

This is to inform that the Board of Directors of the Company at its meeting held on 13<sup>th</sup> October, 2017 has decided to file an application under Section 10 of the Insolvency & Bankruptcy Code 2016 with National Company Law Tribunal for getting a resolution plan in each of Debtors of the Jewellery Vertical of the Company which are long overdue for payment and could not adhere to the time norms for such payments on one pretext or the other despite regular follow up :

1. Goodluck Ornaments Private Limited
2. Lucra Jewells Private Limited
3. Shree Ashtvinayak Gems & Stones Private Limited
4. Trustworthy Gems & Jewellery Private Limited
5. Gehna Precious Metals Limited
6. Wellknown Jewellers Private Limited
7. Bhavaya Ornaments Private Limited
8. Saubhagaya Ornaments Private Limited
9. Celebration Jewellers Private Limited
10. Logical Jewellers Private Limited
11. Vision Jewellers Private Limited
12. Achievers Bullions & Jewellers Private Limited

**Reason for such decision:** -Jewellery segment of the Company contributed around 90% to the Company's gross revenue. Company's sales during the fag end of FY 2015-16 were severely impacted due to pan-India strike by Jewellers in March-April, 2016. The entire operations in the Jewellery Industry were suspended resulting in debtors stuck up at every level. The position deteriorated further and resulted in frustrated debtors. Non-realisation of the sale proceeds despite regular follow up with the debtors, adversely impacted the liquidity position of the Company whereby the company failed to honour its term commitments towards the lenders, rendering Company's accounts with all the lenders as NPA. Affected by the onslaught of a persisting severe liquidity crunch, the Company failed to make payment of interest & principal due to the depositors in addition to paying off other liabilities on time.

All these factors have affected the goodwill of the Company. Hence, in order to regain its' goodwill, to recover its debts and also to service the interest liabilities of Banks, to honour payments on account of principal & interest to the depositors and to service its commitments towards other creditors inter-alia managing day-to-day operations of the Company, the Company has also send notices to all the above mentioned Companies but their replies were not satisfactory, hence, the Board of Directors has decided unanimously to initiate recovery proceedings under the provisions a laid down under Section 10 of the Insolvency and Bankruptcy Code 2016.