing Exp	5,31,900.00	6,19,711.02
ECGC Premium	6,34,335.00	7,78,585.00
Bank Charges	2,67,984.65	34,644.81
Interest on Income Tax	16,24,217.00	21,89,731.00
Total	1,92,38,887.93	1,29,40,896.63

(Amount in Rs.)

28 Depreciation and amortization expense		
Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Depreciation on Property, Plant & Equipment	4,90,345.00	6,73,541.27
Amortization on Intangible Assets	26,792.00	77,658.34
Total	5,17,137.00	7,51,199.61

(Amount in Rs.)

29 Other Expenses		
Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Audit Fees	1,15,000.00	1,01,250.00
Advertisement & Business Promotion expenses	95,120.00	86,840.00
Internet & Telephone Expenses	35,134.12	79,834.51
Legal & Professional Expenses	2,59,242.00	3,93,375.00
Rent	34,500.00	42,601.00
Courier Expenses	7,701.00	2,44,669.36
Website Running & Maintenance Charges	3,000.00	3,199.00
GST Tax Late Fees	-	45,690.00
Office Expenses	2,47,279.25	2,32,353.91
Electricity exp.	5,97,830.00	4,75,379.00
Printing and Stationary	43,543.05	25,869.72
Repair & Maintenance Exp.	7,750.00	80,744.07
Miscellaneous Expenditure	7,89,815.80	7,67,289.00
Insurance Exp	1,07,734.00	1,05,855.00
Late Fees under Income Tax Act	93,579.00	89,928.00
Round OFF	1,547.63	1,886.51
Clearing & Forwarding Exp	2,98,110.00	9,09,969.13
Online Marketing Expenses	5,21,752.78	17,16,631.03
ROC expenses	16,931.00	34,760.00
Expected Credit Loss	40,008.00	-
Total	15,577.63	54,38,124.24



Anjan Jain



(Amount in Rs.)

(a) Payment To Auditors includes:-

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Statutory Audit Fees	50,000.00	50,000.00
Total	50,000.00	50,000.00

(Amount in Rs.)

30 Earning Per Share

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Net Profit after tax available for equity shareholders (a)	2,34,13,126.90	2,34,08,495.83
Weighted Average number of equity shares (b)	1,02,70,000	1,02,70,000
Basic & Diluted Earning per share (a/b)	2.28	2.28
Nominal Value per share (Rs.)	10.00	10.00






31 Disclosure as per Ind AS 12 - Income Taxes

(a) Income Tax Expense

₹ in '000

(i) Income Tax recognized in the statement of profit and loss account

Particulars	As at 31st March 2023	As at 31st March 2022
Current Tax Expense	8,529.56	8,536.50
Current Income Tax	-	-
Adjustment for earlier year	8,529.56	8,536.50
Total current tax expenses		
Deferred Tax	(99.26)	(18.06)
Deferred Tax expenses	(99.26)	(18.06)
Total Deferred Tax Expense		
Total Income Tax Expenses	8,430.30	8,518.44

(ii) Income Tax recognized in other comprehensive income (OCI)

₹ in '000

Particulars	As at 31st March 2023	As at 31st March 2022
Deferred Tax Expenses		
Actuarial gain/(loss) on defined benefit plans	35.00	(118.34)
Total Deferred Tax expenses	35.00	(118.34)

32 Disclosure as per Ind AS 2 - Inventories

Amount of inventories recognized as expense during the year is as under:

₹ in '000

Particulars	As at 31st March 2023	As at 31st March 2022
Cost of Material Consumed	2,48,177.00	2,68,796.73
Other Consumables	4,217.92	3,164.60
Total	2,52,394.92	2,71,961.33

33 Disclosure as per Ind AS 21 - The Effects of changes in Foreign Exchange Rates

The amount of exchange differences (net) credited to the Statement of Profit & Loss is Rs. 52,38,692.03 (31st March, 2022: credited of Rs. 23,36,685.71).

34 Disclosure of Corporate social responsibility (CSR)

The Company is not required to constitute CSR committee and to make expenses towards CSR activities as per the requirements of Section 135 of the Companies Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014.

35 Disclosure as per Ind AS 19 - Employee Benefits

a) Defined Benefit plan - Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

₹ in '000

Particulars	As at 31st March 2023	As at 31st March 2022
(i) Change in defined benefit obligation		
Defined benefit obligation, beginning of the year	911.75	996.12
Current service cost	424.67	316.85
Interest cost	129.06	68.95
Past service cost	-	-
Benefits paid	-	-
Actuarial (gains)/losses	445.58	(470.18)
Defined benefit obligation, end of the year	1,911.05	911.75
(ii) Net Liability/(Asset) recognized in the Balance Sheet		
Present value of defined benefit obligation	1,911.05	911.75
Fair value of plan assets	-	-
	1,911.05	911.75



Net liability		
Current	117.39	9.61
Non-current	1,793.66	902.14
(iii) Expenses recognized in Statement of Profit or Loss		
Current service cost	424.67	316.85
Past Service cost	-	-
Interest cost	129.06	68.95
Total Expense recognized in statement of profit or loss	553.72	385.81
(iv) Remeasurements recognized in other comprehensive income(OCI)		
Changes in demographic assumptions	-	-
Changes in financial assumptions	(18.94)	35.10
Experience adjustments	(426.64)	435.08
Total Actuarial (Gain) / Loss recognized in OCI	(445.58)	470.18

₹ in '000

Particulars	As at 31st March 2023	As at 31st March 2022
(v) Maturity Profile of Defined Benefit Obligation		
Within next 12 months	117.00	10.00
Between 1 and 5 years	639.00	288.00
Between 5 and 10 years	1,312.00	424.00
10 Years and above	1,978.00	1,451.00
(vi) Sensitivity Analysis for significant assumptions*		
Increase/(Decrease) on present value of defined benefits obligation at the end of the year		
1% increase in salary escalation rate	157.00	95.00
1% decrease in salary escalation rate	(146.00)	(84.00)
1% increase in Attrition rate	(36.00)	(28.00)
1% decrease in Attrition rate	39.00	30.00
1% increase in discount rate	(149.00)	(82.00)
1% decrease in discount rate	171.00	94.00
(vii) Actuarial Assumptions		
Discount rate (p.a)	7.20%	7.30%
Salary Escalation Rate (p.a.)	10.00%	10.00%
Retirement age	58 years	58 years
Mortality rate	IAL2012-14UIT	IAL2012-14UIT
Attrition rate	10.00%	10.00%







* These Sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses. This analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow :

- a) **Changes in Discount rate** - Reduction in discount rate in subsequent valuations can increase the plan's liability.
- b) **Salary increase risk** - Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- c) **Life expectancy** - Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- d) **Withdrawals** - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

36 Disclosure as per Ind AS 24 - Related Parties

The company has identified all the related parties as per details given below:

(A) List of Related Parties :

a) Key Management Personnel :

- | | | |
|------------------------------|---|--|
| 1. Mrs. Anjana Jain | - | Whole-time Director |
| 2. Mr. Nitin Jain | - | Managing Director |
| 3. Mr. Mayank Kumar Gattayni | - | Chief Financial Officer |
| 4. Ms. Tripti Sharma | - | Company Secretary & Compliance Officer |

b) Enterprise where Key Managerial Personnel has control/interest:

1. M/s Creative Jewellery

c) Independent Directors

- | | | |
|----------------------|---|------------------------------------|
| 1. Mr. Gopal Singh | - | Non-executive Independent Director |
| 2. Mr. Shalabh Gupta | - | Non-executive Independent Director |
| 3. Mr. Tarun Rathi | - | Non-executive Independent Director |

d) Relatives of KMP

Note: Related party relationship is as identified by the company and relied upon by the Auditors.

The image shows several handwritten signatures in blue ink over blue circular stamps. The stamps are for 'SILGO RETAIL LIMITED' and 'JKSS & ASSOCIATES PVT. LTD. DELHI'. The signatures appear to be for Anjana Jain, Nitin Jain, and Tripti Sharma, corresponding to the Key Management Personnel listed in the text above.

(B) Transaction carried out with related parties referred above, in ordinary course of business:

₹ in '000

Nature of Transaction	Year ended 31st March 2023	Year ended 31st March 2022
Remuneration		
Payment to Directors (Remuneration)	2,400.00	3,600.00
Payment to Directors (Director Sitting Fees)	202.00	166.00
Payment to KMP	756.00	1,415.15
Remuneration to Relatives of Key Management Personnel		
Remuneration/Consultancy Fees	-	-
Enterprises Controlled by Key Management Personnel		
Purchase of goods	59,199.14	32,914.82
Purchase Return	-	7,224.57
Loans & Advances Received	-	18,586.68
Other		
Director Loan Received	-	7,600.00

a) Outstanding Balances of the above related parties - Receivable/(Payable)

₹ in '000

Particulars	As at 31st March 2022	As at 31st March 2023
Key Management Personnel		
Unsecured Loan	-	-
Remuneration Payable/Paid in advance to Directors	427.57	5,148.58
Remuneration Payable/Paid in advance to KMP's	-	735.04
Relatives of Key Management Personnel		
Remuneration Payable	-	-
Enterprises Controlled by Key Management Personnel		
Trade Receivables	-	-
Trade Payables	7,931.24	-
Advance for Goods	-	-

Remuneration does not include provision for gratuity and leave encashment and other defined benefits which are provided based on actuarial valuation on an overall Company basis.

37 Disclosure as per Ind AS 36 - Impairment of Assets

There is no indicator of impairment of Assets

38 Disclosure as per Ind AS 108 - Operating Segments

a) The principal business of the Company is of wholesale of Jewellery. All other activities of the Company revolve around its main business. The company has no activity outside India except export of Jewellery. Thereby, there is no geographical segment. Hence, as per Ind AS 108, 'Operating Segments', no disclosures related to segments are presented.



39 Disclosure as per Ind AS 107 - Financial Instruments

Financial Risk Management

The Company's Financial Risk Management is an integral part of planning and execution of its business strategies. The Company's financial risk management is set by the Managing Board. The Company's principal financial liabilities comprise borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include trade & other receivables, cash and cash equivalents, security deposits.

Company is exposed to following risk from the use of its financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

(i) Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, loans & advances, cash & cash equivalents and deposits with banks and financial institutions.

Trade Receivables

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined. These Trade Receivable have served the Company well over the years. The Company has not experienced any significant impairment losses in respect of trade receivables in the past years since there is no concentration of credit risk.

Cash & Cash Equivalents & Other Financial assets:

The Company maintain its cash & cash equivalent in current account to meet the day to day requirements. Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/ financial institutions who have been assigned high credit rating by international and domestic rating agencies.

"The Company held cash and cash equivalents of ₹ 1,54,561.87


Provision for Expected Credit or Loss

i) Financial assets for which loss allowance is measured using 12 month expected credit losses.

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognized.

ii) Financial assets for which loss allowance is measured using life time expected credit losses.

The Company provides loss allowance on trade receivables using life time expected credit loss and as per simplified approach.

The bottom section of the page contains several handwritten signatures and blue circular stamps. There are four stamps from 'SILGO RETAIL LIMITED' and one from 'JKSS & ASSOCIATES DELHI'. The signatures are in blue ink and appear to be 'Anjanika', 'P. K. Saravagi', and 'Anjanika'.

Carrying amount of maximum credit risk as on reporting date

₹ in '000

Particulars	As at 31st March 2023	As at 31st March 2022
Financial assets for which loss allowance is measured using Lifetime Expected Credit Loss		
Trade Receivables	1,64,913.41	1,58,644.09
Total	1,64,913.41	1,58,644.09

Movement of Allowance for expected credit losses

₹ in '000

Particulars	As at 31st March 2023	As at 31st March 2022
Opening balance	352.92	748.33
Allowance created during the year	445.01	(395.41)
Amount written off	-	-
Closing Balance	797.93	352.92

(iii) Market Risk Management

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

40 Capital Management

For the purpose of Company's Capital Management, Capital includes issued equity share capital & Borrowings. The primary objective of Company's Capital Management is to maximize shareholder's value and to maintain an appropriate capital structure of debt and equity. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of financial covenants. The company manages its capital using Debt to Equity Ratio which is Net Debt/Total Equity. Net Debt is total borrowing (Non-current and current) less cash and cash equivalent.

₹ in '000

Particulars	As at 31st March 2023	As at 31st March 2022
Borrowings	1,57,610.00	1,51,521.30
Less: Cash and Cash Equivalents	154.56	439.62
Net Debt (a)	1,57,455.44	1,51,081.68
Total Equity (b)	3,07,374.96	2,83,961.84
Net Debt to Equity Ratio (a/b)	0.51	0.53








41 Disclosure as per Ind AS 113 - Fair Value Measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in an orderly transaction in the principal (or most advantageous) market at measurement date under the current market condition regardless of whether that price is directly observable or estimated using other valuation techniques.

The Company has established the following fair value hierarchy that categorizes the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1- Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. Listed and actively traded equity instruments are stated at the last quoted closing price on the National Stock Exchange of India Limited (NSE).

Level 2- The fair value of financial instruments that are not traded in active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3- If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of the financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

42 Disclosure as required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

- (a) Loans and advances in the nature of loans to Joint Venture : Nil
- (b) Investment by the loanee : Nil

43 Events occurring after the reporting period

There are no events occurring after the reporting period.

44 Regrouped, Recast, Reclassified

Previous period's figures in the financial statements, including the notes thereto, have been reclassified wherever required to conform to the current period's presentation/classification.





JKSS & Associates
(Chartered Accountants)

Limited Review Report on unaudited quarterly and Half year ended financial of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
Silgo Retail Limited

1. We have reviewed the accompanying statement of unaudited financial results of Silgo Retail Limited ('the Company') for the quarter ended September 30, 2023 and the year to-date results for the period April 01, 2023 to September 30, 2023 ('the statement,') attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the securities and Exchange Board of India (Listings Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation,)
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 'Interim Financial Reporting' prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether standalone financial results are free of material misstatements. A review consists of making Inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results prepared in accordance with the recognition and measurement principles laid down in Ind AS34, prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

For JKSS & Associates
Chartered Accountants

FRN: 006836C



(CA Laxmi Tatiwala)

Partner

M.No: 418000

UDIN: 23418000BGXRSD8835

Date: 25.10.2023

Place: Jaipur

91, Siddhartha Enclave, Near Ashram Chowk, New Delhi-110014
jaipur@jskco.in M. No.: 9314083222

SILGO RETAIL LIMITED

Registered office: B-11, Mahalaxmi Nagar, JLN Marg, Jaipur-302017
Tel.: +91-7055570555 Email: info@silgo.in
Website: www.silgo.in CIN: L36911RJ2016PLC049036

STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30.09.2023

"₹ in Lakh Except EPS"

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	31.03.2023
	Unaudited	Unaudited	Un-audited	Un-audited	Un-audited	Audited
I Revenue from Operations	622.30	999.69	570.23	1,621.99	1,198.07	3,407.08
II Other Income	0	-	43.81	-	43.81	60.43
III Total Income (I+II)	622.30	999.69	614.04	1,621.99	1,241.88	3,467.51
IV Expenses:						
Purchase of traded goods	292.83	-	-	292.83	9.03	1,093.24
Cost of Materials Consumed	276.64	477.28	378.60	753.92	1,641.89	2,481.77
Changes in Inventories of Finished goods & Work in Progress	-92.19	337.71	86.93	245.52	(730.79)	(806.68)
Employee Benefits Expense	13.38	15.22	14.66	28.59	31.85	66.95
Direct Costs	21.82	8.81	22.29	30.63	45.26	78.03
Finance Costs	27.39	44.24	47.04	71.63	97.40	192.39
Depreciation & Amortisation Expense	1.02	1.10	1.20	2.12	2.58	5.17
Other Expenses	12.92	7.53	7.85	20.45	17.49	37.16
Total Expenses (IV)	553.80	891.89	558.56	1,445.70	1,114.71	3,148.03
V Profit/(Loss) before Exceptional Items & Tax (III-IV)	68.50	107.80	55.48	176.29	127.17	319.48
VI Exceptional Items						
VII Profit/ (Loss) Before Tax (V-VI)	68.50	107.80	55.48	176.29	127.17	319.48
VIII Tax Expense:						
Current Tax	18.28	27.62	14.81	45.90	34.06	85.30
Deferred Tax	0.19	(0.16)	0.08	0.03	0.06	(0.99)
Income Tax for Earlier Year						
Total Tax Expenses (VIII)	18.47	27.46	14.89	45.93	34.12	84.30
IX Profit/(loss) for the year (VII-VIII)	50.03	80.33	40.59	130.39	93.02	235.18
X Other Comprehensive Income						
Items that will not be reclassified to profit or loss						
- Remeasurement Gains/(Losses) on Defined Benefit Plans	-	-	-	-	-	(1.39)
- Income tax on above	-	-	-	-	-	0.35
XI Total Other Comprehensive Income for the year	-	-	-	-	-	(1.04)
XII Total Comprehensive Income for the year (IX+XI)	50.03	80.33	40.59	130.39	93.02	234.13
XIII Paid up equity share capital (face vale of Rs. 10 each)	1,027.00	1,027.00	1,027.00	1,027.00	1,027.00	1,027.00
XIV Other Equity	-	-	-	-	-	2,046.75
XV Earnings per Equity Share: (Face value per Equity Share of ₹ 10 each)						
Basic and Diluted (in ₹) (Re-stated)	0.49	0.78	0.40	1.27	0.91	2.28

For and on behalf of the Board of Directors

Silgo Retail Limited



Nitin Jain
Managing Director
DIN 00935911



Place: Jaipur
Date: 25.10.2023

SILGO RETAIL LIMITED

Registered office: B-11, Mahalaxmi Nagar, JLN Marg, Jaipur-302017

Tel.: +91-7055570555 Email: info@silgo.in

Website: www.silgo.in CIN: L36911RJ2016PLC049036

UNAUDITED STATEMENT OF ASSET AND LIABILITIES AS AT 30th SEPTEMBER 2023

₹ in lakhs

Particulars	As at 30 September 2023	As at 31st March 2023
	Un-Audited	Audited
I. ASSETS		
(1) Non-Current Assets		
(a) Property, Plant and Equipment	18.41	20.42
(b) Intangible Assets	0.15	0.23
(c) Financial Assets		
(i) Investments	-	-
(ii) Other Financial Assets	-	-
(d) Other Non Current Assets	-	-
(e) Deferred tax Assets (Net)	6.11	6.13
Total Non Current Assets	24.67	26.78
(2) Current Assets		
(a) Inventories	4,758.97	3,383.70
(b) Financial Assets		
(i) Trade Receivables	595.22	1,649.13
(ii) Cash and Cash Equivalents	0.56	1.55
(iii) Other Financial Assets	0.05	0.05
(c) Other Current Assets	354.50	150.08
Total Current Assets	5,709.30	5,184.51
Total Assets	5,733.97	5,211.29
II. EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity Share capital	1,027.00	1,027.00
(b) Other Equity	2,177.12	2,046.75
Total Equity	3,204.12	3,073.75
(2) Liabilities		
(A) Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,428.40	295.70
(ii) Other Financial Liabilities	-	-
(b) Provisions	14.79	13.97
Total Non Current Liabilities	1,443.19	309.67
(B) Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	768.81	1,576.10
(ii) Trade Payables		
Total Outstanding dues of Micro Enterprises and Small Enterprises		
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	41.71	103.22
(ii) Other Financial Liabilities	111.10	30.01
(b) Provisions	137.06	92.39
(c) Other Current Liabilities	27.98	26.16
Total Current Liabilities	1,086.66	1,827.87
Total Equity and Liabilities	5,733.97	5,211.29
	-	-

Silgo Retail Limited

Place: Jaipur
Date: 25.10.2023

Nitin Jain
Managing Director
DIN 00935911



SILGO RETAIL LIMITED

Registered office: B-11, Mahalaxmi Nagar, JLN Marg, Jaipur-302017
Tel.: +91-7055570555 Email: info@silgo.in
Website: www.silgo.in CIN: L36911RJ2016PLC049036

STATEMENT OF CASH FLOWS

*₹ in 'Lakhs

Particulars	Year Ended 30th Sep 2023		Year Ended 31st March 2023	
A. Cash Flow from Operating Activities				
Profit before tax		176.29		319.48
Adjustments for:				
Remeasurement Gains/(Losses) on Defined Benefit Plans				
Depreciation & Amortisation	2.12		5.17	
Expected Credit Loss	-		4.45	
Tax Adj.	(45.90)		(1.04)	
Profit/Loss on sale of assets	-		-	
Interest Cost	71.63		192.39	
Tax paid	-		(84.30)	
Deferred Tax Asset	0.03		(1.34)	
		27.88		115.33
Operating profit before working capital changes		204.17		434.81
Adjustments for:				
Trade receivables	1,053.89		(67.14)	
Other non current assets	-		-	
Trade Payables	(61.51)		58.01	
Other current assets	(204.42)		5.36	
Inventories	(1,375.27)		(40.96)	
Change in Provisions	45.49		7.61	
Other financial liabilities	81.09		(36.44)	
Other current liabilities	1.82		(123.43)	
		(458.91)		(196.99)
Net Cash from Operating Activities (A)		(254.74)		237.82
B. Cash Flow from Investing Activities				
Purchase of property, plant and equipment	(0.03)		(0.97)	
Sale of Property, Plant and Equipment	-		-	
Purchase of Intangible Assets	-		-	
Security Deposit	-		-	
Interest Income	-		-	
Net Cash Flow from Investing Activities(B)		(0.03)		(0.97)
C. Cash Flow from Financing Activities				
Proceeds from share issued during the year	-		-	
Proceeds from / (Repayment of) Short Term Borrowings	(807.29)		60.89	
Proceeds from / (Repayment of) Long Term Borrowings	1,132.70		(108.20)	
Interest Cost	(71.63)		(192.39)	
Net cash used in Financing Activities (C)		253.78		(239.70)
Net increase in cash and cash equivalents(A+B+C)		(0.99)		(2.85)
Cash and cash equivalents at the beginning of the year		1.55		4.40
Cash and cash equivalents at the close of the year		0.56		1.55

Cash and Cash Equivalent includes:-

Particulars	As at 30th Sep 2023	As at 31st March 2023
Cash on hand	0.53	1.53
Balance in current account	0.03	0.02
Total	0.56	1.55

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

For and on behalf of the Board of Directors
Silgo Retail Limited



Nitin Jain
Managing Director
DIN 00935911

Place: Jaipur
Date: 25.10.2023

Notes:

1. The above unaudited financial result have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 25.10.2023
2. The above unaudited financial results for the Quarter and Half year ended 30th September 2023 have been prepared in accordance with the Companies (Indian Accounting Standard) Rules ,2015 (Ind AS) prescribed under section 133 of Companies Act, 2013 and other recognised accounting practices to the extent applicable.
3. The requirement of Ind AS — 108 "Operating Segments" is not applicable to the Company as it is engaged in single business segment.
4. Company is not having any subsidiary, associates or joint venture; therefore, it has prepared only standalone results.
5. Previous period figures have been regrouped/re-classified wherever necessary to make the comparable.
6. The Standalone unaudited financial results for the quarter and Half year ended September 30, 2023 as submitted to Stock Exchanges are also available on our website www.silgo.in.



A handwritten signature in blue ink, appearing to read "P. S. Srinivasan".

Record STATEMENT OF FINANCIAL INDEBTNESS

The Company has availed borrowings in the ordinary course of business. Set forth below is a brief summary of our aggregate outstanding borrowings as on December 31, 2023:

(In lakhs)

Nature of Borrowing	Amount
Secured Borrowings	965.00
Unsecured Borrowings	1,204.19
Total	2,169.19

Details of Secured Borrowings:

(In lakhs)

Sr. No.	Category of Borrowing	Date of Sanction / Renewal	Amount Sanctioned (₹ In Lakhs)	Interest Rate and Security	Amount Repaid	Amount outstanding as on December 31, 2023 (₹ In Lakhs)
(i)	Cash Credit					
	- SBI	June 7, 2019	600	10.05% p.a.	0.00	600.00
(ii)	GECL					
	- SBI	November 26, 2021	463.00	9.30% p.a.	98.00	365.00
	Total	-	1,063.00	-	98.00	965.00

Security:

Cash Credit:

- **Primary Security:** Hypothecation and first charge over the firm's all present and future stocks, book-debts, sales receivable as also cheque, drafts, bills clean or documentary, whether accepted or otherwise.
- **Collateral Security:** Residential Building situated at S-42, Adinath Nagar, JLN Marg, Jaipur, Rajasthan.
- **Personal Guarantee:** Nitin Jain and Anjana Jain.

GECL Loan:

- **Primary Security:** Hypothecation charge stock and receivables. Hypothecation of Plant and Machinery.
- **Collateral Security:** Residential Plot situated at S-32, Adinath Nagar, JLN Marg, Jaipur, Rajasthan; Residential Building situated at S-42, Adinath Nagar, JLN Marg, Jaipur, Rajasthan; Residential Plot No. S-51, 52 Adinath Nagar, JLN Marg, Jaipur, Rajasthan.
- **Personal Guarantee:** Nitin Jain and Anjana Jain.

Details of Unsecured Borrowings:

(In lakhs)

Sr. No.	Category of Borrowing	Amount Sanctioned (₹ In Lakhs)	Interest Rate	Amount outstanding as on December 31, 2023 (₹ In Lakhs)
(i)	From Director			
	- Nitin Jain	1,204.19	NIL	1,204.19
(ii)	From Corporates	NIL	NIL	NIL
	Total	1,204.19	-	1,204.19

As certified by our statutory auditor certificate dated January 22, 2024, bearing UDIN:24418000BKGDFQ9951.

ACCOUNTING RATIOS

The following tables present certain accounting and other ratios derived from the Limited Review Unaudited Financial Results and Audited Financial Information on the basis of consolidated financials.

Accounting Ratios

(₹ in lakh except percentage data)

Particulars	As at and for	
	March 31,2023	March 31,2022
Earning per Equity Share		
a. Basic earnings per Equity Share	2.29	2.25
a. Diluted earnings per Equity Share	2.29	2.25
Return on Net worth	7.65%	8.12%
Net Asset Value per Equity Share	29.93	27.65
EBITDA	456.61	423.52

Particulars	As at and for	
	September 30, 2023 (Half Yearly)	September 30, 2022 (Half Yearly)
Earning per Equity Share		
a. Basic earnings per Equity Share	1.27	0.91
a. Diluted earnings per Equity Share	1.27	0.91
EBITDA	250.04	183.34

The ratios have been computed as below:

Ratios	Computation
Basic and Diluted Earnings Per Share	Profit attributable to shareholder / Total number of weighted average number of shares
Return on Net Worth (%)	Profit for the Year / Net Worth
Net Asset Value per Share	Net Worth / Number of shares as at the end of the relevant period
EBITDA	Profit before tax + depreciation and amortization expenses and finance cost +share of profit from associates-other income

Calculation of earning per equity share

(₹ in lakhs except per share data)

Particulars	As at and for	
	March 31, 2023	March 31, 2022
Profit attributed for Equity Shareholders* (A)	235.17	230.57
Weighted average number of equity shares outstanding at the end of the period (B)	1,02,70,000	1,02,70,000
Basic and Diluted EPS (A)/(B)*10 ⁵	2.29	2.25

* Profit after tax before other comprehensive Income

Particulars	As at and for	
	September 30, 2023 (Half Yearly)	September 30, 2022 (Half Yearly)
Profit attributed for Equity Shareholders* (A)	130.39	93.02
Weighted average number of equity shares outstanding at the end of the period (B)	1,02,70,000	1,02,70,000
Basic and Diluted EPS (A)/(B)*10 ⁵	1.27	0.91

* Profit after tax before other comprehensive Income

Calculation of Return on Net Worth

(₹ in lakh except percentage data)

Particulars	As at and for	
	March 31, 2023	March 31, 2022
Profit / (Loss) after tax (A)	235.17	230.57
Networth (B)	3073.75	2839.62
Return on Net-Worth (A/B)	7.65%	8.12%

Particulars	As at and for	
	September 30, 2023 (Half Yearly)	September 30, 2022 (Half Yearly)
Profit / (Loss) after tax (A)	130.39	93.02
Networth (B)	3204.12	2932.65
Return on Net-Worth (A/B)	4.07%	3.17%

Calculation of Net Worth and Net Asset Value per Equity Share

(₹ in lakhs except per share data)

Particulars	As at and for	
	March 31, 2023	March 31, 2022
Equity Share Capital (A)	1027.00	1027.00
Other Equity (B)	2046.75	1812.62
Net Worth (C) = (A+B)	3073.75	2839.62
No. of shares at the end of the relevant period (D)	1,02,70,000	1,02,70,000
Net Asset Value Per Share ((C*10⁵)/D)	29.93	27.65

Particulars	As at and for	
	September 30, 2023 (Half Yearly)	September 30, 2022 (Half Yearly)
Equity Share Capital (A)	1027.00	1027.00
Other Equity (B)	2177.12	1905.65
Net Worth (C) = (A+B)	3204.12	2932.65
No. of shares at the end of the relevant period (D)	1,02,70,000	1,02,70,000
Net Asset Value Per Share ((C*10⁵)/D)	31.20	28.56

Calculation of EBITDA

(₹ in lakhs)

Particulars	As at and for	
	March 31, 2023	March 31, 2022
Profit Before Tax	319.48	315.75
Depreciation & Amortization	5.17	7.51
Finance Cost	192.39	129.41
Less: Other Income	60.43	29.15
EBITDA	456.61	423.52

Particulars	As at and for	
	September 30, 2023 (Half Yearly)	September 30, 2022 (Half Yearly)
Profit Before Tax	176.29	127.17
Depreciation & Amortization	2.12	2.58
Finance Cost	71.63	97.40
Less: Other Income	-	43.81
EBITDA	250.04	183.34

*As certified by our Statutory Auditors certificate dated January 22, 2024 bearing UDIN: 24418000BKGDFF5294.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our audited financial statements as of and for the Fiscal ended March 31, 2023 and March 31, 2022 and our limited review unaudited financial results for the 6 months ended September 30, 2023 and September 30, 2022, included in this Letter of Offer. Our audited financial statements for Fiscal 2023 and Fiscal 2022, and our limited review unaudited financial results for the 6 months ended September 30, 2023 and September 30, 2022 are prepared in accordance with Ind AS. Unless otherwise stated, the financial information used in this chapter is derived from the audited financial statements and limited review unaudited financial results of our Company.

This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward - looking statements as a result of certain factors such as those set forth in the sections titled “*Risk Factors*” and “*Forward - Looking Statements*” on pages 16 and 13 respectively.

Our financial year ends on March 31 of each year, so all references to a particular “financial year” and “Fiscal” are to the twelve (12) month period ended March 31 of that year. References to the “Company”, “we”, “us” and “our” in this chapter refer to Silgo Retail Limited.

Neither we, nor the LM, any of their affiliates or advisors, nor any other person connected with the Issue has independently verified such information.

OVERVIEW OF OUR BUSINESS

Our company is involved in the business of designing, manufacturing, retailing, and wholesaling silver jewellery. We take pride in our extensive collection, which showcases a diverse array of carefully crafted designs to cater to the discerning tastes of our valued customers. Drawing upon our deep understanding of regional variations in preferences, we have curated a versatile portfolio encompassing a wide range of ornaments and jewellery styles. The proficiency of our team in designing jewellery products aligned with the latest trends and fashion movements ensures that our offerings complement with our clients' preferences.

Our product line includes a diverse range of silver jewellery, featuring a varied selection of designs. Our portfolio consists of rings, earrings, bracelets, necklaces, Jhumki, bangles, and customized pieces tailored to meet customer preferences. Specializing in silver jewellery, our online offerings bear the BIS hallmark certification, ensuring authenticity. All our jewellery is crafted from 925 sterling silver. Catering to various occasions, our collection spans from special event pieces for weddings and festivals to daily wear jewellery suitable for all ages and genders, available at different price points.

We are a customer centric company and primarily focus on attaining the utmost client satisfaction by assuring them quality products. Our ethical trade practices, transparent business dealings and timely delivery of products help us in maintaining cordial relations with our customers. Our company strives at all the times to provide product that offers our customer the designs with superior finish and quality.

Our company is also engaged in the meticulous craftsmanship of precious and semi-precious gemstones. With a passion for transforming raw, uncut stones into exquisite, polished gems, we are dedicated to delivering top-quality, bespoke pieces that captivate and inspire. Our highly skilled artisans employ traditional and innovative techniques in the art of gemstone cutting and carving. We work with a diverse range of precious and semi-precious gemstones, including diamonds, emeralds, rubies, sapphires, amethysts, and more. Each gem is carefully selected for its unique qualities, ensuring that our final creations embody unparalleled beauty and rarity.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2023

To our knowledge and belief, no circumstances other than those disclosed in this letter of offer have arisen since the date of the last financial statements contained in this letter of offer which materially affect or is likely to affect, the trading and profitability of our company, or the value of our assets or our ability to pay material liabilities within the next 12 months.

SIGNIFICANT FACTORS AFFECTING OUR BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled ‘*Risk Factors*’ on page 16. The following are certain factors that had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- The impact of COVID - 19 pandemic;
- Geo political factor across the globe.
- Factors affecting the jewellery industry;
- Increasing competition in the industry;
- Changes in government regulations, tax regimes, laws and regulations that apply to the industry;
- Changes in fiscal, economic or political conditions in India;
- Changes in the foreign exchange control regulations, interest rates and tax laws in India.
- Changes in duties including anti-dumping duties on the products Company deals in.

SIGNIFICANT ACCOUNTING POLICIES

For disclosure of our Significant Accounting policies as at and for the year ended March 31, 2023, as required by Ind AS 1 and other applicable standards, see section titled “*Financial Information*” on page 80.

CHANGE IN ACCOUNTING POLICIES

Except as mentioned in chapter “*Financial Information*” on page 80, there has been no change in accounting policies during the 6 Months ended September 30, 2023 and during the Fiscal 2023.

SUMMARY OF THE RESULTS OF OPERATION:

The following table sets forth certain information with respect to our results of operations for the periods indicated on consolidated basis.

Amount in Rs. lakhs

Particulars	Six months ended on September 30, 2023		Six months ended on September 30, 2022	
	Amount	% of Total Revenue	Amount	% of Total Revenue
Revenue from Operations	1,621.99	100.0%	1,198.07	96.5%
Other Income	-	0.0%	43.81	3.5%
Total Revenue	1,621.99	100.0%	1,241.88	100.0%
Cost of Goods Sold	1,322.90	81.6%	965.39	77.7%
Employee Benefit Expenses	28.59	1.8%	31.85	2.6%
Finance Costs	71.63	4.4%	97.40	7.8%
Depreciation and Amortization Expenses	2.12	0.1%	2.58	0.2%
Other Expenses	20.45	1.3%	17.49	1.4%
Total Expenses	1,445.69	89.1%	1,114.71	89.8%
Profit/(Loss) before tax	176.29	10.9%	127.17	10.2%
Net Tax Expenses	45.93	2.8%	34.12	2.7%
Profit/(Loss) after tax	130.36	8.0%	93.05	7.5%

OVERVIEW OF RESULTS OF OPERATION

On Standalone basis for 6 months ended September 30, 2023, compared to 6 months ended September 30, 2022

Total Revenue

Our total revenue for the 6 months ended September 30, 2023, was ₹1,621.99 lakhs as compared to ₹1,241.88 lakhs for the 6 months ended September 30, 2022, representing an increase of 30.61%. Total revenue comprises of:

Revenue from Operations

Our revenue from operations for the 6 months ended September 30, 2023, was ₹1,621.99 lakhs as compared to ₹1,198.07 lakhs for the 6 months ended September 30, 2022, representing an increase of 35.38%. This was primarily due to improved industry scenario and customer demand.

Other Income

Other income for the 6 months ended September 30, 2023, was nil as compared to ₹43.81 Lakhs for the 6 months ended September 30, 2022. The decrease is pertaining to other non-recurring income.

Total Expenses

Our total expenditure for the 6 months ended September 30, 2023, was ₹1,445.69 Lakhs as compared to ₹ 1,114.71 Lakhs for the 6 months ended September 30, 2022, representing an increase of 29.69%. Total expenditure comprises of:

Cost of Goods Sold

The cost of goods sold or the 6 months ended September 30, 2023, was ₹1,322.90 lakhs as compared to ₹965.39 lakhs for the 6 months ended September 30, 2022, representing an increase of 37.03%. This was primarily due to increase in sales.

Employee Benefit Expenses

Employee benefit expense for the 6 months ended September, 2023, was ₹ 28.59 Lakhs as compared to ₹ 31.85 Lakhs for the 6 months ended September 30, 2022, representing a decrease of 10.24%. This decrease was mainly due to reduction in number of employees.

Finance Cost

Finance costs for the 6 months ended September 30, 2023, was ₹ 71.63 Lakhs as compared to ₹ 97.40 Lakhs for the 6 months ended September 30, 2022, representing a decrease of 26.46%. The decrease in the finance cost was due to reduction in working capital borrowings.

Depreciation and Amortization Expense

Depreciation and amortization expense for the 6 months ended September 30, 2023, was ₹ 2.12 Lakhs as compared to ₹ 2.58 Lakhs for the 6 months ended September 30, 2022, representing a decrease of 17.83%.

Other Expenses

The other expenses for the 6 months ended September 30, 2023, was ₹ 20.45 Lakhs as compared to ₹ 17.49 Lakhs for the 6 months ended September 30, 2022, representing an increase of 16.92%. This increase was mainly on account of increase in business related miscellaneous costs.

Profit/(Loss) Before Tax

The profit/(loss) before tax for the 6 months ended September 30, 2023, was ₹ 176.3 Lakhs as compared to ₹ 127.17 for the 6 months ended September 30, 2022, representing an increase of 38.63%. The increase in profits was primarily on account of factors discussed above.

Tax Expenses

Tax expense for the 6 months ended September 30, 2023, was ₹ 45.93 Lakhs as compared to ₹ 34.12 Lakhs for the 6 months ended September 30, 2022, representing an increase of 34.61%. The increase in the tax expenses was due to increase in business profits.

Profit/(Loss) After Tax

The profit/(loss) after tax for the 6 months ended September 30, 2023, was ₹ 130.37 Lakhs as compared to ₹ 93.05 Lakhs for the 6 months ended September 30, 2022, representing an increase of 40.11%. This increase in profit after tax was on account of the reasons discussed above.

Fiscal 2023 compared to Fiscal 2022

Amount in Rs. lakhs

Particulars	Fiscal 2023		Fiscal 2022	
	Amount	% of Total Revenue	Amount	% of Total Revenue
Revenue from Operations	3,407.08	98.3%	3,485.27	99.2%
Other Income	60.43	1.7%	29.15	0.8%
Total Revenue	3,467.51	100.0%	3,514.42	100.0%
Cost of Goods Sold	2,846.36	82.1%	2,909.60	82.8%
Employee Benefit Expenses	66.95	1.9%	97.77	2.8%
Finance Costs	192.39	5.5%	129.41	3.7%
Depreciation and Amortization Expenses	5.17	0.1%	7.51	0.2%
Other Expenses	37.16	1.1%	54.38	1.5%
Total Expenses	3,148.03	90.8%	3,198.73	91.0%
Profit/(Loss) before tax	319.48	9.2%	315.69	9.0%
Net Tax Expenses	84.30	2.4%	85.18	2.4%
Profit/(Loss) after tax	235.18	6.8%	230.57	6.6%

OVERVIEW OF RESULTS OF OPERATION

On consolidated basis for the Fiscal 2023, compared to Fiscal 2022

Total Revenue

Our total revenue for the Fiscal 2023, was ₹ 3,467.51 lakhs as compared to ₹ 3,514.42 lakhs for the Fiscal 2022, representing a decrease of 1.33% Total revenue comprises of:

Revenue from Operations

Our revenue from operations for the Fiscal 2023, was ₹ 3,407.08 Lakhs as compared to ₹ 3,485.27 Lakhs for the Fiscal 2022, representing a decrease of 2.24%. This was primarily due to challenging market conditions and muted consumer demand.

Other Income

Other income for the Fiscal 2023, was ₹ 60.43 Lakhs as compared to ₹ 29.15 Lakhs for the Fiscal 2022, representing an increase of 107.31%. The increase was pertaining to increase in gain from exchange rate variation and discounts.

Total Expenses

Our total expenditure for the Fiscal 2023, was ₹ 3,148.03 Lakhs as compared to ₹ 3,198.67 Lakhs for the Fiscal 2022, representing a decrease of 1.58%. Total expenditure comprises of:

Cost of Goods Sold

The cost of goods sold for the Fiscal 2023, was ₹ 2,846.36 Lakhs as compared to ₹ 2,909.60 Lakhs for the Fiscal 2022, representing decrease of 2.17%. This was due to decrease in sales.

Employee Benefit Expenses

Employee benefit expense for the Fiscal 2023 was ₹66.95 Lakhs as compared to ₹ 97.77 Lakhs for the Fiscal 2022, representing a decrease of 31.52%. This decrease was mainly because of decrease in number of employees.

Finance Cost

Finance costs for the Fiscal 2023, was ₹ 192.39 Lakhs as compared to ₹ 129.41 Lakhs for the Fiscal 2022, representing an increase of 48.67%. The increase in finance cost was due to increase in borrowing.

Depreciation and Amortization Expense

Depreciation and amortization expense for the Fiscal 2023, was ₹ 5.17 Lakhs as compared to ₹ 7.51 Lakhs for the Fiscal 2022, representing a decrease of 31.16%.

Other Expenses

Other expenses for the Fiscal 2023, was ₹ 37.16 Lakhs as compared to ₹ 54.38 Lakhs for the Fiscal 2022, representing a decrease of 31.67%. The decrease in other expenses was because of decrease in office related administrative and miscellaneous expenses.

Profit/(Loss) Before Tax

The profit/(loss) before tax for the Fiscal 2023, was ₹ 319.48 Lakhs as compared to ₹ 315.75 Lakhs for the Fiscal 2022 representing an increase of 1.18%. The increase in profits was primarily on account of factors discussed above.

Tax Expenses

Tax expenses for the Fiscal 2023, was ₹ 84.30 Lakhs as compared to ₹ 85.18 Lakhs for the Fiscal 2023, representing a decrease of 1.03%. The decrease in the tax expenses was on account of decrease in current tax which is partially set-off with deferred tax asset.

Profit/(Loss) After Tax

The profit/(loss) after tax for the Fiscal 2023, was ₹ 235.81 Lakhs as compared to ₹ 230.57 Lakhs for the Fiscal 2022, representing an increase of 2.00%. This increase in profit after tax was on account of the reasons discussed above.

MATERIAL DEVELOPMENTS

Other than as stated in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 125, there have not arisen, since the date of the Limited Reviewed Financial Results disclosed in this Letter of Offer, any circumstances which materially and adversely affect, or are likely to affect, our trading, our profitability or the value of our assets or our ability to pay our liabilities within the next 12 months.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND DEFAULTS

Our Company is involved in certain legal proceedings from time to time, which are primarily in the nature of tax disputes, civil suits, and petitions pending before various authorities.

Except as disclosed below, there is no outstanding litigation with respect to (i) issues of moral turpitude or criminal liability on the part of our Company; (ii) material violations of statutory regulations by our Company; (iii) economic offences where proceedings have been initiated against our Company; (iv) any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position.

*Any outstanding litigation involving our Company i.e., proceedings other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences, shall be considered material and shall be disclosed in this Letter of Offer, if (i) the monetary claim involved in such proceedings is an amount exceeding 5% of Profit after Tax as per latest audited financial statement (“**Materiality Threshold**”), and/or (ii) is otherwise determined to be material in terms of the Materiality Policy.*

Pre-litigation notices received by our Company from third parties (excluding notices pertaining to any offence involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences) has not been evaluated for materiality until such time our Company are impleaded as defendants in litigation proceedings before any judicial/ arbitral forum.

All terms defined in a particular litigation disclosure pertain to that litigation only. Unless stated to the contrary, the information provided below is as of the date of this Letter of Offer.

Litigations involving our Company

There are no issues of moral turpitude or criminal liability, material violations of statutory regulations or economic offences or material pending matters involving our Company, except as follows:

A. Proceedings involving issues of moral turpitude or criminal liability

i. Criminal Litigations initiated against our Company:

Nil

ii. Criminal Litigations initiated by our Company:

Nil

B. Matters involving material violations of statutory regulations by our Company

As on the date of this Letter of Offer, there are no proceedings/matters involving material violations of statutory regulations by our Company.

C. Economic offences where proceedings have been initiated against our Company

As on the date of this Letter of Offer, there are no economic offences initiated against our Company.

D. Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold and other pending matters, which if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company

i. Civil Litigations initiated against our Company:

Nil

ii. ***Civil Litigations initiated by our Company:***

Nil

E. ***Tax Proceedings initiated against our Company***

i. ***Direct Tax:***

a. ***Outstanding Tax Demand***

The Company has an outstanding tax demand amounting to ₹8,67,078 under section 143(1)(a) of the Income Tax Act, 1981 for the assessment years 2017-18, 2018-19 and 2020-21.

b. ***TDS Outstanding Demand***

The Company has outstanding TDS demand amounting to ₹1,89,290 for the financial years 2017-18, 2019-20, 2020-21 and 2022-23.

c. ***Litigation pending against authorities***

Nil

ii. ***Indirect Tax:***

Nil

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company requires various licenses, registrations, permits and approvals issued by relevant central and state authorities under various rules and regulations for carrying on its present business activities. Further, our obligation to obtain and renew such licenses, registrations, permits and approvals may arise periodically and applications for such approvals are made/will be made at the appropriate stage.

We are not required to obtain any licenses or approvals from any government or regulatory authority for the Objects.

For further details, please see “*Objects of the Issue*” on page 42.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board, pursuant to its resolution dated August 28, 2023, authorised the Issue under Section 62(1)(a) of the Companies Act, 2013.

Our Board, in its meeting held on February 16, 2024 has resolved to issue the Equity Shares on rights basis to the Eligible Equity Shareholders, at ₹ 25/- per Equity Share (including a premium of ₹ 15/- per Equity Share) aggregating up to ₹ 2,567.50/- Lakhs. The Issue Price is ₹ 25/- per Equity Share and has been arrived at by our Company in consultation with the Lead Manager prior to determination of the Record Date.

Our Company has received in-principle approval from NSE in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Equity Shares to be allotted in this Issue pursuant to their letter dated February 13, 2024. Our Company will also make application to NSE to obtain its trading approval for the Rights Entitlements as required under the SEBI ICDR Master Circular.

Our Company has been allotted the ISIN INE01II20013 for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, see "*Terms of the Issue*" beginning on page 140.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of our Promoter Group and persons in control of our Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Letter of Offer.

Further, our Promoters and our Directors are not promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. None our Directors or Promoters are associated with the securities market in any manner. Further, there is no outstanding action initiated against any of our Directors or Promoters by SEBI in the five years preceding the date of filing of this Letter of Offer

Neither our Promoters nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

Association with Securities Market

We confirm that none of our Director(s) is associated with the securities market in any manner except for trading on day to day basis for the purpose of investment.

Prohibition by RBI

Neither our Company, nor our Promoters, and Directors have been categorized or identified as wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.

Eligibility for the Issue

Our Company is a listed company and has been incorporated under the Companies Act, 2013. Our Equity Shares are presently listed on NSE. Our Company is eligible to offer Equity Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchange for listing of the Rights Equity Shares to be issued pursuant to the Issue. NSE is the Designated Stock Exchange for the Issue.

Compliance with Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements, and information in compliance with the Listing Agreement or the SEBI Listing Regulations, as applicable for the last three years immediately preceding the date of filing of this Letter of Offer with the SEBI.
2. The reports, statements and information referred to above are available on the websites of NSE.
3. Our Company has an investor grievance handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, and is not covered under the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations, disclosures in this Letter of Offer have been made in terms of Clause (4) of Part B of Schedule VI of SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THIS LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS LETTER OF OFFER. THE LEAD MANAGER, SRUJAN ALPHA CAPITAL ADVISORS LLP HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED, IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE LETTER OF OFFER, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, SRUJAN ALPHA CAPITAL ADVISORS LLP HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 16, 2024, WHICH READS AS FOLLOWS:

THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE LETTER OF OFFER.

Disclaimer clauses from our Company and the Lead Manager

Our Company and the Lead Manager accept no responsibility for statements made otherwise than in this Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his own risk.

Investors who invest in the Issue will be deemed to have represented to our Company, the Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Rights Equity Shares, and are relying on independent advice / evaluation as to their ability and quantum of investment in the Issue.

CAUTION

Our Company shall make all information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This Letter of Offer is an offer to sell only the Rights Equity Shares and rights to purchase the Rights Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Letter of Offer is current only as of its date.

Our Company, the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Securities. The Lead Manager and its respective affiliates may engage in transactions with and perform services for our Company or affiliates in the ordinary course of business and have engaged, or may in the future engage, in transactions with our Company or affiliates, for which they have received and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Jaipur, India only.

Designated Stock Exchange

The Designated Stock Exchange for the purposes of the Issue is NSE.

Disclaimer Clause of the NSE

As required, a copy of this Draft Letter of Offer was submitted to NSE. The disclaimer clause as intimated by NSE to us, post scrutiny of the Draft Letter of Offer, has been provided below:

As required, a copy of this letter of offer has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref. No. NSE/LIST/39715 dated February 13, 2024, permission to the Issuer to use the Exchange's name in this letter of offer as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer.

It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the letter of offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Selling Restrictions

The distribution of the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue

on a rights basis to the Eligible Equity Shareholders in offshore transactions outside the United States in compliance with Regulation S to existing shareholders located in jurisdictions where such offer and sale of the Equity Shares and/ or Rights Entitlements is permitted under laws of such jurisdictions.

Our Company will dispatch, in accordance with the SEBI ICDR Regulations, the Letter of Offer, the Abridged Letter of Offer and the Application Form only to Eligible Equity Shareholders who have provided an Indian address to our Company. No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Draft Letter of Offer or this Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Letter of Offer has been filed with SEBI and the Stock Exchange. In those circumstances, the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for subscription to Equity Shares and/ or Rights Entitlements and should not be copied or re-distributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Accordingly, the Equity Shares and Rights Entitlement may not be offered or sold, directly or indirectly, and none of this Letter of Offer or any offering materials or advertisements in connection with the Equity Shares or Rights Entitlement may be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

If this Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the receipt of this Letter of Offer nor any sale/ offer of Equity Shares and/ or the Rights Entitlements hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time, subsequent to this date or the date of such information. The contents of this Letter of Offer should not be construed as legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Equity Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Equity Shares or Rights Entitlements. In addition, neither our Company nor the Lead Manager are making any representation to any offeree or purchaser of the Equity Shares or the Rights Entitlements regarding the legality of an investment in the Equity Shares and/ or the Rights Entitlements by such offeree or purchaser under any applicable laws or regulations.

Each person who exercises Rights Entitlement and subscribes for Equity Shares or excess Equity Shares, or who purchases Rights Entitlement or Equity Shares shall do so in accordance with the restrictions set out below.

NOTICE TO INVESTORS

NO ACTION HAS BEEN TAKEN OR WILL BE TAKEN THAT WOULD PERMIT A PUBLIC OFFERING OF THE RIGHTS ENTITLEMENTS OR EQUITY SHARES TO OCCUR IN ANY JURISDICTION OTHER THAN INDIA, OR THE POSSESSION, CIRCULATION OR DISTRIBUTION OF THIS LETTER OF OFFER OR ANY OTHER MATERIAL RELATING TO OUR COMPANY, THE RIGHTS ENTITLEMENTS OR THE EQUITY SHARES IN ANY JURISDICTION WHERE ACTION FOR SUCH PURPOSE IS REQUIRED. ACCORDINGLY, THE RIGHTS ENTITLEMENTS OR EQUITY SHARES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS LETTER OF OFFER NOR ANY OFFERING MATERIALS OR ADVERTISEMENTS IN CONNECTION WITH THE RIGHTS ENTITLEMENTS OR EQUITY SHARES MAY BE DISTRIBUTED OR PUBLISHED IN OR FROM ANY COUNTRY OR JURISDICTION EXCEPT IN ACCORDANCE WITH THE LEGAL REQUIREMENTS APPLICABLE IN SUCH COUNTRY OR JURISDICTION. THIS ISSUE WILL BE MADE IN COMPLIANCE WITH THE APPLICABLE SEBI REGULATIONS.

Listing

The Rights Equity Shares offered through the Letter of Offer are proposed to be listed on NSE. Our Company will apply to NSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

Consents

Consents in writing of (a) our Directors, the Registrar to the Issue, the Lead Manager, Legal Advisor to Issue, the Statutory Auditor and the Banker(s) to the Issue/ Refund Bank to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Letter of Offer as required under Sections 26 and 32 of the Companies Act, 2013.

Our Company has received written consent dated January 09, 2024 from our Statutory Auditor, for inclusion of their report, on the Financial Information in this Letter of Offer and to include their name in this Letter of Offer and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated January 22, 2024 in the form and context in which it appears in this Letter of Offer. Such consent has not been withdrawn up to the date of this Letter of Offer. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Performance vis-à-vis objects – Public/Rights Issue of our Company

Our Company has not made any rights issues or public issues during the five years immediately preceding the date of this Letter of Offer.

Filing

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3(b) of the SEBI ICDR Regulations has been increased from Rupees one thousand lakhs to Rupees five thousand lakhs. Since, the size of this Issue falls below the stipulated threshold, the Draft Letter of Offer was filed with the Stock Exchange and not with SEBI. However, this Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 03, 2011 and shall comply with the SEBI circular no. CIR/OIAE/1/2014 dated December 18, 2014 and the SEBI Master Circular on the redressal of investor grievances through the SEBI Complaints Redress System (SCORES) platform dated November 07, 2022 (SEBI circular no. SEBI/HO/OIAE/IGRD/P/CIR/2022/0150), in relation to redressal of investor grievances through SCORES. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective

exercise of voting rights. Bigshare Services Private Limited is our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints are received by our Company on a case-to-case basis, i.e. grievances are being received on the Company's email address and are typically disposed of in a timely manner from the date of receipt of the complaint.

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see "Terms of the Issue" beginning on page 140. The contact details of Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:

Registrar to the Company:

Bigshare Services Private Limited

Office No. 36-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Center, Mahakali Caves Road,
Andheri East, Mumbai-400093

Tel: +91 22-6263 8200

Fax No: +91 22-6263 8299

E-mail: rightsissue@bigshargonline.com

Investor Grievance ID: investor@bigshareonline.com

Website: www.bigshareonline.com

Contact Person: Mr. Mosses Shirsat

SEBI Registration No.: INR000001385

Validity of Registration: Permanent

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment / share certificates/ demat credit/ Refund Orders etc.

Tripti Sharma is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder:

Telephone: +91 0141-4919655

E-mail: cs@silgo.in

Other Confirmations

Our Company, in accordance with Regulation 79 of the SEBI ICDR Regulations, shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making an Application, and shall not make any payment, whether direct or indirect, whether in the nature of discounts, commission, allowance or otherwise, to any person for making an Application.

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make an independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this Letter of Offer.

Please note that in accordance with the provisions of the SEBI ICDR Master Circular, all investors (including Renouncee) shall make an application for a rights issue only through ASBA facility.

OVERVIEW

The Rights Entitlement on the Equity Shares, the ownership of which is currently under dispute and including any court proceedings or are currently under transmission or are held in a demat suspense account and for which our Company has withheld the dividend, shall be held in abeyance and the Application Form along with the Rights Entitlement Letter in relation to these Rights Entitlements shall not be dispatched pending resolution of the dispute or court proceedings or completion of the transmission or pending their release from the demat suspense account. On submission of such documents/ records confirming the legal and beneficial ownership of the securities with regard to these cases on or prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to the Rights Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.

This Issue and the Right Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the NSE and the terms and conditions as stipulated in the Allotment Advice.

Dispatch and availability of Issue Materials

In accordance with the SEBI ICDR Regulations, SEBI ICDR Master Circular and the ASBA Circulars, our Company will send/dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Entitlement Letter, Application Form and other issue material ('Issue Materials') only to the Eligible Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Right Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.

Further, the Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses and have made a request in this regard.

Investors can also access the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- Our Company at www.silgo.in.
- the Registrar to the Issue at www.bigshareonline.com
- the Lead Manager at www.srujanalpha.com
- the Stock Exchange at www.nseindia.com.

To update the respective Indian addresses/e-mail addresses/phone or mobile numbers in the records maintained by the Registrar or by our Company, Eligible Equity Shareholders should visit www.bigshareonline.com. Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at www.bigshareonline.com by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and such other credentials for validation of the identity of the shareholder, as may be required. The link for the same shall also be available on the website of our Company at www.silgo.in.

Further, our Company along with the Lead Manager will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for not sending the physical copies of Issue Materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

Resident Eligible Shareholders, who are holding Equity Shares in physical form as on the Record Date, can obtain details of their respective Rights Entitlements from the website of the Registrar by entering their Folio Number and such other credentials for validation of the identity of the shareholder, as may be required.

The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that the Draft Letter of Offer, this Letter of Offer is being filed with SEBI and the Stock Exchange. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with the Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates or the Lead Manager or their respective affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or the Lead Manager or their respective affiliates to make any filing or registration (other than in India).

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE RIGHTS ENTITLEMENTS (INCLUDING THEIR CREDIT) AND THE RIGHTS EQUITY SHARES ARE ONLY BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES

IN “OFFSHORE TRANSACTIONS” AS DEFINED IN AND IN RELIANCE ON REGULATION S UNDER THE U.S. SECURITIES ACT AND THE APPLICABLE LAWS OF THE JURISDICTION WHERE THOSE OFFERS AND SALES OCCUR.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No Application Form should be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under the Letter of Offer or where any action would be required to be taken to permit the Issue. Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch the Letter of Offer or the Abridged Letter of Offer and Application Form only to Eligible Equity Shareholders who have provided an Indian address to our Company.

Any person who acquires Rights Entitlements or Rights Equity Shares will be deemed to have represented, warranted and agreed, by accepting the delivery of this Letter of Offer, that it is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States and is authorized to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company, in consultation with the Lead Manager, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions ; (ii) does not include the relevant certifications set out in the Application Form, including that such person is submitting and/ or renouncing the Application Form is outside the United States and such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with the Issue, among others; or (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements, including in the United States and our Company shall not be bound to issue or Allot any Rights Equity Shares in respect of any such Application Form.

PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI ICDR Master Circular and the ASBA Circulars, all Investors desiring to make an Application in the Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in the Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see "*Terms of Issue- Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" beginning on page 140.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form, as applicable, as on Record Date and applying in the Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

a) *Facilities for Application in this Issue:*

ASBA facility

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, please refer to Paragraph titled "*Procedure for Application through the ASBA process*" beginning on page 150.

Please note that subject to SCSBs complying with the requirements of SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

b) *Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders:*

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Resident Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, " SILGO RETAIL LIMITED RIGHTS ISSUE – SUSPENSE ESCROW DEMAT ACCOUNT") opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Resident Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings; or (f) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form, as applicable, as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (g) non-institutional equity shareholders in the United States.

c) *Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form:*

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only.

Such Eligible Equity Shareholders holding shares in physical form, as applicable, can update the details of their respective demat accounts on the website of the Registrar (*i.e.* www.bigshareonline.com). Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish their relevant details (such as copies of self-attested PAN and details of address proof by way of uploading on Registrar website the records confirming the legal and beneficial ownership of their respective Equity Shares) along with the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in the Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Such Resident Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer.

In accordance with the SEBI ICDR Master Circular, the Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.

d) *Application for Additional Equity Shares:*

Investors are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment

finalised in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in "*Basis of Allotment*" beginning on page 162.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares. Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

Investors to kindly note that after purchasing the Rights Entitlements through On Market Renunciation / Off Market Renunciation, an Application has to be made for subscribing to the Rights Equity Shares. If no such Application is made by the Renounee on or before Issue Closing Date, then such Rights Entitlements will get lapsed and shall be extinguished after the Issue Closing Date and no Rights Equity Shares for such lapsed Rights Entitlements will be credited. For procedure of Application by shareholders who have purchased the Right Entitlement through On Market Renunciation / Off Market Renunciation, please refer to the heading titled "*Procedure for Application through the ASBA process*" beginning on pages 150.

e) *Other important links and helpline:*

The Investors can visit following links for the below-mentioned purposes:

- Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: www.bigshareonline.com
- Updation of Indian address/ email address/ mobile number in the records maintained by the Registrar or our Company i.e. Bigshare Services Private Limited : www.bigshareonline.com
- Updation of demat account details by Eligible Equity Shareholders holding shares in physical form, as applicable www.bigshareonline.com; and
- Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Shareholders with Bigshare Services Private Limited : www.bigshareonline.com

Renounees

All rights or obligations of the Eligible Equity Shareholders in relation to Applications and refunds relating to the Issue shall, unless otherwise specified, apply to the Renounee(s) as well.

Authority for the Issue

The Board of Directors in its meeting dated August 28, 2023 have authorised this Issue under Section 62(1)(a) of the Companies Act, 2013.

The Draft Letter of Offer was approved by our Board pursuant to its resolution dated January 23, 2024. The Board has in their meeting held on February 16, 2024 determined the Issue Price at ₹ 25/- per Equity Share (including a premium of ₹ 15/- per Equity Share), the Rights Entitlement as 1 (One) Rights Equity Share(s) for every 1 (One) fully paid-up Equity Share(s) held on the Record Date. Our Company has received in-principle approvals from NSE in accordance with Regulation 28 of the SEBI Listing Regulations for listing of the Rights Equity Shares to be allotted in the Issue pursuant to letters dated February 13, 2024. The Board of Directors has in their meeting held on February 16, 2024 approved the Letter of Offer. Our Company will also make applications to NSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular. The Issue Price is ₹ 25/- per Equity Share and has been arrived at by our Company in consultation with the Lead Manager prior to determination of the Record Date.

Our Company has been allotted the ISIN: INE01II20013 for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. For details, please refer to the section entitled "*Terms of the Issue*" beginning on page 140 of this Letter of Offer.

Basis for the Issue

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of the Equity Shares held dematerialized form and on the register of members of our Company in respect of the Equity Shares held in physical form at the close of business hours on the Record Date, decided in consultation with the Designated Stock Exchange, but excludes persons not eligible under the applicable laws, rules, regulations and guidelines.

Rights Entitlement ("REs") (Rights Equity Shares)

Eligible Equity Shareholders whose names appear as a beneficial owner in respect of the Equity Shares held in dematerialized form or appear in the register of members as an Equity Shareholder of our Company in respect of the Equity Shares held in physical form as on the Record Date, i.e., Thursday, February 22, 2024, are entitled to the number of Rights Equity Shares as set out in the Application Form / in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue (www.bigshareonline.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of our Company: www.silgo.in.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is ISIN: INE01II20013. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date in dematerialised form only. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under Rights Issue for subscribing to the Rights Equity Shares offered under Issue.

If the Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

PRINCIPAL TERMS OF THE RIGHTS EQUITY SHARES ISSUED UNDER THIS ISSUE

Face Value

Each Rights Equity Share will have the face value of ₹ 10/-.

Issue Price

Each Rights Equity Share is being offered at a price of ₹ 25/- per Rights Equity Share in the Issue.

The Issue Price has been arrived at by our Company prior to the determination of the Record Date.

The Rights Equity Shares issued in this Issue will be fully paid-up. The Issue Price and other relevant conditions are in accordance with Regulation 10(4) of the SEBI Takeover Regulations.

The Issue Price is ₹ 25/- per Equity Share and has been arrived at by our Company in consultation with the Lead Manager prior to determination of the Record Date.

Rights Entitlement Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 1 (One) Rights Equity Share(s) for every 1 (One) Equity Share(s) held on the Record Date.

Rights of instrument holder

Each Rights Equity Share shall rank *pari passu* with the existing Equity Shares of the Company.

Terms of Payment

The entire amount of the Issue Price of ₹ 25/- per Rights Equity Share shall be payable at the time of Application.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of 1 (One) Rights Equity Share for every 1 (One) Equity Share held on the Record Date, therefore there shall be no fractional entitlement in this Issue

For example, if an Eligible Equity Shareholder holds 1 (One) Equity Shares, such Shareholder will be entitled to 1 (One) Rights Equity Shares on a rights basis and will also be given a preferential consideration for the Allotment of one Additional Rights Equity Share if the Shareholder has applied for Additional Rights Equity Share if such Eligible Equity Shareholder has applied for Additional Rights Equity Shares, over and above his/her Rights Entitlements, subject to availability of Equity Shares in the Issue post allocation towards Rights Entitlements applied for.

Ranking

The Rights Equity Shares to be issued and allotted pursuant to the Issue shall be subject to the provisions of the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and Memorandum of Association and the Articles of Association provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI LODR Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment Advice. The Rights Equity Shares to be issued and allotted pursuant to the Issue shall rank *pari passu* with the existing Equity Shares of our Company, in all respects including dividends.

Mode of payment of dividend

In the event of declaration of dividend, our Company shall pay dividend to the Eligible Equity Shareholders as per the provisions of the Companies Act and the provisions of the Articles of Association.

Listing and trading of the Rights Equity Shares to be issued pursuant to the Issue

As per the SEBI ICDR Master Circular, the Rights Entitlements with a separate ISIN would be credited to the demat account of the respective Eligible Equity Shareholders before the Issue Opening Date. On the Issue Closing Date, the Depositories will suspend the ISIN of Rights Entitlements for transfer and once the Allotment is done post the Basis of Allotment approved by the Designated Stock Exchange, the separate ISIN no. INE011I20013 for Rights Entitlements so obtained will be permanently deactivated from the Depository system.

The existing Equity Shares of our Company are listed and traded under the ISIN: **INE011I01013** on NSE (Scrip Code: **SILGO**). The Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the NSE. Our Company has received in-principle approval from NSE through letter dated February 13, 2024. All steps for completion of necessary formalities for listing and commencement of trading in the equity shares will be taken within 7 working days from the finalization of the Basis of Allotment. Our Company will apply to NSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

The temporary ISIN shall be kept blocked till the receipt of final listing and trading approval from the NSE. Upon receipt of such listing and trading approvals, the Rights Equity Shares proposed to be issued pursuant to the Issue shall be debited from such temporary ISIN and credited in the existing ISIN and thereafter be available for trading under the existing ISIN as fully

paid-up Equity Shares of our Company and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares allotted pursuant to the Issue will be listed as soon as practicable and all steps for completion of the necessary formalities for listing and commencement of trading of the Rights Equity Shares shall be taken within the specified time prescribed under the SEBI ICDR Regulations. The listing and trading of the Rights Equity Shares issued pursuant to the Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule. If permissions to list, deal in and for an official quotation of the Rights Equity Shares are not granted by NSE, our Company shall within four days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, forthwith refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked, without interest, all moneys received from the Applicants in pursuance of the Letter of Offer. If such money is not refunded/unblocked within four days after our Company becomes liable to repay it, then our Company and every Director who is an officer in default shall, on and from such expiry of fourth day, be jointly and severally liable to repay the money, with interest at rates prescribed under applicable law. For details of trading and listing of Rights Equity Shares, please refer to the heading "*Terms of Payment*" beginning on page 140.

Subscription to the Issue by our Promoters and Promoter Group

For details of the intent and extent of the subscription by our Promoters and Promoter Group, please refer to "*Capital Structure – Intention and extent of participation by our Promoters and Promoter Group in the Issue*" beginning on page 40.

Rights of holders of Equity Shares

Subject to applicable laws, the Equity Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

- The right to receive dividend, if declared;
- The right to vote in person, or by proxy;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive surplus on liquidation;
- The right of free transferability of Equity Shares;
- The right to attend general meetings and exercise voting powers in accordance with law, unless prohibited/restricted by law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the Memorandum of Association and the Articles of Association.

General terms of the Issue

Market Lot

The Equity Shares of our Company are tradable only in dematerialized form. The market lot for Equity Shares in dematerialized mode is one Equity Share.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold such Equity Share as the joint holders with the benefit of survivorship subject to the provisions contained in the Articles of Association. In case

of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in the Issue.

Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. An Investor can nominate any person by filling the relevant details in the Application Form in the space provided for this purpose.

Since the Allotment of Rights Equity Shares is in dematerialized form only, there is no need to make a separate nomination for the Rights Equity Shares to be Allotted in the Issue. Nominations registered with respective Depository Participant of the Investor would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its respective Depository Participant.

Arrangements for Disposal of Odd Lots

Our Equity Shares are traded in dematerialized form only and therefore the marketable lot is one Equity Share and hence, no arrangements for disposal of odd lots are required.

Restrictions on transfer and transmission of shares and on their consolidation/splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue.

However, the Investors should note that pursuant to provisions of the SEBI Listing Regulations, with effect from April 01, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not effected unless the securities are held in the dematerialized form with a depository.

Notices

In accordance with the SEBI ICDR Regulations, SEBI ICDR Master Circular and MCA General Circular No. 21/2020, our Company will send, through email and registered/speed post, the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other Issue Material only to the Eligible Equity Shareholders who have provided an Indian address to our Company. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, our Company along with the Lead Manager will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for not sending the physical copies of Issue Materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and a regional language daily newspaper in the place where our Registered Office is located.

The Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the NSE for making the same available on its websites.

PROCEDURE FOR APPLICATION

How to Apply

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI ICDR Master Circular and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in the Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see "*Terms of Issue- Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" beginning on page 144.

Further, the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date can apply for this Issue through ASBA facility. For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, please refer to "**Procedure for Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form**" beginning on page 156 of this Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form, as applicable, as on Record Date and applying in the Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

The Lead Manager, our Company, its directors, its employees, affiliates, associates and their respective directors and officers, and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account. Investors may accept this Issue and apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Prior to making an Application, such Investors should enable the internet banking of their respective bank accounts and such Investors should ensure that the respective bank accounts have sufficient funds. Please note that Applications made with payment using third party bank accounts are liable to be rejected.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein, (i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or (ii) the requisite internet banking.

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected. Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details please refer to "Grounds for Technical Rejection" beginning on page 160 of this Letter of Offer. Our Company, the Lead Manager, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, please refer to "**Applications on Plain Paper under ASBA process**" beginning on page 143 of this Letter of Offer.

Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to. Details of each Eligible Equity Shareholders Rights Entitlement will be sent to the Eligible Equity shareholder separately along with the Application Form and other Issue Materials would also be available on the website of the Registrar to the Issue at www.bigshareonline.com and link of the same would also be available on the website of our Company at (www.silgo.in). Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

If the Eligible Equity Shareholder applies in the Issue, then such Eligible Equity Shareholders will have the option to:

- i apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- ii apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- iii apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or

- iv apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or
- v renounce its Rights Entitlements in full.

In accordance with the SEBI ICDR Master Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e. March 10, 2024, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period through ASBA mode. Such resident Eligible Equity Shareholders must check the procedure for Application in "*Procedure for Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form*" beginning on page 161.

Procedure for Application through the ASBA process

An Investor, wishing to participate in the Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have otherwise provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link. Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in the Issue and clear demarcated funds should be available in such account for such an Application.

The Lead Manager, our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

Acceptance of this Issue

Investors may accept this Issue and apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section "*Applications on Plain Paper under ASBA process*" beginning on page 143.

Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that

they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Applications for Additional Rights Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, subject to applicable sectoral caps, and in consultation if necessary with the NSE in the manner prescribed under the section titled "**Terms of the Issue**" beginning on page 140. Applications for Additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner prescribed under the section "**Basis of Allotment**" beginning on page 162.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares.

Applications by Overseas Corporate Bodies

By virtue of the Circular No. 14 dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies ("**OCBs**"), have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to OCBs) Regulations, 2003.

Accordingly, the existing Eligible Equity Shareholders of our Company who do not wish to subscribe to the Rights Equity Shares being offered but wish to renounce the same in favour of Renouncee shall not be able to renounce the same (whether for consideration or otherwise), in favour of OCB(s). The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 08, 2003, that OCBs which are incorporated and are not and were not at any time subject to any adverse notice from the RBI, are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 03, 2000, under the foreign direct investment scheme with the prior approval of Government of India if the investment is through the government approval route and with the prior approval of RBI if the investment is through automatic route on case by case basis. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for the Issue as an incorporated non-resident must do so in accordance with the FDI Policy and FEMA Rules. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals. Eligible Equity Shareholders renouncing their rights in favour of such OCBs may do so provided such Renouncee obtains a prior approval from the RBI. On submission of such RBI approval to our Company at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the Application Form.

RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

Renouncees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to the Issue shall apply to the Renouncee(s) as well.

Renunciation of Rights Entitlements

The Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer. In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 06, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, the Eligible Equity Shareholders, who hold Equity Shares in physical form, as applicable, as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements

Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange (the “**On Market Renunciation**”); or (b) through an off-market transfer (the “**Off Market Renunciation**”), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

In accordance with the SEBI ICDR Master Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two working days prior to issue closing date, such that credit of REs in their demat account takes place at least one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Our Company and the Lead Manager accepts no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

a) On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI ICDR Master Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN INE01II20013 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlement. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., Monday, February 26, 2024 to Friday, March 08, 2024 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN INE01II20013 and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of NSE under automatic order matching mechanism and on ‘T+1 rolling settlement basis’, where ‘T’ refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

b) Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a Depository Participant. The Rights Entitlements can be transferred in dematerialised form only.

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

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their Depository Participant by issuing a delivery instruction slip quoting the ISIN INE011I20013, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their Depository Participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Applications on Plain Paper under ASBA process

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above and only such plain paper applications which provide all the details required in terms of Regulation 78 of SEBI ICDR Regulations shall be accepted by SCSBs.

Alternatively, Eligible Equity Shareholders may also use the Application Form available online on the websites of our Company, the Registrar to the Issue, the Lead Manager, NSE to provide requisite details.

An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- Name of our Issuer, being Silgo Retail Limited;
- Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- Registered Folio Number/ DP and Client ID No.;
- Number of Equity Shares held as on Record Date;
- Allotment option preferred - only Demat form;
- Number of Rights Equity Shares entitled to;
- Number of Rights Equity Shares applied for;
- Number of Additional Rights Equity Shares applied for, if any;
- Total number of Rights Equity Shares applied for within the Right Entitlements;
- Total amount paid at the rate of ₹ 25/- per Rights Equity Share;
- Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- In case of NR Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address and branch of the SCSB with which the account is maintained;

- Except for Applications on behalf of the Central or State Government, the residents of Sikkim and officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to the Issue. Documentary evidence for exemption to be provided by the Applicants;
- Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);
- Additionally, all such Applicants are deemed to have accepted the following:

"I/We understand that neither the Rights Entitlement nor the Rights Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended ("US Securities Act") or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof ("United States") or to, or for the account or benefit of a United States person as defined in the Regulation S of the US Securities Act ("Regulation S"). I/ we understand the Rights Equity Shares referred to in this application are being offered in India but not in the United States. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/ we confirm that I/ we are not in the United States and understand that neither us, nor the Registrar, or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, or any other person acting on behalf of us have reason to believe is a resident of the United States "U.S. Person" (as defined in Regulation S) or is ineligible to participate in the Issue under the securities laws of their jurisdiction.

"I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/ We hereby make representations, warranties and agreements set forth herein.

I/We acknowledge that the Company, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties and agreements set forth therein."

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.bigshareonline.com

Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in the Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two clear Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, as applicable, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form, as applicable, as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in the Issue:

- (a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two clear Working Days prior to the Issue Closing Date;
- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- (c) The remaining procedure for Application shall be same as set out in "*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" on page 154.
- (d) In accordance with the SEBI ICDR Master Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two working days prior to issue closing date, such that credit of REs in their demat account takes place at least one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM, AS APPLICABLE, AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM, AS APPLICABLE.

Last date for Application

The last date for submission of the duly filled in Application Form is Tuesday, March 12, 2024. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the provisions of the Articles of Association, and subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and together with the amount payable is either (i) not blocked with an SCSB; or (ii) not received by the Bankers to the Issue on or before the close of banking hours on the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as provided under "*Terms of the Issue - Basis of Allotment*" beginning on page 162 of this Letter of Offer.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Modes of Payment

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-

section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalization of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their Application at the time of the submission of the Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

Mode of payment for Resident Investors

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Investors

As per Rule 7 of the FEMA Rules, RBI has given general permission to a person resident outside India and having investment in an Indian company to make investment in rights equity shares issued by such company subject to certain conditions. Further, as per the Master Direction on Foreign Investment in India dated January 04, 2018 issued by RBI, non-residents may, amongst other things, subject to the conditions set out therein (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Right Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment Advice. If a non-resident or NRI Investor has specific approval from RBI, or any other governmental authority in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application and send it to the Registrar. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and the Lead Manager and our Company will not be responsible for any such allotments made by relying on such approvals.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Manager.

As regards Applications by Non-Resident Investors, the following conditions shall apply:

- Individual non-resident Indian Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar or our Company.

Note:

In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form shall be sent to their e-mail addresses and upon its failure only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis if they have provided their Indian address to our Company or if they are located in certain jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. This Letter of Offer will be provided, only through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Eligible Equity Shareholders can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, the Lead Manager and the Stock Exchange. Further, Application Forms will be made available at Registered Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving

the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

- Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.
- Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.
- Eligible Non-Resident Equity Shareholders applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and Eligible Non-Resident Equity Shareholders applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full amount payable, at the time of the submission of the Application Form to the SCSB. Applications received from NRIs and non-residents for allotment of the Rights Equity Shares shall be inter alia, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of Application Money, allotment of Rights Equity Shares and issue of letter of allotment. If an NR or NRI Investors has specific approval from RBI, in connection with his shareholding, he should enclose a copy of such approval with the Application Form.
- In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act. In case Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India. Non-resident Renounees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Equity Shares in the Issue.

Allotment of the Rights Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, PLEASE REFER TO "ALLOTMENT ADVICES/ REFUND ORDERS/UNBLOCKING OF ASBA ACCOUNTS" BEGINNING ON PAGE 164 OF THIS LETTER OF OFFER.

General instructions for Investors

- a) Please read this Letter of Offer and Application Form carefully to understand the Application process and applicable settlement process.
- b) In accordance with the SEBI ICDR Master Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.
- c) Please read the instructions on the Application Form sent to you.
- d) The Application Form can be used by both the Eligible Equity Shareholders and the Renounees.
- e) Application should be made only through the ASBA facility.
- f) Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected.
- g) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section "**Applications on Plain Paper under ASBA process**" beginning on page 143.
- h) In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI ICDR Master Circular and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.
- i) An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
- j) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the NSE.

- k) Applications should not be submitted to the Bankers to the Issue, our Company or the Registrar or the Lead Manager.
- l) In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form.
- m) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
- n) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid.
- o) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- p) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- q) All communication in connection with Application for the Rights Equity Shares, including any change in address, contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the Date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers (for Eligible Equity Shareholders who hold Equity Shares in physical form, as applicable, as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in address, contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective Depository Participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form, as applicable.
- r) Only persons outside restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Rights Equity Shares under applicable securities laws are eligible to participate.
- s) Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.
- t) In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications.
- u) In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Additional general instructions for Investors in relation to making of an Application

- a) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- b) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section entitled "**Applications on Plain Paper under ASBA process**" beginning on page 153 of this Letter of offer.
- c) Ensure that the demographic details such as address, PAN, DP ID, Client ID, folio number, bank account details and occupation ("**Demographic Details**") are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the

- d) Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. **The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Investor as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs or Registrar or shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.**
- e) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- f) Investors are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- g) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- h) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- i) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- j) Do not pay the Application Money in cash, by money order, pay order or postal order.
- k) Do not submit multiple Applications.
- l) No investment under the FDI route requiring government approval will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.
- m) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

Do's:

- a) Ensure that the Application Form and necessary details are filled in.
- b) Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act.
- c) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("Demographic Details") are updated, true and correct, in all respects.
- d) Investors should provide correct DP ID and client ID/ folio number while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, the SCSBs or the Registrar will not be liable for any such rejections

Don'ts:

- a) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- b) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- c) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- d) Do not pay the Application Money in cash, by money order, pay order or postal order.
- e) Do not submit multiple Applications.

Do's for Investors applying through ASBA:

- a) Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account
- b) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- c) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- d) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.

- e) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.
- f) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- g) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- h) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.
- i) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

Don'ts for Investors applying through ASBA

- a) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- b) Do not send your physical Application to the Registrar, a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- c) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- d) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.
- e) Do not submit Application Form using third party ASBA account.

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

- a) DP ID, folio number and Client ID mentioned in Application does not match with the DP ID, folio number and Client ID records available with the Registrar.
- b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- c) Sending an Application to our Company, the Lead Manager, the Registrar, to a branch of a SCSB which is not a Designated Branch of the SCSB.
- d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- f) Account holder not signing the Application or declaration mentioned therein.
- g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.
- m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
- n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; .
- q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- r) Application from Investors that are residing in U.S. address as per the depository records (other than in reliance with Reg S).
- s) Applicants not having the requisite approvals to make application in the Issue.

- t) **IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.**
- u) Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.
- v) These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. By signing the Application Forms, the Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- w) The Allotment Advice and the email intimating unblocking of ASBA Account would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs or the Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.
- x) In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

Multiple Applications

In case where multiple Applications are made using same demat account in respect of the same Rights Entitlement, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Rights Equity Shares with/without using Additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Applications shall not be treated as multiple applications. For details, please refer to "*Investment by Mutual Funds*" beginning on page 168 of this Letter of Offer.

In cases where multiple Applications are submitted, including cases where an (a) Investor submits Application Forms along with a plain paper Application, or (b) multiple plain paper Applications, or (c) multiple applications through ASBA, such

Applications shall be treated as multiple applications and are liable to be rejected (other than multiple applications that may be submitted by any of the Promoters or members of the Promoter Group as described in "*Capital Structure – Intention and extent of participation by our Promoters and Promoter Group in the Issue*" beginning on page 40 of this Letter of Offer.

Underwriting

The Issue is not underwritten.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, may withdraw their Application post 5.00 p.m. (Indian Standard Time) on the Issue Closing Date.

Issue schedule

Last date for credit of Rights Entitlements	Friday, February 23, 2024
Issue Opening Date	Wednesday, February 28, 2024
Last date for On Market Renunciation*	Friday, March 08, 2024
Issue Closing Date	Tuesday, March 12, 2024
Finalisation of Basis of Allotment (on or about)	Tuesday, March 19, 2024
Date of Allotment (on or about)	Wednesday, March 20, 2024
Date of credit (on or about)	Wednesday, March 20, 2024
Date of listing (on or about)	Tuesday, March 26, 2024

Note: Our Board may, however, decide to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

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

***Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Our Company, the Lead Manager and/or the Registrar to the Issue will not be liable for any loss on account of non-submission of Application Forms or on before the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form, as applicable, as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, *i.e.*, March 10, 2024 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, *i.e.*, March 11, 2024.

Basis of Allotment

Subject to the provisions contained in the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter, the Articles of Association of our Company and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

- a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlement either in full or in part and also to the Renouncee(s) who has/have applied for Rights Equity Shares renounced in its/their favor, in full or in part, as adjusted for fractional entitlement.
- b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- c) Allotment to the Eligible Equity Shareholders who have applied for the full extent of their Rights Entitlement and have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares shall be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are unsubscribed Rights Equity Shares after making full Allotment under (a) and (b) above. The Allotment of such Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
- d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour and also have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares shall be made on a proportionate basis in consultation with the Designated Stock Exchange, as part of the Issue and will not be a preferential allotment.
- e) Allotment to any other person that our Board may deem fit provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.
- f) After taking into account Allotment to be made under (a) to (e) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed' for the purpose of Regulation 3(1)(b) of the SEBI Takeover Regulations.\

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the ASBA Investors who have been Allotted Rights Equity Shares in the Issue, along with:

- a) The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA Application;
- b) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- c) The details of rejected ASBA Applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Banker to the Issue to refund such Applicants.

In the event of over subscription, Allotment shall be made within the overall size of the Issue.

Allotment Advices/Refund Orders/ Unblocking of ASBA Accounts

Our Company will issue and send/dispatch Allotment Advice, refund intimations/instructions, if applicable or demat credit of securities and/or letters of regret, by e-mail or registered post or speed post, only to the Eligible Equity Shareholders who have provided Indian address; along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form, as applicable, on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 15 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment Advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds/unblocking of fund beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

The allotment advice or refund order (if any) or unblocking advice would be sent by e-mail or registered post or speed post to the sole/ first Investor's address provided by the Eligible Equity Shareholders to our Company but the Applicant's Depository Participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account. Such refund orders would be payable at par at all places where the Applications were originally accepted. The same would be marked 'Account Payee only' and would be drawn in favor of the sole/ first Investor. Adequate funds would be made available to the Registrar for this purpose.

Payment of Refund

Mode of making refunds

In case of Applicants not eligible to make an application through ASBA process, the payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes:

- (a) **Unblocking amounts blocked using ASBA facility-** The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through unblocking amounts blocked using ASBA facility.
- (b) **NACH** – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including a Magnetic Ink Character Recognition ("MICR") code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been

made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

- (c) **National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“**IFSC Code**”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- (d) **Direct Credit** – Investors having bank accounts with the Banker to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- (e) **RTGS** – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Refund Bank for the same would be borne by our Company. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.
- (f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
- (g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to Non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

Allotment Advice or Demat Credit

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (pending with IEPF authority/ in suspense, etc.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Right Equity Shares in Dematerialised Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE RESIDENT ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM, AS APPLICABLE, AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES FORM/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form only. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates:

- a) Tripartite Agreement between our Company, National Securities Depository Limited and the Registrar to the Company dated September 10, 2018.

- b) Tripartite Agreement between our Company, Central Depository Service India Limited and the Registrar to the Company dated August 27, 2018.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES OF OUR COMPANY CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in the Issue in the electronic form is as under:

- Open a beneficiary account with any Depository Participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for each such holding. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
- It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
- The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's Depository Participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's Depository Participant.
- If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
- The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders whose Equity Shares are with IEPF authority/ in suspense, etc.). The allotment advice or refund order (if any) or unblocking advice would be sent by e-mail or registered post or speed post to the sole/ first Investor's address provided by the Eligible Equity Shareholders to our Company but the Applicant's Depository Participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
- Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in the Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
- Non-transferable Allotment Advice/ refund orders will be sent directly to the Investors by the Registrar to the Issue.
- Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue for further details, please refer to "Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form" beginning on page 161 of this Letter of Offer.

Procedure for Applications by certain categories of Investors

Investment by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions or restrictions as specified by SEBI and RBI in this regard.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the GoI from time to time. The FPIs who wish to participate in the Issue are advised to use the ASBA Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, only Category I FPIs, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

1. such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
2. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

No investment under the FDI route will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Investment by Systemically Important Non-Banking Financial Companies (NBFC – SI)

In case of an application made by Systemically Important NBFCs registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45 –IA of the RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Investment by AIFs, FVCIs, VCFs and FDI route

The SEBI (Venture Capital Funds) Regulations, 1996, as amended ("SEBI VCF Regulations") and the SEBI (Foreign Venture Capital Investor) Regulations, 2000, as amended ("SEBI FVCI Regulations") prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI (Alternative Investments Funds) Regulations, 2012 ("**SEBI AIF Regulations**") prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue.

Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations.

Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Applications will not be accepted from FPIs in restricted jurisdictions.

FPIs which are QIBs, Non-Institutional Investors or whose application amount exceeds ₹2 lakhs can participate in the Rights Issue only through the ASBA process. Further, FPIs which are QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹2 lakhs.

Investment by NRIs

Investments by NRIs are governed by Rule 12 of FEMA Rules. Applications will not be accepted from NRIs in Restricted Jurisdictions.

NRIs may please note that only such Applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The NRIs who intend to make payment through NRO counts shall use the Application form meant for resident Indians and shall not use the Application forms meant for reserved category.

As per Rule 12 of the FEMA Rules read with Schedule III of the FEMA Rules, an NRI or OCI may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with Press Note 3 of 2020, the FDI Policy ("**Press Note**") has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government of India. It is not clear from the Press Note whether or not an issuance of the Right Shares to Restricted Investors will also require a prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required and such approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Investment by Mutual Funds

Applications made by asset management companies or custodians of Mutual Funds should clearly and specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Procedure for applications by Systemically Important NBFCs

In case of application made by Systemically Important NBFCs registered with the RBI, (i) the certificate of registration issued by the RBI under Section 45 –IA of the RBI Act, 1934 and (ii) networth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Payment by stock invest

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 05, 2003, the stock invest Scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

- i. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities;
- or

- ii. *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- iii. *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447. "*

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 10 lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. Where such fraud (i) involves an amount which is less than ₹ 10 lakhs or 1% of the turnover of the Company, whichever is lower, and (ii) does not involve public interest, then such fraud is punishable with imprisonment for a term extending up to five years or fine of an amount extending up to ₹ 50 lakhs or with both.

Disposal of Applications and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form. Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be unblocked in the respective ASBA Accounts of the Investor within a period of 4 days from the Issue Closing Date and refunded in the respective bank accounts from which Application Money was received on or before T+1 day (T being the date of finalisation of Basis of Allotment). In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

Utilization of Issue Proceeds

Our Board of Directors declares that:

- a) All monies received out of the Issue shall be transferred to a separate bank account;
- b) Details of all monies utilized out of the Issue referred to in clause (a) above shall be disclosed, and shall continue to be disclosed until the time any part of the Issue Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
- c) Details of all unutilized monies out of the Issue referred to in clause (a) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
- d) Our Company may utilize the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

Undertakings by our Company

Our Company undertakes the following:

- a) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.
- b) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchange where the Rights Equity Shares are to be listed will be taken within the time prescribed by the SEBI.
- c) The funds required for unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- d) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- e) No further issue of securities shall be made until the Rights Equity Shares are listed or until the Application Money is refunded on account of non-listing, under subscription, etc. other than as disclosed in accordance with Regulation 97 of SEBI ICDR Regulations.
- f) In case of unblocking of the application amount for unsuccessful Applicants or part of the application amount in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.

- g) Adequate arrangements shall be made to collect all ASBA Applications.
- h) At any given time, there shall be only one denomination for the Rights Equity Shares of our Company.
- i) As on date our Company does not have any convertible debt instruments.
- j) Our Company shall comply with all disclosure and accounting norms specified by the SEBI from time to time.
- k) Our Company accepts full responsibility for the accuracy of information given in this Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

Minimum Subscription

The objects of the Issue involve (i) Repayment in full, of unsecured loan availed from one of the Promoters, Mr. Nitin Jain; (ii) Repayment/ Pre-payment of certain secured loan availed from lender of the Company either in part or full working capital; (iii) To augment the existing and incremental working capital requirement of our Company and (iv) general corporate purposes.

Our Promoters and member of our Promoter Group have, vide their letters dated December 25, 2023 (“Subscription Letters”) undertaken to subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoters or member(s) of the Promoter Group of our Company.

Further they would subscribe to, Additional Rights Equity Shares over and above the Rights Entitlements of the Promoter and Promoter Group including unsubscribed portion of the Issue, if any, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations, Companies Act, the SEBI ICDR Regulations, the SEBI Takeover Regulations and other applicable laws.

The additional subscription, if any, by our Promoters and members of our Promoter Group shall be made subject to such additional subscription not resulting in the minimum public shareholding of our Company falling below the level prescribed in SEBI Listing Regulations and SCRR. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

Filing

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold for filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees one thousand lakhs to Rupees five thousand lakhs. Since the size of this Issue falls above this threshold, this Draft Letter of Offer was filed with NSE and not with SEBI. However, the Letter of Offer has been submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

Withdrawal of the Issue

Subject to provisions of the SEBI ICDR Regulations, the Companies Act and other applicable laws, Our Company, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date, a public notice within two (2) Working Days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisement has appeared and the Stock Exchange will also be informed promptly.

The Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchange.

If our Company withdraws the Issue at any stage including after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Investor Grievances, Communication and Important Links

Please read this Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of the Letter of Offer and must

be carefully followed; otherwise the Application is liable to be rejected. It is to be specifically noted that this Issue of Rights Equity Shares is subject to the risk factors mentioned in "**Risk Factors**" beginning on page 16 of this Letter of Offer.

All enquiries in connection with the Draft Letter of Offer, this Letter of Offer, Abridged Letter of Offer or Application Form and the Rights Entitlement Letter must be addressed (quoting the Registered Folio Number or the DP and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed "Silgo Retail Limited- Rights Issue" on the envelope to the Registrar at the following address:

BIGSHARE SERVICES PRIVATE LIMITED

Office No. 36-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Center, Mahakali Caves Road, Andheri East, Mumbai-400093
Tel: +91 22-6263 8200
Fax No.: +91 22-6263 8299
Contact Person: Mr. Mosses Shirsat
Email Id: rightsissue@bigshargonline.com
Website: www.bigshareonline.com
SEBI Registration Number: INR000001385

In accordance with SEBI ICDR Master Circular, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar. Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is rightsissue@bigshargonline.com.

The Investors can visit following links for the below-mentioned purposes:

- Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: www.bigshareonline.com.
- Updation of Indian address/ email address/ mobile number in the records maintained by the Registrar or our Company i.e. Bigshare Services Private Limited : www.bigshareonline.com
- Updation of demat account details by Eligible Equity Shareholders holding shares in physical form, as applicable: www.bigshareonline.com; and
- Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Shareholders: www.bigshareonline.com.

The Issue will remain open for minimum period of 7 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Consolidated FDI Policy and FEMA. The FDI Policy prescribes the limits and conditions subject to which foreign investment can be made in different sectors of the Indian economy and FEMA regulates the precise manner in which such investment may be made.

The government bodies responsible for granting foreign investment approvals are the concerned ministries/departments of the Government of India and the RBI. Pursuant to the press release dated May 24, 2017, the Union Cabinet phased out the FIPB and it was replaced by the Foreign Investment Facilitation Portal (**FIFP**) to speed up the FDI inflow and to increase the transparency in the FDI approvals in the country. The DIPP issued the Standard Operating Procedure (SOP) for Processing FDI Proposals on June 29, 2017 (the "**SOP**"). The SOP provides a list of the competent authorities to grant approvals for foreign investment for sectors/activities requiring Government approval. For sectors or activities that are currently under the automatic route but which required Government approval earlier as per the extant policy during the relevant period, the concerned Administrative Ministry/Department shall act as the competent authority (the "**Competent Authority**") for the grant of post facto approval for foreign investment. In circumstances where there is a doubt as to which department shall act as the Competent Authority, the DIPP will identify the Competent Authority.

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("**FDI**") through press notes and press releases. The DIPP, has issued a consolidated FDI Policy DPIIT File Number 5(2)/2020-FDI Policy Dated the October 15, 2020 ("**FDI Policy 2020**"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI policy issued by the DIPP that were in force till that date. The Government of India proposes to update the consolidated circular on FDI policy once every year and therefore, the FDI Policy 2020 will be valid until the DIPP issues an updated circular.

Under the FDI Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to 100% without any prior approvals, however the foreign investor must follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment ("**FDI**") and approval from the Government of India will now be handled by the FIFP.

The transfer of shares between an Indian resident and a non-resident does not need prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA, and the transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non- resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the extant policy of the Government of India, erstwhile OCBs cannot participate in this Issue. OCBs or Overseas Corporate Bodies have been de-recognised as a class of investor entity in India with effect from September 16, 2003.

Overseas Corporate Body means a company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least sixty per cent by Non- Resident Indians and includes overseas trust in which not less than sixty percent beneficial interest is held by Non-resident Indians directly or indirectly but irrevocably, which was in existence as on September 16, 2003 and was eligible to undertake transactions pursuant to the general permission granted under FEMA. Any investment made in India by such entities will be treated as investments by incorporated non-resident entities, i.e. a foreign company.

The Issue, if renounced by our shareholders, may include offers within India, to Indian institutional, non- institutional and retail investors in offshore transactions as defined in, and made in reliance upon exemptions from the registration requirements under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), including the exemption under Regulation S ("**Regulation S**") of the U.S. Securities Act.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION VIII- STATUTORY AND OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all working days from the date of this Letter of Offer until the Issue Closing Date or the material contracts shall be made available for inspection through online means. Additionally, any person intending to inspect the abovementioned contracts and documents electronically, may do so, by writing an email to info@silgo.in

I. Material Contracts for the Issue

- i. Issue Agreement dated January 09, 2024 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed in relation to the Issue.
- ii. Registrar Agreement dated January 09, 2024, entered into amongst our Company and the Registrar to the Issue.
- iii. Escrow Agreement dated January 10, 2024 between our Company, the Registrar to the Issue, Lead Manager and Banker(s) to the Issue.

II. Material Documents

- i. Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.
- ii. Certificate of incorporation dated January 09, 2016.
- iii. Fresh certificate of incorporation consequent to conversion of our Company from private limited to public limited and the change in its name from 'Silgo Retail Private Limited' to 'Silgo Retail Limited' dated July 28, 2018.
- iv. Annual Reports of the Company for the financial years ended March 31, 2021, March 31, 2022, and March 31, 2023.
- v. Resolution of the Board of Directors dated August 28, 2023 in relation to the Issue.
- vi. Resolution of the Board of Directors dated January 23, 2024 approving and adopting this Draft Letter of Offer.
- vii. Resolution of the Board of Directors dated February 16, 2024 in relation to the terms of the Issue including the Record Date, Issue Price and Rights Entitlement Ratio.
- viii. The Audited Financial Statements and the audit reports issued by our Statutory Auditors thereon, dated May 30, 2023.
- ix. The Limited Reviewed Financial Results dated October 25, 2023 for the six-month period ended September 30, 2023, included in this Letter of Offer.
- x. Consent of our Directors, Compliance Officer, Statutory Auditor, Lead Manager(s) the Registrar to the Issue, Banker(s) to the Company, the Legal Advisor to the Issue and Banker to the Issue for inclusion of their names in this Letter of Offer in their respective capacities.
- xi. Statement of Tax Benefits dated January 22, 2024 from the Statutory Auditor included in this Letter of Offer.
- xii. Consent letter dated January 09, 2024 from the Statutory Auditor for inclusion of their name as expert, as defined under Section 2(38) of the Companies Act, in this Letter of Offer.
- xiii. Tripartite Agreement between our Company, Central Depository Service India Limited and the Registrar to the Company dated August 27, 2018.
- xiv. Tripartite Agreement between our Company, National Securities Depository Limited and the Registrar to the Company dated September 10, 2018.
- xv. Due Diligence Certificate dated February 16, 2024 issued by Lead Managers.
- xvi. In-principle listing approvals dated February 13, 2024, from the NSE.

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Nitin Jain

(Chairman and Managing Director)

Date: February 16, 2024

Place: Jaipur

DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Anjana Jain

(Whole-Time Director)

Date: February 16, 2024

Place: Jaipur

DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Anisha Jain

(Non-Executive Director)

Date: February 16, 2024

Place: Jaipur

DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Tarun Kumar Rathi
(Independent Director)

Date: February 16, 2024

Place: Jaipur

DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Gopal Singh

(Independent Director)

Date: February 16, 2024

Place: Jaipur

DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Shalabh Gupta

(Independent Director)

Date: February 16, 2024

Place: Jaipur

DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY:

Sd/-

Tripti Sharma

(Company Secretary & Compliance Officer)

Date: February 16, 2024

Place: Jaipur

DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY:

Sd/-

Arihant Jain
(Chief Financial Officer)

Date: February 16, 2024

Place: Jaipur