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PROSPECTUS
Dated: December 17, 2024
Please read Section 26 of the Companies Act, 2013
100% Book Built Offer

INTERNATIONAL GEMMOLOGICAL INSTITUTE (INDIA) LIMITED

Corporate Identity Number: **U74999MH1999PLC118476**

REGISTERED OFFICE AND CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
702, 7th Floor, The Capital, Bandra Kurla Complex, Bandra (E), Mumbai 400 051, Maharashtra, India	Hardik Desai *Company Secretary and Compliance Officer*	**Email:** investor.relations@igi.org **Tel:** +91 22 4035 2550	https://www.igi.org/

THE PROMOTER OF OUR COMPANY: BCP ASIA II TOPCO PTE. LTD.

DETAILS OF THE OFFER TO THE PUBLIC

TYPE	FRESH ISSUE SIZE	SIZE OF THE OFFER FOR SALE	TOTAL OFFER SIZE	ELIGIBILITY AND RESERVATIONS
Fresh Issue and Offer for Sale	35,376,651* equity shares of face value ₹2 each aggregating to ₹14,750* million	65,947,242* equity shares of face value ₹2 each aggregating to ₹27,500* million	101,323,893* equity shares of face value ₹2 each aggregating to ₹42,250* million	This Offer was made in terms of Regulation 6(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**") as our Company does not fulfil the requirement under Regulation 6(1)(a) of the SEBI ICDR Regulations of maintaining not more than 50% of the net tangible assets in monetary assets. For further details, see "*Other Regulatory and Statutory Disclosures – Authority for the Offer*" on page 541. For details in relation to reservation among QIBs, NIBs, RIBs and Eligible Employees, see "*Offer Structure*" on page 565.

Subject to finalisation of Basis of Allotment.

DETAILS OF THE OFFER FOR SALE

NAME OF THE SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED/ AMOUNT (₹ IN MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*
BCP Asia II TopCo Pte. Ltd.	Promoter Selling Shareholder	65,947,242# equity shares of face value ₹2 each aggregating to ₹27,500# million	81.36

**As certified by S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, by way of their certificate dated December 17, 2024.*

#Subject to finalisation of Basis of Allotment.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹2. The Floor Price, Cap Price and Offer Price (determined by our Company, in consultation with the Book Running Lead Managers, in accordance with the SEBI ICDR Regulations), and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process as stated in "*Basis for Offer Price*" on page 96 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, Bidders must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have neither been recommended, nor approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the Bidders is invited to "*Risk Factors*" on page 32.

COMPANY'S AND PROMOTER SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Promoter Selling Shareholder, accepts responsibility for and confirms only the statements expressly and specifically made by it in this Prospectus solely in relation to itself and the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Further, Promoter Selling Shareholder, does not assume responsibility for any other statements, including without limitation, any and all statements made by or relating to our Company or its business or any other person(s), in this Prospectus.

LISTING

The Equity Shares offered through the Red Herring Prospectus and this Prospectus are proposed to be listed on the Stock Exchanges being BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**"). For the purposes of the Offer, NSE is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

NAME OF THE BRLM	CONTACT PERSON	EMAIL AND TELEPHONE
Axis Capital Limited	Pratik Pednekar	**E-mail:** igi.ipo@axiscap.in **Tel:** +91 22 4325 2183
Kotak Mahindra Capital Company Limited	Ganesh Rane	**E-mail:** igi.ipo@kotak.com **Tel:** +91 22 4336 0000
Morgan Stanley India Company Private Limited	Honi Joshi	**E-mail:** igi_indiaipo@morganstanley.com **Tel:** +91 22 6118 1000
SBI Capital Markets Limited	Kristina Dias / Krithika Shetty	**E-mail:** igi.ipo@sbicaps.com **Tel:** +91 22 4006 9807

REGISTRAR TO THE OFFER

KFin Technologies Limited	**Contact Person:** M Murali Krishna	**E-mail:** igil.ipo@kfintech.com **Tel:** +91 40 6716 2222

BID/OFFER PERIOD

ANCHOR INVESTOR BID/OFFER PERIOD	Thursday, December 12, 2024	**BID/OFFER OPENED ON**	Friday, December 13, 2024	**BID/OFFER CLOSED ON**	Tuesday, December 17, 2024

RED HERRING PROSPECTUS
Dated: December 17, 2024
Please read Section 32 of the Companies Act, 2013
100% Book Built Offer

INTERNATIONAL GEMMOLOGICAL INSTITUTE (INDIA) LIMITED

Our Company was incorporated as 'International Gemmological Institute (India) Private Limited' at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated February 23, 1999, issued by the Registrar of Companies, Maharashtra at Mumbai ("**RoC**"). Our Company was subsequently converted into a public limited company and the name of our Company was changed to 'International Gemmological Institute (India) Limited' and a fresh certificate of incorporation dated July 10, 2024 was issued by the RoC. For further details, see "*History and Certain Corporate Matters – Brief History of our Company*" on page 192.

Registered Office: 702, 7th Floor, The Capital, Bandra Kurla Complex, Bandra (E), Mumbai 400 051, Maharashtra, India;
Tel: +91 22 4035 2550; **Website**: https://www.igi.org/; **Contact person**: Hardik Desai, Company Secretary and Compliance Officer;
E-mail: investor.relations@igi.org; **Corporate Identity Number**: U74999MH1999PLC118476

PROMOTER OF OUR COMPANY: BCP ASIA II TOPCO PTE. LTD.

INITIAL PUBLIC OFFERING OF 101,323,893# EQUITY SHARES OF FACE VALUE OF ₹2 EACH ("EQUITY SHARES") OF INTERNATIONAL GEMMOLOGICAL INSTITUTE (INDIA) LIMITED (OUR "COMPANY" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹417 PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹415 PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING TO ₹42,250# MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF 35,376,651# EQUITY SHARES OF FACE VALUE ₹2 EACH AGGREGATING TO ₹14,750# MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE (THE "OFFER FOR SALE") OF 65,947,242# EQUITY SHARES OF FACE VALUE ₹2 EACH AGGREGATING TO ₹27,500# MILLION, BY BCP ASIA II TOPCO PTE. LTD. ("PROMOTER SELLING SHAREHOLDER") ("OFFERED SHARES").

THIS OFFER INCLUDED A RESERVATION OF 52,910# EQUITY SHARES OF FACE VALUE ₹2 EACH (CONSTITUTING 0.01% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) AGGREGATING TO ₹20 MILLION FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREINAFTER) (THE "EMPLOYEE RESERVATION PORTION"). OUR COMPANY, IN CONSULTATION WITH THE BRLMS OFFERED A DISCOUNT OF 9.35% OF THE OFFER PRICE TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER CONSTITUTED 23.45% AND 23.43% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY, RESPECTIVELY.

THE FACE VALUE OF EQUITY SHARES IS ₹2 EACH. THE OFFER PRICE IS 50.98 TIMES THE FACE VALUE OF THE EQUITY SHARE.

Subject to finalisation of Basis of Allotment.

The Offer was made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Net Offer was made available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") ("**QIB Portion**"), provided that our Company, in consultation with the Book Running Lead Managers, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("**Anchor Investor Portion**"), of which one-third was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares was required to be added to the QIB Portion ("**Net QIB Portion**"). Further, 5% of the Net QIB Portion was available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids having been received at or above the Offer Price, and the remainder of the Net QIB Portion was available for allocation on a proportionate basis to all QIBs, including Mutual Funds subject to valid Bids having been received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion could have been added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not more than 15% of the Net Offer was available for allocation to Non-Institutional Bidders and not more than 10% of the Net Offer was available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price. One-third of the Non-Institutional Portion was available for allocation to Non-Institutional Bidders with a Bid size of more than ₹0.20 million and up to ₹1.00 million and two-thirds of the Non-Institutional Portion was available for allocation to Non-Institutional Bidders with a Bid size of more than ₹1.00 million provided that under-subscription in either of these two sub-categories of the Non-Institutional Portion could have been allocated to Non-Institutional Bidders in the other sub-category of Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price. Further, Equity Shares were allocated on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price. All potential Bidders (except Anchor Investors) were mandatorily required to participate in the Offer through the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA accounts and UPI ID in case of UPI Bidders, as applicable, pursuant to which their corresponding Bid Amount were blocked by the SCSBs or by the Sponsor Bank(s) under the UPI Mechanism, as the case may be, to the extent of the respective Bid Amounts. Anchor Investors were not permitted to participate in the Offer through the ASBA process. For details, see "*Offer Procedure*" on page 569.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹2. The Floor Price, Cap Price and Offer Price (determined by our Company, in consultation with the Book Running Lead Managers, in accordance with the SEBI ICDR Regulations), and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process as stated in "*Basis for Offer Price*" on page 96 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, Bidders must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have neither been recommended, nor approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the Bidders is invited to "*Risk Factors*" on page 32.

COMPANY'S AND PROMOTER SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Promoter Selling Shareholder, accepts responsibility for and confirms only the statements expressly and specifically made by it in this Prospectus solely in relation to itself and the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Further, Promoter Selling Shareholder, does not assume responsibility for any other statements, including without limitation, any and all statements made by or relating to our Company or its business or any other person(s), in this Prospectus.

LISTING

The Equity Shares offered through the Red Herring Prospectus and this Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters each dated October 7, 2024. For the purposes of the Offer, NSE is the Designated Stock Exchange. A copy of the Red Herring Prospectus has been filed and a copy of this Prospectus shall be filed with the RoC in accordance with Section 26(4) and Section 32 of the Companies Act, 2013. For details of the material contracts and documents which were made available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 598.

BOOK RUNNING LEAD MANAGERS				REGISTRAR TO THE OFFER
Axis Capital Limited 1st Floor, Axis House, P.B. Marg Worli, Mumbai 400 025 Maharashtra, India **Tel**: + 91 22 4325 2183 **E-mail**: igi.ipo@axiscap.in **Website**: www.axiscapital.co.in **Investor grievance ID**: complaints@axiscap.in **Contact person**: Pratik Pednekar **SEBI registration number:** INM000012029	**Kotak Mahindra Capital Company Limited** 1st Floor, 27 BKC, Plot No. C – 27 "G" Block, Bandra Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra, India **Tel:** +91 22 4336 0000 **E-mail:** igi.ipo@kotak.com **Website:** https://investmentbank.kotak.com **Investor grievance ID:** kmccredressal@kotak.com **Contact person:** Ganesh Rane **SEBI registration number:** INM000008704	**Morgan Stanley India Company Private Limited** 18F, Tower 2 One World Centre Plot 841, Jupiter Textile Mill Compound Senapati Bapat Marg Lower Parel, Mumbai 400 013 Maharashtra, India **Tel**: +91 22 6118 1000 **E-mail**: igi_indiaipo@morganstanley.com **Website**: www.morganstanley.com/india **Investor grievance ID**: investors_india@morganstanley.com **Contact person**: Honi Joshi **SEBI Registration number**: INM000011203	**SBI Capital Markets Limited** 1501, 15th floor, A & B Wing Parinee Crescenzo Building Bandra Kurla Complex Bandra (East) Mumbai 400 051 Maharashtra, India **Tel:** +91 22 4006 9807 **E-mail:** igi.ipo@sbicaps.com **Investor Grievance E-mail:** investor.relations@sbicaps.com **Website:** www.sbicaps.com **Contact Person:** Kristina Dias / Krithika Shetty **SEBI Registration No.:** INM000003531	**KFin Technologies Limited** Selenium Tower B, Plot No. 31 and 32, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032, Telangana, India **Tel:** +91 40 6716 2222 **E-mail:** igil.ipo@kfintech.com **Website:** www.kfintech.com **Investor grievance Id:** einward.ris@kfintech.com **Contact person:** M Murali Krishna **SEBI registration number:** INR000000221

BID/OFFER PERIOD

BID/OFFER OPENED ON*	Friday, December 13, 2024	**BID/OFFER CLOSED ON**	Tuesday, December 17, 2024

* *The Anchor Investor Bid/Offer Period was one Working Day prior to the Bid/Offer Opening Date , i.e., Thursday, December 12, 2024.*

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TABLE OF CONTENTS

SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislations, acts, regulations, rules, directions, guidelines, circulars, notifications, clarifications or policies shall be to such legislations, acts, regulations, rules, directions, guidelines, circulars, notifications, clarifications or policies as amended, updated, supplemented, re-enacted or modified, from time to time, and any reference to a statutory provision shall include any subordinate legislation made, from time to time, under such provision.

The words and expressions used in this Prospectus, but not defined herein shall have the meaning ascribed to such terms under the SEBI ICDR Regulations, SEBI Listing Regulations, the Companies Act, the SCRA, and the Depositories Act or the rules and regulations made thereunder. Further, the Offer related terms used but not defined in this Prospectus shall have the meaning ascribed to such terms under the General Information Document. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

The terms not defined herein but used in "Basis for Offer Price", "Statement of Special Tax Benefits", "Industry Overview", "Key Regulations and Policies", "History and Certain Corporate Matters", "Our Group Companies", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Restated Financial Information", "Outstanding Litigation and Material Developments", "Offer Procedure" and "Main Provisions of Articles of Association" on pages 96, 104, 113, 188, 192, 537, 508, 214, 529, 569 and 591, respectively, shall have the meanings ascribed to such terms in these respective sections.

General Terms

Term	Description
"our Company" or "the Issuer" or "the Company" or "IGI India"	International Gemmological Institute (India) Limited, a public limited company incorporated under the Companies Act, 1956, having its Registered Office at 702, 7th Floor, The Capital, Bandra Kurla Complex, Bandra East, Mumbai 400 051, Maharashtra India
"Pre-Acquisition Group"	Unless the context otherwise indicates or implies, refers to our Company, together with our Subsidiary, prior to the completion of the Proposed Acquisitions
"IGI" or "we" or "us" or "our" or "Post-Acquisition Group"	Unless the context otherwise indicates or implies, refers to International Gemmological Institute, which comprise the Pre-Acquisition Group, the IGI Netherlands Group and the IGI Belgium Group, following the completion of the Proposed Acquisitions

Company Related Terms

Term	Description
Alpha Yu	Alpha Yu B.V.
"Articles of Association" or "AoA" or "Articles"	Articles of association of our Company, as amended
Audit Committee	Audit committee of our Board, as described in "*Our Management – Committees of the Board*" on page 201
"Auditors" or "Statutory Auditors"	Statutory auditors of our Company, M/s. M S K A & Associates, Chartered Accountants
"BCP TopCo" or "Promoter" or "Promoter Selling Shareholder"	BCP Asia II TopCo Pte. Ltd., the promoter of our Company
Blackstone	Blackstone Inc.
"Board" or "Board of Directors"	The board of directors of our Company, as described in "*Our Management*" beginning on page 196
"Chief Financial Officer" or "CFO"	Chief financial officer of our Company, namely, Easwar Subramanian Iyer
Chairman and Independent Director	Chairman and independent director of our Company, namely, Bimal Tanna
Committee(s)	Duly constituted committee(s) of our Board of Directors
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, being, Hardik Desai
Corporate Social Responsibility Committee	Corporate social responsibility committee of our Board, as described in "*Our Management – Committees of the Board*" on page 201
CY 2021 and CY 2022 Special Purpose Consolidated Financial Statements for IGI Belgium Group	The special purpose consolidated financial statements of IGI Belgium comprising the consolidated balance sheet as at December 31, 2022 and December 31, 2021, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement, and the notes to the special purpose consolidated financial statements, including material accounting policy information and other explanatory information and disclosure for the year ended December 31, 2022 and December 31, 2021

Term	Description
CY 2023 Special Purpose Consolidated Financial Statements for IGI Belgium Group	The special purpose consolidated financial statements of IGI Belgium comprising the consolidated balance sheet as at December 31, 2023, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement, and the notes to the special purpose consolidated financial statements, including material accounting policy information and other explanatory information and disclosure for the year ended December 31, 2023
Stub Period Special Purpose Consolidated Financial Statements for IGI Belgium Group	The special purpose consolidated financial statements of IGI Belgium comprising the consolidated balance sheet as at September 30, 2024, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement, and the notes to the special purpose consolidated financial statements, including material accounting policy information and other explanatory information and disclosure for the nine-months period ended September 30, 2024
CY 2021 and CY 2022 Special Purpose Consolidated Financial Statements for IGI Netherlands Group	The special purpose consolidated financial statements of IGI Netherlands comprising the consolidated balance sheet as at December 31, 2022 and December 31, 2021, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement, and the notes to the special purpose consolidated financial statements, including material accounting policy information and other explanatory information and disclosure for the year ended December 31, 2022 and December 31, 2021
CY 2023 Special Purpose Consolidated Financial Statements for IGI Netherlands Group	The special purpose consolidated financial statements of IGI Netherlands comprising the consolidated balance sheet as at December 31, 2023, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement, and the notes to the special purpose consolidated financial statements, including material accounting policy information and other explanatory information and disclosure for the year ended December 31, 2023
D&P Advisory	D and P India Advisory Services LLP incorporated in India and having its registered office situated at no. 750, 37th F Cross, 16th Main, 4th T Block, Jayanagar, Bangalore 560 041, Karnataka, India.
Stub Period Special Purpose Consolidated Financial Statements for IGI Netherlands Group	The special purpose consolidated financial statements of IGI Netherlands comprising the consolidated balance sheet as at September 30, 2024, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement, and the notes to the special purpose consolidated financial statements, including material accounting policy information and other explanatory information and disclosure for the nine-months period ended September 30, 2024
Director(s)	Director(s) on our Board
Equity Shares	The equity shares of our Company bearing face value of ₹2 each
Erstwhile Shareholders	Alpha Yu and Lorie Holding
ESOP 2024	IGI Employee Stock Option Plan – 2024
Executive Director(s)	Executive director of our Company. For details, see "*Our Management*" on page 196
Group Companies	The group companies of our Company in accordance with the SEBI ICDR Regulations. For details, see "*Our Group Companies*" on page 537
IGI Belgium	International Gemmological Institute BV
IGI Belgium Group	IGI Belgium and its subsidiary namely, IGI USA
IGI China	The entities incorporated in China namely, IGI (Shanghai) Business Consulting Company Limited, IGI (Shanghai) Gemological Training Company Limited, IGI (Shanghai) Gemological Research and Testing Limited and IGI (Shenzhen) Jewelry Testing Co., Ltd.
IGI Egypt	International Gemological Institute for Jewelry and Precious Stones (IGI)
IGI Hong Kong	International Gemological Institute (HK) Limited
IGI Israel	I.G.I International Gemmological Institutes (Israel) Ltd.
IGI Netherlands	IGI Netherlands B.V.
IGI Netherlands Group	IGI Netherlands and its subsidiaries namely, IGI UAE, IGI Israel, IGI Thailand and IGI Hong Kong and its step-down subsidiaries namely, IGI Egypt and IGI China
IGI Shanghai Consulting	IGI (Shanghai) Business Consulting Company Limited
IGI Shanghai Testing	IGI (Shanghai) Gemological Research and Testing Limited
IGI Shanghai Training	IGI (Shanghai) Gemological Training Company Limited
IGI Shenzhen	IGI (Shenzhen) Jewelry Testing Co., Ltd.
IGI Thailand	International Gemmological Identification (Thailand) Limited
IGI Turkey	International Gemmological Institute Turkey Değerli Taş Sertifikasyon Hizmetleri Anonim Şirketi
IGI UAE	International Gemological Institute DMCC
IGI USA	International Gemological Institute, Inc.

Term	Description
Independent Director(s)	Independent director(s) on our Board. For details of the Independent Directors, see "*Our Management- Our Board*" on page 196
IPO Committee	The IPO committee of our Board
"Key Managerial Personnel" or "KMP"	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, as described in "*Our Management – Key Managerial Personnel*" on page 207
Lorie Holding	Lorie Holding B.V.
Managing Director and Chief Executive Officer	Managing director and chief executive officer of our Company, namely, Tehmasp Nariman Printer
"Memorandum of Association" or "MoA"	Memorandum of association of our Company, as amended
Nomination and Remuneration Committee	Nomination, remuneration and compensation committee of our Board, as described in "*Our Management – Committees of the Board*" on page 201
Non-Executive Director/(s)	Non-executive director(s) of our Company. For further details of our Non-Executive Directors, see "*Our Management*" on page 196
Non-Executive (Nominee) Directors	Non-executive (nominee) directors of our Company, namely, Mukesh Mehta, Prateek Roongta and Tejas Naphade
Promoter Group	The entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as described in "*Our Promoter and Promoter Group*" on page 210
Proposed Acquisitions	Acquisition of IGI Belgium Group and IGI Netherlands Group by our Company from the Promoter pursuant to the Share Purchase Agreement as described in "*Proposed Acquisitions*" on page 147
Registered and Corporate Office	702, 7th Floor, The Capital, Bandra Kurla Complex, Bandra (E), Mumbai 400 051, Maharashtra, India
"Registrar of Companies" or "RoC"	Registrar of Companies, Maharashtra at Mumbai
Restated Financial Information	The restated financial information of our Company, comprising of the restated consolidated statement of assets and liabilities of the Group as at September 30, 2024, September 30, 2023, December 31, 2023, and December 31, 2022 and restated consolidated statement of profit and loss (including other comprehensive income), restated consolidated statement of changes in equity and restated consolidated statement of cash flows along with the statement of material accounting policies and other explanatory information for the nine-months period ended September 30, 2024, September 30, 2023 and years ended December 31, 2023, and December 31, 2022; restated standalone statement of assets and liabilities as at December 31, 2021 and restated standalone statement of profit and loss (including other comprehensive income), restated standalone statement of changes in equity and restated standalone statement of cash flows along with the statement of material accounting policies and other explanatory information for the year ended December 31, 2021 prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI, as amended from time to time.
Special Purpose Consolidated Financial Statements for IGI Belgium Group	Collectively, CY 2021 and CY 2022 Special Purpose Consolidated Financial Statements for IGI Belgium Group, CY 2023 Special Purpose Consolidated Financial Statements for IGI Belgium Group and Stub Period Special Purpose Consolidated Financial Statements for IGI Belgium Group
Special Purpose Consolidated Financial Statements for IGI Netherlands Group	Collectively, CY 2021 and CY 2022 Special Purpose Consolidated Financial Statements for IGI Netherlands Group, CY 2023 Special Purpose Consolidated Financial Statements for IGI Netherlands Group and Stub Period Special Purpose Consolidated Financial Statements for IGI Netherlands Group
Risk Management Committee	Risk management committee of our Board, as described in "*Our Management – Committees of the Board*" on page 201
"Senior Management" or "Senior Management Personnel"	Senior management personnel of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations, as described in "*Our Management – Senior Management Personnel*" on page 207
Share Purchase Agreement	Share purchase agreement dated August 22, 2024 and the addendum to the agreement dated November 29, 2024 entered into between our Company and our Promoter in relation to the Proposed Acquisitions. For details see "*Proposed Acquisitions*" and "*Objects of the Offer"* on pages 147 and 90, respectively.
Shareholder(s)	Equity shareholder(s) of our Company from time to time
Stakeholders' Relationship Committee	Stakeholders' relationship committee of our Board, as described in "*Our Management – Committees of the Board*" on page 201
Subsidiary	The subsidiary of our Company namely, IGI Turkey, as described in "*History and Certain Corporate Matters – Our Subsidiary, Associate and Joint Venture*" on page 193
Unaudited Pro Forma Condensed Combined Financial Information	The unaudited condensed combined pro forma financial information consists of the pro forma condensed combined balance sheet as at September 30, 2024, and December 31, 2023, pro forma condensed combined statement of profit and loss (including other comprehensive income) for the

Term	Description
	nine-months period ended September 30, 2024, and for the year ended December 31, 2023, and related notes. The unaudited pro forma condensed combined financial information has been compiled by our Company to illustrate the impact of the Proposed Acquisitions from the Net Proceeds of the Offer as set out in note 2 to the unaudited pro forma condensed combined financial information, on our Company's financial position as at September 30, 2024, and December 31, 2023, as if the acquisitions had taken place as on those dates respectively; its financial performance for the nine-months period ended September 30, 2024 and for the calendar year ended December 31, 2023, as if the acquisitions had taken place as at January 1, 2023.
Valuation Report	Valuation report dated December 4, 2024, prepared by D&P Advisory in connection with the Proposed Acquisitions

Offer Related Terms

Term	Description
Abridged Prospectus	The memorandum containing such salient features of a prospectus as may be specified by SEBI in this regard
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
"Allot" or "Allotment" or "Allotted"	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Equity Shares by the Promoter Selling Shareholder pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor Allocation Price	₹417 per Equity Share being the price at which Equity Shares were allocated to the Anchor Investors during the Anchor Investor Bid/Offer Period in terms of the Red Herring Prospectus and this Prospectus, which was be decided by our Company, in consultation with the Book Running Lead Managers
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the requirements specified under the SEBI ICDR Regulations and the Red Herring Prospectus and this Prospectus
"Anchor Investor Bidding Date" or "Anchor Investor Bid/ Offer Period"	December 12, 2024, being one Working Day prior to the Bid / Offer Opening Date, on which Bids by Anchor Investors were submitted, prior to and after which the Book Running Lead Managers did not accept any Bids from Anchor Investors, and allocation to Anchor Investors was completed
Anchor Investor Offer Price	₹417 per Equity Share being the final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and this Prospectus. The Anchor Investor Offer Price was be decided by our Company, in consultation with the Book Running Lead Managers
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), the Anchor Investor Bid/Offer Period
Anchor Investor Portion	60% of the QIB Portion, constituting 45,571,942* Equity Shares which has been allocated by our Company, in consultation with the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations One-third of the Anchor Investor Portion were reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations **Subject to finalisation of Basis of Allotment.*
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and this Prospectus and who has Bid for an amount of at least ₹100 million
"Application Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and included applications made by UPI Bidders where the Bid Amount will be blocked by the SCSB upon acceptance of the UPI Mandate Request by the UPI Bidders using the UPI Mechanism
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the amount specified in the ASBA Form submitted by such ASBA Bidder and included a bank account maintained by a UPI Bidder linked to a UPI ID, which was blocked by the SCSB upon acceptance of the UPI Mandate Request in relation to a Bid by a UPI Bidder
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which was considered as the application for Allotment in terms of the Red Herring Prospectus and this Prospectus

Term	Description
Axis	Axis Capital Limited
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public Offer Bank(s) and Sponsor Bank(s)
Basis of Allotment	The basis on which Equity Shares will be Allotted to successful Bidders under the Offer. For details, see "*Offer Procedure*" on page 569
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid
Bid cum Application Form	Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	35 equity shares of face value ₹2 each and in multiples of 35 equity shares of face value ₹2 each thereafter
Bid(s)	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Offer Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly Eligible Employees who applied in the Employee Reservation Portion could apply at the Cut-off Price and the Bid Amount shall be Cap Price (net of the Employee Discount), multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee did not exceed ₹500,000 (net of the Employee Discount). However, the initial allocation to an Eligible Employee Bidding in the Employee Reservation Portion did not exceed ₹200,000 (net of the Employee Discount). Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion shall be made available for allocation and Allotment, proportionately to all Eligible Employees Bidding in the Employee Reservation Portion who Bid in excess of ₹200,000 (net of the Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of the Employee Discount).
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, Tuesday, December 17, 2024
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, Friday, December 13, 2024
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which Bidders (except Anchor Investors) could submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus.
"Bidder" or "Applicant"	An investor who made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, which included an ASBA Bidder and an Anchor Investor
Bidding Centres	The centres at which the Designated Intermediaries could have accepted the Bid cum Application Forms, being the Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer was made
"Book Running Lead Managers" or "BRLMs"	The book running lead managers to the Offer namely, Axis Capital Limited, Kotak Mahindra Capital Company Limited, Morgan Stanley India Company Private Limited and SBI Capital Markets Limited
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders could have submitted the ASBA Forms to a Registered Broker The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Cap Price	The higher end of the Price Band, being ₹417 per Equity Share
Cash Escrow and Sponsor Bank Agreement	The cash escrow and sponsor bank agreement dated December 4, 2024 entered into between our Company, the Promoter Selling Shareholder, the Book Running Lead Managers, the Registrar to the Offer, the Banker(s) to the Offer for, *inter alia*, collection of the Bid Amounts from the Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from the Anchor Investors, on the terms and conditions thereof, in accordance with the UPI Circulars
Client ID	The client identification number maintained with one of the Depositories in relation to demat account
"Collecting Depository Participant" or "CDP"	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who was eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI RTA Master Circular and the UPI Circulars issued by SEBI and the Stock Exchanges as per the list available on the websites of the Stock Exchanges, as updated from time to time

Term	Description
"Confirmation of Allocation Note" or "CAN"	A notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, on or after the Anchor Investor Bid/Offer Period
Cut-off Price	The Offer Price being ₹417 per Equity Share finalised by our Company, in consultation with the Book Running Lead Managers Only Retail Individual Bidders Bidding in the Retail Portion and Eligible Employees Bidding in the Employee Reservation Portion were entitled to Bid at the Cut-off Price (net of the Employee Discount). QIBs (including the Anchor Investors) and Non-Institutional Bidders were not entitled to Bid at the Cut-off Price
Demographic Details	The demographic details of the Bidders including the Bidders' address, name of the Bidders' father or husband, investor status, occupation, bank account details, PAN and UPI ID, where applicable
Designated Branches	Such branches of the SCSBs which could have collected the ASBA Forms from relevant Bidders, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where relevant ASBA Bidders could submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Offer Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of UPI Bidders using UPI Mechanism, instruction issued through the Sponsor Banks) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account, in terms of the Red Herring Prospectus and this Prospectus after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Equity Shares will be Allotted in the Offer
Designated Intermediary(ies)	Collectively, the members of the Syndicate, sub-syndicate or agents, SCSBs (other than in relation to UPI Bidders using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who were authorised to collect Bid cum Application Forms from the relevant Bidders, in relation to the Offer In relation to ASBA Forms submitted by RIBs Bidding in the Retail Portion, NIBs bidding with an application size of up to ₹0.50 million (not using the UPI Mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount was blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism, Designated Intermediaries meant Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders with an application size of more than ₹0.50 million (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where relevant ASBA Bidders could submit the ASBA Forms to RTAs The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	NSE
"Draft Red Herring Prospectus" or "DRHP"	The draft red herring prospectus dated August 22, 2024, filed with SEBI and Stock Exchanges and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto
"Eligible Employees"	Permanent employees of our Company (excluding such employees were not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines), as on the date of filing the Red Herring Prospectus with the RoC and who continued to be a permanent employee of our Company until the submission of the ASBA Form and is based, working and present in India or abroad as on the date of submission of the ASBA Form; and a Director of our Company, whether whole time or not, who is eligible to apply under the Employee Reservation Portion under applicable law as on the date of filing of the Red Herring Prospectus with the RoC and who continued to be a Director of our Company, until the submission of the Bid cum Application Form, but not including Directors who either themselves or through their relatives or through any body corporate, directly or indirectly, held more than 10% of the outstanding Equity Shares of our Company. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee could not exceed ₹500,000 (net of the Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (net of the Employee Discount).
Eligible FPI(s)	FPI(s) that were eligible to participate in the Offer in terms of applicable law and from such jurisdictions outside India where it was not unlawful to make an offer / invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constituted an invitation to purchase the Equity Shares

Term	Description
Eligible NRI(s)	NRI(s) who were eligible to invest under Schedule 3 and Schedule 4 of the FEMA Rules, from jurisdictions outside India where it was not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constituted an invitation to purchase the Equity Shares
Employee Discount	Our Company, in consultation with the BRLMs, offered a discount of 9.35% to the Offer Price (equivalent of ₹39 per Equity Share) to Eligible Employee(s) Bidding in the Employee Reservation Portion
"Employee Reservation Portion"	The portion of the Offer being 52,910* equity shares of face value ₹2 each (constituting 0.01% of our post-Offer paid-up Equity Share capital) aggregating to ₹20 million available for allocation to Eligible Employees, on a proportionate basis **Subject to finalisation of Basis of Allotment.*
Escrow Account(s)	The 'no-lien' and 'non-interest bearing' account(s) opened with the Escrow Collection Bank and in whose favour the Bidders (excluding the ASBA Bidders) transferred money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	Bank(s), which were clearing members and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account were opened, in this case being, Axis Bank Limited
"First Bidder" or "Sole Bidder"	The Bidder whose name was mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name also appeared as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, ₹397 per Equity Share
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Fresh Issue	Fresh issue of 35,376,651* equity shares of face value ₹2 each aggregating to ₹14,750* million by our Company ** Subject to finalisation of Basis of Allotment.*
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
"General Information Document" or "GID"	The General Information Document for investing in public issues, prepared and issued in accordance with the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document was available on the websites of the Stock Exchanges, and the Book Running Lead Managers
Gross Proceeds	Gross proceeds of the Fresh Issue that will be available to our Company
Kotak	Kotak Mahindra Capital Company Limited
Materiality Policy	The policy adopted by our Board on August 6, 2024, for identification of material outstanding litigation involving our Company, Subsidiary, Directors or Promoter, in accordance with the disclosure requirements under the SEBI ICDR Regulations, for the purposes of disclosure in the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus
Monitoring Agency	ICRA Limited
Monitoring Agency Agreement	The agreement dated November 28, 2024 entered into between and amongst our Company and the Monitoring Agency
Morgan Stanley	Morgan Stanley India Company Private Limited
Mutual Fund Portion	5% of the Net QIB Portion or 1,519,065* equity shares of face value ₹2 each which has been made available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids having been received at or above the Offer Price **Subject to finalisation of Basis of Allotment*
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Offer	The Offer less the Employee Reservation Portion
Net Proceeds	Proceeds of the Fresh Issue less Offer expenses borne by our Company. For details in relation to use of the Net Proceeds and the Offer expenses, see "*Objects of the Offer*" on page 90
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
"Non-Institutional Bidders" or "NIBs" OR "NIIs"	All Bidders including FPIs other than individuals, corporate bodies and family offices registered with SEBI that are were QIBs (including Anchor Investors) or RIBs or Eligible Employees bidding in the Employee Reservation portion, who had Bid for Equity Shares, for an amount of more than ₹0.20 million (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not more than 15% of the Offer comprising of 15,190,647* equity shares of face value ₹2 each which was made available for allocation to NIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price in the following manner: a) One-third of the portion available to Non-Institutional Bidders was reserved for applicants with an application size of more than ₹0.20 million and up to ₹1.00 million; and b) Two-thirds of the portion available to Non-Institutional Bidders was reserved for applicants with an application size of more than ₹1.00 million Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of NIBs

Term	Description
	Subject to finalisation of Basis of Allotment
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
"Non-Resident Indians" or "NRI(s)"	A non-resident Indian as defined under the FEMA Rules
Offer	The initial public offer of 101,323,893* equity shares of face value of ₹2 each for cash at a price of ₹417 each (including a share premium of ₹415 per equity share of face value ₹2), aggregating to ₹42,250* million, comprising of the Fresh Issue, Offer for Sale and Employee Reservation Portion * *Subject to finalisation of Basis of Allotment*
Offer Agreement	The offer agreement dated August 22, 2024, entered into among our Company, the Promoter Selling Shareholder and the Book Running Lead Managers, pursuant to which certain arrangements are agreed upon in relation to the Offer
"Offer for Sale" or "Offered Shares"	Offer for Sale of 65,947,242* equity shares of face value ₹2 each aggregating to ₹27,500* million by the Promoter Selling Shareholder * *Subject to finalisation of Basis of Allotment*
Offer Price	The final price being ₹417 per Equity Share at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and this Prospectus. Equity Shares has been Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus and this Prospectus The Offer Price and Employee Discount was decided by our Company, in consultation with the Book Running Lead Managers on the Pricing Date
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Promoter Selling Shareholder. For further information about use of the Offer Proceeds, see "*Objects of the Offer*" on page 90
Price Band	The price band of a minimum price of ₹397 per equity share of face value ₹2 (Floor Price) and the maximum price of ₹417 per equity share of face value ₹2 (Cap Price)
Pricing Date	The date on which our Company, in consultation with the Book Running Lead Managers, finalised the Offer Price being December 17, 2024
Prospectus	This prospectus dated December 17, 2024 to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information including any addenda or corrigenda thereto
Public Offer Account	The 'no-lien' and 'non-interest bearing' account opened, in accordance with Section 40(3) of the Companies Act, with the Public Offer Bank to receive monies from the Escrow Account and the ASBA Accounts on the Designated Date
Public Offer Bank(s)	The bank(s) which are a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Offer Account for collection of Bid Amounts from Escrow Accounts and ASBA Accounts have been opened, in this case being Kotak Mahindra Bank Limited
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not less than 75% of the Net Offer consisting of 75,953,238* equity shares of face value ₹2 each which has been made available for allocation on a proportionate basis to QIBs (including Anchor Investors in which allocation was done on a discretionary basis, as determined by our Company, in consultation with the Book Running Lead Managers, up to a limit of 60% of the QIB Portion), subject to valid Bids having been received at or above the Offer Price or Anchor Investor Offer Price * *Subject to finalisation of Basis of Allotment*
"QIBs" or "QIB Bidders" or "Qualified Institutional Buyers"	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
"Red Herring Prospectus" or "RHP"	The red herring prospectus dated December 6, 2024 issued by our Company in accordance with Section 32 of the Companies Act and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto The Red Herring Prospectus was filed with the RoC at least three Working Days before the Bid / Offer Opening Date and has become this Prospectus upon filing with the RoC after the Pricing Date
Redseer	Redseer Strategy Consultants Private Limited
Redseer Report	The report titled *"Loose stones and studded jewelry Certification Market"* dated December 3, 2024 prepared by Redseer, which has been commissioned by and paid for by our Company pursuant to an engagement letter with Redseer issued on May 6, 2024, exclusively for the purposes of the Offer. The Redseer Report is available on the website of our Company at https://investor.igi.org/shareholder-information/documents/
Refund Account(s)	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	The Banker(s) to the Offer with whom the Refund Account(s) has been opened, in this case being Kotak Mahindra Bank Limited
Registered Brokers	The stock brokers registered under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992, as amended with the Stock Exchanges having nationwide terminals, other than the Book Running Lead Managers and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/ CFD/ 14/ 2012 dated October 4, 2012 issued by SEBI
Registrar Agreement	Registrar agreement dated August 22, 2024 read with the amendment to the Registrar Agreement dated December 4, 2024, entered into among our Company, the Promoter Selling Shareholder and

Term	Description
	the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
"Registrar to the Offer" or "Registrar"	KFin Technologies Limited
Resident Indian	A person resident in India, as defined under FEMA
"Retail Individual Bidder(s)" or "RIB(s)"	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹0.20 million in any of the bidding options in the Offer (including HUFs applying through their Karta) and Eligible NRIs
Retail Portion	The portion of the Offer being not more than 10% of the Net Offer comprising of 10,127,098* equity shares of face value ₹2 each, which was made available for allocation to RIBs in accordance with the SEBI ICDR Regulations ** Subject to finalisation of Basis of Allotment*
Revision Form	The form used by Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable QIB Bidders and Non-Institutional Bidders were not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion could have revised their Bids during the Bid/ Offer Period and could have withdrawn their Bids until Bid/Offer Closing Date
"RTAs" or "Registrar and Share Transfer Agents"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations, in terms of the SEBI RTA Master Circular, as per the list available on the websites of the Stock Exchanges, and the UPI Circulars
SBICAPS	SBI Capital Markets Limited
SCORES	Securities and Exchange Board of India Complaints Redress System
"Self Certified Syndicate Bank(s)" or "SCSB(s)"	The banks registered with SEBI, which offered the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount was blocked by authorising an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time Applications through UPI in the Issue could be made only through the SCSBs mobile applications (apps) whose name appeared on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI mechanism is available on to the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43. The said list shall be updated on the SEBI website
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement namely, KFin Technologies Limited
Share Escrow Agreement	Share escrow agreement dated December 4, 2024 entered into among our Company, the Promoter Selling Shareholder and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer for Sale by the Promoter Selling Shareholder for the purposes of credit of such Equity Shares to the demat accounts of the Allottees in accordance with the Basis of Allotment
Specified Locations	The Bidding centres where the Syndicate accepted Bid cum Application Forms from relevant Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in), and updated from time to time
Sponsor Bank(s)	Kotak Mahindra Bank Limited and Axis Bank Limited, being Banker(s) to the Offer registered with SEBI, appointed by our Company to act as conduits between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the UPI Bidders using the UPI Mechanism, in terms of the UPI Circulars
Sub-Syndicate Members	The sub-syndicate members, appointed by the Book Running Lead Managers and the Syndicate Members, to collect ASBA Forms and Revision Forms
Syndicate Agreement	Syndicate agreement dated December 4, 2024 entered into among our Company, the Promoter Selling Shareholder, the Registrar and the members of the Syndicate in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Member(s)	Intermediaries (other than the Book Running Lead Managers) registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer, namely Kotak Securities Limited, SBICap Securities Limited and Investec Capital Services (India) Private Limited.
"Syndicate" or "members of the Syndicate"	Together, the Book Running Lead Managers and the Syndicate Members
Underwriters	Axis Capital Limited, Kotak Mahindra Capital Company Limited, Morgan Stanley India Company Private Limited, SBI Capital Markets Limited, Investec Capital Services (India) Private Limited, SBICAP Securities Limited and Kotak Securities Limited
Underwriting Agreement	Underwriting agreement dated December 17, 2024 entered into among our Company, the Promoter Selling Shareholder and the Underwriters
UPI	Unified payments interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors who applied as (i) Retail Individual Bidders Bidding in the Retail Portion, (ii) Eligible Employees Bidding in the Employee Reservation Portion, and (iii) Non-Institutional Bidders with an application size of up to ₹0.50 million Bidding in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate

Term	Description
	Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents Pursuant to circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹0.50 million shall use UPI Mechanism, shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI RTA Master Circular (to the extent it pertains to UPI), SEBI Master Circular SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI application and by way of a SMS for directing the UPI Bidder to such UPI mobile application) to the UPI Bidder initiated by the Sponsor Bank(s) to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	Process for applications by UPI Bidders submitted with intermediaries with UPI as mode of payment, in terms of the UPI Circulars
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Day(s)	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI, including the UPI Circulars

Technical, Industry Related Terms or Abbreviations

Term	Description
Average net worth	Average net worth is calculated as the sum of the opening total equity and the closing total equity, divided by two.
Average trade receivables	Average trade receivables is calculated as the sum of our opening trade receivables and closing trade receivables operations for the year/period, divided by two.
4Cs	Carat weight, color, clarity and cut
AI	Artificial Intelligence
CCTV	Closed-circuit television
Colored gemstones	Precious gemstones, namely, ruby, sapphire, and emerald
Colored stones	Gemstones (such as rubies, sapphire and emerald) and semi-precious stones (such as amethyst, aquamarine and topaz).
Costume jewelry	Imitation jewelry incorporates materials like Alloy, Stainless Steel, brass, Copper, Plastic, Glass, Cubic Zirconia, etc., creating a more affordable jewelry offering.
D2C	Refers to Direct-to-Consumer brands which includes platforms which caters directly to consumers without relying on middlemen of any sort.
Days Sales Outstanding	Days Sales Outstanding calculates the average number of days it takes to collect payment after making a sale, by multiplying the average trade receivables by 365 (in the case of CY2021 to CY2023) and by 91 (in the case of the nine-months period ending September 30, 2024), and dividing by the revenue from operations for the year/period.
Diamond	Unless stated otherwise, it includes natural and lab-grown diamonds.
Diamond parcels	A parcel paper or a paper pocket that is folded and contains a diamond inside
Discretionary Expenditures	Discretionary expenditures include spending on categories such as FMCG (excl. staples) apparel, consumer electronics, consumer appliances, general merchandise, and beauty & personal care (BPC), among others. These tend to have cyclical demand, fluctuating with economic conditions.
EBITDA	EBITDA is calculated as restated profit / (loss) for the period / year, plus finance costs, total taxes, and depreciation and amortisation expense less other income.
EBITDA growth Y-o-Y(%)	EBITDA growth Y-o-Y (%) is calculated as a percentage of EBITDA of the relevant period/year minus EBITDA of the preceding period/year, divided by revenue from operations of the preceding period/year.
EBITDA margin%	EBITDA margin (%) is calculated as EBITDA divided by revenue from operations.
Gemstones	Includes diamonds and colored gemstones
Gem-quality	Stones that are used for jewelry
Gen Z	Persons aged 11-26 years
Gross Domestic Product (Real)	Real gross domestic product (GDP) is GDP given in constant prices by expressing values of all goods and services produced in a given year, expressed in terms of a base period.

Term	Description
Gross Domestic Product at Current Prices	GDP at purchaser's prices is the sum of gross value added by all resident producers in the economy plus any product taxes and minus any subsidies not included in the value of the products. It is calculated without making deductions for the depreciation of fabricated assets or for the depletion and degradation of natural resources. Data are in current U.S. dollars. Dollar figures for GDP are converted from domestic currencies using single-year official exchange rates. For a few countries where the official exchange rate does not reflect the rate effectively applied to actual foreign exchange transactions, an alternative conversion factor is used.
Gross National Income (GNI)	GNI per capita is the gross national income, converted to U.S. dollars using the World Bank Atlas method, divided by the midyear population. GNI is the sum of value added by all resident producers plus any product taxes (fewer subsidies) not included in the valuation of output plus net receipts of primary income (compensation of employees and property income) from abroad. GNI, calculated in national currency, is usually converted to U.S. dollars at official exchange rates for comparisons across economies, although an alternative rate is used when the official exchange rate is judged to diverge by an exceptionally large margin from the rate actually applied in international transactions.
High-Income Households	Households with annual income of more than ₹1.1 million (US$13,000)
IGI Schools of Gemology	Our global education platform
Independent	Implies that the laboratory is not affiliated with any jewelry retailer, manufacturer, or other commercial entity that could potentially bias their assessments
Independent laboratories	Independent implies the laboratory is not affiliated with any jewelry retailer, manufacturer, or other commercial entity that could potentially bias their assessments.
Jewelry-grade diamonds	Diamonds that are utilized for jewelry purposes often include relatively fewer inclusions than diamonds used for industrial purposes.
Labor force	The labor force includes the population of people 15 years old and over who are either employed, unemployed or seeking employment.
Labor Force Participation Rate (LPFR)	The labor force participation rate is the proportion of the population ages 15 and older that is economically active: all people who supply labor for the production of goods and services during a specified period.
Loose stones	Diamonds (natural and laboratory-grown) and colored stones (precious and semi-precious) in loose/ non-studded form
Lower middle-class households	Households with annual income less than ₹0.8 million (US$ 9,400) but more than ₹0.3 million (US$ 3,300)
Low-income households	Households with annual income less than ₹0.3 million (US$3,300)
Master stone sets	A lineup of diamonds that have a predetermined characteristics used as a reference point to grade diamonds.
Millennials	Persons aged 27 to 42 years
Non-discretionary expenditures	Non-discretionary expenditures encompass spending on essential categories such as pharmaceuticals, staples, and fresh food, which are less sensitive to economic changes.
Net working capital	Net working capital refers to the total current assets minus the total current liabilities.
Non-Profit Institutions Serving Household Final Consumption Expenditure	Household and NPISHs' final consumption expenditure (formerly private consumption) is the market value of all goods and services, including durable products (such as cars, washing machines, and home computers) purchased by households. It excludes purchases of dwellings but includes imputed rent for owner-occupied dwellings. It also includes payments and fees to governments to obtain permits and licenses. This indicator includes the expenditures of nonprofit institutions serving households, even when reported separately by the country. Data are in constant 2015 prices, expressed in U.S. dollars.
Nuclear households	Includes “couple only” households, “couple with children” households, and “single parent with children” households
Organized market	Refers to studded jewelry being sold through established retail chains, branded stores, and online platforms, whereas the unorganized includes sales through local jewelers, family-owned businesses, and informal traders.
Peer set	Players with a presence in India along with global reach in at least 5 countries which include the following players- Gemological Institute of America (GIA), Gemological Science International (GSI), Hoge Raad Voor Diamant (HRD) Antwerp, Solitaire Gemmological Laboratories (SGL) and International Gemmological Institute (IGI)
Private Final Consumption Expenditure (PFCE)	Expenditure incurred by the resident households and non-profit institutions serving households on final consumption of goods and services, whether made within or outside the economic territory
Profit after tax	Profit after tax means restated profit / (loss) for the period/year as appearing in the Restated Financial Information
Profit after tax margin	Profit after tax margin refers to the percentage margin derived by dividing profit after tax by revenue from operations.
Return on capital employed (RoCE)(%)	Return on capital employed (RoCE)(%) is calculated as EBITDA less depreciation and amortisation / capital employed. Capital employed is calculated as total equity plus total borrowings plus total lease liabilities and deferred tax liabilities(net) minus deferred tax assets (net)
Return on equity (RoE)(%)	Return on equity refers to restated profit after tax divided by average total equity for the year/period. Restated profit after tax means restated profit / (loss) for the period/year as appearing in the Restated Financial Information. Average total equity is the sum of opening and closing total equity divided by two
Return on Net Worth or RoNW	Return on equity net worth is our profit for the year/period, divided by the average net worth
Return on Invested Capital (ROIC)	ROIC is used to measure the profitability and efficiency of a company in terms of how well it utilizes its capital. It is calculated by dividing the company's net operating profit after taxes (NOPAT) by its invested capital

Term	Description
Revenue from Operations of the Pre-Acquisition Group	Revenue from Operations of the Pre-Acquisition Group means the revenue from operations as appearing in the Restated Financial information
Revenue Growth (Y-o-Y) of the Pre-Acquisition Group	Revenue Growth (Y-o-Y) of the Pre-Acquisition Group is calculated as a percentage of revenue from operations of the relevant period/year minus revenue from operations of the preceding period/year, divided by revenue from operations of the preceding period/year
Segmental Revenue by service line of the Pre-Acquisition Group	Segmental Revenue by service line of the Pre-Acquisition Group means the revenue from operations as per Note 24 to the Restated Financial Information. Other revenue comprises of sale of products, advertisement and show income and commission income (exports)
Semi-precious stones	Stones such as amethyst, aquamarine, and topaz
Stones	Diamonds (natural and laboratory-grown) and colored stones
Studded jewelry	Jewelry that has been bejeweled with stones
Synthetic stone	Stones that may visibly resemble natural or lab-grown gemstones but do not share their chemical properties, such as cubic zirconia, white sapphire, moissanite, zircon, rutile, spinel, and synthetic garnet
Upper middle-class households	Households with annual income less than ₹1.1 million (US$13,000) but more than ₹0.8 million (US$ 9,400)

Conventional and General Terms or Abbreviations

Term	Description
"₹" or "Rs." Or "Rupees" or "INR"	Indian Rupees
AED	United Arab Emirates Dirham
"Bn" or "bn"	Billion
BSE	BSE Limited
CAGR	Compounded annual growth rate
"Calendar Year" or "CY"	Unless stated otherwise, the period of 12 months ending December 31 of that particular year
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
"Chinese Yuan Renminbi" or "CNY" "¥"	Chinese Yuan Renminbi
CIN	Corporate Identity Number
Companies Act, 1956	The erstwhile Companies Act, 1956 read with the rules, regulations, clarifications and modifications thereunder
"Companies Act" or "Companies Act, 2013"	Companies Act, 2013, as applicable, along with the relevant rules, regulations, clarifications and modifications made thereunder
Consolidated FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT under DPIIT File Number 5(2)/2020-FDI Policy dated October 15, 2020, effective from October 15, 2020 issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
CSR	Corporate social responsibility
Depositories	Together, NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant's Identification
"DP" or "Depository Participant"	A depository participant as defined under the Depositories Act
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as Department of Industrial Policy and Promotion)
EGM	Extraordinary general meeting
EGP	Egyptian Pound
EPS	Earnings per Equity Share
"EUR" or "€"	Euro
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
"Fiscal" or "Fiscal Year" or "FY" or "Financial Year"	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
"GoI" or "Government" or "Central Government"	Government of India
GST	Goods and services tax
Hong Kong	Hong Kong Special Administrative Region of the People's Republic of China (HKSAR)

Term	Description
HKD	Hong Kong Dollar
HUF	Hindu undivided family
ICAI	The Institute of Chartered Accountants of India
ILS	Israeli New Shekel
IFRS	International Financial Reporting Standards
Income-tax Act	The Income-tax Act, 1961
Ind AS	Indian Accounting Standards notified under Section 133 of the Companies Act and referred to in the Companies (Indian Accounting Standards) Rules, 2015
India	Republic of India
"Indian GAAP"/ "IGAAP"	Accounting Standards notified under Section 133 of the Companies Act and referred to in the Companies (Accounting Standards) Rules, 2014
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
IT	Information Technology
IT Act	The Information Technology Act, 2000
KYC	Know Your Customer
MCA	Ministry of Corporate Affairs, Government of India
"Mn" or "mn"	Million
Mutual Funds	Mutual Funds registered under the SEBI Mutual Fund Regulations
NACH	National Automated Clearing House
National Investment Fund	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India
"NAV" or "Net Asset Value"	Net asset value
NEFT	National Electronic Fund Transfer
Negotiable Instruments Act	The Negotiable Instruments Act, 1881
NPCI	National Payments Corporation of India
NRE	Non- Resident External
NRI	An individual resident outside India, who is a citizen of India.
NRO	Non-Resident Ordinary
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs were not allowed to invest in the Offer
p.a.	Per annum
P/E Ratio	Price to earnings ratio
PAN	Permanent Account Number
PRC	People's Republic of China
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
Rule 144A	Rule 144A under the U.S. Securities Act
"RoNW" or "Return on Net Worth"	Return on net worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI RTA Master Circular	SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
Sq. ft.	Square feet
State Government	The government of a state in India
Stock Exchanges	BSE and NSE
STT	Securities transaction tax
Systemically Important NBFC or NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations

Term	Description
TAN	Tax deduction account number
THB	Thai Baht
TRY	Turkish Lira
UAE	United Arab Emirates
U.S. Securities Act	U.S. Securities Act of 1933, as amended
UEN	Unique Entity Number
"U.S." or "USA" or "United States"	United States of America including its territories and possessions, any State of the United States, and the District of Columbia
"USD" or "US$"	United States Dollars
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be

SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of certain disclosures included in this Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including "Risk Factors", "The Offer", "Capital Structure", "Objects of the Offer", "Industry Overview", "Our Business", "Our Promoter and Promoter Group", "Restated Financial Information", "Management's Discussions and Analysis of Financial Position and Results of Operations", "Outstanding Litigation and Material Developments", "Offer Procedure" and "Main Provisions of Articles of Association" beginning on pages 32, 63, 78, 90, 113, 159, 210, 214, 508, 529, 569 and 591, respectively.

Summary of Primary business of our Company

Our Company is an independent certification and accreditation services provider for diamonds, studded jewelry and colored stones certifications. Our Company is part of the International Gemmological Institute ("IGI") group, and is responsible for the operation of the business under the "IGI" brand exclusively in India and Türkiye.

Summary of Industry in which our Company operates

According to the Redseer Report (see pages 113 and 133 of "*Industry Overview*"), the global jewelry market, which includes studded jewelry, is expected to grow at a CAGR of 3% to 6% from CY2023 to CY2028, and global diamond consumption is expected to grow at a CAGR of 6% over the same period. As the studded jewelry market grows, demand for certification is likely to rise, and certifications of diamonds, studded jewelry and colored stones is expected to grow at a CAGR of 5% to 10% from CY2023 to CY2028, with laboratory-grown diamonds certification leading the certification growth by volume, as per the Redseer Report (see page 141 of "*Industry Overview*").

Our Promoter

Our Promoter is BCP Asia II TopCo Pte. Ltd.

Previously, Alpha Yu and Lorie Holding ("Erstwhile Shareholders") held 315,848 equity shares of face value of ₹10 each and 78,961 equity shares of face value of ₹10 each, equivalent to 80% and 20% of the issued, subscribed and paid-up equity share capital of our Company, respectively. The Erstwhile Shareholders entered into two agreements, each dated May 19, 2023 ("Agreements"), with (a) our Promoter, and (b) our Promoter and our Company, pursuant to which our Promoter acquired (a) 315,848 equity shares of face value of ₹10 each aggregating 80% of the then equity share capital of our Company at an aggregate consideration of ₹25,824,402,155.00* from Alpha Yu; and (b) 78,961 equity shares of face value of ₹10 each aggregating 20% of the then equity share capital of our Company at an aggregate consideration of ₹6,456,121,049.82* from Lorie Holding. The Agreements include customary representation and warranties provisions in relation to fundamental, business and tax claims. In terms of the Agreements, the liability of the Erstwhile Shareholders is subject to certain limitations. As per the Agreements, the Erstwhile Shareholders shall not be liable for any claim unless the Erstwhile Shareholders receive a written notice as per the manner prescribed in the Agreements, together with supporting evidence (a) before the date that is five years after the closing date, in case of a fundamental warranty claim; (b) before the date that is 36 months after the closing date, in case of a business warranty claim; or (c) before the date that is seven years after the closing date, in case of a tax warranty claim. Further, as per the Agreements, the amount of liability of the Erstwhile Shareholders in respect of (a) the fundamental warranty claims shall not exceed an amount equal to their respective proportion of the final price, as included in the Agreements; (b) certain business warranty claims shall not exceed an amount equal to 10% of their respective proportion of the final price, as included in the Agreements; and (c) all business warranty claims and tax warranty claims, other than those specified at paragraph (b) above, shall not exceed ₹82.05*. For further details, see "*Our Promoter and Promoter Group*" beginning on page 210.

** Calculated basis exchange rate of $1 = ₹82.05, as per Form SH-4.*

Offer size

The following table summarizes the details of the Offer. For further details, see "*The Offer*" and "*Offer Structure*" beginning on pages 63 and 565, respectively.

Offer of Equity Shares(1)(2)	101,323,893* equity shares of face value ₹2 each for cash at price of ₹417 per equity share of face value ₹2 (including a premium of ₹415 per equity share of face value ₹2) aggregating to ₹42,250* million
of which:	
(i) Fresh Issue(1)	35,376,651* equity shares of face value ₹2 each aggregating to ₹14,750* million
(ii) Offer for Sale(2)	65,947,242* equity shares of face value ₹2 each aggregating to ₹27,500* million
The Offer comprises:	
Employee Reservation Portion(3)	52,910* equity shares of face value ₹2 each aggregating to ₹20 million
Net Offer	101,270,983* equity shares of face value ₹2 each aggregating to ₹42,230* million

(1) The Offer has been authorised by our Board pursuant to the resolutions dated August 7, 2024 and August 22, 2024 and the Fresh Issue has been authorised by our Shareholders pursuant to the special resolution passed at their meeting dated August 10, 2024 and by the Board at their meeting dated November 25, 2024.

(2) Our Board has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholder pursuant to its resolution dated August 22, 2024. The Promoter Selling Shareholder has confirmed and authorized its participation in the Offer for Sale. The Equity Shares being offered by the Promoter Selling Shareholder have been held by them for a period of at least one year prior to the date of filing of this Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations and is in compliance with Regulation 8A of the SEBI ICDR Regulations. For details of authorisations for the Offer for Sale, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 541.

(3) In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion could have been made available for allocation and Allotment, proportionately to all Eligible Employees Bidding in the Employee Reservation Portion who had Bid in excess of ₹200,000 (net of Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of ₹500,000), shall be added to the Net Offer.

*Subject to finalization of Basis of Allotment

The Offer and the Net Offer shall constitute 23.45% and 23.43% of the post Offer paid-up Equity Share capital of our Company, respectively. For further details, see "*The Offer*" and "*Offer Structure*" beginning on pages 63 and 565, respectively.

Details in respect of all arrangements (acquisition, amalgamation and merger, slump sale, existing or proposed)

As part of the Proposed Acquisition, our Company proposes to utilize a portion of the Net Proceeds towards acquiring 100% of the share capital of IGI Belgium Group and IGI Netherlands Group from our Promoter. Following the completion of the Proposed Acquisitions, our Company will become the 100% shareholder of IGI Belgium and IGI Netherlands, and will be responsible for operation of the IGI business globally. See "*Proposed Acquisitions*" and "*Objects of the Offer*" on pages 147 and 90 for more details of the Proposed Acquisitions.

The following are certain other details pertaining to the Proposed Acquisition.

S. No.	Particulars	Details
1.	Name of the acquirer/ acquiree	**Acquirer:** Our Company
		Acquiree: BCP Asia II TopCo Pte. Ltd.
2.	Relationship of Promoter or Directors of our Company with the person/entities from whom our Company proposes to acquire	Our Promoter is the acquiree from whom we propose to acquire IGI Belgium Group and IGI Netherlands Group. Except for Mukesh Mehta, Prateek Roongta and Tejas Naphade who are Non-Executive (Nominee) Directors of the acquiree, none of our other Directors are related to the acquiree.
3.	Summarized information about valuation	See "*Proposed Acquisitions- Summarised Information about Valuation"* on page 157.
4.	Effective date of the transaction	Listing date of Equity Shares

Objects of the Offer

The Net Proceeds are proposed to be utilized in accordance with the details provided below:

(₹ in million)

Particulars	Estimated amount
Payment of the purchase consideration for the acquisition of the IGI Belgium Group and IGI Netherlands Group from our Promoter	13,000.00
General corporate purposes[(1)]	1,097.40
Net Proceeds	**14,097.40**

(1) The amount to be utilised for general corporate purposes alone will not exceed 25% of the Gross Proceeds.

For further details, see "*Objects of the Offer*" beginning on page 90.

Aggregate pre-Offer and post- Offer direct shareholding of our Promoter (also the Promoter Selling Shareholder) in our Company and members of the Promoter Group

Category of Shareholders	Pre-Offer		Post-Offer*	
	No. of Equity Shares	% of total paid up Equity Share capital	No. of Equity Shares	% of total paid up Equity Share capital
Promoter (also the Promoter Selling Shareholder)				
BCP TopCo^	396,783,045	100%	330,835,803	76.55%
Sub-Total (A)	396,783,045	100%	330,835,803	76.55%
Promoter Group (other than the Promoter)				
NIL				

* *Subject to finalisation of Basis of Allotment.*

^ *Includes six equity shares of face value ₹2 each, one each held by Tehmasp Nariman Printer, Easwar Subramanian Iyer, Hardik Desai, Kareena Shahani, Sindhu Loyal and Aniket Mansukh Shah, as nominees of our Promoter.*

For further details, see "*Capital Structure*" beginning on page 78.

Summary of Restated Financial Information

The following details are derived from the Restated Financial Information as at and for the nine-months period ended September 30, 2024, September 30, 2023 and as at and for the Calendar Year ended December 31, 2023, December 31, 2022 and December 31, 2021.

(in ₹ million, unless otherwise stated)

Particulars	As at and for the nine -months period ended September 30, 2024	As at and for the nine -months period ended September 30, 2023	As at and for the Calendar Year ended December 31, 2023	As at and for the Calendar Year ended December 31, 2022	As at and for the Calendar Year ended December 31, 2021
Equity share capital*#	793.57	3.95	3.95	3.95	3.95
Revenue from operations	5,963.57	4,537.88	6,385.28	4,909.94	3,646.91
Total income	6,194.92	4,592.25	6,486.60	4,993.32	3,742.88
Restated profit for the period/year	3,260.60	2,386.94	3,247.38	2,417.58	1,715.30
Basic and diluted earnings per equity share*# (in ₹)	8.22	6.02	8.18	6.09	4.32
Total borrowings	-	-	-	-	-
Net worth (C)	6,434.12	4,499.89	5,090.09	3,390.73	2,425.89
Net asset value per equity share (in ₹)	16.22	11.34	12.83	8.55	6.11

* *Pursuant to a resolution passed by our Board on April 25, 2024, and a resolution passed by our Shareholders on May 8, 2024, the issued, subscribed and paid-up capital of our Company was sub-divided from 394,809 equity shares of face value of ₹10 each to 1,974,045 equity shares of face value of ₹ 2 each. Sub-division of equity shares is retrospectively considered for the computation of EPS in accordance with Indian Accounting Standard 33 ("Ind AS 33") for all the Calendar Years/ periods presented.*

\# *Pursuant to a resolution passed by our Board on April 25, 2024 and a resolution passed by our Shareholders on May 21, 2024, the issuance of 394,809,000 equity shares of face value ₹2 each by way of a bonus issue in the ratio of 200 Equity Share for every one equity share of face value ₹2 each held, was approved, which were allotted on June 6, 2024. Such Equity Shares allotted pursuant to the bonus issue are retrospectively considered for the computation of EPS in accordance with Ind AS 33 for all the Calendar Years/periods presented.*

Notes:

A. *The ratios have been computed as follows:*
   i. *Basic EPS is calculated as profit for the year/period attributable to owners of our Company divided by the weighted average number of Equity Shares outstanding during the year/ period.*
   ii. *Diluted EPS is calculated as profit for the year/period attributable to owners of our Company divided by the weighted average number of Equity Shares outstanding during the year/ period and the weighted average number of Equity Shares that could have been issued upon conversion of all dilutive potential Equity Shares.*
   iii. *Net Asset Value per Equity Share (in ₹) is computed as net worth at the end of the period/ year / weighted average number of equity shares outstanding at the end of the period/ year.*
   iv. *Return on Net Worth (%)is our profit for the year/period divided by the average Net Worth for the respective year/period. Average net worth is the sum of opening and closing net worth divided by two.*
   v. *Accounting and other ratios are derived from the Restated Financial Information.*

B. *Accounting and other ratios are derived from the Restated Financial Information.*

C. *Net worth means Aggregate of equity share capital and other equity.*

D. *Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/ year adjusted by the number of equity shares issued during the period/ year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/ year.*

E. *Earnings per share calculations are in accordance with Ind AS 33.*

Qualifications of the Statutory Auditors which have not been given effect to in the Restated Financial Information

There are no qualifications included by the Statutory Auditors in their audit reports and hence no effect is required to be given in the Restated Financial Information.

Our Statutory Auditors have included matters of emphasis in their audit report on our financial statements as at and for the nine-months period ended September 30, 2024, September 30, 2023 and as at and for the Calendar Year ended December 31, 2023, December 31, 2022 and December 31, 2021. For further details, see "*Risk Factors – The examination reports on our Restated Financial Information disclose emphasis of matter paragraphs, and we cannot assure that our financial information for future periods will not contain emphasis of matters.*" on page 50.

Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, Subsidiary, Promoter, Directors and the IGI Belgium Group and IGI Netherlands Group as on the date of this Prospectus as disclosed in the section titled "*Outstanding Litigation and Other Material Developments*" beginning on page 529 in terms of the SEBI ICDR Regulations is provided below:

Name of entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material civil litigations	Aggregate amount involved (₹ in million)[1]
Company						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	6	2	Nil	2[2]	51.66
Directors						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	1	Nil	Nil	1.78
Promoter						
By our Promoter	Nil	Nil	Nil	Nil	Nil	Nil
Against our Promoter	Nil	Nil	Nil	Nil	Nil	Nil
Subsidiary						
By our Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
Against our Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
IGI Belgium Group						
By the IGI Belgium Group	Nil	Nil	Nil	Nil	Nil	Nil
Against IGI Belgium Group	Nil	Nil	Nil	Nil	2[2]	Nil
IGI Netherlands Group						
By the IGI Netherlands Group	Nil	Nil	Nil	Nil	Nil	Nil
Against IGI Netherlands Group	Nil	Nil	Nil	Nil	1[2]	Nil

(1) *To the extent quantifiable*

(2) *This includes a litigation that has been initiated by KS Trade LLC against our Company, IGI USA and IGI UAE and others before the Supreme Court of the State of New York*

Except as disclosed in "*Outstanding Litigation and Other Material Developments - Litigation involving the IGI Belgium Group and IGI Netherlands Group*" on page 532, there is no outstanding litigation involving our Group Companies. Further, as on the date of this Prospectus, there is no pending litigation involving our Group Companies which will have a material impact on our Company. Further, as of September 30, 2024, the contingent liability with respect to outstanding litigations involving the Company is ₹ 1.64 million, which is 0.03% of the net worth of our Company.

For further details of the outstanding litigation proceedings, see "*Outstanding Litigation and Material Developments*" beginning on page 529.

Risk Factors

For details of the risks applicable to us, see "*Risk Factors*" beginning on page 32. Investors are advised to read the risk factors carefully before making an investment decision in the Offer.

Summary of Contingent Liabilities

The summary of our contingent liabilities as per as at September 30, 2024 are set forth in the table below:

(*In ₹ million*)

Particulars	As at September 30, 2024	As at September 30, 2023	As at December 31, 2023	As at December 31, 2022	As at December 31, 2021
Claims against group not acknowledged as debt:					
Income tax	1.48	1.48	1.48	2.03	46.27
ESIC	0.16	0.16	-	5.38	5.38
Professional tax department	-	-	0.16	0.16	-

Summary of Related Party Transactions

A summary of related party transactions as per the requirements under Ind AS 24 – Related Party Disclosures read with the SEBI ICDR Regulations entered into by our Company with related parties as at and for the nine-months period ended September 30, 2024, September 30, 2023 and for the Calendar Years ended December 31, 2023, December 31, 2022 and December 31, 2021 derived from our Restated Financial Information is as follows:

(*In ₹ million)*

Name of related party	Relationship	Nature of transactions	For nine months ended				For the period/ year ended					
			September 30, 2024 (In ₹ million)	In % vis-a-vis the nature of transaction	September 30, 2023 (In ₹ million)	In % vis-a-vis the nature of transaction	December 31, 2023 (In ₹ million)	In % vis-a-vis the nature of transaction	December 31, 2022 (In ₹ million)	In % vis-a-vis the nature of transaction	December 31, 2021 (In ₹ million)	In % vis-a-vis the nature of transaction
BCP Asia II Topco Pte. Ltd.	Holding Company	Dividend paid during the year	1,897.67	100.00	-	-	274.00	19.61	-	-	-	-
Alpha Yu B.V.	Erstwhile Holding Company	Dividend paid to previous holding company	-	-	898.59	80.00	898.59	64.31	1,168.64	80.00	1,184.43	80.00
BCP Asia II Holdco III Pte. Ltd.	Ultimate Holding Company	Dividend paid during the year	-	-	-	-	0.00	0.00	-	-	-	-
Assaying & Authenticity Alliance Pvt. Ltd.	Enterprise over which key management personnel has control	Rent paid (including Property Tax, Maintenance and GST)	2.02	2.65	12.50	18.78	14.26	15.67	13.44	17.46	13.78	5.88
Gajvrat Realty Pvt. Ltd.	Enterprise over which key management personnel has control	Rent paid (including Property Tax, Maintenance and GST)	1.78	2.34	7.88	11.84	8.96	9.85	8.15	10.59	8.92	3.81
IGI (Shanghai) Business Consulting Company Limited	Fellow subsidiary	Sales - machine	-	-	-	-	-	-	0.97	3.98	-	-
		Reimbursement of expenses	0.12	0.02	-	-	-	-	-	-	-	-
		Sale of – Stationery	10.18	0.17	5.35	0.12	8.58	0.14	-	-	-	-
International Gemmological Identification (Thailand) Limited	Fellow subsidiary	Reimbursement of Expenses	0.05	0.01	0.06	0.01	0.06	0.01	-	-	-	-
		Sales – machine	-	-	1.30	3.78	1.30	3.70	-	-	-	-
I.G.I International Gemmological Institutes (Israel) Ltd.	Fellow subsidiary	Sales – machine	-	-	1.72	5.01	1.72	4.91	-	-	-	-
		Reimbursement of expenses	0.16	0.02	-	-	-	-	-	-	-	-
		Sales of stationery	0.83	0.01	2.74	0.06	2.74	0.04	1.93	0.04	0.07	0.00
International Gemmological Institute BV	Fellow subsidiary	Payment against various expenses	1.45	0.18	1.05	0.18	2.00	0.23	0.94	0.14	1.01	0.21
		Reimbursement of expenses	0.21	0.03	0.06	0.01	-	-	-	-	-	-
		Certification income	-	-	-	-	-	-	0.02	0.00	-	-
		Sales machine	-	-	-	-	-	-	0.28	1.15	2.52	10.21
		Sales of stationery	0.21	0.00	2.74	0.06	3.17	0.05	0.27	0.01	-	-
International Gemological Institute DMCC	Fellow subsidiary	Sales – machine	-	-	-	-	-	-	1.93	7.96	-	-
		Purchase of diamond	0.23	28.90	-	-	-	-	-	-	-	-
		Sale of diamond	0.23	0.98	-	-	-	-	-	-	-	-
		Reimbursement of expenses	0.16	0.02	0.04	0.01	-	-	-	-	-	-
		Payment against various expenses	-	-	-	-	-	-	0.24	0.04	1.27	0.26
		Sales – certification	-	-	-	-	-	-	0.09	0.00	-	-
		–Commission income	-	-	-	-	0.63	14.96	-	-	-	-
		Sale of Stationery	1.32	0.02	-	-	-	-	0.07	0.0	-	-

Name of related party	Relationship	Nature of transactions	For nine months ended				For the period/ year ended					
			September 30, 2024 (In ₹ million)	In % vis-a-vis the nature of transaction	September 30, 2023 (In ₹ million)	In % vis-a-vis the nature of transaction	December 31, 2023 (In ₹ million)	In % vis-a-vis the nature of transaction	December 31, 2022 (In ₹ million)	In % vis-a-vis the nature of transaction	December 31, 2021 (In ₹ million)	In % vis-a-vis the nature of transaction
										0		
International Gemological Institute, Inc.	Fellow subsidiary	Payment against various expenses	42.59	5.29	32.13	5.46	44.91	5.10	55.18	8.34	60.69	12.44
		Reimbursement of Expenses	0.70	0.09	1.75	0.30	5.40	0.61	-	-	-	-
		Sale of diamonds	0.73	3.12	-	-	-	-	-	-	-	-
		Sales – machine	-	-	-	-	-	-	-	-	1.17	4.74
		Sales – certification	-	-	-	-	-	-	1.35	0.03	-	-
		–Commission income	3.92	101.32	5.06	187.81	2.53	59.75	0.54	100.00	6.02	93.86
International Gemological Institute (HK) Limited	Fellow subsidiary	Reimbursement of Expenses	0.03	0.00	0.13	0.02	0.13	0.02	-	-	-	-
		Sales – machine	-	-	-	-	1.74	4.95	-	-	-	-
		Payment against various expenses	-	-	-	-	-	-	-	-	-	-
		Sale of stationery	0.58	0.01	1.33	0.03	2.75	0.04	0.10	0.00	0.01	0.00
Lorie Holding B.V.	Erstwhile shareholder	Dividend paid to erstwhile shareholders	-	-	224.64	20.00	224.64	16.08	292.16	20.00	296.10	20.00
Deborah Pienica	Key Management Personnel	Director remuneration & Director Sitting Fees	25.81	3.07	25.52	3.60	34.11	3.51	33.31	3.80	28.09	3.82
Tehmasp Nariman Printer	Key Management Personnel	Director remuneration & Director Sitting Fees	238.72	28.40	213.67	30.14	238.67	24.58	353.37	40.32	241.63	32.87
Varaz Printer	Relative of Key Management Personnel	Employee Benefit expenses	1.63	0.19	0.62	0.09	1.31	0.14	-	-	-	-
Easwar Subramanian Iyer	Key Management Personnel	Employee Benefit expenses	12.24	1.46	-	-	2.66	0.27	-	-	-	-
Hardik Desai	Key Management Personnel	Employee Benefit expenses	1.33	0.16	-	-	-	-	-	-	-	-
IGI (Shenzhen) Jewelry Testing Co., Ltd.	Fellow subsidiary	Sale of stationery	-	-	-	-	-	-	-	-	-	-

Related Party Balances

			As at period/ year ended									
Name of related party	**Relationship**	**Nature of outstanding balances**	**September 30, 2024 (In ₹ million)**	**In % vis-a-vis the nature of transaction**	**September 30, 2024 (In ₹ million)**	**In % vis-a-vis the nature of transaction**	**December 31, 2023 (In ₹ million)**	**In % vis-a-vis the nature of transaction**	**December 31, 2022 (In ₹ million)**	**In % vis-a-vis the nature of transaction**	**December 31, 2021 (In ₹ million)**	**In % vis-a-vis the nature of transaction**
Assaying & Authenticity Alliance Pvt. Ltd.	Enterprise over which key management personnel has control	Lease liability	-	-	23.18	7.14	19.25	6.28	31.96	11.97	22.52	13.80
		Deposit given	-	-	4.14	9.68	4.39	9.76	4.06	10.18	4.62	11.99
Gajvrat Realty Pvt. Ltd.	Enterprise over which key management personnel has control	Lease liability	-	-	32.65	10.06	30.25	9.87	37.24	13.94	2.04	1.25
		Deposit given	-	-	3.01	7.04	3.19	7.10	2.96	7.41	3.84	9.97
IGI (Shanghai) Business Consulting Company Limited	Fellow Subsidiary	Trade receivable	0.46	0.03	7.65	0.66	7.49	0.70	2.32	0.37	1.17	0.34
I.G.I International Gemmological Institutes (Israel) Ltd.	Fellow Subsidiary	Trade receivable	0.08	0.01	7.12	0.61	7.20	0.67	2.94	0.47	2.62	0.77
International Gemmological Institute BV	Fellow Subsidiary	Trade payables	-	-	-	-	-	0.00	0.03	0.06	0.00	0.00
		Trade receivable	0.43	0.03	3.25	0.28	0.36	0.03	0.45	0.07	5.81	1.70
International Gemological Institute DMCC	Fellow Subsidiary	Trade receivable	1.94	0.15	0.07	0.01	0.66	0.06	0.02	0.00	-	-
		Trade payables	0.23	0.25	0.10	0.18	-	-	0.10	0.19	-	-
		Other receivable	-	-	-	-	-	-	-	-	0.14	1.38
International Gemological Institute, Inc.	Fellow Subsidiary	Trade receivable	12.60	0.97	6.76	0.58	7.96	0.74	1.59	0.25	9.91	2.91
		Trade payables	22.99	25.15	21.76	39.22	23.11	24.41	4.22	8.05	112.25	77.23
International Gemological Institute (HK) Limited	Fellow Subsidiary	Trade receivable	1.51	0.12	2.69	0.23	5.87	0.54	1.23	0.20	1.01	0.30
		Trade payables	0.32	0.35	-	-	-	-	-	-	-	-
Deborah Pienica	Key Management Personnel	Other receivables	-	-	-	-	-	-	-	-	1.15	11.31
		Employee related	5.27	1.47	1.75	0.90	3.49	1.49	-	0.00	-	-

Name of related party	Relationship	Nature of outstanding balances	As at period/ year ended									
			September 30, 2024 (In ₹ million)	In % vis-a-vis the nature of transaction	September 30, 2024 (In ₹ million)	In % vis-a-vis the nature of transaction	December 31, 2023 (In ₹ million)	In % vis-a-vis the nature of transaction	December 31, 2022 (In ₹ million)	In % vis-a-vis the nature of transaction	December 31, 2021 (In ₹ million)	In % vis-a-vis the nature of transaction
		payables										
Tehmasp Nariman Printer	Key Management Personnel	Employee related payables	120.10	33.40	132.89	68.41	142.42	60.95	8.45	39.60	15.09	60.94
IGI (Shenzhen) Jewelry Testing Co., Ltd.	Fellow Subsidiary	Trade receivable	-	-	-	-	-	-	-	-	-	-
Chindex Shanghai International Trading Company Limited	Enterprise over which key management personnel has control	Trade receivable	-	-	-	-	3.45	0.32	3.43	0.54	3.08	0.90
International Gemmological Identification (Thailand) Limited	Fellow Subsidiary	Trade Receivable	0.05	0.00	1.35	0.12	-	-	-	-	-	-

For details of the related party transactions, see "*Restated Financial Information –Notes to the Restated Financial Information – Note 36: Related party disclosures*" on page 258.

Operational KPIs

Sr. No.	Particulars	Unit	As of and for the nine-months period ended September 30, 2024 (Consolidated)	As of and for the nine-months period ended September 30, 2023 (Consolidated)	As of and for the Calendar Year ended		
					December 31, 2023 (Consolidated)	December 31, 2022 (Consolidated)	December 31, 2021 (Standalone)
1.	Number of IGI laboratories of the Pre-Acquisition Group	Number	20	20	20	19	16
2.	Number of schools of the Pre-Acquisition Group	Number	9	9	9	8	8
3.	Number of reports per year by the Pre-Acquisition Group	Number in millions	6.86	5.17	7.21	5.87	4.29
4.	Number of employees of the Pre-Acquisition Group	Number	843	697	727	542	498

Weighted average price at which the Equity Shares were acquired by the Promoter (also the Promoter Selling Shareholder) of our Company during the last year

The weighted average price at which Equity Shares were acquired by the Promoter (also the Promoter Selling Shareholder) in the preceding one year.

Name of the Promoter (also the Promoter Selling Shareholder)	Number of equity shares acquired in the preceding one year[(1) (2)(5)]	Weighted average price per Equity Share (in ₹)[(6)]
BCP TopCo	394,809,000[(4)]	N.A.[(3)]

(1) *Pursuant to a resolution passed by our Board on April 25, 2024, and a resolution passed by our Shareholders on May 8, 2024, the issued, subscribed and paid-up capital of our Company was sub-divided from 394,809 equity shares of face value of ₹10 each to 1,974,045 equity shares of face value of ₹ 2 each.*

(2) *Pursuant to a resolution passed by our Board on April 25, 2024 and a resolution passed by our Shareholders on May 21, 2024, the issuance of 394,809,000 equity shares equity shares of face value ₹2 each by way of a bonus issue in the ratio of 200 Equity Share for every 1 equity shares of face value ₹2 each held, was approved, which were allotted on June 6, 2024.*

(3) *The Promoter (also the Promoter Selling Shareholder) has not acquired any Equity Shares in the last one year from the date of this RHP other than those allotted pursuant to bonus issue (for which no consideration was paid).*

(4) *Includes six equity shares of face value ₹2 each, one each held by Tehmasp Nariman Printer, Easwar Subramanian Iyer, Hardik Desai, Kareena Shahani, Sindhu Loyal and Aniket Mansukh Shah, as nominees of our Promoter.*

(5) *The consideration was paid in USD.*

(6) *As certified by S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, by way of their certificate dated December 17, 2024.*

Average cost of acquisition for the Promoter (also the Promoter Selling Shareholder)

The average cost of acquisition per Equity Share of our Promoter (also the Promoter Selling Shareholder) as on the date of this Prospectus is:

Name of the Promoter *(also the Promoter Selling Shareholder)*	Number of Equity Shares held[(1) (2)]	Average cost of acquisition per Equity Share (adjusted for bonus issue and split) (in ₹)[(4)(5)]
BCP TopCo	396,783,045[(3)]	81.36

(1) *Pursuant to a resolution passed by our Board on April 25, 2024, and a resolution passed by our Shareholders on May 8, 2024, the issued, subscribed and paid-up capital of our Company was sub-divided from 394,809 equity shares of face value of ₹10 each to 1,974,045 equity shares of face value of ₹ 2 each.*

(2) *Pursuant to a resolution passed by our Board on April 25, 2024 and a resolution passed by our Shareholders on May 21, 2024, the issuance of 394,809,000 equity shares equity shares of face value ₹2 each by way of a bonus issue in the ratio of 200 Equity Share for every 1 equity shares of face value ₹2 each held, was approved, which were allotted on June 6, 2024.*

(3) *Includes six equity shares of face value ₹2 each, one each held by Tehmasp Nariman Printer, Easwar Subramanian Iyer, Hardik Desai, Kareena Shahani, Sindhu Loyal and Aniket Mansukh Shah, as nominees of our Promoter.*

(4) *The consideration was paid in USD.*

(5) *As certified by S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, by way of their certificate dated December 17, 2024.*

Details of price at which specified securities were acquired in the last three years preceding the date of this Prospectus by our Promoter (also the Promoter Selling Shareholder), members of the Promoter Group, and the Shareholders with rights to nominate directors or have other rights, are disclosed below:

Except as stated below, no specified securities were acquired in the last three years preceding the date of this Prospectus, by our Promoter (also the Promoter Selling Shareholder), members of the Promoter Group, and Shareholders with special right to nominate one or more directors on the Board of our Company.

Name of the acquirer/ Shareholder	Date of acquisition of equity shares	Number of equity shares acquired	Face value per equity share	Acquisition price per equity share (in ₹)[(3)(4)]
Promoter (also the Promoter Selling Shareholder)				
BCP TopCo	May 19, 2023	315,848	10	81,762.12[(4)]
	May 19, 2023	78,961	10	81,763.42[(4)]
	May 8, 2024[(1)]	1,579,236	2	Nil
	June 6, 2024[(2)]	394,809,000	2	Nil

(1) *Pursuant to a resolution passed by our Board on April 25, 2024, and a resolution passed by our Shareholders on May 8, 2024, the issued, subscribed and paid-up capital of our Company was sub-divided from 394,809 equity shares of face value of ₹10 each to 1,974,045 equity shares of face value of ₹ 2 each.*

(2) *Pursuant to a resolution passed by our Board on April 25, 2024 and a resolution passed by our Shareholders on May 21, 2024, the issuance of 394,809,000 equity shares equity shares of face value ₹2 each by way of a bonus issue in the ratio of 200 Equity Share for every 1 equity shares of face value ₹2 each held, was approved, which were allotted on June 6, 2024.*

(3) *The consideration was paid in USD.*

(4) *Calculated basis exchange rate of $1 = ₹82.05, as per Form SH-4.*

(5) *As certified by S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, by way of their certificate dated December 17, 2024.*

Weighted average cost of acquisition of all shares transacted in one year, eighteen months and three year immediately preceding this Prospectus

Period	Weighted Average Cost of Acquisition (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price – Highest Price (in ₹)
Last one year	N.A	N.A	N.A
Last eighteen months	N.A	N.A	N.A
Last three years	81.36	5.13	81.36 – 81.36

Issue of Equity Shares made in the last one year for consideration other than cash (excluding bonus issuance)

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of Red Herring Prospectus.

For details of the bonus issue, see "*Capital Structure – Notes to the Capital Structure – Issue of equity shares through bonus issue or for consideration other than cash or out of revaluation of reserves*" on page 81.

Split or consolidation of Equity Shares in the last one year

Except as disclosed below, our Company has not undertaken split or consolidation of the equity shares of our Company in the last one year preceding the date of this Prospectus:

Pursuant to a resolution passed by our Board on April 25, 2024, and a resolution passed by our Shareholder on May 8, 2024, the issued, subscribed and paid-up capital of our Company was sub-divided from 394,809 equity shares of face value of ₹10 each to 1,974,045 equity shares of face value of ₹ 2 each. For details, see "*Capital Structure – Notes to the Capital Structure – Share capital history of our Company – Equity Share Capital*" on page 79.

Financing Arrangements

There have been no financing arrangements whereby the Promoter, members of our Promoter Group, our Directors or any of their relatives, have financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during a period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus.

Details of pre-IPO placement

Our Company is not contemplating a pre-IPO placement.

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

Our Company had filed an application dated July 12, 2024 and a follow-up application dated July 30, 2024 with SEBI for seeking exemption under Regulation 300(1)(c) of SEBI ICDR Regulations, from categorising Alpha Yu (an erstwhile shareholder of our Company) and CHINDEX Shanghai International Trading Company Limited ("**CHINDEX**") (an affiliate of Alpha Yu) as 'group companies' of our Company under Regulation 2(1)(t) of the SEBI ICDR Regulations.

During CY 2021 and CY 2022, the Company has recorded the following related party transactions with Alpha Yu and CHINDEX in CY 2021 and CY 2022: (i) payment of dividend to Alpha Yu and; (ii) receivables due from CHINDEX against certain masks supplied by the Company to CHINDEX during the COVID-19 outbreak. For details see "*– Summary of Related Party Transactions*" and "*Other Financial Information – Related Party Transactions*" on pages 19 and 505, respectively.

Our Company had accordingly approached the representatives of Alpha Yu and CHINDEX to obtain the necessary information and certifications required from them in their respective capacity as 'group companies' under the SEBI ICDR Regulations. However, despite several requests, both Alpha Yu and CHINDEX have refused to provide the relevant information. Following the divestment of shareholding by Alpha Yu in our Company, we have no control, business or transactions with Alpha Yu or CHINDEX and have no ability to influence their decision making in order to obtain the requisite information. provide reference to history section. We had therefore sought an exemption from categorising these entities as 'group companies' of our Company. Pursuant to the letter dated August 20, 2024, SEBI has granted the aforesaid exemption to our Company. See, "*Material Contracts and Documents for Inspection – Material Documents*" on page 598.

It is further confirmed that there have not been any related party transactions between the Company and the aforementioned entities in CY 2023 and the nine months ended September 30, 2024. Our Company further undertakes and confirms that there shall not be any further related party transactions in accordance with the Indian accounting standard notified under Section 133 of the Companies Act, 2013 and referred to in the Companies (Indian Accounting Standards) Rules, 2015 between our Company and Alpha Yu and/or CHINDEX in the future.

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references to "India" contained in this Prospectus are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable. All references to the "US", "U.S.", "USA" or "United States", in this Prospectus are to the United States of America and its territories and possessions. All references to "Belgium" and "Netherlands", are to Kingdom of Belgium and Kingdom of Netherlands and their respective territories and possessions, respectively.

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

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

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Prospectus have been derived from our Restated Financial Information. For further information, see "*Restated Financial Information*" and "*Other Financial Information*" on pages 214 and 502, respectively.

The Restated Financial Information, comprise the restated consolidated statement of assets and liabilities of the Group as at September 30, 2024, September 30, 2023, December 31, 2023, and December 31, 2022 and restated consolidated statement of profit and loss (including other comprehensive income), restated consolidated statement of changes in equity and restated consolidated statement of cash flows along with the statement of material accounting policies and other explanatory information for the nine-months period ended September 30, 2024, September 30, 2023 and years ended December 31, 2023, and December 31, 2022; restated standalone statement of assets and liabilities as at December 31, 2021 and restated standalone statement of profit and loss (including other comprehensive income), restated standalone statement of changes in equity and restated standalone statement of cash flows along with the statement of material accounting policies and other explanatory information for the year ended December 31, 2021prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI, as amended from time to time. For further information, see "*Summary of Restated Financial Information*", "*Restated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 65, 214 and 508, respectively.

Our Company's financial year commences on January 1 and ends on December 31 of the same year. Accordingly, all references in this Prospectus to a particular CY or Calendar Year, unless stated otherwise, are to the 12-month period ended on December 31 of that particular calendar year.

We have included in this Prospectus, the Unaudited Pro Forma Condensed Combined Financial Information as at and for the nine-months period ended September 30, 2024 and the year ended December 31, 2023 to illustrate the impact of the Proposed Acquisitions on our financial position as at September 30, 2024 and December 31, 2023 as if the acquisition happened on September 30, 2024, and as of December 31, 2023, respectively and on our results of operations for the year ended December 31, 2023 and for the nine-months period ended September 30, 2024 as if the acquisition occurred on January 1, 2023 and January 1, 2024, respectively. For further details, see "*Unaudited Pro Forma Condensed Combined Financial Information*", "*Proposed Acquisitions*", "*Risk Factors – Unaudited Pro Forma Condensed Combined Financial Information included in this Prospectus is prepared on a voluntary basis for illustration purposes only. Our actual results may differ from the actual outcome of the Proposed Acquisitions as presented in such Unaudited Pro Forma Condensed Combined Financial Information.*" on pages 268, 147, and 33, respectively.

Further, we have included in this Prospectus, the Special Purpose Consolidated Financial Statements for IGI Belgium Group and the Special Purpose Consolidated Financial Statements for IGI Netherlands Group comprising the special purpose consolidated financial statements of IGI Belgium and IGI Netherlands, respectively, comprising the consolidated balance sheet as at September 30, 2024, December 31, 2023, December 31, 2022, December 31, 2021, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement, and the notes to the special purpose consolidated financial statements, including material accounting policies and other explanatory information and disclosure for the nine-months ended September 30, 2024 and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement, and the notes to the special purpose consolidated financial statements, including significant accounting policies and other explanatory information and disclosure the year ended December 31, 2023, December 31, 2022 and December 31, 2021.

There are significant differences between Ind AS, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Prospectus and it is urged that you 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 Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Prospectus should, accordingly, be limited. For risks relating to significant differences between Ind AS and other accounting principles, see "*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition*." on page 52.

Unless the context otherwise indicates, any percentage amounts or ratios (excluding certain operational metrics), relating to the financial information of our Company in this Prospectus have been calculated on the basis of our Restated Financial Information, as applicable.

Non-Generally Accepted Accounting Principles Financial Measures

Certain non-GAAP measures such as EBITDA, EBITDA Margin, return on capital employed and net working capital ("**Non-GAAP Measures**") presented in this Prospectus are a supplemental and useful measure of our business, performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not standardised terms, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance.

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;
- "AED" are to the United Arab Emirates Dirham, the official currency of the United Arab Emirates;
- "Chinese Yuan Renminbi" or "CNY" "¥" are to the Chinese Yuan Renminbi, the official currency of China;
- "EGP" are to the Egyptian Pound, the official currency of Egypt;
- "EUR" or "€" are to the Euro, the official currency of the European Union;
- "HKD" are to the Hong Kong Dollar, the official currency of Hong Kong;
- "ILS" are to the Israeli New Shekel, the official currency of Israel;
- "THB" are to the Thai Baht, the official currency of Thailand;
- "TRY" are to the Turkish Lira, the official currency of Türkiye; and
- "U.S.D." or "USD" "or "$" "US$" are to United States Dollars, the official currency of the United States of America.

Our Company has presented certain numerical information in this Prospectus in "million" units. One million represents 1,000,000 and one billion represents 1,000,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions, such figures appear in this Prospectus in such denominations as provided in the respective sources.

In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Restated Financial Information in decimals have been rounded off to two decimal places. Due to such rounding off, in certain instances, the sum or percentage change of such numbers may not conform exactly to the total figure given. However, where any figures may have been sourced from third-party industry sources, such figures may be rounded off to such number of decimal places as provided in such respective sources.

Exchange Rates

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

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

(*Amount in ₹*)

Currency	As at September 30, 2024 [(1)]	As at September 30, 2023	As of December 31, 2023[(1)]	As of December 31, 2022[(1)]	As of December 31, 2021[(1)]
1 US$	83.79	83.06	83.12	82.79	74.30
1 AED	22.81	22.63	22.66	22.54	20.28
1 CNY	11.94	11.39	11.75	12.00	11.72
1 Euro	93.53	87.94	92.00	88.15	84.05
1 EGP	1.73	10.61	2.69	3.34	4.74
1 HKD	10.78	10.61	10.65	10.61	9.55
1 ILS	22.50	21.81	23.12	23.49	23.95
1 THB	2.59	2.72	2.42	2.39	2.24
1 TRY	2.45	3.03	2.82	4.42	5.63

(Source: https:// www.fbil.org.in; and https://www.xe.com/)
[(1)] All figures are rounded up to two decimals and in event of a public holiday on the respective day, the previous Working Day not being a public holiday has been considered.

Industry and Market Data

Unless stated otherwise, information pertaining to the industry in which our Company operates in, contained in this Prospectus is derived from the Redseer Report which has been exclusively commissioned and paid for by our Company, pursuant to an engagement letter with Redseer entered into on May 6, 2024, for the purpose of understanding the industry in connection with this Offer, since no report is publicly available which provides a comprehensive industry analysis, particularly for our Company's services, that may be similar to the Redseer Report. Redseer is an independent agency which has no relationship with our Company, any of our Promoters or Directors or the Book Running Lead Managers or any of our Key Managerial Personnel.This Prospectus contains certain data and statistics from the Redseer Report, which was available on the website of our Company at https://investor.igi.org/shareholder-information/documents/.

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 accuracy, completeness and underlying assumptions of such third-party sources are not guaranteed. Although the industry and market data used in this Prospectus is reliable, the data used in these sources may have been re-classified by us for the purposes of presentation however, no material data in connection with the Offer has been omitted. Data from these sources may also not be comparable.

Although we believe that the industry and market data used in this Prospectus is reliable, industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect. The extent to which the industry and market data presented in this Prospectus is meaningful depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors.

For details of risks in relation to Redseer Report, see "*Risk Factors – This Prospectus contains information from an industry report which we have commissioned and paid for from Redseer."* on page 52.

In accordance with the SEBI ICDR Regulations, "*Basis for Offer Price*" on page 96 includes information relating to our peer group companies. Such information has been derived from publicly available sources specified herein. Accordingly, no investment decision should be made solely on the basis of such information.

Notice to Prospective Investors in the United States

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Prospectus as "**U.S. QIBs**") in transactions exempt from the registration requirements of the U.S. Securities Act and (b) outside the United States in "offshore transactions" (as defined under Regulation S) in compliance with Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Prospectus as "**QIBs**".

Until the expiry of 40 days after the commencement of this Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Offer) may violate the registration requirements of the U.S. Securities Act.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made, by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain forward-looking statements. All statements contained in this Prospectus that are not statements of historical fact constitute "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "likely to", "seek to", "shall", "objective", "plan", "project", "propose", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements whether made by us or any third parties in this Prospectus are based on our current plans, estimates, presumptions and expectations and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement, including 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, technological changes, our exposure to market risks, general economic and political conditions in India and globally, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic and international laws, regulations and taxes and changes in competition in our industry. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

1. Our Company proposes to use the Net Proceeds from the Fresh Issue for the Proposed Acquisitions, following which our Company will be responsible for overseeing and managing the overall IGI business inside and outside of India. We may face difficulties managing and administering an internationally dispersed business and may not be able to achieve operational efficiencies following the Proposed Acquisitions, which could adversely affect our business or results of operations.

2. Unaudited Pro Forma Condensed Combined Financial Information included in this Prospectus is prepared on a voluntary basis for illustration purposes only. Our actual results may differ from the actual outcome of the Proposed Acquisitions as presented in such Unaudited Pro Forma Condensed Combined Financial Information.

3. The valuation report obtained for the Proposed Acquisitions is based on various assumptions and may not be indicative of the true value of the IGI Belgium Group and the IGI Netherlands Group.

4. A significant portion of the Net Proceeds are proposed to be paid to the Promoter of our Company.

5. Our success depends substantially on the value of our brand and our reputation, and adverse publicity, damage to our brand or a loss of reputation could impact the demand for our services or erode our market share or otherwise have a material adverse effect on our business.

6. Most of business operations of the Pre-Acquisition Group are conducted on premises obtained on lease or leave and license basis and any inability to seek renewal or extension of such leases or leave and license agreements may materially affect our business operations. Further, certain of these premises have not been registered as required under Indian law.

7. Our Promoter acquired our Company in Calendar Year 2023 and does not have significant experience in our line of business.

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

9. We have entered, and may continue to enter into related party transactions which may involve conflicts of interest. Further, our Promoter, Directors, Group Companies, Key Managerial Personnel and Senior Management Personnel have interests in us other than the reimbursement of expenses incurred and normal remuneration and benefits.

10. We do not have exclusive or long term contracts with our customers, and there is no assurance that they will continue to demand for our services.

For further discussion of factors that could cause the actual results to differ from the expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 32, 159 and 508, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

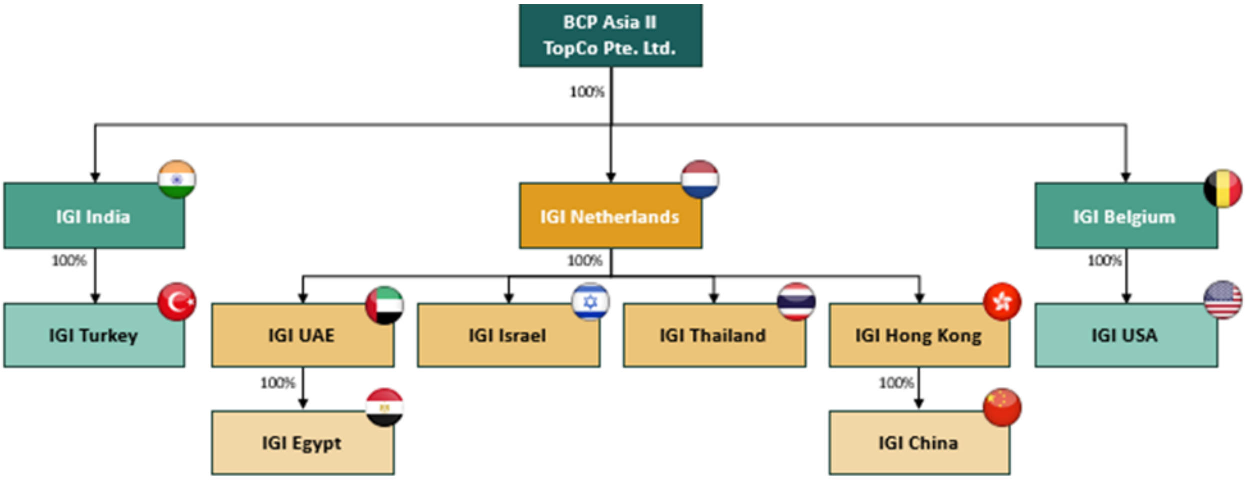
Forward-looking statements reflect current views of our Company as on the date of this Prospectus and are not a guarantee of future performance. There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

These statements are based on our management's belief and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based on 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, the Promoter Selling Shareholder, our Directors, the BRLMs nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the requirements of the SEBI, our Company shall ensure that Bidders in India are informed of material developments, in relation to statements and undertakings confirmed and undertaken by our Company and the Promoter Selling Shareholder, in relation to itself as a Promoter Selling Shareholder and the Offered Shares, in this Prospectus, from the date thereof until the time of the grant of listing and trading permission by the Stock Exchanges for the Offer. In this regard, the Promoter Selling Shareholder shall, ensure that our Company and BRLMs are informed of material developments in relation to the statements and undertakings specifically confirmed or undertaken by it in relation to itself as a Promoter Selling Shareholder and the Offered Shares in this Prospectus, from the date thereof until the time of the grant of listing and trading permission by the Stock Exchanges for the Offer.

OUR PROPOSED RESTRUCTURING

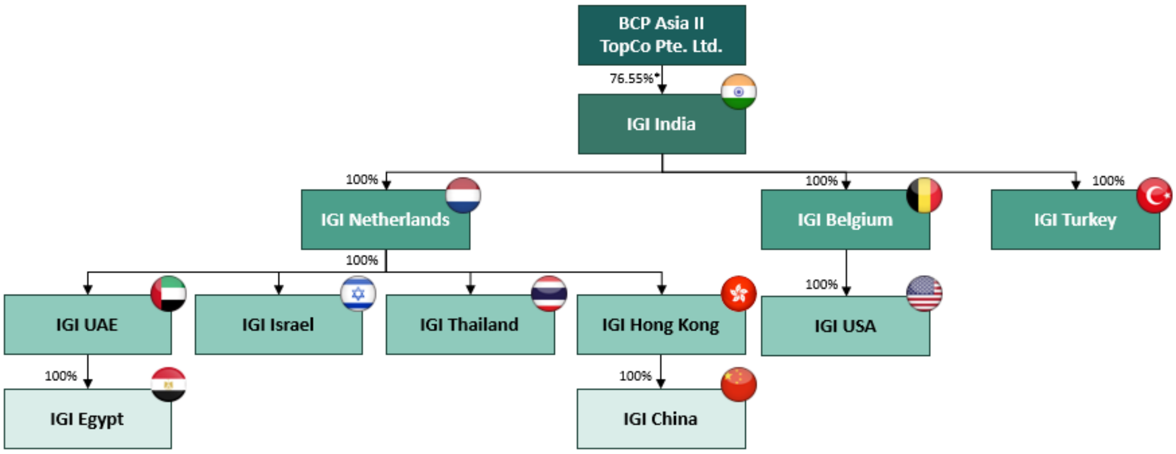
As of the date of this Prospectus, our Company is responsible for the operation of the IGI business in India and Türkiye. Our Promoter, BCP Asia II TopCo Pte. Ltd., is also the 100% shareholder of IGI Belgium and IGI Netherlands, which, together with their respective subsidiaries, are responsible for operation of the IGI business outside of India and Türkiye. As part of our proposed restructuring, our Company proposes to utilize a portion of the Net Proceeds towards acquiring 100% of the share capital of IGI Belgium Group and IGI Netherlands Group from our Promoter. Following the completion of the Proposed Acquisitions, our Company will become the 100% shareholder of IGI Belgium and IGI Netherlands, and will be responsible for operation of the IGI business globally. See "*Proposed Acquisitions*" on page 147 for more details of the Proposed Acquisitions.

The following diagram illustrates the holding structure of the global IGI business as of the date of this Prospectus:



Note: IGI China includes entities incorporated in China namely, IGI Shanghai Consulting, IGI Shanghai Training, IGI Shanghai Testing and IGI Shenzhen. IGI Shanghai Consulting and IGI Shanghai Training are wholly owned subsidiaries of IGI Hong Kong. IGI Shenzhen and IGI Shanghai Testing are wholly owned subsidiaries of IGI Shanghai Consulting.

The following diagram illustrates the holding structure of the IGI business following the completion of the Proposed Acquisitions.



** Subject to finalisation of Basis of Allotment.*
Note: IGI China includes entities incorporated in China namely, IGI Shanghai Consulting, IGI Shanghai Training, IGI Shanghai Testing and IGI Shenzhen. IGI Shanghai Consulting and IGI Shanghai Training are wholly owned subsidiaries of IGI Hong Kong. IGI Shenzhen and IGI Shanghai Testing are wholly owned subsidiaries of IGI Shanghai Consulting.

Unless otherwise stated, references in this section to "IGI", "we", "our" or "us" are to our Company, our Subsidiary, the IGI Belgium Group and the IGI Netherlands Group, assuming the completion of the Proposed Acquisitions (the "**Post-Acquisition Group**") and references to the "Company" and the "Pre-Acquisition Group" (including in the context of any financial information) are to the Company and our Subsidiary as of the date of this Prospectus and prior to the completion of the Proposed Acquisitions.

SECTION II: RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all information in this Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or the Equity Shares, or the industry and segments in which we currently operate in India. In addition, the risks set out in this section may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. If any of the following risks, whether in isolation or in combination with each other, or other risks that are not currently known or are now deemed immaterial actually occurs, our business, financial condition, results of operations and prospects could suffer, the trading price of the Equity Shares could decline and you may lose all or part of your investment. Furthermore, some events may be material collectively rather than individually. The financial and other implications of risks, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the effect is not quantifiable and hence has not been disclosed in the applicable risk factors. To obtain a complete understanding of our Company, the Pre-Acquisition Group and the Post-Acquisition Group, prospective 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" on pages 158, 113 and 508, respectively, as well as the financial, statistical and other information contained in this Prospectus. This Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below and elsewhere in this Prospectus. For details, see "Forward-looking Statements" on page 29. Any potential investor in the Equity Shares should pay particular attention to the fact that we are incorporated under the laws of India and are subject to a regulatory environment that may differ significantly from that of other countries. In making an investment decision, prospective investors must rely on their own examinations of us and the terms of the Offer, including the merits and the risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Equity Shares.

As used herein, references to the "Post-Acquisition Group" or "IGI" (including in the context of any pro forma financial information) refer to the IGI business globally, comprising our Company, our Subsidiary, the IGI Belgium Group and the IGI Netherlands Group, assuming the completion of the Proposed Acquisitions. As used herein references to the "Pre-Acquisition Group" (including in the context of any financial information) are to our Company and our Subsidiary as of the date of this Prospectus and prior to the completion of the Proposed Acquisitions. References to "we", "our" or "us", as the context so requires, will be to our Pre-Acquisition Group or Post-Acquisition Group, as the case may be.

Our fiscal year ends on December 31 of each year, and references to a particular calendar year or "Calendar Year" or "CY" are to the 12 months ended December 31 of that year, being our financial year. Unless otherwise indicated or the context requires otherwise, the financial information included herein for and the nine-months periods ended September 30, 2024 and 2023 and CY2023, 2022 and 2021, is based on the Company's Restated Financial Information included in this Prospectus. For further information, see "Financial Information" on page 214.

Unless otherwise indicated, industry and market data used in this section has been derived or extracted from the Redseer Report, which has been commissioned, and paid for, by us exclusively in connection with the Offer, pursuant to an engagement letter dated May 6, 2024, as no report is publicly available which provides a comprehensive industry analysis, particularly for our services, that is similar to the Redseer Report. The Redseer Report is available on the website of our Company at https://investor.igi.org/shareholder-information/documents/ from the date of this Prospectus until the Bid/Offer Closing Date and has also been included in "Material Contracts and Documents for Inspection – Material Documents" on page 598. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Redseer Report and included herein with respect to any particular year, refers to such information for the relevant year. See "–This Prospectus contains information from an industry report which we have commissioned and paid for from Redseer." on page 52. References to segments in "Industry Overview" beginning on page 113 and information derived from the Redseer Report are in accordance with the presentation, analysis and categorization in the Redseer Report.

Risks Relating to the Proposed Acquisitions

1. ***Our Company proposes to use the Net Proceeds from the Fresh Issue for the Proposed Acquisitions, following which our Company will be responsible for overseeing and managing the overall IGI business inside and outside of India. We may face difficulties managing and administering an internationally dispersed business and may not be able to achieve operational efficiencies following the Proposed Acquisitions, which could adversely affect our business or results of operations.***

   Our Company proposes to use the Net Proceeds from the Fresh Issue for the Proposed Acquisitions. See "*Objects of the Offer – Objects of the Fresh Issue*" on page 90. Following the completion of the Proposed Acquisitions, our Company will be become the sole shareholder of IGI Belgium and IGI Netherlands, and be responsible for overseeing and managing the overall IGI business inside and outside of India. We may face difficulties managing and administering an internationally dispersed business. It is possible that the integration of the businesses of the IGI Belgium Group and the IGI Netherlands Group could result in inconsistencies in standards, controls or procedures, particularly due to the scale of the combined business. In particular, the management of our personnel across several countries can present logistical and managerial challenges. Additionally, international operations present challenges related to operating under different business cultures and languages. If we are unable to achieve our business objectives for our Company to oversee and manage the global IGI business, the anticipated benefits of the Proposed Acquisitions may not be realized fully or at all or may take longer or cost more to realize than expected. An inability to realize the full extent of, or any of, the anticipated benefits of the acquisition, as well as any delays encountered in the integration process, or an inability to fully identify the liabilities associated with the Proposed Acquisitions, could have an adverse effect on our business and results of operations, which may affect the value of the Equity Shares after the completion of the Proposed Acquisitions. Further, the Share Purchase Agreement provides for limited representations and warranties by our Promoter in relation to itself as well as IGI Belgium Group and IGI Netherlands Group, and stipulates claim process, limitations and exclusions to the indemnity provided by our Promoter to our Company under the Share Purchase Agreement, which may limit our Company's recourse under this Agreement. The completion of the Proposed Acquisitions is subject to certain closing conditions, and if such conditions are not fulfilled in a timely manner or at all, we may not be able to consummate the transactions contemplated pursuant to the Proposed Acquisitions, which may lead to an inability to consummate the Offer. For further details, see "*Proposed Acquisitions - Description of the Share Purchase Agreement*" on page 154. All of these risks, as well as the others that typically accompany a large transaction such as the Proposed Acquisitions, could adversely affect our business, financial condition or results of operations. For details in relation to the financial information pertaining to the IGI Belgium Group and the IGI Netherlands Group, see "*Special Purpose Consolidated Financial Statements for IGI Belgium Group and IGI Netherlands Group*" on page 285.

2. Unaudited Pro Forma Condensed Combined Financial Information included in this Prospectus is prepared on a voluntary basis for illustration purposes only. Our actual results may differ from the actual outcome of the Proposed Acquisitions as presented in such Unaudited Pro Forma Condensed Combined Financial Information.

As the Restated Financial Information does not disclose the impact of the Proposed Acquisitions, we have included the Unaudited Pro Forma Condensed Combined Financial Information in this Prospectus on a voluntary basis to illustrate the impact of the Proposed Acquisitions on our historical restated financial statements as of and for the Calendar Year ended December 31, 2023 and as of and for the nine-months period ended September 30, 2024. For details, see "*Unaudited Pro Forma Condensed Combined Financial Information*" on page 268. The Unaudited Pro Forma Condensed Combined Financial Information is presented for illustrative purposes only, contains a variety of adjustments, assumptions and preliminary estimates and is not necessarily indicative of what the Post-Acquisition Group's actual financial position, results of operations or cash flows would have been had the Proposed Acquisitions been completed on the dates indicated in the Unaudited Pro Forma Condensed Combined Financial Information. The actual results and financial position of the Post-Acquisition Group after the completion of the Proposed Acquisitions may differ materially from the Unaudited Pro Forma Condensed Combined Financial Information. The Unaudited Pro Forma Condensed Combined Financial Information are, by their nature, subject to change and may not give an accurate picture of the actual financial results of operations that would have occurred had such transactions been effected on the dates they are assumed to have been effected, and are not intended to be indicative of our future financial results of operations. Further, the pro forma operating measures and pro forma financial information have not been prepared in accordance with the requirements of Regulation S-X under the U.S. Securities Exchange Act, U.S. GAAP, IFRS or Ind-AS.

The Unaudited Pro Forma Condensed Combined Financial Information addresses hypothetical situations and does not represent our actual consolidated financial condition, results of operations and cash flows. The adjustments set forth in the Unaudited Pro Forma Condensed Combined Financial Information are based upon available information and assumptions that we believe to be reasonable and our actual results could differ from those indicated in the Unaudited Pro Forma Condensed Combined Financial Information. The rules and regulations related to the preparation of pro forma information in other jurisdictions may vary significantly from the basis of preparation for the Unaudited Pro Forma Condensed Combined Financial Information included in this Prospectus. Accordingly, the Unaudited Pro Forma Condensed Combined Financial Information should not be relied upon as if it has been prepared in accordance with those standards and practices.

3. The valuation report obtained for the Proposed Acquisitions is based on various assumptions and may not be indicative of the true value of the IGI Belgium Group and the IGI Netherlands Group.

D&P Advisory ("**Valuer**") as the independent valuer has issued a valuation report dated August 12, 2024 setting out their opinion as to the values of the IGI Belgium Group and IGI Netherlands Group as of April 30, 2024 (the "**Valuation Report**"). The purchase consideration for the Proposed Acquisitions has been arrived at based on the Valuation Report. For summary valuation information as derived from the Valuation Report, see "*Proposed Acquisitions – Summarised Information about Valuation*" on page 157 of this Prospectus. The Valuation Report has also been made available as material documents available for inspection. See "*Material Contracts and Documents for Inspection – Material Documents*" on page 598. The valuations are subject to certain assumptions made and conclusions derived which may turn out to be inaccurate or incomplete, which may affect the valuation of the IGI Belgium Group or the IGI Netherlands Group, as the case may be. The valuation is an estimate and not a guarantee, and it is fully dependent upon the accuracy of the assumptions as to income, expenses and market conditions. Further, the Valuer has evaluated the suitability of certain methodologies and has followed a particular methodology to arrive at the valuation. There is no assurance that other methodologies would not have resulted in a different valuation. The Valuation Report does not confer rights or remedies upon investors or any other person, and does not constitute and should not be construed as any form of assurance as to our financial condition or future performance or as to any other forward looking statements included therein, including those relating to macro economic factors. Additionally, the price at which we may be able to sell any of the IGI Belgium Group or the IGI Netherlands Group in the future may be different from the initial acquisition value of such entities. The Valuation Report has not been updated since the date of its issue, and does not consider any subsequent developments. Further, we cannot assure that other valuers would arrive at the same valuation. Accordingly, investors should not rely solely on the Valuation Report in making an investment decision to subscribe to or purchase Equity Shares.

4. A significant portion of the Net Proceeds are proposed to be paid to the Promoter of our Company.

Our Promoter is not the original promoter of our Company and had acquired 100.00% of the equity shares of our Company, IGI Netherlands and IGI Belgium in May 2023 from the Erstwhile Shareholders. The following table sets forth details of the consideration paid by our Promoter for such acquisitions:

Entity	Total Consideration* (U.S.$ million)	Total Consideration* (₹ million)
Our Company	393.45	32,280.52
IGI Netherlands and IGI Belgium	176.20	14,456.41
Total	**569.65**	**46,736.93**

** Consideration was paid in USD.*
Calculated basis exchange rate of $1 = ₹82.05, as per Form SH-4.

Our Company has entered into the Share Purchase Agreement with our Promoter pursuant to which the IGI Belgium Group and IGI Netherlands Group are proposed to be acquired by our Company. For further details, see "*Proposed Acquisitions - Description of the Share Purchase Agreement*" on page 154. The aggregate purchase consideration for the Proposed Acquisitions is based on a total enterprise value aggregating $163.00 million (equivalent to ₹ 13,646.31 million ($1= ₹83.72 as of September 30, 2024 as per the Unaudited Pro Forma Condensed Combined Financial Information)) ("**Aggregate Enterprise Value**"), subject to customary adjustments for working capital, debt and surplus cash basis audited accounts, in accordance with the Share Purchase Agreement and will be determined prior to filing of this Prospectus. As on the date of this Prospectus, the Aggregate Enterprise Value, as adjusted for working capital, debt and surplus cash basis audited accounts as of September 30, 2024 aggregates to $ 158.20 million (equivalent to ₹ 13,244.63 million ($1= ₹83.72 as of September 30, 2024 as per the Unaudited Pro Forma Condensed Combined Financial Information)) ("**Aggregate Equity Value**"). We propose to utilise ₹13,000.00 million from the Net Proceeds towards funding the Proposed Acquisitions and the balance will be funded from internal accruals.

In addition to such payment, our Promoter shall also receive proceeds pursuant to the Offer for Sale. For further details, see "*Objects of the Offer*" on page 90. Our Company will not receive any proceeds from the Offer for Sale and the net proceeds received from the Offer for Sale will be remitted to the Promoter and our Company will not benefit from such proceeds. For further details of the Offer for Sale, see "*The Offer*" beginning on page 63.

Risks Relating to the Pre-Acquisition Group

As used herein references to the "Pre-Acquisition Group" (including in the context of any financial information) are to our Company and our Subsidiary as of the date of this Prospectus and prior to the completion of the Proposed Acquisitions. References to "we", "our" or "us", as the context so requires, will be to our Pre-Acquisition Group.

5. Our success depends substantially on the value of our brand and our reputation, and adverse publicity, damage to our brand or a loss of reputation could impact the demand for our services or erode our market share or otherwise have a material adverse effect on our business.

According to the Redseer Report (see page 143 of "*Industry Overview*"), we are an established reputed certifier in the global market with a legacy of approximately 50 years. Our reputation and the value of our brand are therefore critical to our business. Adverse publicity concerning the quality, reliability, integrity or accuracy of our certification services, including any allegations that the characteristics of a diamond/colored stone does not align with the characteristics set out in our report, could result in the loss of our existing customer relationships, our inability to attract new customers, legal claims, government or regulatory investigations and increased costs, all of which could adversely affect our business and operations. The value of our brand and our reputation could be severely damaged even by isolated incidents, particularly if the incidents receive considerable negative publicity or result in substantial litigation. Whether or not any such claims have merit, they may adversely affect our reputation, our customers' trust in our brand and the demand for our services. While we have not encountered any negative publicity which has had a material adverse effect on our business in the last three Calendar Years and in the nine-months period ended September 30, 2024, there is no assurance that such instances will not arise in the future, particularly as our business grows. Any real or perceived issues delivering our services to our customers or our failure to provide high-quality services to our customers could adversely affect our brand and reputation, and customers may no longer choose us over our competitors. This, in turn, could cause us to lose clients, lose market share and our market leadership position, which could have a material adverse effect on our business, financial condition and results of operations. Additionally, as we also have co-branded reports with certain brands and retailers, any negative publicity affecting such brands and retailers may also have a flow-on impact on our reputation, and adversely affect our business.

In recent years, there has been a marked increase in the use of social media platforms, including blogs, social media websites and applications, and other forms of internet-based communications which allow individuals access to a broad audience of customers and other interested persons. The dissemination of inaccurate information online could harm our business, reputation, prospects, financial condition and operating results, regardless of the information's accuracy. Such inappropriate, unverifiable or false information regarding us may be published online or on social media by third parties, or any other such damage to our brand or our reputation may result in withdrawal of business by our existing customers and loss of new business from potential customers, could increase our costs, lead to litigation or result in negative publicity that could damage our reputation and adversely affect our business, financial condition and results of operations.

6. ***Most of business operations of the Pre-Acquisition Group are conducted on premises obtained on lease or leave and license basis and any inability to seek renewal or extension of such leases or leave and license agreements may materially affect our business operations. Further, certain of these premises have not been registered as required under Indian law.***

As of the date of this Prospectus, the Registered and Corporate Office and some of the branches of the Pre-Acquisition Group, are situated at premises owned by the Pre-Acquisition Group. However, most of the business operations of the Pre-Acquisition Group, including our branches (which are equipped with our IGI laboratories) and offices, are being conducted on premises leased or obtained on leave and license basis from various third parties. Further, we may enter into additional leases or leave and license agreements and similar arrangements for our branches and offices in the future. Further, certain of the lease deeds and leave and license agreements of our branches may not be adequately stamped or registered. In certain instances, our lessors have mortgaged such leased premises in favor of third parties, and any enforcement of such mortgages or any adverse impact on, or deficiency in, the title, ownership rights or development rights of the owners from whose premises we operate, breach of the contractual terms of any lease or leave and license agreements, or any inability to renew such agreements on acceptable terms may materially affect our business operations. In relation to our branches, which are equipped with our in-house laboratories, we typically enter into lease or leave and license arrangements for a term of 12 months to 9 years. While we have not encountered any difficulties in the last three Calendar Years and in the nine-months period ended September 30, 2024 with renewing any of our existing lease or license arrangements, and have not had any premature terminations, we cannot assure you that such instances will not arise in the future, and that we will be able to renew any of our existing lease arrangements when the term of the original arrangement expires, on similar terms or terms reasonable for us or that such arrangements will not be prematurely terminated (including for reasons that may be beyond our control). The failure to identify suitable premises for relocation of existing properties, if required, could have material adverse effect on our prospects, business and results of operations.

7. ***Our Promoter acquired our Company in Calendar Year 2023 and does not have significant experience in our line of business.***

Our Promoter acquired 100% of our issued and paid up Equity Share capital on May 19, 2023. For further details, see "*Capital Structure*" and "*Our Promoter and Promoter Group – Change in our Promoter*" on pages 78 and 211, respectively. Our Promoter functions as an investment holding company and has experience of providing capital and strategic support to its investee companies. While we have an experienced Board and management with extensive experience in our business, our Promoter does not have a long track record of being engaged in our business, based on which their performance in our Company may be judged. Accordingly, there is no assurance that our future performance will be consistent with the past financial performance included elsewhere in this Prospectus. For further details, see "*Financial Information*" on page 214.

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

Our Promoter will continue to exercise influence over all matters requiring shareholders' approval, including the composition of our Board of Directors, the adoption of amendments to our constitutional documents, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, investments and capital expenditures. This concentration of ownership may also delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of our Promoter. Further, the Promoter's shareholding may limit the ability of a third party to acquire control. For further details, see "*Capital Structure - Shareholding of our Promoter and Promoter Group*", on page 84. Further, any change in control of our Promoter could impact our business and results of operations. Except for the IGI Belgium Group and the IGI Netherlands Group which are owned by the Promoter as on the date of this Prospectus (and proposed to be acquired by our Company pursuant to the Proposed Acquisitions), our Promoter is not involved in any venture which is in the same line of activity or business as that of the Company. Any future investments by our Promoter could potentially conflict with our Company's interests, your interests or the interests of our other shareholders. There is no assurance that our Promoter will act to resolve any conflicts of interest in our Company's or your favor. For details about our Promoter, see *"Our Promoter and Promoter Group"* on page 210.

9. ***We have entered, and may continue to enter into related party transactions which may involve conflicts of interest. Further, our Promoter, Directors, Group Companies, Key Managerial Personnel and Senior Management Personnel have interests in us other than the reimbursement of expenses incurred and normal remuneration and benefits.***

We have in the past entered into certain related party transactions with our Key Managerial Personnel, Directors and our Promoter. Such related parted transactions with our Key Managerial Personnel were terminated effective from March 1, 2024. The Proposed Acquisitions will be treated as related party transactions. Further, our Promoter may also be deemed to be interested to the extent of Equity Shares held by them, directly or indirectly, in our Company, as well as to the extent of any dividends, bonuses or other distributions on such shareholding. Our Directors, Key Managerial Personnel and Senior Management Personnel may have interests in us other than the reimbursement of expenses incurred and normal renumeration or benefits. Further, except as disclosed below our Company, Promoter, Promoter Group, Key Managerial Personnel, Directors, Subsidiaries and Group Companies do not have any conflict of interest with the lessor of the immovable properties (crucial for operations of our Company).

a. Gajvrat Realty Private Limited, one of our Group Companies, has leased to us the two properties; and

b. Assaying & Authenticity Alliance Private Limited, one of our Group Companies, has leased to us two properties.

The aggregate of all related party transactions in the last three Fiscals is more than 10% of total transactions of similar nature, i.e. for commission income, remuneration and sitting fees paid to the directors, payment against various expense, payment of rent paid (including property tax, maintenance and GST) and dividend payment. For further details in relation to our related party transactions for the nine-months period ended September 30, 2024, CY2023, 2022 and 2021, see "*Summary of the Offer Document – Summary of Related Party Transactions*" and "*Other Financial Information – Related Party Transactions*" on pages 19 and 505, respectively. For further details in relation to interest of our Directors, and Key Managerial Personnel and Senior Management, see "*Our Management – Interests of Directors*" and "*Our Management – Interests of Key Managerial Personnel and Senior Management Personnel"* on pages 200 and 208, respectively.

While all such related party transactions for the nine-months period ended September 30, 2024, September 30, 2023, CY2023, 2022 and 2021 have been conducted on an arm's length basis and were not prejudicial to our interests, we may enter into related-party transactions in the future which will be subject to approval by our Audit Committee, Board or shareholders, as required under the Companies Act, 2013 and the SEBI Listing Regulations, we cannot assure you that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition, cash flows and results of operations or that we could not have achieved more favorable terms if such transactions had not been entered into with related parties. Such future related-party transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company and we cannot assure you that such future transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects.

10. ***We do not have exclusive or long term contracts with our customers, and there is no assurance that they will continue to demand for our services.***

Although we do have recurring customers among our top customers, we do not have exclusive or long term contracts with our customers and all the orders are placed on an as-needed basis. As such, our business is dependent on our ability to maintain and strengthen our relationships and arrangements with existing customers. Our relationship with our customers is dependent to a large extent on our ability to regularly meet their requirements, including by price competitiveness, efficient and timely service deliveries and consistent quality. In the event we are unable to meet such requirements in the future, it may result in decrease in orders or cessation of business from affected customers. There are also a number of factors relating to our customers beyond our control that might result in the termination of our arrangement or the loss of a customer relationship, including changes in the demand for their products that may adversely affect the volumes required from us. Further, the deterioration of the financial condition or business prospects of these customers could reduce demand for our certification services and could result in a significant decline in the revenues we derive from such customers. Adverse changes in our relationships with our customers or the inability to develop new services and solutions for existing customers or to successfully establish relationships with new customers, could therefore limit our business prospects, which could adversely affect our financial performance.

11. ***There are outstanding legal proceedings involving our Company, Directors, the IGI Belgium Group and the IGI Netherlands Group which may adversely affect our business, financial condition, results of operations and prospects.***

There are outstanding legal proceedings involving our Company, Directors, the IGI Belgium Group and the IGI Netherlands Group. For instance, our Company and our Managing Director and Chief Executive Officer have received show cause notices from the Deputy Director, Employees' State Insurance Corporation and Regional Provident Fund Commissioner - II, Employees' Provident Fund Organization. For further details, see "*Outstanding Litigation and Material Developments -*

Litigation involving our Company – Litigation against our Company – Actions taken by Regulatory or Statutory Authorities" on page 530.

The outstanding legal proceedings involving our Company, Directors, the IGI Belgium Group and the IGI Netherlands Group are pending at different levels of adjudication before various fora.

A summary of the outstanding proceedings involving our Company, Directors, the IGI Belgium Group and the IGI Netherlands Group as disclosed in this Prospectus, to the extent quantifiable, have been set out below. None of these litigation proceeds, if determined adversely against Company, Directors, the IGI Belgium Group and the IGI Netherlands Group, would adversely affect the ability of our Company to operate as a going concern.

Category of individuals. Entities	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoter in the last five years, including outstanding action	Material civil litigation	Aggregate amount involved (₹ in million) (1)
Company						
By the Company	Nil	Nil	Nil	Nil	Nil	N.A
Against the Company	Nil	6	2	Nil	2(2)	51.66
Subsidiary						
By the Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
Against the Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
Directors						
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	1	Nil	Nil	1.78
IGI Belgium Group						
By the IGI Belgium Group	Nil	Nil	Nil	Nil	Nil	Nil
Against IGI Belgium Group	Nil	Nil	Nil	Nil	2(2)	Nil
IGI Netherlands Group						
By the IGI Netherlands Group	Nil	Nil	Nil	Nil	Nil	Nil
Against IGI Netherlands Group	Nil	Nil	Nil	Nil	1	Nil.

(1) To the extent quantifiable

(2) One of the matters pertains to a litigation that has been initiated by KS Trade LLC against our Company, IGI USA and IGI UAE and others before the Supreme Court of the State of New York.

For details, see "*Outstanding Litigation and Material Developments*" on page 529.

We cannot provide assurance that these legal proceedings will be decided in our favor or that no further liability will arise out of these proceedings. Such legal proceedings may include but not limited to, complaints and lawsuits by employees or customers. In addition to legal proceedings, we are routinely subjected to customers' grievances. Such proceedings could divert management time and attention and consume its financial resources even if we are successful in defending them or effectively redress them, and result in adverse publicity or direct financial losses due to actual or purported breaches of promise or wrongful denial of claims. Decisions in such proceedings adverse to our interests may have an adverse effect on our business, results of operations, financial condition and prospects.

12. ***We rely significantly on our information technology systems for our business and operations. A failure of our information technology systems, physical or electronic security protections, or an interruption in their operation due to internal or external factors including cyber-attacks or insider threats, could have a material adverse effect on our business, financial condition or results of operations.***

We rely on both internal information technology systems, physical controls and policies, and certain external services and service providers to manage the day-to-day operation of our business, operate elements of our laboratories, manage relationships with our employees, customers and suppliers, fulfil customer orders and maintain our financial and accounting records. Our ability to operate and remain competitive depends in part on our ability to maintain and upgrade our information technology systems and infrastructure on a timely and cost-effective basis.

Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our financial, accounting and other data processing systems, management information systems and our corporate website may fail to operate adequately or become disabled as a result of events beyond our control, including a disruption of electrical or communications services. We are vulnerable to damage or interruption from earthquakes, hurricanes, floods, fires, cyber security attacks including computer malware, viruses, hacking, phishing attacks, distributed denial of service attacks ("**DDoS**"), ransomware incidents, terrorist attacks, actual or threatened acts of war, power losses, telecommunications failures and similar events. We cannot guarantee that applicable recovery systems, security protocols and other procedures are or will be adequate to prevent interruptions, system failure or data loss. As we rely on third-party providers, in the event that any third-party provider's systems or service abilities failed or are interrupted, our ability to operate may be impaired. Any of these risks may be augmented if our or any third-party provider's business continuity and disaster recovery plans prove to be inadequate. The failure of our information technology systems to perform as anticipated for any reason or any significant breach of security could disrupt our business and result in numerous adverse consequences, including reduced effectiveness and efficiency of operations, increased costs or loss of important information or capabilities, any of which could have a material adverse effect on our business, financial condition or results of operations. The unauthorized access to or theft of controlled technology may have adverse legal and regulatory consequences to us and our business. Any security breach, including personal data breaches, or incident, including cybersecurity incidents, that we experience could result in unauthorized access to, misuse of or unauthorized acquisition of our or our customers' data, the loss, corruption or alteration of this data, interruptions in our operations or damage to our computer hardware or systems or those of our customers. Moreover, negative publicity arising from these types of disruptions could damage our reputation, cause our customers to lose confidence in the effectiveness of our data security measures. The occurrence of any of these events could have an adverse effect on our business, operations, financial condition or cash flows.

We have technology and information security processes, security and threat assessment plans and safeguards and periodic external service and service provider reviews in place to mitigate our risk to these vulnerabilities. However, these measures may not be adequate to ensure that our operations will not be disrupted or our financial impact minimalized, should such an event occur. Unavailability of our information technology systems could disrupt our operations and we do not carry business interruption insurance to compensate us for any losses as a result of business disruptions including those arising from our information technology systems, which could expose us to losses from security incidents or breaches.

13. ***If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.***

We manage our internal compliance by monitoring and evaluating internal controls and ensuring all relevant statutory and regulatory compliances. We also implement quality control procedures during our grading process, including our in-house developed software "Swiftcert" to track all diamonds, studded jewelry and colored stones that have been submitted across our laboratories globally. As of the date of this Prospectus, our laboratory in Surat and one of our laboratories in Mumbai has received the ISO/IEC 17025:2017 accreditation for competence of testing and calibration laboratories, which certifies that our laboratories meet the technical and quality benchmarks for analytical testing methods. However, there can be no assurance that deficiencies in our internal controls will not arise or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.

14. ***We do not maintain insurance coverage for any claims incurred by customers in connection with the certification process, and any successful claims could expose us to damages.***

We provide our customers the option to conduct rechecks. See "*Our Business – The certification process*" on page 178. While there is a tolerance in the industry for a diamond to be off by one letter grade, as per the Redseer Report (see page 145 of "*Industry Overview*"), there is no assurance that any changes in grading outcomes during the recheck process will not exceed such tolerances, whether due to differences in opinions or errors. In the United States, we also offer independent appraisal services for studded jewelry. The occurrence of any material differences in grading outcomes during the certification or appraisal process could lead to customer dissatisfaction and expose us to claims by our customers or end-consumers. For instance, our Company, IGI Dubai and IGI USA are subject to ongoing legal proceedings in New York pursuant to a complaint made in 2017 by a former customer relating to alleged over-grading of diamonds. We believe the claims have no merit and intend to vigorously defend against them. Regardless of the merits of such claims, they could still be costly, divert management's attention and adversely affect our reputation. For further details, see "*Outstanding Litigation and Material Developments - Litigation involving our Company – Litigation against our Company – Material Civil Litigation*" on page 529. As we do not maintain insurance coverage for any claims incurred by customers in connection with the certification process, if any such claims against us are ultimately successful, we could be required to pay damages, which could materially and adversely affect our business, financial condition, results of operations and cash flows.

15. Our Company has received a letter from the Ministry of Corporate Affairs, Government of India ("MCA") alleging certain non compliances under certain provisions of the Companies Act, 2013 and applicable accounting standards pertaining to periods prior to our Promoter acquiring our Company. We may be subject to regulatory actions including fines, penalties, if any, in this regard.

Pursuant to an inspection undertaken by the Ministry of Corporate Affairs (for details, see "*Outstanding Litigation and Material Developments - Litigation involving our Company – Litigation against our Company – Other Matters*" on page 530), our Company received a letter dated September 2, 2024 ("**Letter**") alleging certain non-compliance in relation to books of account and other compliances prior to our Promoter acquiring our Company. The Letter alleges inter-alia that our Company (a) undertook a related party transaction with IGI Hong Kong aggregating ₹ 0.45 million during the Calendar Year ended 2020, which was not at arm's length without the requisite board approval for the transaction; (b) failed to disclose details of the said related party transaction with IGI Hong Kong as not being on arms' length, in the board report for Calendar Year 2020; (c) failed to make specified disclosures in the financial statements for the Calendar Year ended December 31, 2022 for a loan provided to IGI Turkey aggregating ₹ 73.67 million disclosed in the financial statements; (d) failed to utilize the prescribed format for disclosure of (i) "trade payables" in the balance sheet of our Company as at December 31, 2020, December 31, 2021 and December 31, 2022 and (ii) details of "non-current investment" in the balance sheet as at December 31, 2022; and (e) failed to disclose IGI Shanghai as a related party in the financial statements for the Calendar Year 2022. The letter has also alleged that our previous auditors have failed to qualify their report for Calendar Year 2020 and Calendar Year 2022 in relation to the non-compliances in issues (a) and (c) above respectively.

Our Company responded to the letter on October 1, 2024. In relation to issues (a), (b) and (c), our Company has proposed to proceed with voluntary compounding in respect of the said matters. Further, with respect to issues (d) and (e), our Company has submitted detailed responses explaining how the relevant requirements have been complied with. Further, the then statutory auditors, Subramaniam Bengali & Associates, have also submitted their response letter dated September 30, 2024 stating that there was no requirement to qualify their reports for the stated periods. See "*Outstanding Litigation and Material Developments - Litigation involving our Company – Litigation against our Company – Other Matters*" on page 530.

While our Company has applied to voluntary compound certain non-compliances as mentioned above, there can be no assurance that the MCA will compound these offences in a timely manner or at all. Further, we may be subject to penalties or other regulatory actions in this regard.

16. The Offer includes an Offer for Sale, the proceeds of which will not be available to us.

As this Offer includes an Offer for Sale of Equity Shares by the Promoter Selling Shareholder, the proceeds from the Offer for Sale will be remitted to the Promoter Selling Shareholder and our Company will not benefit from such proceeds.

17. Our ability to invest in foreign subsidiaries or joint ventures is constrained by applicable restrictions under Indian overseas investment laws as well as laws of the relevant international jurisdictions, which could adversely affect our business prospects and international growth strategy.

Under Indian foreign investment laws, an Indian company is permitted to invest in overseas joint ventures or subsidiaries, up to 400% of the Indian company's net worth as at the date of its last audited balance sheet (subject to certain exceptions) or as directed by the Reserve Bank of India, in consultation with Central Government from time to time. This limitation also applies to any other form of financial commitment by the Indian company, including in terms of any loan, guarantee, pledge or charge on assets (subject to applicable conditions) issued by such Indian company. However, any financial commitment exceeding US$ 1 billion (or its equivalent) in a financial year would require prior approval of the Reserve Bank of India, even when the total financial commitment of the Indian company is within the eligible limit under the automatic route, as mentioned above. Further, there may be limitations stipulated in the host country for foreign investment. Investment or financial commitment not complying with the stipulated requirements is permitted with prior approval of the RBI. In addition, there are certain routine procedural and disclosure requirements in relation to any such overseas direct investment. These limitations on overseas direct investment could constrain our ability to acquire our stake in overseas entities as well as to provide other forms of financial assistance or support to such entities, which may adversely affect our business and financial condition.

18. ***Our business depends on our ability to attract and retain skilled employees, including our Key Managerial Personnel, Senior Management Personnel and gemologists. Our failure to attract or retain such personnel could materially and adversely affect our business, results of operations and financial condition.***

Our performance depends largely on the efforts and abilities of our Key Managerial Personnel, Senior Management Personnel, and our operational personnel, including our gemologists. The inputs and experience of our senior management are valuable for the development of our business, operations and the strategic directions taken by our Company. Further, in the gemology certification industry, the level and quality of skilled gemologists are key competitive factors. We cannot assure you that these individuals will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all, which could adversely impact our reputation, business prospects and results of operations.

The following table sets forth the total number of employees, our gemologists and the annual attrition rate for our Key Management Personnel, Senior Management Personnel, gemologists and all other employees of the Pre-Acquisition Group, for the years/periods indicated:

Particular	As of/for the nine-months period ended September 30,		As of/for the Calendar Year ended December 31,		
	2024	2023	2023	2022	2021
Number of Gemologists	**316**	**249**	**266**	**220**	**167**
India	311	244	262	217	167
Türkiye (1)	5	5	4	3	-
Gemologist Attrition Rate (%) (2)	10.65%	8.53%	11.11%	13.95%	11.80%
Total number of employees	**843**	**697**	**727**	**542**	**498**
India	832	687	718	536	498
Türkiye	11	10	9	6	-
Annual attrition rate for employees (excluding Key Management Personnel and Senior Management Personnel) (3)	9.49%	7.31%	9.37%	9.69%	10.42%
Total Number of Key Management Personnel and Senior Management Personnel	**6**	**4**	**5**	**4**	**4**
Annual attrition rate for Key Management Personnel and Senior Management Personnel (4)	0.00%	0.00%	0.00%	0.00%	0.00%

Notes:

(1) We commenced operations in Türkiye in CY2022.

(2) Gemologist attrition rate represents the number of gemologists who left the Pre-Acquisition Group during the year/period divided by the average number of gemologists during the relevant year/period. Average number of gemologists is calculated as sum of opening and closing gemologists for the relevant year/period divided by two.

(3) Employee attrition rate represents the number of permanent employee(s) (excluding Key Management Personnel and Senior Management Personnel) who left the Pre-Acquisition Group during the year/period divided by the total number of permanent employees (excluding Key Management Personnel and Senior Management Personnel) as at the last day of the relevant year/period.

(4) Key Managerial Personnel and Senior Management Personnel Attrition Rate represents the number of Key Managerial Personnel and Senior Management Personnel who left the Pre-Acquisition Group during the year/period divided by the total number of Key Managerial Personnel and Senior Management Personnel as at the last day of the relevant year/period.

We experience attrition of gemologists due to voluntary resignations and also due to terminations undertaken by us for different performance related reasons. While we have not experienced any significant losses of gemologists or skilled employees that has adversely affected our business in the last three Calendar Years and in the nine-months period ended September 30, 2024, there can be no assurance that such instances will not arise in the future. Any inability to replace such persons may restrict our ability to manage the overall running of our operations and may significantly impede our ability to achieve our business objectives. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. We may need to expend significant time and resources to identify, recruit, train, and integrate such employees, and we may never realize returns on these investments.

19. ***The Pre-Acquisition Group derived a significant portion of our revenue from our top 15 customers, and any inability to retain our key customers or attract new customers and expand our customer network, could negatively affect our business and results of operations.***

We are dependent on certain key customers for a significant portion of our revenue. The following table sets forth details of revenue generated from the top 10 and top 15 customers of the Pre-Acquisition Group for the periods indicated:

₹ in millions, except percentages

Revenue from Top Customers	Nine-months period ended September 30,				Calendar Year ended December 31,					
	2024		2023		2023		2022		2021	
Top 10 customers	2,633.94	44.17 %	1,981.89	43.67 %	2,597.92	40.69 %	1,666.23	33.94 %	861.88	23.63 %
Top 15 customers	3,068.54	51.45 %	2,209.83	48.70 %	2,966.52	46.46 %	1,914.06	38.98 %	1,058.01	29.01 %

As such, the loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. While such instances have not occurred in the last three Calendar Years and in the nine-months period ended September 30, 2024, we cannot assure you that we will be able to maintain historic levels of business and/or negotiate and enter into contracts on terms that are commercially viable with our significant or key customers or that we will be able to significantly reduce customer concentration in the future.

20. ***We do not have a formal business succession policy, and any failure to develop or implement an adequate succession plan may adversely affect the long term success of our business.***

We do not have a formal business succession policy as of the date of this Prospectus. We cannot assure you that we will be able to retain any or all, or that we will be able to formulate a succession plan which will help to replace any Key Managerial Personnel or Senior Management Personnel. Any failure to develop or implement an adequate succession plan for our employees, including our gemologists, Key Managerial Personnel and our Senior Management Personnel, may also adversely affect the long term success of our business.

21. ***The revenue of the Pre-Acquisition Group is primarily concentrated in the states of Gujarat and Maharashtra in India, and any adverse developments affecting these regions in India could adversely affect our business, financial condition, results of operations and cash flows.***

Substantially all of the revenue of the Pre-Acquisition Group is derived in India, in particular, from laboratories, in-factory laboratory set-ups and mobile laboratory set-ups based in the states of Gujarat and Maharashtra, which are diamond manufacturing and trading hubs in India. Therefore, our revenues are closely tied to the general and local industry and economic conditions of these states as a whole, which are outside our control. The following table sets forth details of revenue from the certification business of the Pre-Acquisition Group which is derived from our laboratories, in-factory laboratory set-ups and mobile laboratory set-ups located in India and Türkiye.

₹ in millions, except percentages

Revenue of certification business	Nine-months period ended September 30,				Calendar Year ended December 31,					
	2024		2023		2023		2022		2021	
India	5,844.23	99.79%	4,394.29	99.63%	6,183.56	99.63%	4,776.20	99.97%	3,574.30	100.00%
Gujarat	3,143.17	53.67%	1,951.74	44.25%	2,849.51	45.91%	1,942.76	40.67%	1,145.43	32.05%
Maharashtra	2,093.33	35.74%	1,941.70	44.02%	2,688.99	43.32%	2,227.82	46.63%	1,959.38	54.82%
Rest of India	607.72	10.38%	500.85	11.36%	645.05	10.39%	605.62	12.68%	469.49	13.14%
Türkiye	12.35	0.21%	16.30	0.37%	23.26	0.37%	1.24	0.03%	-	-
Total Revenue of Certification business	**5,856.58**	**100.00 %**	**4,410.59**	**100.00 %**	**6,206.82**	**100.00 %**	**4,777.44**	**100.00 %**	**3,574.30**	**100.00 %**

Such geographical concentration of our business in these states heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial condition and results of operations. For instance, weak economic conditions in India, particularly in these states, may cause the diamond and colored stone industry to suffer as consumers reduce their consumption of discretionary items. Uncertainties regarding future economic prospects may also affect consumer-spending habits, as consumer purchases of discretionary items generally decline during periods of economic uncertainty.

22. The Pre-Acquisition Group has experienced growth in the past few years and if we are unable to sustain or manage our growth, or successfully execute our growth strategy, our business and results of operations may be adversely affected.

The Pre-Acquisition Group has achieved overall financial growth across key metrics from CY2021 to CY2023 and for the nine-months period ended September 30, 2024. The following table sets forth certain of the key metrics of the Pre-Acquisition Group for the periods indicated:

	Nine-months period ended September 30,		**Calendar Year ended December 31,**		
	2024	**2023**	**2023**	**2022**	**2021**
Revenue from operations (*in ₹ millions*)	5,963.57	4,537.88	6,385.28	4,909.94	3,646.91
Revenue from certification services (*in ₹ millions*)	5,856.58	4,410.59	6,206.82	4,777.44	3,574.30
EBITDA (*in ₹ millions*)[1]	4,291.82	3,213.16	4,501.18	3,351.82	2,406.48
Restated profit for the period/year (*in ₹ millions*)	3,260.60	2,386.94	3,247.38	2,417.58	1,715.30

Notes:

(1) EBITDA represents our profit for the period/year plus tax expenses, finance costs, depreciation and amortization expenses, less other income. EBITDA is a non-GAAP measure. For a reconciliation of EBITDA to our Restated Financial Information, see "Other Financial Information - Reconciliation of Non-GAAP Measures" on page 502.

Such growth including the increase in revenue from certification services, have primarily been on account of an increase in sales volume and reports generated by the Pre-Acquisition Group. For further details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations of the Pre-Acquisition Group*" on page 519.

Our growth requires us to continuously invest in our operations, evolve and improve our operational, financial, and internal controls and administrative infrastructure. We may not be able to sustain our growth due to a variety of reasons, including but not limited to, the following:

- a decline in the demand for certification services or the demand for diamonds, studded jewelry or colored stones;
- inability to acquire new customers or inability to maintain and grow the demand of our services from existing customers;
- increased price competition;
- inability to maintain and improve operational efficiencies;
- failure to maintain high quality control standards;
- delays in the expansion of our laboratories as a result of a number of factors, many of which may be beyond our control, such as unavailability of timely supplies of equipment and technologies;
- inability to hire, train and retain skilled personnel such as gemologists; and
- general economic and political conditions which may have an adverse impact on the industry in which we and our customers operate in.

The prices that we charge for our services depend on the nature of services that we provide and is generally based on the weight or carat of the loose stones or the number of studded jewelry pieces (as the case may be). Further, as the prices that we charge for our services depend on factors such as the nature of services that we provide as required by our customers, as well as price competition and other market forces, there can be no assurance that factors beyond our control will not have an adverse impact on our revenues and financial growth in the future. A failure to sustain our growth may have an adverse effect on our business, financial condition, results of operations and future prospects. We are embarking on a growth strategy which includes maintaining our leadership position in the certification of laboratory-grown diamonds, increasing our market share in the certification of diamonds, studded jewelry and colored stones, expanding our global laboratory network and building brand salience. Such a growth strategy will place significant demands on our management as well as our financial, accounting, and operating systems. We cannot assure you that our growth strategies will be successful.

In addition, as we scale up our business, we may not be able to execute our operations efficiently, which may adversely affect the turnaround time for our services, increased costs and quality control issues. If we are unable to increase our capacity at our laboratories or open new laboratories, we may not be able to successfully execute our growth strategy. Our failure to manage our growth effectively may have an adverse effect on our business, financial condition, results of operations and future prospects.

23. We are primarily in the business of the certification and accreditation of natural diamonds, laboratory-grown diamonds, studded jewelry and colored stones, and any adverse changes in the conditions affecting these industries, including a decrease in prices or supply, can adversely impact our business, financial condition, results of operations, cash flows and prospects.

We are primarily in the business of the certification and accreditation of natural diamonds, laboratory-grown diamonds, studded jewelry and colored stones. The following table sets forth the breakdown of the revenue of the Pre-Acquisition Group generated from our certification business, and as a percentage of our revenue from operations of the Pre-Acquisition Group for the periods indicated.

₹ in millions, except percentages

	Nine-months period ended September 30,				Calendar Year ended December 31,					
	2024		2023		2023		2022		2021	
Certification and Accreditation Services	5,856.58	99.10%	4,410.59	98.22%	6,206.82	98.59%	4,777.44	98.70%	3,574.30	98.64%
Laboratory-grown diamonds	3,515.52	59.49%	2,337.91	52.07%	3,338.65	53.03%	2,049.88	42.35%	1,286.73	35.51%
Natural diamonds	1,157.49	19.59%	930.31	20.72%	1,224.16	19.45%	1,221.39	25.23%	1,183.51	32.66%
Studded jewelry and colored stones	1,183.57	20.03%	1,142.37	25.44%	1,644.00	26.11%	1,506.17	31.12%	1,104.06	30.47%
Education	36.99	0.63%	45.42	1.01%	53.59	0.85%	38.73	0.80%	24.71	0.68%
Traded Goods	16.10	0.27%	34.33	0.76%	35.05	0.56%	24.24	0.50%	24.69	0.68%
Total Revenue from contract with customers	**5,909.67**	**100.00%**	**4,490.34**	**100.00%**	**6,295.46**	**100.00%**	**4,840.41**	**100.00%**	**3,623.70**	**100.00%**

For further details of our business, see "*Our Business – Services*" on pages 72.

As such, our business, financial condition and results of operations are subject to the performance of the diamonds, studded jewelry and colored stones industry, globally and in India, and we are exposed to fluctuations in the price and performance of these markets. According to the Redseer Report (see page 146 of "*Industry Overview*"), fluctuations in diamond prices, influenced by factors like supply, demand, and economic conditions, can impact the demand for certification services. Economic downturns, such as during the COVID-19 pandemic, can result in reduced disposable income, impacting luxury goods purchases, including jewelry, which can lead to a decline in the demand for certification services, and during periods of low prices, demand for certification may decrease as traders and retailers become more price-sensitive, as per the Redseer Report (see page 146 of "*Industry Overview*"). A reduction in the prices of such stones could adversely affect the profit margins of our customers, and result in pricing pressures on us to reduce the prices of our certification services. For instance, according to the Redseer Report (see page 129 of "*Industry Overview*"), laboratory-grown diamond per carat retail prices have declined by 65% from CY2016 to CY2020 and by approximately 37% from CY2020 to CY2023, primarily due to declining wholesale prices. While such decreases in the prices of laboratory-grown diamonds have not resulted in a corresponding decrease in our revenue from certification of laboratory-grown diamonds from CY2021 to CY2023, there is no assurance that such instances will not occur in the future.

Additionally, as per the Redseer Report (see page 146 of "*Industry Overview*"), geopolitical risks and conflicts in diamond-producing, trading, or processing regions can disrupt the supply chain, making it difficult for us to access diamonds for certification. Approximately 35% of the world's rough diamonds are of Russian origin for CY2022 and international sanctions due to the Russia-Ukraine war limiting or prohibiting the importation of Russian diamonds could negatively affect the worldwide supply of natural diamonds, according to the Redseer Report (see page 126 of "*Industry Overview*"). Any adverse impact on the supply of natural diamonds, may result in increased prices, increased costs and potentially lower margins for many of our customers, particularly jewelry brands and jewelry retailers, which could have a negative impact on the price and demand of our certification services. It remains unclear what impact the conflict and sanctions have on consumer demand for natural diamond jewelry. According to the Redseer Report (see page 146 of "*Industry Overview*"), concerns about the environmental and social impact of diamond mining could also lead to a decrease in demand for natural diamonds and related services, and our certification services may also be adversely affected as a result.

As such, the occurrence of factors affecting the diamonds, studded jewelry and colored stones industry may consequently have an adverse impact on our certification services and have a material adverse effect on our business, financial condition, results of operations and prospects.

24. There were certain instances of delays in payment of statutory dues by us. Future delays in payment of statutory dues could attract financial penalties or other regulatory actions from the respective government authorities and in turn adversely affect our financial condition and cash flows.

During the nine-months period ended September 30, 2024 and Calendar Years ended December 31, 2023, December 31, 2022 and December 31, 2021, our Company had instances of delays in the payment of certain statutory dues with respect to provident fund contributions, employee state insurance corporation payments, professional tax and labor welfare fund, which were subsequently paid. The table below sets out details of the total statutory dues paid by the Pre-Acquisition Group for the aforesaid periods, in accordance with applicable law:

Particulars	Number of employees	Employee state insurance corporation payments	Provident fund	Professional tax	Labor welfare fund
Calendar Year ended December 31, 2021	498	0.18	33.11	1.15	0.02
Calendar Year ended December 31, 2022	542	0.12	39.43	1.17	0.02
Calendar Year ended December 31, 2023	727	4.79	40.25	1.38	0.05
Nine-months period ended September 30, 2023	697	2.33	30.60	1.03	0.03
Nine-months period ended September 30, 2024	843	0.72	35.43	1.24	0.05

Other than as disclosed below, there have been no delays in payments of employment related statutory dues by the Pre-Acquisition Group for the aforesaid periods:

Particulars	ESIC #	Provident fund *	Professional tax	Labor welfare fund
Delay for Calendar Year ended December 31, 2021	-	2.76	0.26	-
Delay for Calendar Year ended December 31, 2022	-	-	0.15	-
Delay for Calendar Year ended December 31, 2023	4.55	7.10	0.47	-
Delay for Nine-months period ended September 30, 2023	2.17	7.10	0.39	-
Delay for Nine-months period ended September 30, 2024	0.06	2.51	0.26	-

** Delay in payment of provident fund is on account of time-taken by provident fund authorities for completion of KYC and opening of account for new employees who had joined the company.*

 # Delay in employee state insurance corporation payments is with respect to contract laborers. The contractor failed to pay employee state insurance corporation dues for its laborers and hence our Company was liable to pay these dues. These dues pertain to Financial Year 2017-2018 and from May 2020 to February 2021, which were disputed and then finally settled in Calendar Year 2023. Our Company has now set controls in place to ensure statutory dues are deducted and deposited for contract laborers if the contractor fails to do so.

There can be no assurance that such delays will not arise in the future. Such delays could lead to financial penalties from the relevant government authorities. While the fines and/or penalties that we have paid in connection with the delays in payment of statutory dues for the nine-months period ended September 30, 2024 and Calendar Years ended December 31, 2023, December 31, 2022 and December 31, 2021 were not material in nature, we cannot assure you that we will not be subject to any penalties, fines or other regulatory actions in the future that could have a material adverse impact on our financial condition and cash flows.

25. We may be unable to sufficiently obtain, maintain, protect, or enforce our intellectual property and other proprietary rights and may experience counterfeit certificates, which could devalue the trust associated with genuine certifications.

Our Company has entered into a trademark license agreement dated July 4, 2024 with IGI Belgium pursuant to which our Company has been granted a worldwide, royalty-free, non-transferable license to use certain licensed marks, including the IGI logo and copyrights vested in the aforementioned licensed marks in connection with the services carried out by our Company in accordance with our MoA and AoA. No consideration or royalty is payable by our Company to IGI Belgium in relation to such trademark license agreement dated July 4, 2024. For details, see "*History and Certain Corporate Matters – Shareholders' agreements and other agreements*" and "*Our Business – Intellectual Property"* on page 184.

Our ability to compete effectively is dependent in part upon our ability to obtain, maintain, protect, and enforce our intellectual property and other proprietary rights and to obtain licenses to use the intellectual property and proprietary rights of others, as may be required. We cannot assure that any future trademark, patents or other intellectual property rights registrations will be issued for our pending or future applications or that any of our current or future trademark, patents or other intellectual property rights (whether registered or unregistered) will be valid, enforceable, sufficiently broad in scope, provide adequate protection of our intellectual property or other proprietary rights, or provide us with any competitive advantage.

We may be unable to prevent competitors or other third parties from acquiring or using trademarks, patents, or other intellectual property or other similar proprietary rights, which may infringe upon, misappropriate, dilute, or otherwise violate or diminish the value of our trademarks, patents and our other intellectual property and proprietary rights. Third parties may misuse or misrepresent the "IGI" brand, for instance, by falsely advertising or claiming that a particular sub-standard diamond or colored stone has been certified by us, which could tarnish our reputation and cause our customers to lose trust in the legitimacy and reliability of our services. We are also exposed to the risk that our reports and certificates are falsified or tampered with, or that counterfeit reports and certificates are issued, infringing our trademarks and damaging our reputation. The production of forged or counterfeit reports and certificates can result from employee misconduct, or more commonly, third party external sources, such as fraudulent behavior by a client or third party. We have encountered instances in the last three Calendar Years and in the nine-months period ended September 30, 2024 involving certificates which have been forged or tampered with by third parties as well as diamonds, studded jewelry and colored stones with counterfeit IGI Laserscribe inscriptions, and IGI India has taken action where appropriate, including referring the matter to the relevant diamond bourse and the Gems and Jewellery Council. While such instances have not resulted in a material adverse effect on our business, there is no assurance that we will not encounter such cases in the future which could adversely affect our brand reputation, result in a loss of business and expose us to legal challenges or claims by our customers or end-consumers and reputational harm. In such cases, we may also be required to file infringement claims to stop third-party infringement or unauthorized use, which may be expensive, could cause a diversion of resources, and may not be successful, even when our rights have been infringed, misappropriated, or otherwise violated. We may also not be able to detect all instances of counterfeit certificates, particularly as forgers may possess more sophisticated tools due to technological advancements. Additionally, any increase in the number of forged counterfeit reports and certificates could also undermine the integrity of the certification industry, devalue the trust associated with genuine certifications and have an adverse effect on the demand for certificates as a whole. We may also be required to make investments in advanced security features and anti-counterfeiting measures and there is no assurance that such measures will be effective. For further details on our expenses associated with paper used in the printing of our certificates, see "*–Volatility in the supply and pricing of paper used for the printing of certificates may have an adverse effect on our business, financial condition and results of operations.*" on page 50.

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights. We may also be susceptible to claims from third parties asserting infringement and other related claims. If claims or actions are adjudicated against us from third parties asserting infringement and other related claims in India and abroad, we may be required to obtain a license, modify our existing technology or cease the use of such technology and design, or use a new non-infringing technology. Such licenses or design modifications can be extremely costly. Further, necessary licenses may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, the settlement of which could be costly and time consuming. We may also be liable for any past infringement. Any of the foregoing could adversely affect our business, financial condition and results of operations.

26. Due to the inherent subjective nature of the grading process, we may not be successful in the prevention of fraud, discrepancies, human error or quality control issues during our certification process, which could have a material adverse effect on our business, reputation and financial performance.

According to the Redseer Report (see page 145 of "*Industry Overview*"), even though the industry standard of grading diamonds based on the 4Cs is the largely prevalent and accepted metric of grading, there is subjectivity in the judgement, which can vary among institutions and gemologists themselves. As per the Redseer Report (see page 145 of "*Industry Overview*"), due to this subjective element, there is tolerance in the industry for a diamond rating; for instance, a diamond grading may differ by one letter grade from one grader to another. While we implement quality control procedures, including the adoption of our in-house developed software "Swiftcert" which was fully implemented across all our laboratories globally in 2024 and enables us to track the gradings given by our laboratories, there is no assurance that any quality control measures we implement will be successful in preventing significant deviations in our gradings, particularly due to the inherently subjective nature of the grading process. See "*Our Business – Quality Control and Assurance*" and "*Our Business – Information Technology – SwiftCert*" on pages 179 and 183, respectively. The subjectivity and complexity of gemological analysis and the inherent limitations of testing methodologies and equipment further amplifies the risk of inaccuracies, human error and misjudgments during the grading process. While we are not aware of any material errors or inaccuracies in our gradings during the last three Calendar Years and in the nine-months period ended September 30, 2024, there can be no assurance that such instances, including the failure to detect synthetic stones, will not arise in the future, particularly with advancements in technology used by counterfeiters.

We may also not be successful in preventing instances of grading errors or fraud by gemologists or third parties. As certification via our in-factory and mobile laboratory set-ups are conducted on the premises of our customers, we may also have less oversight over third parties who have access to our customers' premises. While we conduct quality checks and periodic calibration of our gemologists to reassess and adjust their grading techniques, such measures may not be effective in preventing all instances of grading errors or fraud by gemologists or third parties. While we have encountered instances where gemologists have made errors in the past, and have been subjected to warnings or terminations, in the case of repeated errors, there is no assurance that we will be able to detect all such errors. Additionally, due to the high volume of diamonds, studded jewelry and colored stones we receive and process which often have subtle differences, there is a risk of human error or fraud during the processing stage, which may lead to unintentional mix-ups or misidentification or fraudulent swapping of similar-looking stones or jewelry before they are placed back into their respective job envelopes. While we have not encountered any instances in the past which has resulted in an adverse effect on our business, there is no assurance that we will not encounter such cases in the future, which may materially and adversely affect our business and reputation.

27. We face competition globally in our business, which could result in pricing pressures or an inability to compete effectively, and have a material adverse effect on our business, results of operations, financial condition, cash flows and future prospects.

As per the Redseer Report (see page 143 of "*Industry Overview*"), the loose stones (which include diamonds and colored stones) and studded jewelry certification market exhibits oligopolistic characteristics and is dominated by a few players, primarily due to the need to build up a strong reputation and credibility, alongside the requirement for specialized expertise and advanced equipment. We face competition globally in our business against other diamonds, studded jewelry and colored stones certification businesses, including other major global players, namely Gemological Institute of America (GIA) and Hoge Raad Voor Diamant (HRD) Antwerp, as well as global players who have recently emerged in the 2000s including Gemological Science International (GSI) and Solitaire Gemmological Laboratories (SGL) as well as a few local and regional players, as per the Redseer Report (see page 137 of "*Industry Overview*"). Competition may be based on many factors, including quality and reliability, turnaround time, technological capabilities, price and brand recognition. Some of our competitors also include customers who conduct self-certifications in their efforts to become vertically integrated. Some of our competitors may have certain advantages, including greater financial, technical and/ or marketing resources, which could enhance their ability to finance acquisitions, fund international growth, respond more quickly to technological changes and/ or operate in more diversified geographies and product portfolios. Some of our competitors may possess a more established brand presence and a longer history of operations in certain geographies compared to us. This advantage could enhance the perceived value of their certifications and make it challenging for us to expand our market share in these geographies. Further, certification businesses that do not currently compete with us could expand their product portfolios to include the certification of natural diamonds, laboratory-grown diamonds, studded jewelry and colored stones that would compete directly with ours. For further details of our competition, see "*Industry Overview*" and "*Our Business - Competition*" on pages 113 and 185, respectively.

Some of our competitors who wish to increase their market share may also undercut our prices, which may place pressures on us to adjust our pricing strategies in response to customer pressures and to maintain our market share. We may also be at a competitive disadvantage with respect to price when compared to other certification service providers with lower cost structures. If competitors can offer a lower cost on their certification services, or provide a shorter turnaround time, at equivalent or in some cases even reduced effort and better efficiency, we may lose our customers and new business opportunities. This competitive pricing dynamic requires us not only to adjust our pricing model strategically to remain attractive to our customers, and any failure to do so could adversely affect our business, results of operations and financial condition.

28. The volumes that our customers require from us, including the mix of services required by our customers, are subject to fluctuations, and any inability to adapt to these changes could adversely affect our business, financial condition, results of operations and cash flows.

The volumes that our customers require from us are also subject to fluctuations, depending on various factors including the quantity or demand for or price of diamonds, studded jewelry and colored stones generally. The following sets forth the number of reports generated by the Pre-Acquisition Group for the years/periods indicated:

Particulars	**Pre-Acquisition Group**				
	Nine-months period ended September 30,		**Calendar Year ended December 31,**		
	2024	**2023**	**2023**	**2022**	**2021**
Number of reports (in millions)	6.86	5.17	7.21	5.87	4.29

The number of reports has increased disproportionately over the last three Calendar Years and in the nine-months period ended September 30, 2024, and there can be no assurance that we will be able to accurately predict or forecast the expected demand by our customers, or that they will continue to demand for our services on the same volumes and terms as is currently subsisting. Depending on the nature of the services provided, the time taken for the certification process can range from 2 to 9 days for each report, involving at least 2 gemologists who independently evaluate each diamond or colored stone through the grading process, with a final grade is only assigned when a consensus is reached by the senior gemologist. See "*Our Business – Quality Control and Assurance – Grading Controls*" on page 179. Accordingly, as the certification process requires time and manpower, in the event we experience an unexpected increase in demand and are not able to allocate sufficient manpower to fulfil the requests of our customers in a timely manner, our competitive positioning and business may be adversely affected.

Further, as revenue from the certification of laboratory-grown diamonds has increased to 58.95%, 51.52%, 52.29%, 41.75% and 35.28% of total revenue from operations of the Pre-Acquisition Group for the nine-months period ended September 30, 2024, September 30, 2023, CY2023, CY2022 and CY2021, respectively, the mix of customers of the Pre-Acquisition Group has changed over time, with laboratory-grown diamond growers gaining increasing significance as compared to our other customers, as well as changes between services utilized by different laboratory-grown diamond growers from one financial period to the next. The prices of laboratory-grown diamonds are generally lower than those of natural diamonds, as per the Redseer Report (see page 129 of "*Industry Overview*"), and consequently the prices for our certification services are also lower for laboratory-grown diamonds as compared to natural diamonds. Any inability to adapt our business plans due to changes in the volumes required by our customers or the types of services required by them could adversely affect our business, financial condition, results of operations and cash flows.

29. We may be subject to losses arising from the theft, fraud or loss of diamonds, studded jewelry and colored stones during the certification process, and our insurance coverage may be inadequate to protect us against all potential losses, which may have a material adverse effect on our business, financial condition, results of operations and prospects.

Due to the high value of the diamonds, studded jewelry and colored stones that we certify for our customers, we are subject to various security risks, including those of theft, fraud or loss at our laboratories and during transit to and from our customers' premises. To secure the high value diamonds, studded jewelry and colored stones transported and stored by us and we engage third party logistics service providers for the transit of studded jewelry from our customers' premises to our laboratories and we maintain jewelers block insurance to cover for risks arising from physical loss or damage to the diamonds, studded jewelry and colored stones during storage and transport, among others. Our operations may be subject to incidents of theft or damage to inventory in transit to and from our customers' premises and during the certification process at our laboratories. While we have set up various security measures such as including a security seal for each diamond and colored stone, CCTVs in our laboratories and daily stock taking, and have not faced any losses due to theft or damage in the last three Calendar Years and in the nine-months period ended September 30, 2024, there can be no assurance that we will not experience such instances in the future, which could expose us to claims from our customers, harm our reputation and adversely affect our business, financial condition and results of operations.

We also maintain other insurance policies such as business owners' property insurance which provides coverage for business personal properties and equipment.

The following table sets forth the insurance coverage of the Pre-Acquisition Group and as a percentage of the written down value of the fixed assets of the Pre-Acquisition Group.

	Nine-months period ended September 30,		Calendar Year ended December 31,		
	2024	2023	2023	2022	2021
Amount of insurance coverage (₹ in millions)	529.18	521.34	526.16	460.94	457.02
As a percentage over the written down value of our fixed assets (%)	68.92%	71.56%	69.96%	64.53%	69.85%

Other than an insurance claim for a loss of ₹ 4.17 million sustained due to a fire at our office in Surat in May 2024, we have not made any claims under our insurance during the last three Calendar Years and in the nine-months period ended September 30, 2024. However, we cannot assure you that we will not be required to make significant insurance claims in the future, or that our current insurance policies will insure us fully against all risks and losses that may arise in the future. Additionally, in case of any losses, there can be no assurance that we will be able to recover from our insurers the full amount of any such loss in a timely manner, or at all. If we incur significant losses and if such loss exceeds the limits of, or is subject to an exclusion from, coverage under our insurance policies, or if a claim is rejected by the insurer, it could have a material adverse effect on our business, results of operations and financial condition. In addition, if we file claims under an insurance policy it could lead to increase in the insurance premiums payable by us or the termination of coverage under the relevant policy. There can also be no assurance that any claims filed will be honored fully or in a timely fashion under our insurance policies. In addition, we cannot assure you that we will be able to renew our insurance policies on similar or otherwise acceptable terms, if at all.

30. We rely on laboratory equipment for our business operations, and any failure to maintain or upgrade our equipment in a cost-efficient manner may adversely affect our business, financial condition, results of operations and prospects.

Our laboratories are equipped with an array of technologically advanced equipment which are used during the certification process. See "*Our Business – Our Laboratories and Grading Process – Our Laboratories*" on page 177. Any significant malfunction or breakdown of our laboratory equipment may require repair or replacement costs and consequently cause delays in our operations. While we have not experienced any such instances in the last three Calendar Years and in the nine-months period ended September 30, 2024, there can be no assurance that such instances will not arise in the future, which could have a material adverse effect on our business. Further, according to the Redseer Report (see page 146 of "*Industry Overview*"), technological advancements make it increasingly difficult to distinguish between counterfeit and synthetic stones, and colored stones treatment and synthesis technologies, which may require us to make significant investments in state-of-the-art equipment and training our gemologists to keep up with these changes. The continuous development and adoption of technologically advanced equipment can also incur substantial costs. Any failure to adopt technologically advanced equipment in our business processes could cause customers to seek seek services from competitors with more advanced equipment, diminishing our competitiveness and potentially lead to an adverse effect on our business, financial position, results of operations, and prospects. Additionally, advancements in AI, machine learning, and spectroscopy could also lead to automated grading and identification, and change the dynamics in the industry, according to the Redseer Report (see page 146 of "*Industry Overview*"). We are exploring these advancements in new technologies but there can be no assurance that we will be successful in doing so. See "- *If we fail to keep pace with technological advances in our industry, our business may be adversely affected*" on page 48.

31. Any unplanned disruptions at our laboratories, or any failure to expand our laboratory network in a timely and cost-effective manner, could have an adverse effect on our business, financial condition, results of operations and prospects.

Our business is dependent upon our ability to efficiently manage our laboratories, which is subject to various operating risks, including productivity of our workforce, increase in employee costs, compliance with regulatory requirements and circumstances beyond our control, such as the breakdown and failure of equipment, severe weather conditions, natural disasters and infectious disease outbreaks such as the COVID-19 pandemic. For instance, our laboratory operations were adversely affected during the COVID-19 pandemic due to quarantines, travel restrictions, limitations on social or public gatherings, and the temporary closure of our laboratories. Suspensions and closures of our laboratories could materially impact our results of operations. See "- *Health epidemics, such as the COVID-19 pandemic, have had, and could in the future have, an adverse effect on our business and results of operations, and the markets in which we and our customers are present in*".

In addition, the ability to deliver our services in an efficient manner to our customers is also dependent on our network of laboratories. We are also in the process of commissioning a new 214,159 sq. ft. facility in Surat, India, to support our ability to cater to the rising demand in the certification services industry. If we are unsuccessful in identifying strategic locations where there is high demand for certification services to expand our laboratory network or if we fail to manage our costs associated with the expansion of our IGI laboratories, this may lead to operational and financial inefficiencies, and adversely affect our profitability. We may also not be successful in identifying suitable customers who will be able to generate sufficient business volumes to collaborate with on in-factory laboratory set-ups. Any delays in the set-up of new laboratories, including delays in obtaining the required licenses, could impair or delay our ability to set up that laboratory, and cause us to be unable to capitalize on market opportunities in a timely manner, increase the cost so substantially that the laboratory becomes unattractive to us. While we have not encountered any failure to obtain the required licenses in the last three Calendar Years and in the nine-months period ended September 30, 2024, there can be no assurance that we will be able to obtain all required licenses in a timely manner, or at all. Any failure to procure and maintain the necessary licenses would adversely affect ongoing development and continuing operation of our laboratories. Additionally, as our certification services through our in-factory and mobile laboratory set-ups are performed on-site at the premises of our customers, any disruptions in the operations at our customers' premises due to factors beyond our control may also have an adverse impact on our ability to deliver our services to our customers.

32. If we fail to keep pace with technological advances in our industry, our business may be adversely affected.

As per the Redseer Report (see page 146 of "*Industry Overview*"), advancements in AI, machine learning, and spectroscopy could also lead to automated grading and identification, potentially reducing the need for human expertise and changing the dynamics in the industry. Our success therefore depends, in large part, on our ability to anticipate future customer needs, technological advances in the industry and to continue to introduce new innovative solutions and services. A part of our growth strategy includes pursuing advancements in newer technologies, including AI, to optimize our processes. See "*Our Business – Our Growth Strategies – Continue to invest in technology including AI to improve processes*" on page 172. Research and development activities are inherently uncertain, and there can be no assurance that our efforts will generate the outcomes that we expect or generate anticipated financial returns.

We also could experience an inability to keep pace with technological advances, resulting in our information technology platforms becoming obsolete or our competitors developing related or similar service offerings more effective than ours. For instance, we rely on our in-house developed software, "SwiftCert" to manage our operational activities across various geographies. This technology incorporates a range of modules, including a self-service portal and mobile app for customers to access and track the status of their certification requests on our online platform and mobile application, an operational module for staff, online certificate verifications by our customers and end-customers, among others. As such technology is developed in-house by us, we may be required to update and introduce new systems from time to time to keep up with technological advances and improve the efficiencies in our systems, especially as our business grows. While we have not encountered any material technical disruptions in the past, there is no assurance that such incidents will not occur in the future, including during any system upgrades or introduction of new systems. There is also no assurance that we will be able to adapt to technological change in the future. If our competitors adapt to changes or developments in technology faster or more efficiently than we do, we may lose market share and our business, financial condition, results of operations and prospects may be materially and adversely affected. Any failure to do so could result in our systems being obsolete, thereby losing efficiency, compatibility and security features, which could adversely affect our business operations and our reputation. We also cannot assure you that we will have sufficient resources to devote to maintaining or improving our technology in the future. To the extent our past or future investments in technology do not yield the benefits to our business that we expected or intended, our business, financial condition, results of operations and prospects may be materially and adversely affected.

33. We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licenses or comply with such rules and regulations, and the failure to obtain or retain them in a timely manner or at all may adversely affect our operations.

We require several statutory and regulatory permits, licenses and approvals to operate our business. For instance, in India, our Company requires registration under state specific shops and establishments legislations, GST registrations, professional tax registrations and registration under Employees' Provident Funds and Miscellaneous Provisions Act, 1952. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition. There are also certain licenses which our Company has applied for or is in the process of applying for in the ordinary course of business. Such licences and approvals include GST registrations for certain states, registrations under state specific shops and establishments legislations for certain states and registration under the Employees State Insurance Act, 1948 for certain branches of our Company. For further details, see "*Government and Other Approvals – Material Approvals applied for but not received*" on page 536. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change, we may incur increased costs, be subject to penalties or suffer a disruption in our business activities, any of which could adversely affect our results of operations.

Additionally, we obtain and maintain quality certifications and accreditations from independent certification entities and also comply with prescribed specifications and standards of quality approved by certification issuing agencies. As of the date of this Prospectus, our laboratory in Surat and one of our laboratories in Mumbai received the ISO/IEC 17025:2017 accreditation for competence of testing and calibration laboratories, which certify that our laboratories meet the technical and quality benchmarks for analytical testing methods. If we fail to comply with applicable quality standards or if we are otherwise unable to obtain such quality accreditations in the future in a timely manner or at all, our business prospects and financial performance may be negatively affected.

34. Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.

We propose to utilize the Net Proceeds towards (i) payment of the purchase consideration for the acquisition of the IGI Belgium Group and IGI Netherlands Group from our Promoter and (ii) general corporate purposes. For details, see "*Objects of the Offer*" on page 90. The deployment of the Net Proceeds is based on management estimates, current circumstances of our business, prevailing market conditions and has not been appraised by any bank, financial institution or other independent party. These estimates may be inaccurate, and we may require additional funds to implement the purposes of the Offer. Accordingly, at this stage, we cannot determine with any certainty if we will require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. Further, pending utilisation of Net Proceeds towards the objects of the Offer, our Company will have the flexibility to deploy the Net Proceeds and to deposit the Net Proceeds temporarily in deposits with one or more scheduled commercial banks included in Second Schedule of Reserve Bank of India Act, 1939, as may be approved by our Board or a duly constituted committee thereof.

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds or in the terms of any contract as disclosed in this Prospectus without obtaining the Shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations.

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

35. We face credit risks due to our trade receivables in the ordinary course of business.

Due to the nature of, and the inherent risks in, the agreements and arrangements with our customers, we are subject to counterparty credit risk. The Pre-Acquisition Group generally extends credit terms of 15 to 70 days to customers, subject to the creditworthiness of customers. The following table sets forth the trade receivables of the Pre-Acquisition Group and the provision for expected credit loss as at the years/period indicated:

	As at September 30,	As at December 31,		
	2024	2023	2022	2021
Trade receivables (₹ in millions)	1,305.47	1,077.90	630.54	341.16
Trade receivables as a percentage over total current assets (%)	25.36%	29.88%	22.87%	16.63%
Provision for expected credit loss (₹ in millions)	78.75	78.93	20.91	53.20

We cannot assure you that we would be able to accurately assess the creditworthiness of our customers. If we encounter significant delays or defaults in payment by our customers or are otherwise unable to recover our trade receivables, our cash flows from operations may be inadequate to meet our working capital requirements and our business, financial condition and results of operations may be adversely affected.

36. Volatility in the supply and pricing of paper used for the printing of certificates may have an adverse effect on our business, financial condition and results of operations.

We require paper in connection with the printing and delivery of our certificates to our customers. The paper we use for the printing of certificates includes characteristics that ensure the certificate is long-lasting and resistant to forgery and tampering, and consists of security features such as ultra-violet and holographic logos of IGI. We do not enter into any long-term supply agreements for the supply of such paper, and we purchase such paper from various suppliers on an as-need basis.

The following table sets forth details of the expenses of the Pre-Acquisition Group from the purchase of paper, expressed as a percentage of the revenue of the Pre-Acquisition Group for the periods indicated:

	Nine-months period ended September 30,		Calendar Year ended December 31,		
	2024	2023	2023	2022	2021
Paper *(₹ in millions)*	251.85	154.10	241.49	176.17	113
% of Total Revenue	4.22%	3.40%	3.44%	3.07%	2.52

As we do not enter into long-term contracts with our suppliers of such paper, we cannot assure you that our suppliers will continue to supply the tear-resistant paper we require, at prices which are favorable to us. Moreover, in the event that either our demand increases or our suppliers experience a scarcity of resources, our suppliers may be unable to meet our demand. If there are any disruptions in our relationship or supply arrangements with our suppliers, or if we fail to (i) receive the quality of paper that we require; (ii) negotiate appropriate financial terms; (iii) obtain adequate supply of paper in a timely manner, or if our principal suppliers discontinue the supply of such paper, or were to experience business disruptions or become insolvent, we cannot assure that you will be able to find alternate sources at a competitive pricing in a timely manner or at all, which may have an adverse effect on our ability to deliver our certificates to our customers in a timely or cost effective manner.

37. The examination reports on our Restated Financial Information disclose emphasis of matter paragraphs, and we cannot assure that our financial information for future periods will not contain emphasis of matters.

The examination report on our Restated Financial Information discloses an emphasis of matter paragraph included in the audit report for the Calendar Year ended December 31, 2023 in relation to prior period errors identified by the management of the Company, who have accordingly restated the comparative Statement of Profit or Loss for the year ended December 31, 2023 and the comparative Balance Sheet as at that date, and also the opening Balance Sheet as at January 01, 2022, in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

Additionally, the examination reports on our Restated Financial Information discloses an emphasis of matter paragraph included in the audit reports for the nine-months periods ended September 30, 2024 and September 30, 2023 and the Calendar Years ended December 31, 2023, 2022 and 2021 in relation to the purpose and basis of preparation of the Special Purpose Interim Consolidated Financial Statements for the nine-months periods ended September 30, 2024 and September 30, 2023 and the Special Purpose Financial Statements for the Calendar Years ended December 31, 2023, 2022 and 2021, which have been prepared by the management of the Holding Company solely for the purpose of preparation of the Restated Financial Information to be included in this Prospectus of the Company to be filed in connection with its proposed initial public offering of equity shares as required by Section 26 of Part I of Chapter III of the Act and as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time and to comply with the SEBI Communication and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI and accordingly may not be suitable for any another purpose. For further details, see "*Restated Financial Information*" beginning on page 214.

While such emphasis of matters did not have an adverse effect on our financial condition, we cannot assure that our financial information for future periods will not contain emphasis of matters, which may have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

38. Our contingent liabilities could adversely affect our financial condition, results of operations and cash flows.

The table below sets forth the capital commitments and contingent liabilities of the Pre-Acquisition Group as reflected in Restated Financial Information for the periods indicated:

	As at September 30,		As at December 31,		
	2024	2023	2023	2022	2021
	(₹ in millions)				
Claims against group not acknowledged as debt					
– Income tax	1.48	1.48	1.48	2.03	46.27
– ESIC	0.16	0.16	-	5.38	5.38
– Professional tax department	-	-	0.16	0.16	-
– Estimated amounts of contracts remaining to be executed on the capital account and not provided for in respect of capital assets (net of advances paid)(1)	352.07	303.49	299.76	662.53	701.53

Note:

(1) Such amounts are in connection with the development of our 214,159 square feet facility in Surat, India which is expected to be completed in 2025. See "Management's Development and Analysis of Financial Condition and Results of Operations – Capital Commitments and Contingent Liabilities" on page 525.

If our contingent liabilities were to increase and materialize in the future, it could have an adverse effect on our financial condition, results of operations and cash flows. For further details on contingent liabilities, see our "*Restated Financial Information – Notes to the Restated Financial Information – Note 39: Capital commitments and contingent liabilities*" on page 263.

39. Global health epidemics, such as the COVID-19 pandemic, have had, and could in the future have, an adverse effect on our business and results of operations, and the markets in which we and our customers are present in.

Our business and results of operations could be adversely affected by global health epidemics, such as the COVID-19 pandemic, that affect the markets and communities in which we and our customers, suppliers, vendors, manufacturers, and advertisers operate. Our operations have in the past been adversely affected by COVID-19, due to supply chain disruptions and delays which affected our customers' businesses, as well as labor challenges associated with quarantines, travel restrictions and temporary closure of certain of our branches and laboratories around the world, including India. Such health epidemics may also have an adverse impact on macroeconomic conditions, including consumer shopping and spending patterns, which may lead to a decrease in demand for diamonds, studded jewelry and colored stones and offered by our customers, and in turn lead to a decrease in demand for our certification business.

40. We have presented certain non-GAAP measures of our performance and liquidity which is not prepared under or required under Ind AS.

This Prospectus includes EBITDA, EBITDA margin, return on capital employed and net working capital (collectively "**Non-GAAP Measures**") and certain other industry measures related to our operations and financial performance, which are supplemental measures of our performance and liquidity and are not required by, or presented in accordance with, Ind AS, IFRS or U.S. GAAP. For further details in relation to reconciliation of Non-GAAP Measures, see "*Other Financial Information*" on page 502.

Further, these Non-GAAP Measures and industry measures are not a measurement of our financial performance or liquidity under Ind AS, IFRS or U.S. GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, IFRS or U.S. GAAP. In addition, such Non-GAAP Measures and industry measures are not standardized terms, and may vary from any standard methodology that is applicable across the diamonds, studded jewelry and colored stones certification industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies, and hence a direct comparison of these

Non-GAAP Measures and industry measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures and industry measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures and industry measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance. These Non-GAAP Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

41. Significant differences exist between Ind AS and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition.

The financial statements included in this Prospectus have been prepared in accordance with Ind AS. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Ind AS financial statements, which are restated as per the SEBI ICDR Regulations included in this Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should be limited accordingly.

42. This Prospectus contains information from an industry report which we have commissioned and paid for from Redseer.

This Prospectus in the sections titled "*Risk Factors*", "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 32, 113, 159 and 508, respectively, includes information that is derived from an industry report titled "*Loose stones and studded jewelry Certification Market*" dated December 3, 2024, prepared by Redseer, a research house, pursuant to an engagement with us specifically for the purposes of the Offer. We commissioned and paid for this industry report for the purpose of confirming our understanding of the diamonds, studded jewelry and colored stones certification market. Furthermore, as there are no listed comparable peers globally, there may be limited data available which can be used as a basis for comparison. The commissioned report also highlights certain industry and market data, which may be subject to assumptions. Methodologies and assumptions also vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that Redseer's assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Prospectus. Further, the commissioned report is not a recommendation to invest or disinvest in the Equity Shares. Prospective investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Prospectus, when making their investment decisions.

Risks Relating to the Business of the Post-Acquisition Group

In addition to the risks relating to the Pre-Acquisition Group as outlined in the section "- Risks Relating to the Pre-Acquisition Group" on page 34 which will continue to apply following the completion of the Proposed Acquisitions, set forth below are additional risks which are applicable to the Post-Acquisition Group. As used herein, references to the "Post-Acquisition Group" or "IGI" (including in the context of any pro forma financial information) refer to the IGI business globally, comprising our Company, our Subsidiary, the IGI Belgium Group and the IGI Netherlands Group, assuming the completion of the Proposed Acquisitions. References to "we", "our" or "us", as the context so requires, will be to our Post-Acquisition Group.

43. Following the completion of the Proposed Acquisitions, our international operations subject us to risks, including unfavorable political, regulatory, labor, tax and economic conditions in other countries that could adversely affect our business, financial condition and results of operations.

Following the completion of the Proposed Acquisitions, our international operations may subject us to additional risks that differ in each country in which we operate. As of September 30, 2024, we have 31 branches which are equipped with our IGI laboratories under the Post-Acquisition Group located across 10 countries. Additionally, we have 18 schools of gemology across 6 countries. For details of our international operations, see "*Our Business – Overview of Post Acquisition Group*" on page 162, "*Our Business – Services – Education*" on page 176 and "*Our Business – Our Laboratories and Grading Process*" on page 176. The following table sets forth the revenue from operations of the Pre-Acquisition Group as derived from the Restated Financial Information, revenue from operations of the IGI Belgium Group as derived from the Special Purpose Consolidated Financial Statements for IGI Belgium Group and the revenue from operations of the IGI Netherlands Group as derived from the Special Purpose Consolidated Financial Statements for IGI Netherlands Group, for the periods indicated:

in ₹ millions

Revenue from Operations	Nine-months period ended September 30,		Calendar Year ended December 31,		
	2024	2023	2023	2022	2021
Pre-Acquisition Group	5,963.57	4,537.88	6,385.28	4,909.94	3,646.91
IGI Belgium Group	975.39	N.A.[1]	1,515.84	1,549.26	1,598.89
IGI Netherlands Group	1,014.26	N.A.[1]	1,158.92	1,082.11	864.49

Note:

(1) The special purpose consolidated financial statements of the IGI Belgium Group and the IGI Netherlands Group for the nine-months period ended September 30, 2023 are not available.

Accordingly, our business is and will be subject to increasing risks related to the different legal, political, social and regulatory requirements and economic conditions of many jurisdictions. Risks inherent to our international operations include the following:

- agreements and intellectual property rights may be difficult to enforce through a foreign country's legal system. *See "–We may be unable to sufficiently obtain, maintain, protect, or enforce our intellectual property and other proprietary rights and may experience counterfeit certificates, which could devalue the trust associated with genuine certifications." on page 44*;
- foreign customers may have increased credit risk and different financial conditions, which may necessitate longer payment cycles or result in increased bad debt write-offs or additions to reserves related to our foreign receivables;
- foreign countries may impose additional withholding taxes or otherwise tax our foreign income, impose tariffs, duties, export controls, import restrictions or adopt other restrictions on foreign trade or investment, including currency exchange controls, which could significantly reduce the financial performance of our foreign operations or the magnitude of their contributions to our overall financial performance;
- fluctuations in exchange rates may affect demand for our services and may adversely affect the profitability in Rupees of our services in markets where payment is made in currencies other than the Rupee;
- general economic conditions in the countries in which we operate, including fluctuations in gross domestic product, interest rates, market demand, labor costs and other factors beyond our control, could have an adverse impact on our revenue in those countries; and
- we may experience difficulties in staffing and managing multi-national operations, including the possibility of labor disputes abroad.

Additionally, operating in different countries will require us to comply with a variety of foreign laws and regulations, including obtaining the required licenses and permits, which may differ from the laws and regulations which we are familiar with. There may also be unexpected changes in these regulations which could increase our costs of compliance, and there can be no assurance that we will be able to obtain, maintain or renew the required licenses and permits to operate in such countries, or that we will be in compliance with the applicable laws and regulations.

We cannot assure you that we will succeed in developing and implementing policies and strategies which will be effective in each location where we do business. Further, if the international markets in which we compete are affected by changes in political, social, legal, economic or other factors - such as deterioration in U.S.-China relations, instability in the North Korean peninsula or South China Sea, the conflict between Russia and Ukraine or the conflict in Israel, Gaza and surrounding areas - our business and operating results may be materially and adversely affected.

44. Exchange rate fluctuations may adversely affect the results of operations, liquidity and financial condition of the Post-Acquisition Group and cause our future financial results to fluctuate.

The Restated Financial Information is prepared in Indian Rupees, and business transactions undertaken by the Pre-Acquisition Group is primarily denominated in Indian Rupees. However, given the services of the Post-Acquisition Group are offered to customers located outside of India, a portion of business transactions of the Post-Acquisition Group will be denominated in foreign currencies, mainly in Euros and U.S. Dollars. Accordingly, the Post-Acquisition Group will have currency exposures relating to foreign exchange other than in Indian Rupees, particularly the currencies of the countries in which they operate in, such as the Euro and U.S. Dollar. Therefore, changes in the relevant exchange rates could also affect the revenues, expenses and operating results of the Post-Acquisition Group. The Post-Acquisition Group will be affected primarily by fluctuations in exchange rates between the Indian Rupee and the currencies of the countries in which they operate in, and the business, results of operations and financial condition of the Post-Acquisition Group may be adversely affected by fluctuations in the value of the Indian Rupee against such foreign currencies. In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our business, financial condition, results of operations and cash flows. We monitor our exposure to foreign currencies but we do not manage our foreign currency exposure in a manner which eliminates the effects of changes in foreign exchange rates and as such, we may incur potential foreign exchange related losses in the future, which may be more prevalent for the Post-Acquisition Group, which could adversely affect the results of operation, liquidity and financial condition of the Post-Acquisition Group. For further information on our exchange rate risk management, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Quantitative and Qualitative Analysis of Market Risks – Foreign Currency Risk*" on page 526.

45. Following the completion of the Proposed Acquisitions, our international operations could subject us to additional risks associated with information technology systems, including any inability to transition or upgrade to new technological platforms and increased risks of cybersecurity incidents which could disrupt our business of the Post-Acquisition Group.

The business of the Post-Acquisition Group depends on our ability to maintain and upgrade our information technology systems used across the different entities globally. We are in the process of transitioning to SAP, which is an enterprise resource planning (ERP) software that integrates various business functions, such as finance, human resources, and supply chain management, across the different geographies which we operate, into a unified system, and accordingly may also face risks relating to our migration to a new IT infrastructure. Any delays in the development of these initiatives could also adversely impact the overall productivity of our business and any failure to successfully develop these initiatives could lead to business interruptions. There is no assurance that our transition or upgrade to any new technological platforms will be smooth or in the manner that we anticipate or that any or all technologies we adopt will achieve the efficiencies we expect, or that we will not face any disruptions or problems resulting from any or all technologies we use.

Furthermore, cybersecurity risks have significantly increased in recent years because of, in addition to other factors, the proliferation of new technologies and the increased sophistication and activities of organized crime, hackers, terrorists, and other external parties. The techniques used by individuals or entities to access, disrupt or sabotage devices, systems and networks change frequently and may not be recognized until launched against a target. We may be unable to anticipate these techniques, and we may not become aware in a timely manner of a security breach, which could exacerbate the negative impact of such an event on our business or that of our customers. In particular, we experienced a DDoS attack on our IGI website on March 18, 2024, which is a technique used by hackers intended to take an internet service offline by overloading its servers. To mitigate this DDoS attack and protect our website, we shifted our website to an external third-party web infrastructure and website security company which provides DDoS mitigation services, and implemented a web application firewall on March 22, 2024. Further, in April 2022, IGI USA experienced a ransomware attack which affected a portion of IGI USA's operational files. In response, IGI USA engaged the services of a security firm to assist in remediation efforts to restore access to the relevant data. While these incidents did not result in a material adverse impact on our business operations and we did not experience any data or information losses, there is no assurance that such cyber security incidents will not occur in the future. In particular, in the event of another ransomware attack, we could suffer significant financial and reputational harm, regardless of whether we choose to pay the ransom amount. Save for IGI USA which maintains an insurance policy which covers cyber risks up to a threshold, the insurance policies maintained by the other IGI entities within the Post-Acquisition Group generally do not cover losses arising cyber attacks, and we may be subject to losses that may result from a security incident or breach, which could adversely affect our business, results of operations, financial condition and cash flows.

External Risk Factors

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

The Competition Act, 2002, of India, as amended ("**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India ("**AAEC**"). On March 4, 2011, the Government of India notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (the "**CCI**"). Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extraterritorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage.

The Government of India has also notified the Competition (Amendment) Act, 2023, which has introduced several amendments to the Competition Act. The Competition (Amendment) Act, 2023 inter alia modifies the scope of certain factors used to determine AAEC, reduces the overall time limit for the assessment of combinations by the CCI from 210 days to 150 days and empowers the CCI to impose penalties based on the global turnover of entities, for anti-competitive agreements and abuse of dominant position etc. If we pursue acquisitions in the future, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, any enforcement proceedings initiated by the CCI, any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, or any prohibition or substantial penalties levied under the Competition Act, which would adversely affect our business, results of operations, financial condition and cash flows.

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

The legal, regulatory and tax environment in which we operate is subject to change in the form of gradual evolution, changing interpretation and significant reforms from time to time, which may have an adverse effect on the products or services we offer, the value of our assets or our business in general. For example:

- the Government of India has implemented a comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure. In this regard, the Constitution (One hundred and first Amendment) Act, 2016 enables the Government of India and state governments to introduce GST. We cannot assure you as to this or any other aspect of the tax regime following implementation of the GST. The implementation of this rationalized tax structure may be affected by any disagreement between certain state governments, which may create uncertainty. 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.

- Additionally, the Digital Personal Data Protection Act, 2023 ("**DPDP Act**") was passed in August 2023 and once notified, will replace the existing data protection provisions, as contained in Section 43A of the Information Technology Act, 2000. The DPDP Act seeks to balance the rights of individuals to protect their personal data with the need to process personal data for lawful and other incidental purposes. The DPDP Act focuses on personal data protection for implementing organizational and technical measures in processing digital personal data and lays down norms for cross-border transfer of personal data including ensuring the accountability of entities processing personal data. The DPDP Act requires companies that collect and deal with high volumes of personal data to fulfil certain additional obligations such as appointment of a data protection officer for grievance redressal and a data auditor to evaluate compliance with the DPDP Act. The DPDP Act provides that personal data may be processed only in accordance with the DPDP Act, and for a lawful purpose after obtaining the consent of the individual or for certain legitimate uses. The DPDP Act outlines prescriptive compliance controls across enterprises managing the personal information of Indian citizens. Further, the DPDP Act imposes stringent monetary penalties ranging from ₹50 to ₹250 crore per incident. We cannot assure you that no actions will be taken against us by the regulatory authorities in the future for any alleged contravention of the DPDP Act which could adversely impact our business, results of operations, cash flows and financial condition and the price of the Equity Shares.

- Further, the Government introduced new laws relating to social security, occupational safety, industrial relations and wages namely, the Code on Social Security, 2020 ("**Social Security Code**"), the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Wages, 2019, which consolidate, subsume and replace numerous existing central labor legislations, were to take effect from April 1, 2021 (collectively, the "**Labor Codes**"). The Government has deferred the effective date of implementation of the respective Labor Codes, and they shall come into force from such dates as may be notified. While the rules for implementation under these codes have not been finalized, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely impact our profitability.

- Further, amendments in Employees' Provident Fund and Miscellaneous Provisions Act, 1952, which provides for the institution of provident funds pension fund and deposit-linked insurance fund for employees in factories and other establishments and Employees' State Insurance Act, 1948, which provides, *inter alia*, for certain benefits to employees in case of sickness, maternity and employment injury could increase the financial burden on our Company, which may adversely impact our profitability.

- Further, the new criminal laws, namely, Bharatiya Sakshya Adhiniyam, 2023, Bharatiya Nyaya Sanhita, 2023, and Bharatiya Nagarik Suraksha Sanhita, 2023, which came into force on July 1, 2024, have replaced the Evidence Act, 1872, Indian Penal Code, 1860, and Criminal Procedure Code, 1973, respectively. We cannot predict whether any changes in interpretation would have an adverse effect on our business, financial condition, and results of operations.

- Further, the Government of India has recently announced the Union Budget for Financial Year 2025 ("**Budget**"). Pursuant to the Budget, the Finance Bill, 2024, *inter alia*, proposes to amend the capital gains tax rates and amounts mentioned above, with effect from the date of announcement of the Budget. However, since the Finance Bill, 2024 have not yet been enacted into law, the Bidders are advised to consult their own tax advisors to understand their tax liability as per the laws prevailing on the date of disposal of Equity Shares.

Uncertainties or changes in the laws and regulations may be time consuming and costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. For instance, in a decision, the Supreme Court of India has clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. As of the date of this Prospectus, while we have paid all required provident fund payments in respect of our eligible employees, there is no assurance that we will be in compliance with all applicable laws and regulations in the future. Any regulatory, legal or tax change in the future may require us to commit management resources or may require changes to our business practices, or affect distribution channels, and could have a material adverse effect on our business, financial condition, results of operations and prospects.

48. ***Our business is substantially affected by prevailing economic, political and other prevailing conditions in India and regional and global economic and market conditions.***

We are incorporated in, and majority of all of our operations 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.

The Government of India has exercised and continues to exercise significant influence over many aspects of the Indian economy. Specific laws and policies affecting e-commerce, data, foreign investments, current exchange rates and other matters affecting investments in India could change as well or be subject to unfavorable changes or interpretations or uncertainty.

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

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansion;
- prevailing income conditions among Indian consumers and Indian corporates;
- epidemic, pandemic or any other public health in India or in countries in the region or globally, including in India's various neighboring countries, such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 pandemic;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- 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;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- any downgrading of India's debt rating by a domestic or international rating agency;
- financial instability in financial markets; and
- other significant regulatory or economic developments affecting India.

On February 24, 2022, Russian military forces invaded Ukraine. In addition, the recent Israel-Hamas war and escalating tensions in the Middle East could affect oil prices and have other, potentially recessionary, effects on the global economy. In addition, recently, the armed conflict involving Hamas and Israel, as well as further escalation of tensions between Israel and various countries in the Middle East and North Africa, may cause general economic conditions to deteriorate. It is unknown how long any of these disruptions will continue and whether such disruptions will become more severe. The extent and duration of the military action and resulting market disruptions could be significant and could potentially have a substantial impact on the global economy and our business for an unknown period of time.

Any of the abovementioned factors could affect our business, financial condition, cash flows and results of operations.

49. ***A downgrade in ratings of India may adversely affect our business and results of operations.***

Our borrowing costs and access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating decreased from Baa2 with a negative outlook to Baa3 with a stable outlook by Moody's in October 2021 which was reaffirmed in August 2023 and from BBB with a stable outlook to BBB- with a stable outlook by Fitch in June 2022 which was reaffirmed in January 2024. Any further adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside of our control. This could have an adverse effect on our ability to fund our growth on favorable terms or at all, and consequently adversely affect our business, cash flows, financial performance and the price of the Equity Shares.

50. ***Our ability to raise foreign capital may be constrained by Indian law.***

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

Risks Relating to the Equity Shares and the Offer

51. While we have issued dividends and provided returns to our Promoters in the past, there is no guarantee that any dividends will be declared or paid in the future.

Our Company has undertaken a bonus issue of Equity Shares on June 6, 2024 by capitalising our free reserves aggregating to ₹789.62 million. Our free reserves reduced from ₹ 5,081.93 million prior to the bonus issue to ₹4,292.31 million following the bonus issue. For details of the bonus issue, see "*Capital Structure – Share Capital History of our Company*" on page 79. We have further paid a total dividend of ₹ 1,897.67 million, ₹ 1,397.23 million, ₹ 1,460.79 million and ₹ 1,480.53 million during the nine months period ended September 30, 2024, CY 2023, CY 2022 and CY 2021. While we have capitalised our reserves in the past and paid dividends to our Shareholders in the past, there is no guarantee that any dividends will be declared or paid in the future.

52. Our ability to pay dividends or provide returns to investors in the future will depend upon our future results of operations, financial condition, cash flows, working capital, capital expenditure requirements and solvency ratio, and is subject to restrictions under Indian laws and regulations.

Any dividends to be declared and paid in the future are required to be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, and our dividend distribution policy. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements, capital expenditure requirements and solvency ratio. Our Company has a formal dividend policy as on the date of this Prospectus. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our Shareholders in the future. See "*Dividend Policy*" on page 213.

Under the Indian laws, dividends may be paid out of profits earned during the year or out of accumulated profits earned by a company in previous years and transferred by it to its reserves (subject to certain conditions). Any accumulated profits that are not distributed in a given year are retained and may be available for distribution in subsequent years. We may retain all future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realization of a gain on the shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that the Equity Shares will appreciate in value.

53. The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchanges. Further, the current market price of some securities listed pursuant to initial public offerings which were managed by the Book Running Lead Managers in the past, is below their respective issue prices.

The determination of the Price Band, if any, is based on various factors and assumptions, and will be determined by our Company, in consultation with the Book Running Lead Managers. Furthermore, the Offer Price of the Equity Shares will be determined by our Company, in consultation with the Book Running Lead Managers through the Book Building Process. These will be based on numerous factors, including those described in "*Basis for Offer Price*" on page 96, and may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchanges.

The price of the Equity Shares upon listing on the Stock Exchanges will be determined by the market and may be influenced by many factors outside of our control. For further details, see "*– The Equity Shares have never been publicly traded, and after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all.*" on page 58. Further, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Book Running Lead Managers is below their respective issue prices. For further details, see "*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the BRLMs*" on page 550.

54. The Offer Price of the Equity Shares, price to earnings ("P/E") ratio and market capitalization to revenue from operations ratio may not be indicative of the market price of the Equity Shares on listing or thereafter.

The Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLMs, and through the Book Building Process. This price will be based on numerous factors, as described under "*Basis for Offer Price*" on page 96 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price resulting in a loss of all or part of the investment. Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us may dilute your shareholding and any sale of Equity Shares by our Promoter may adversely affect the trading price of the Equity Shares.

The relevant financial parameters based on which the Price Band would be determined shall be disclosed in the advertisement to be issued for publication of the Price Band.

The following table provides certain other financial parameters of the Pre-Acquisition Group, on a consolidated basis, as of and for the periods/years indicated:

(₹ in millions)

Particulars	As of and for the nine- months period ended September 30,		As of and for the Calendar Year ended December 31,		
	2024	2023	2023	2022	2021
Revenue from operations	5,963.57	4,537.88	6,385.28	4,909.94	3,646.91
Restated profit for the period/year	3,260.60	2,386.94	3,247.38	2,417.58	1,715.30

The price to earnings ratio of the Pre-Acquisition Group for CY2023 is 50.98 times at the upper end of the Price Band and 48.53 times at the lower end of the Price Band and our market capitalization to revenue from operations for CY2023 multiple is 28.22 times at the upper end of the Price Band and 26.98 times at the lower end of the Price Band, and. The table below provides details of the Pre-Acquisition Group's price to earnings ratio and market capitalization to revenue from operations at Offer Price for the period indicated:

Particulars	Price to Earnings Ratio (Number of times)	Market Capitalization to Revenue from Operations (Number of times)
For CY2023	48.53 times at lower end	26.98 times at the lower end
	50.98 times at upper end	28.22 times at upper end
	50.98 times at Offer Price	28.22 times at Offer Price

Further, there can be no assurance that our key performance indicators ("**KPIs**") will improve in the future. An inability to improve, maintain or compete may adversely affect the market price of the Equity Shares. There can be no assurance that our methodologies are correct or will not change and accordingly, our position in the market may differ from that presented in this Prospectus.

55. The Equity Shares have never been publicly traded, and after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market for the Equity Shares on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares.

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- the failure of security analysts to cover the Equity Shares after this Offer or a change in research analysts' recommendations;
- the activities of our competitors;
- actual or purported "short squeeze" trading activity;
- future sales of the Equity Shares by our Company or our Shareholders;
- announcements by third parties or government entities of significant claims or proceedings against us;
- new laws and government regulations applicable to us in India;
- additions or departures of key management personnel;
- changes in the interest rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Any of these factors may result in large and sudden changes in the volume and trading price of the Equity Shares. In the past, following periods of volatility in the market price of a company's securities, shareholders have often instituted securities class action litigation against that company. If we were involved in a class action suit, it could divert the attention of management, and, if adversely determined, have an adverse effect on our business, financial condition, results of operations and prospects. There has been significant volatility in the Indian stock markets in the recent past, and the Equity Share price could fluctuate significantly as a result of market volatility. A decrease in the market price of the Equity Shares could cause you to lose some or all of your investment. We cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. There can be no assurance that investors will be able to resell their Equity Shares at or above the Offer Price.

56. Investors may have difficulty enforcing foreign judgments against us or our management.

We are a limited liability company incorporated under the laws of India. A majority of our Directors and executive officers are residents of India and a substantial portion of our assets and such persons' assets are located in India. As a result, it may not be possible for investors to affect service of process upon us or such persons outside India, or to enforce judgments obtained against such parties outside India, including judgments predicated upon the civil liability provisions of the securities laws of jurisdictions outside India.

Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favor such final judgment is rendered may bring a fresh suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with public policy in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment against Indian companies, entities, their directors and executive officers and any other parties resident in India. Additionally, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to repatriate any amount recovered pursuant to the execution of the judgment.

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

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution.

However, if the laws of the jurisdiction the investors are located in, do not permit them to exercise their pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

58. Any future issuance of Equity Shares may dilute your shareholding and sales of the Equity Shares by our Promoter may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth, whether organic or inorganic, through future equity offering. Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in us. Any future issuances of Equity Shares including issuance of Equity Shares to employees or former employees upon exercise of vested options held by them under the ESOP 2024 or the disposal of Equity Shares by our Promoter or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that our Shareholders will not dispose of the Equity Shares held by them. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares.

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

Capital gains arising from the sale of the Equity Shares, held as investments are generally taxable in India. Any gain realized on the sale of the Equity Shares on a stock exchange held for more than 12 months is subject to long term capital gains tax in India. A securities transaction tax ("**STT**") is levied both at the time of transfer and acquisition of the equity shares (unless exempted under a prescribed notification), and the STT is collected by an Indian stock exchange on which equity shares are sold. Any capital gain realized on the sale of listed equity shares on a recognized stock exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the recognized stock exchanges, the quantum of gains, and any available treaty relief. Such long-term capital gains exceeding ₹ 100,000 arising from the sale of listed equity shares on a stock exchange are subject to tax at the rate of 10% (plus applicable surcharge and cess) subject to, inter alia, payment of STT. Any gain realized on the sale of the Equity Shares held for more than 12 months by an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to long-term capital gains tax in India at the rate of 10% (plus applicable surcharge and cess), without indexation benefits. Further, any gain realized on the sale of the Equity Shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short-term capital gains tax in India at the rate of 15% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates. The Government of India has recently announced the Union Budget for Financial Year 2025 ("**Budget**"). Pursuant to the Budget, the Finance Bill, 2024, *inter alia*, proposes to amend the capital gains tax rates and amounts mentioned above, with effect from the date of announcement of the Budget. However, since the Finance Bill, 2024 have not yet been enacted into law, the Bidders are advised to consult their own tax advisors to understand their tax liability as per the laws prevailing on the date of disposal of Equity Shares.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder, subject to certain conditions. 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 upon the sale of the Equity Shares.

The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 and clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

Additionally, any dividend distributed by a domestic company is subject to tax in the hands of the investor at the applicable rate. Further, our Company is required to withhold tax on such dividends distributed at the applicable rate. Non-resident shareholders may claim benefit of the applicable tax treaty, subject to satisfaction of certain conditions. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

60. Foreign investors are subject to foreign investment restrictions under Indian laws that may limit our ability to attract foreign investors, which may have a material adverse impact on the market price of the Equity Shares.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Further, this conversion is subject to the shares having been held on repatriation basis and, either the security having been sold in compliance with the pricing guidelines or relevant regulatory approval having been obtained for sale of shares and corresponding remittance of sale proceed. We cannot assure you that the required approval from the RBI can be obtained with or without any particular terms and conditions. In accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 589.

61. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

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

62. The Company's status as a PFIC for U.S. federal income tax purposes.

If the Company is classified as a "passive foreign investment company" or "PFIC" for U.S. federal income tax purposes, a U.S. Holder of Equity Shares may be subject to adverse tax consequences, including a greater tax liability than might otherwise apply, an interest charge on certain taxes deemed deferred, and additional U.S. tax reporting obligations.

In general, a non-U.S. corporation will be a PFIC for U.S. federal income tax purposes for a taxable year if (i) 75% or more of its gross income constitutes passive income or (ii) 50% or more of its assets produce, or are held for the production of, passive income. For this purpose, passive income generally includes, for example, dividends, interest, certain rents and royalties, certain gains from the sale of stock and securities, and certain gains from commodities transactions. For purposes of the PFIC income test and asset test described above, if the Company owns, directly or indirectly, 25% or more of the total value of the outstanding shares of another corporation, the Company will be treated as if it (a) held a proportionate share of the assets of such other corporation and (b) received directly a proportionate share of the income of such other corporation. Further, the aggregate fair market value of the assets of a publicly traded non-U.S. corporation is generally treated as being equal to the sum of the aggregate value of the outstanding stock and the total amount of the liabilities of such corporation (the "**Market Capitalization**") and the excess of the fair market value of such corporation's assets as so determined over the book value of such assets is generally treated as goodwill that is a non-passive asset to the extent attributable to such corporation's non-passive income. In addition, for the PFIC asset test, cash and cash equivalents are considered passive assets.

Based on the Company's gross income, gross assets, and the nature of the Company's business, and taking into account certain estimates of the aforementioned items, together with the expected use of the proceeds from the offering and the Company's anticipated Market Capitalization for the taxable year ending December 31, 2024, the Company does not expect to be classified as a PFIC for the taxable year ending December 31, 2024. Whether we are treated as a PFIC is a factual determination that is made on an annual basis after the close of each taxable year. This determination will depend on, among other things, the ownership and the composition of our income and assets, as well as the value of our assets (which may fluctuate with our market capitalization), from time to time. Moreover, the application of the PFIC rules is unclear in certain respects. The IRS or a court may disagree with our determinations, including the manner in which we determine the value of our assets and the percentage of our assets that are passive assets under the PFIC rules. Our U.S. counsel expresses no opinion with respect to our PFIC status for our past, current or future taxable years and there can be no assurance that the Company will not be classified as a PFIC for any future taxable year. If the Company were treated as a PFIC for any taxable year in which a U.S. Holder beneficially owns Equity Shares, certain material adverse tax consequences may result for such taxable year and all subsequent taxable years. Prospective investors should consult their tax advisors regarding the possible application of the PFIC rules to their investment in Equity Shares.

63. Fluctuations in the exchange rate between the Rupee and other currencies could have an adverse effect on the value of the Equity Shares in those currencies, independent of our operating results.

Subject to requisite approvals, on listing, the Equity Shares will be quoted in Rupees on the Stock Exchanges. Any dividends, if declared, in respect of the Equity Shares will be paid in Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to such investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the net proceeds received by shareholders.

The exchange rate of the Rupee has changed substantially in the last two decades and could fluctuate substantially in the future, which may have a material adverse effect on the value of the Equity Shares and returns from the Equity Shares, independent of our operating results.

64. Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer.

Subject to requisite approvals, the Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately two Working Days from the Bid/Offer Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within three Working Days of the Bid/Offer Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified under applicable law. We could also be required to pay interest at the applicable rates if Allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods. For further details, see *"Offer Procedure"* on page 569.

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

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

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

66. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. RIBs and Eligible Employees can revise or withdraw their Bids during the Bid/Offer Period. *For further details, see "Offer Procedure - General Instructions"* on page 580. While our Company is required to complete Allotment pursuant to the Offer within such period as may be prescribed under applicable law, events affecting the Bidders' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment pursuant to the Offer. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

SECTION III: INTRODUCTION

THE OFFER

The following table summarizes the Offer details:

Offer of Equity Shares[(1)*]	101,323,893* equity shares of face value ₹2 each aggregating to ₹42,250* million
of which	
Fresh Issue[(1)]	35,376,651* equity shares of face value ₹2 each aggregating to ₹14,750* million
Offer for Sale[(1)(2)]	65,947,242* equity shares of face value ₹2 each aggregating to ₹27,500* million
Employee Reservation Portion[(3)(4)]	52,910* equity shares of face value ₹2 each aggregating to ₹20 million
Net Offer	101,270,983* equity shares of face value ₹2 each aggregating to ₹42,230 million
The Offer consists of:	
A) QIB Portion[(5)(6)]	75,953,238* equity shares of face value ₹2 each aggregating to ₹31,672.50 million
of which:	
Anchor Investor Portion[(6)]	45,571,942* equity shares of face value ₹2 each
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	30,381,296* equity shares of face value ₹2 each
of which:	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)[(6)]	1,519,065* equity shares of face value ₹2 each
Balance of QIB Portion for all QIBs including Mutual Funds	28,862,231* equity shares of face value ₹2 each
B) Non-Institutional Portion[(6)]	15,190,647* equity shares of face value ₹2 each aggregating to ₹6,334.50 million
of which:	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million	5,063,549* equity shares of face value ₹2 each
Two-thirds of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹1.00 million	10,127,098* equity shares of face value ₹2 each
C) Retail Portion[(6)]	10,127,098* equity shares of face value ₹2 each aggregating to ₹4,223.00 million
Pre-Offer and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as on the date of this Prospectus)	396,783,045 equity shares of face value ₹2 each
Equity Shares outstanding after the Offer	432,159,696* equity shares of face value ₹2 each
Use of Net Proceeds of the Offer	See "*Objects of the Offer*" on page 90 for details regarding the use of Net Proceeds

** Subject to finalisation of Basis of Allotment*

(1) The Offer has been approved by our Board pursuant to the resolutions passed at their meetings held on August 7, 2024 and August 22, 2024 and by our Shareholders pursuant to a special resolution passed at their meeting held on August 10, 2024.

(2) The Equity Shares being offered by the Promoter Selling Shareholder have been held for a period of at least one year immediately preceding the date of filing this Prospectus with the SEBI or are otherwise eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. The Promoter Selling Shareholder has confirmed and authorized its participation in the Offer for Sale. For details on the authorisation of the Promote Selling Shareholder in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 541.

(3) In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion could have been made available for allocation and Allotment, proportionately to all Eligible Employees Bidding in the Employee Reservation Portion who have Bid in excess of ₹200,000 (net of the Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹500,000), shall be added to the Net Offer.

(4) The Employee Reservation Portion constituted 0.01% of our post-Offer paid-up Equity Share capital.

(5) Subject to valid Bids having been received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, could have been allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the Book Running Lead Managers, and the Designated Stock Exchange, subject to applicable laws. Under-subscription, if any, in the QIB Portion (excluding the Anchor Investor Portion) will not be allowed to be met with spill-over from other categories or a combination of categories.

(6) Our Company, in consultation with the Book Running Lead Managers allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the remaining Equity Shares was added to the Net QIB Portion. Further, 5% of the Net QIB Portion was available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion was available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 1,519,065 equity shares of face value ₹2 each, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Offer Procedure- Book Building Procedure" on page 570. Allocation to all categories shall be made in accordance with the SEBI ICDR Regulations.

Allocation to Bidders in all categories except the Anchor Investor Portion, Non-Institutional Portion and the Retail Portion, if any, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price.

The allocation to each of the RIBs shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. The allocation to each of the NIBs shall not be less than the minimum application size, subject to the availability of Equity Shares in Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the SEBI ICDR Regulations. One-third of the Non-Institutional Portion shall be reserved for applicants with application size of more than ₹0.20 million and up to ₹1.00 million, two-thirds of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than ₹1.00 million and the unsubscribed portion in either of the above subcategories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders. Allocation to Anchor Investors shall be on a discretionary basis in accordance with the SEBI ICDR Regulations. For further details, see "*Offer Procedure*" on page 569.

For details of the terms of the Offer, see "*Terms of the Offer*" on page 559.

SUMMARY OF RESTATED FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Financial Information as at and for the nine-months period ended September 30, 2024 and September 30, 2023 and for the Calendar Years ended December 31, 2023, December 31, 2022 and December 31, 2021.

The Restated Financial Information referred to above are presented under "Financial Information" on page 214. The summary of financial information presented below should be read in conjunction with the "Restated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 214 and 508, respectively.

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SUMMARY OF RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in million)

Particulars	As of the nine-months period ended September 30, 2024 (Consolidated)	As of the nine-months period ended September 30, 2023 (Consolidated)	As of the year ended		
			December 31, 2023 (Consolidated)	December 31, 2022 (Consolidated)	December 31, 2021 (Standalone)
ASSETS					
Non-current assets					
Property, plant and equipment	767.82	728.56	752.07	714.36	654.25
Right-of-use assets	369.61	408.60	387.84	354.91	241.49
Capital work-in-progress	351.79	159.50	201.58	2.49	-
Other intangible assets	25.54	26.87	31.06	31.37	35.22
Intangible assets under development	29.14	-	-	-	-
Financial assets					
(a) Other financial assets	1,029.42	571.01	796.05	24.74	24.98
Non current tax assets (net) income tax assets (net)	2.88	93.75	120.73	-	-
Other non current assets	31.70	56.36	134.74	204.88	189.59
Total non-current assets	**2,607.90**	**2,044.65**	**2,424.07**	**1,332.75**	**1,145.53**
Current assets					
Inventories	14.47	8.63	7.53	1.43	1.61
Financial assets					
(a) Trade receivables	1,305.47	1,159.74	1,077.90	630.54	341.16
(b) Cash and cash equivalents	203.01	1,013.92	1,166.80	340.33	364.68
(c) Bank balances other than above	3,198.11	1,048.34	1,217.08	1,652.16	1,270.34
(d) Other financial assets	174.19	50.81	73.62	55.47	49.72
Other current assets	252.84	86.14	65.04	77.66	23.88
Total current assets	**5,148.09**	**3,367.58**	**3,607.97**	**2,757.59**	**2,051.39**
Total assets	**7,755.99**	**5,412.23**	**6,032.04**	**4,090.34**	**3,196.92**
EQUITY AND LIABILITIES					
Equity					
Equity share capital	793.57	3.95	3.95	3.95	3.95
Other equity	5,640.55	4,495.94	5,086.14	3,386.78	2,421.94
Total equity	**6,434.12**	**4,499.89**	**5,090.09**	**3,390.73**	**2,425.89**
Liabilities					
Non-current liabilities					
Financial liabilities					
(a) Lease liabilities	211.24	242.19	227.30	211.00	127.14
Employee benefit obligations	111.01	93.84	74.51	43.87	39.54
Deferred tax liabilities (net)	1.58	0.21	0.47	58.45	39.77
Total non-current liabilities	**323.83**	**336.24**	**302.28**	**313.32**	**206.45**
Current liabilities					
Financial liabilities					
(a) Lease liabilities	79.65	82.52	79.13	56.05	36.09
(b) Trade payables					
Total outstanding dues of micro enterprises and small enterprises	26.32	23.29	27.25	21.01	10.88
Total outstanding dues of creditors other than micro enterprises and small enterprises	65.09	32.19	67.40	31.41	134.47
(c) Other financial liabilities	521.42	211.31	234.55	21.60	25.21
Other current liabilities	201.88	178.68	181.38	200.55	210.04
Employee benefit obligations	4.14	48.11	49.96	43.60	29.79
Current tax liabilities (net)	99.54	-	-	12.07	118.10
Total current liabilities	**998.04**	**576.10**	**639.67**	**386.29**	**564.58**
Total liabilities	**1,321.87**	**912.34**	**941.95**	**699.61**	**771.03**
Total equity and liabilities	**7,755.99**	**5,412.23**	**6,032.04**	**4,090.34**	**3,196.92**

SUMMARY OF RESTATED STATEMENT OF PROFIT AND LOSS

(₹ in million, except per share data)

Particulars	As of the nine-months period ended September 30, 2024 (Consolidated)	As of the nine-months period ended September 30, 2023 (Consolidated)	For the year ended		
			December 31, 2023 (Consolidated)	December 31, 2022 (Consolidated)	December 31, 2021 (Standalone)
Income					
Revenue from operations	5,963.57	4,537.88	6,385.28	4,909.94	3,646.91
Other income	231.35	54.37	101.32	83.38	95.97
Total income	**6,194.92**	**4,592.25**	**6,486.60**	**4,993.32**	**3,742.88**
Expenses					
Purchase of stock-in-trade	32.86	35.02	39.13	20.18	15.31
Change in inventories of stock-in-trade	(6.94)	(7.20)	(6.10)	0.18	2.04
Employee benefits expenses	840.60	708.88	970.91	876.33	735.21
Finance costs	17.81	18.57	33.08	26.34	17.04
Depreciation and amortization expenses	108.64	99.27	131.64	115.25	124.95
Other expenses	805.23	588.02	880.16	661.43	487.87
Total expenses	**1,798.20**	**1,442.56**	**2,048.82**	**1,699.71**	**1,382.42**
Restated profit before tax	**4,396.72**	**3,149.69**	**4,437.78**	**3,293.61**	**2,360.46**
Income tax expenses					
- Current tax	(1,112.84)	(765.86)	(1,197.00)	(859.31)	(606.94)
- Adjustment of tax relating to earlier periods	(12.36)	-	-	-	-
- Deferred tax	(10.92)	3.11	6.60	(16.72)	(38.22)
Total tax expense	**(1,136.12)**	**(762.75)**	**(1,190.40)**	**(876.03)**	**(645.16)**
Restated profit for the year / period	**3,260.60**	**2,386.94**	**3,247.38**	**2,417.58**	**1,715.30**
Restated other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Remeasurement of actuarial gain/(loss)	(38.94)	(219.06)	(204.14)	7.77	6.80
Deferred tax (charge)/ credit	9.80	55.13	51.38	(1.96)	(1.71)
	(29.14)	**(163.93)**	**(152.76)**	**5.81**	**5.09**
Items that will be reclassified to profit or loss					
Foreign currency translation difference of foreign operations	10.24	9.38	1.97	2.24	-
	10.24	**9.38**	**1.97**	**2.24**	**-**
Restated other comprehensive income for the year, net of tax	**(18.90)**	**(154.55)**	**(150.79)**	**8.05**	**5.09**
Restated total comprehensive income for the year	**3,241.70**	**2,232.39**	**3,096.59**	**2,425.63**	**1,720.39**
Restated profit for the year attributable to					
Owners of the parent	3,260.60	2,386.94	3,247.38	2,417.58	1,715.30
Non-controlling interests	-	-	-	-	-
	3,260.60	**2,386.94**	**3,247.38**	**2,417.58**	**1,715.30**
Restated other comprehensive income for the year attributable to					
Owners of the parent	(18.90)	(154.54)	(150.79)	8.05	5.09
Non-controlling interests	-	-			
	(18.90)	**(154.54)**	**(150.79)**	**8.05**	**5.09**
Restated total comprehensive income for the year attributable to					
Owners of the parent	3,241.70	2,232.39	3,096.59	2,425.63	1,720.39
Non-controlling interests	-	-	-	-	-
	3,241.70	**2,232.39**	**3,096.59**	**2,425.63**	**1,720.39**
Earnings per share (in INR) of face value of INR 10 each *					
Basic	8.22	6.02	8.18	6.09	4.32
Diluted	8.22	6.02	8.18	6.09	4.32

SUMMARY OF RESTATED STATEMENT OF CASH FLOWS

(₹ in million)

Particulars	As of the nine-months period ended September 30, 2024 (Consolidated)	As of the nine-months period ended September 30, 2023 (Consolidated)	For the year ended		
			December 31, 2023 (Consolidated)	December 31, 2022 (Consolidated)	December 31, 2021 (Standalone)
Cash flow from operating activities					
Profit before tax as per restated statements of profit and loss	4,396.72	3,149.69	**4,437.78**	**3,293.61**	**2,360.46**
Adjustments for:					
Depreciation on property, plant and equipment	37.96	30.86	40.44	37.04	60.31
Depreciation on right-of-use assets	62.74	59.55	81.00	65.87	57.47
Amortisation of intangible assets	7.94	8.86	10.20	12.34	7.17
Interest income on fixed deposits	(191.62)	(39.47)	(74.46)	(76.11)	(92.37)
Interest income on income tax refund	(4.92)	-	-	-	-
Notional interest income on security deposit	(2.47)	(1.91)	(5.51)	(2.31)	(1.92)
Interest expense on lease liabilities	17.81	17.04	24.61	22.78	17.04
Bad debts and provision for doubtful debts	4.14	22.24	61.24	-	8.07
Credit balance written back	(3.77)	-	-	(1.21)	(0.01)
(Gain)/loss on sale of property, plant & equipment	(1.11)	2.07	1.28	0.02	-
Operating profit before changes in working capital	**4,323.42**	**3,248.93**	**4,576.58**	**3,352.03**	**2,416.22**
Changes in working capital :					
(Decrease)/increase in other financial liabilities	286.87	189.71	211.53	(2.32)	25.42
(Decrease)/increase in trade payables	(3.24)	3.06	42.22	(92.93)	67.29
(Decrease)/increase in employee benefit obligations	(48.26)	(164.57)	(167.13)	25.91	8.06
(Decrease)/increase in other current liabilities	20.50	(21.87)	(19.17)	(9.48)	59.24
Decrease/(increase) in other financial assets	(1.49)	(6.93)	(5.52)	(12.35)	(15.40)
Decrease/(increase) in other non-current assets	24.25	172.42	166.19	(12.04)	-
Decrease/(increase) in other current assets	(187.80)	(8.48)	12.62	(53.78)	(69.85)
Decrease/(increase) in inventories	(6.93)	(7.19)	(6.10)	0.17	2.04
Decrease/(increase) in trade receivables	(228.00)	(551.44)	(508.60)	(288.20)	(76.20)
Cash generated from operating activities before taxes	**4,182.31**	**2,853.64**	**4,302.62**	**2,907.01**	**2,416.82**
Income tax paid (net)	(907.81)	(871.68)	(1,329.81)	(965.33)	(482.95)
Net cash generated from operating activities (A)	**3,274.50**	**1,981.96**	**2,972.81**	**1,941.68**	**1,933.87**
Cash flows from investing activities					
Payment for purchase of property, plant and equipment and items capitalized in capital work-in-progress	(132.32)	(234.44)	(379.12)	(102.90)	(39.30)
Payment on acquisition of other intangible asset	(2.42)	(4.35)	(9.89)	(8.49)	(9.99)
Payment for purchase of Intangible assets under development	(29.14)	-	-	-	-
Sale of property, plant and equipment	6.89	2.07	4.54	0.01	9.43
Investment in fixed deposits	(2,206.03)	71.32	(329.42)	(381.82)	(179.61)
Interest income	87.03	33.23	53.81	62.67	92.37
Net cash (used in)/generated from investing activities (B)	**(2,275.99)**	**(132.17)**	**(660.08)**	**(430.53)**	**(127.10)**
Cash flows from financing activities					
Principal payment of lease liabilities	(58.51)	(49.53)	(66.39)	(54.17)	(217.20)
Interest paid	(17.81)	(17.04)	(24.61)	(22.78)	(17.04)
Dividend paid	(1,897.67)	(1,123.23)	(1,397.23)	(1,460.79)	(1,480.53)
Net cash (used) in financing activities (C)	**(1,973.99)**	**(1,189.80)**	**(1,488.23)**	**(1,537.74)**	**(1,714.77)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(975.48)	659.99	824.50	(26.59)	92.00
Foreign currency translation difference of foreign operations	11.69	13.60	1.97	2.24	-

Particulars	As of the nine-months period ended September 30, 2024 (Consolidated)	As of the nine-months period ended September 30, 2023 (Consolidated)	For the year ended		
			December 31, 2023 (Consolidated)	December 31, 2022 (Consolidated)	December 31, 2021 (Standalone)
Cash and cash equivalents at the beginning of the year	1,166.80	340.33	340.33	364.68	272.68
Cash and cash equivalents at the end of the period/year	**203.01**	**1,013.92**	**1,166.80**	**340.33**	**364.68**

GENERAL INFORMATION

Registered and Corporate Office of our Company

International Gemmological Institute (India) Limited

702, 7th Floor
The Capital, Bandra Kurla Complex, Bandra (E)
Mumbai 400 051
Maharashtra, India

Corporate Identity Number: U74999MH1999PLC118476

Company Registration Number: 118476

For details of our Company's incorporation and changes to our Company's name and our Company's registered office address, see "*History and Certain Corporate Matters*" beginning on page 192.

Address of the RoC

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

Registrar of Companies, Maharashtra at Mumbai

100, Everest
Marine Drive
Mumbai 400 002
Maharashtra, India

Board of Directors of our Company

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

Name	Designation	DIN	Address
Bimal Tanna	Chairman and Independent Director	06767157	503 Vikram, 19/29 Janki Kutir, Near Prithvi Theatre Juhu, Mumbai 400 049, Maharashtra, India
Tehmasp Nariman Printer	Managing Director and Chief Executive Officer	01306226	7999, Minoo Mansion CHS, Flat No. 3, Ground Foor Jame Jamshed Road, Dadar (East), Mumbai 400 014, Maharashtra, India
Mukesh Mehta*	Non-Executive (Nominee) Director	08319159	Flat No. 2601, 26th Floor C-Wing, Lodha Bellissimo CHS Ltd, N. M. Joshi Marg, Mumbai 400 011, Maharashtra, India
Prateek Roongta*	Non-Executive (Nominee) Director	00622797	A-4402, Omkar 1973, Hanuman Nagar, Off Dr. A.B. Road, Near Neelam Centre, Worli, Mumbai 400 030, Maharashtra, India
Tejas Naphade*	Non-Executive (Nominee) Director	10219144	502, Satguru Towers Jn, North and Central Avenue, Santacruz (West), Mumbai 400 054, Maharashtra, India
Sangeeta Tanwani	Independent Director	03321646	2802 Evita, Hiranandani Gardens, Near Powai Plaza, Powai, Mumbai 400 076, Maharashtra, India

** Nominee of BCP TopCo.*

For further details of our Directors, see "*Our Management*" beginning on page 196.

Company Secretary and Compliance Officer

Hardik Desai is our Company Secretary and Compliance Officer. His contact details are as set forth below:

Hardik Desai

702, 7th Floor
The Capital, Bandra Kurla Complex, Bandra (E)
Mumbai 400 051
Maharashtra, India
Tel: +91 22 4035 2550- Ext. 118
E-mail: investor.relations@igi.org/ hardik.desai@igi.org

Book Running Lead Managers

Axis Capital Limited
1st Floor, Axis House
P.B. Marg, Worli
Mumbai 400 025
Maharashtra, India
Tel: +91 22 4325 2183
E-mail: igi.ipo@axiscap.in
Investor Grievance ID: complaints@axiscap.in
Website: www.axiscapital.co.in
Contact Person: Pratik Pednekar
SEBI Registration Number: INM000012029

Kotak Mahindra Capital Company Limited
1st Floor, 27 BKC, Plot No. C – 27
"G" Block, Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Maharashtra, India
Tel: +91 22 4336 0000
E-mail: igi.ipo@kotak.com
Investor Grievance ID: kmccredressal@kotak.com
Website: https://investmentbank.kotak.com
Contact Person: Ganesh Rane
SEBI Registration Number: INM000008704

Morgan Stanley India Company Private Limited
18F, Tower 2, One World Centre
Plot 841, Jupiter Textile Mill Compound
Senapati Bapat Marg
Mumbai 400 013
Maharashtra, India
Tel: +91 22 6118 1000
E-mail: igi_indiaipo@morganstanley.com
Investor Grievance ID: investors_india@morganstanley.com
Website: www.morganstanley.com/india
Contact Person: Honi Joshi
SEBI Registration Number: INM00001123

SBI Capital Markets Limited
1501, 15th floor, A & B Wing
Parinee Crescenzo Building Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Maharashtra, India
Tel: +91 22 4006 9807
E-mail: igi.ipo@sbicaps.com
Investor Grievance E-mail:
investor.relations@sbicaps.com
Website: www.sbicaps.com
Contact Person: Kristina Dias / Krithika Shetty
SEBI Registration No.: INM000003531

Legal Counsel to our Company as to Indian Law

Cyril Amarchand Mangaldas
3rd Floor, Prestige Falcon Towers
19, Brunton Road, Off M.G Road
Bengaluru 560 025
Karnataka, India
Tel: +91 80 6792 2000

Registrar to the Offer

KFin Technologies Limited
Selenium Tower B
Plot No. 31 and 32
Financial District, Nanakramguda
Serilingampally, Hyderabad 500 032
Telangana, India
Tel: +91 40 6716 2222
Email: igil.ipo@kfintech.com
Website: www.kfintech.com
Investor grievance e-mail: einward.ris@kfintech.com
Contact person: M Murali Krishna
SEBI registration no.: INR000000221

Statutory Auditors to our Company

M/s. M S K A & Associates, Chartered Accountants
602, Floor 6, Raheja Titanium
Western Express Highway
Geetanjali Railway Colony
Ram Nagar, Goregaon (E)
Mumbai 400 063
Maharashtra, India
Tel: + 91 22 3358 9800
E-mail: ankushagrawal@mska.in

Firm registration number: 105047W
Peer review number: 016966

Changes in Auditors

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

Particulars	Date of Change	Reasons for Change
Subramaniam Bengali & Associates, Chartered Accountants 404, The Summit Business Park Opp. PVR Cinema, Andheri (East) Mumbai 400 069, Maharashtra, India **Tel**: + 91 22 4603 2046 / 4603 2036 **Email:** www.auditors@sbaca.in; mani@psaca.in **Firm registration number**: 127499W **Peer review number**: 013938	December 15, 2023	Resignation (prior to the completion of the term) by the statutory auditor as pursuant to the acquisition of our Company by our Promoter, our Company sought to appoint an audit firm belonging to the big 6 in line with our Promoter's global practices.
M/s. M S K A & Associates, Chartered Accountants 602, Floor 6, Raheja Titanium Western Express Highway Geetanjali Railway Colony Ram Nagar, Goregaon (E) Mumbai 400 063, Maharashtra, India **Tel**: + 91 22 3358 9800 **E-mail**: www.mska.in **Firm registration number**: 105047W **Peer review number**: 016966	December 18, 2023*	Appointment as statutory auditors of our Company

** M/s. M S K A & Associates, Chartered Accountants were appointed as auditors of our Company by our Board of Directors on December 18, 2023 to fill the casual vacancy. M/s. M S K A & Associates, Chartered Accountants were thereafter regularised as auditors of our Company by our members in an EGM held on January 4, 2024.*

Bankers to the Offer

Public Offer Account Bank, Sponsor Bank and Refund Bank

Kotak Mahindra Bank Limited
Kotak Infiniti 6th Floor, Building No. 21
Infinity Park, Off Western Express Highway
General AK Vaidya Marg, Malad (East)
Mumbai 400 097
Maharashtra, India
Contact person: Siddhesh Shriodkar
Tel: 022 66056588
E-mail: cmsipo@kotak.com
Website: www.kotak.com
SEBI registration number: INBI00000927

Sponsor Bank and Escrow Collection Bank

Axis Bank Limited
Axis House, 6th Floor
C-2, Wadia International Centre
Pandurang Budhkar Marg, Worli
Mumbai 400 025
Maharashtra, India
Contact person: Vishal M. Lade
Tel: 022 24253672 / 83692 09690
E-mail: vishal.lade@axisbank.com
Website: www.axiscapital.co.in
SEBI Registration Number: INBI00000017

Bankers to our Company

RBL Bank Limited
One World Center
Tower 2B, 3rd Floor
Senapati Bapat Marg
Lower Parel (W), Mumbai
Maharashtra, India
Contact Person: Chirag Vaya
Tel: +91 022 49266403
E-mail: chirag.vaya@rblbank.com
Website: www.rblbank.com

Syndicate Members

Kotak Securities Limited
4th Floor, 12 BKC,
G Block Bandra Kurla Complex,
Bandra (East) Mumbai 400 051
Maharashtra, India
E-mail: umesh.gupta@kotak.com
Tel: +91 22 6218 5410
Website: www.kotak.com
Contact Person: Umesh Gupta
SEBI Registration Number: INZ000200137

SBICap Securities Limited
Marathon Futurex, Unit No. 1201
B-Wing, 12th Floor, N M Joshi Marg
Lower Parel East
Mumbai 400 013
Maharashtra, India
Tel: +91 22 4227 3446
E-mail: archana.dedhia@sbicapsec.com
Website: http://www.sbisecurities.com/
Contact Person: Archana Dedhia
SEBI Registration Number: INZ000200032

Investec Capital Services (India) Private Limited
1103-04, 11th Floor, B Wing
Parinee Crescenzo
Bandra Kurla Complex
Mumbai 400 051
Maharashtra, India
Tel: +91 22 6849 7400
E-mail: kunal.naik@investec.com
Website: www.investec.com/india.html
Contact Person: Kunal Naik
SEBI Registration Number: INZ000007138

Filing

A copy of the Red Herring Prospectus is filed and a copy of this Prospectus has been filed and uploaded on the SEBI intermediary portal at https://siportal.sebi.gov.in as specified in Regulation 25(8) of the SEBI ICDR Regulations and pursuant to the SEBI master circular bearing number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024. It has been filed with SEBI at:

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

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

Inter-se Allocation of Responsibilities among the Book Running Lead Managers

The following table sets forth the inter-se allocation of responsibilities for various activities among the Book Running Lead Managers:

Sr. No	Activities	Responsibility	Coordination
1.	Due diligence of our Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated	BRLMs	Axis

Sr. No	Activities	Responsibility	Coordination
	requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing		
2.	Capital structuring with the relative components and formalities such as type of instruments, size of issue, allocation between primary and secondary, etc.	BRLMs	Axis
3.	Drafting and approval of all statutory advertisements	BRLMs	Axis
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report	BRLMs	Kotak
5.	Appointment of intermediaries - Registrar to the Offer, advertising agency, Banker(s) to the Offer, Sponsor Bank, printer and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	BRLMs	Kotak
6.	Preparation of road show presentation and frequently asked questions	BRLMs	Morgan Stanley
7.	International institutional marketing of the Offer, which will cover, *inter alia*: • marketing strategy; • Finalizing the list and division of investors for one-to-one meetings; and • Finalizing road show and investor meeting schedule	BRLMs	Morgan Stanley
8.	Domestic institutional marketing of the Offer, which will cover, *inter alia*: • marketing strategy; • Finalizing the list and division of investors for one-to-one meetings; and • Finalizing road show and investor meeting schedule	BRLMs	Axis
9.	Retail Institutional marketing of the Offer, which will cover, *inter alia*, • Finalising media, marketing and public relations strategy including list of frequently asked questions at road shows; • Finalising centres for holding conferences for brokers, etc.; • Follow-up on distribution of publicity and Offer material including application form, this Prospectus and deciding on the quantum of the Offer material; and • Finalising collection centres	BRLMs	SBICAPS
10.	Non-Institutional marketing of the Offer, which will cover, *inter alia*, Organising 1*1 / Group calls with the select HNIs / Family offices	BRLMs	Kotak
11.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading, anchor coordination, anchor CAN and intimation of anchor allocation	BRLMs	SBICAPS
12.	Managing the book and finalization of pricing in consultation with the Company and Promoter Selling Shareholder	BRLMs	Morgan Stanley
13.	Post bidding activities including management of escrow accounts, coordinate non- institutional allocation, coordination with Registrar, SCSBs, Sponsor Banks and other Bankers to the Offer, intimation of allocation and dispatch of refund to Bidders, etc. Other post-Offer activities, which shall involve essential follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising our Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, payment of securities transaction tax on behalf of the Promoter Selling Shareholder and coordination with various agencies connected with the post-offer activity such as Registrar to the Offer, Bankers to the Offer, Sponsor Bank, SCSBs including responsibility for underwriting arrangements, as applicable. Coordinating with Stock Exchanges and SEBI for submission of all post-Offer reports including the final post-Offer report to SEBI.	BRLMs	SBICAPS

IPO Grading

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Monitoring Agency

Our Company has appointed ICRA Limited as the Monitoring Agency to monitor utilization of the Gross Proceeds, in compliance with the SEBI ICDR Regulations.

Appraising Entity

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

Credit Rating

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

Debenture Trustees

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

Green Shoe Option

No green shoe option is contemplated under the Offer.

Designated Intermediaries

Self-Certified Syndicate Banks

The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount was blocked by authorising an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time or at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 SEBI Master Circular SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI, i.e., (www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) for SCSBs and (www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) for mobile applications, respectively, as updated from time to time.

Syndicate SCSB Branches

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

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com and https://www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/PublicIssues/RtaDp.aspx and www.nseindia.com/products-services/initial-public-offerings-asba-procedures, respectively, as updated from time to time and on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10, as updated from time to time.

Collecting Depository Participants

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

Experts to the Offer

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

Our Company has received a written consent dated December 17, 2024 from our Statutory Auditor, namely, M/s. M S K A & Associates, Chartered Accountants, holding a valid peer review certificate from the ICAI, to include their names as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 (and not as defined under the U.S. Securities Act) to the extent and in their capacity as our Statutory Auditor, and in respect of their (a) examination report dated November 25, 2024, on the Restated Financial Information, (b) report dated August 22, 2024 on the statement of possible special tax benefits available to our Company and its Shareholders, (c) the audit reports each dated August 6, 2024 for the CY 2021 and CY 2022 Special Purpose Consolidated Financial Statements for IGI Belgium Group, CY 2023 Special Purpose Consolidated Financial Statements for IGI Belgium Group and audit report dated November 25, 2024 for the Stub Period Special Purpose Consolidated Financial

Statements for IGI Belgium Group, respectively, included in this Prospectus; (d) the audit reports each dated August 6, 2024 for the CY 2021 and CY 2022 Special Purpose Consolidated Financial Statements for IGI Netherlands Group, CY 2023 Special Purpose Consolidated Financial Statements for IGI Netherlands Group and audit report dated November 25, 2024 for the Stub Period Special Purpose Consolidated Financial Statements for IGI Netherlands Group, respectively, included in this Prospectus and (e) report dated November 25, 2024 on the Unaudited Pro Forma Condensed Combined Financial Information.

Our Company has received written consent dated December 17, 2024 from S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, holding a valid peer review certificate from the ICAI, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations in this Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company, and such consent has not been withdrawn as on the date of this Prospectus.

Our Company has received written consent dated August 12, 2024 from D&P Advisory, an independent valuer, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations in this Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act in respect of the Valuation Report issued by them in their capacity as an independent valuer, and such consent has not been withdrawn as on the date of this Prospectus.

Book Building Process

Book building, in the context of the Offer, referred to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus and the Bid Cum Application Forms and the Revision Forms within the Price Band, which was decided by our Company, in consultation with the Book Running Lead Managers, and which was either included in the Red Herring Prospectus or was advertised in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper, and Mumbai editions of Navshakti, a Marathi daily newspaper (Marathi is the regional language of Maharashtra, where our Registered Office is located) each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and was made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Offer Price was determined by our Company, in consultation with Book Running Lead Managers after the Bid/Offer Closing Date. For details, see "*Offer Procedure*" beginning on page 569.

All Bidders (other than Anchor Investors) participated in this Offer mandatorily through the ASBA process by providing the details of their respective bank accounts in which the corresponding Bid Amount was blocked by the SCSBs or in the case of UPI Bidders, by using the UPI Mechanism. In addition to this, the RIBs participated through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount was blocked by the SCSBs; or (b) through the UPI Mechanism. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders were not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of the number of Equity Shares or the Bid Amount) at any stage. RIBs and Eligible Employees Bidding in the Employee Reservation Portion could revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date. Anchor Investors were not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Except for Allocation to RIBs, NIBs and the Anchor Investors, allocation in the Offer was on a proportionate basis. Further, allocation to Anchor Investors was on a discretionary basis.

Each Bidder by submitting a Bid in the Offer, was deemed to have acknowledged the above restrictions and the terms of the Offer.

For further details, see "*Terms of the Offer*", "*Offer Structure*" and "*Offer Procedure*" beginning on pages 559, 565 and 569, respectively.

The process of Book Building under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to submitting a Bid in the Offer.

Bidders should note that, the Offer is also subject to obtaining (i) the final approval of the RoC after this Prospectus is filed with the RoC; and (ii) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

Underwriting Agreement

After determination of the Offer Price and allocation of Equity Shares, our Company and the Promoter Selling Shareholder have, prior to the filing of this Prospectus with the RoC, entered into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The Underwriting Agreement is dated December 17, 2024. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of Equity

Shares which they shall subscribe to on account of rejection of bids, either by themselves or by procuring subscription, at a price which shall not be less than the Offer Price:

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount underwritten (₹ in million)
Axis Capital Limited 1st Floor, Axis House P.B. Marg, Worli Mumbai 400 025 Maharashtra, India Tel: +91 22 4325 2183 **E-mail:** igi.ipo@axiscap.in	6,342,664	2,644.38
Kotak Mahindra Capital Company Limited 1st Floor, 27 BKC, Plot No. C – 27 "G" Block, Bandra Kurla Complex Bandra (East) Mumbai 400 051 Maharashtra, India **Tel**: +91 22 4336 0000 **E-mail**: igi.ipo@kotak.com	6,342,564	2,644.33
Morgan Stanley India Company Private Limited 18F, Tower 2, One World Centre Plot 841, Jupiter Textile Mill Compound Senapati Bapat Marg Mumbai 400 013 Maharashtra, India **Tel:** +91 22 6118 1000 **E-mail:** igi_indiaipo@morganstanley.com	6,342,663	2,644.37
SBI Capital Markets Limited 1501, 15th floor, A & B Wing Parinee Crescenzo Building Bandra Kurla Complex Bandra (East) Mumbai 400 051 Maharashtra, India **Tel:** +91 22 4006 9807 **E-mail:** igi.ipo@sbicaps.com	6,342,464	2,644.29
Kotak Securities Limited 4th Floor, 12 BKC, G Block Bandra Kurla Complex, Bandra (East) Mumbai 400 051 Maharashtra, India **E-mail**: umesh.gupta@kotak.com **Tel**: +91 22 6218 5410	100	0.04
SBICap Securities Limited Marathon Futurex, Unit No. 1201 B-Wing, 12th Floor, N M Joshi Marg Lower Parel East Mumbai 400 013 Maharashtra, India **Tel**: +91 22 4227 3446 **E-mail**: archana.dedhia@sbicapsec.com	100	0.04
Investec Capital Services (India) Private Limited 1103-04, 11th Floor, B Wing Parinee Crescenzo Bandra Kurla Complex Mumbai 400 051 Maharashtra, India **Tel**: +91 22 6849 7400 **E-mail:** kunal.naik@investec.com	100	0.04

In the opinion of our Board, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. Our Board, at its meeting held on December 17, 2024, approved the acceptance and entering into the Underwriting Agreement mentioned above on behalf of our Company. Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure purchasers for or purchase the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company as at the date of this Prospectus is set forth below:

(in ₹, except share data, unless otherwise stated)

		Aggregate nominal value	Aggregate value at Offer Price*
A	**AUTHORISED SHARE CAPITAL(1)**		
	550,000,000 Equity Shares of face value of ₹ 2 each	1,100,000,000	-
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	396,783,045 Equity Shares (having face value of ₹ 2 each)	793,566,090	-
C	**PRESENT OFFER IN TERMS OF THIS PROSPECTUS(2) (3)**		
	Offer of 101,323,893* equity shares of face value ₹2 each aggregating to ₹42,250* million	202,647,786	42,249,999,891
	of which		
	Fresh Issue of 35,376,651* equity shares of face value ₹2 each aggregating to ₹14,750* million(2)	70,753,302	14,749,999,977
	Offer for Sale of 65,947,242* equity shares of face value ₹2 each aggregating to ₹27,500 million (3)	131,894,484	27,499,999,914
	The Offer includes:		
	Employee Reservation Portion of 52,910* equity shares of face value ₹2 each aggregating to ₹ 20 million (4)	105,820	20,211,620
	Net Offer of 101,270,983* equity shares of face value ₹2 each aggregating to ₹42,230 million	202,541,966	42,229,999,911
D	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	432,159,696 equity shares of face value ₹2 each of face value of ₹ 2 each	864,319,392	-
E	**SECURITIES PREMIUM**		
	Before the Offer		Nil
	After the Offer^		14,679.25 million

* *Subject to finalisation of Basis of Allotment.*

^ *Excluding impact of expenses towards the Offer.*

(1) *For details in relation to the changes in the authorised share capital of our Company in the last 10 years, see "History and Certain Corporate Matters – Amendments to our Memorandum of Association" on page 192.*

(2) *The Offer has been authorised by our Board pursuant to its resolutions dated August 7, 2024 and August 22, 2024 and the Fresh Issue has been authorised by our Shareholders pursuant to the special resolution passed at their meeting dated August 10, 2024 and passed by the Board at their meeting held on November 25, 2024.*

(3) *Our Board has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholder pursuant to its resolution dated August 22, 2024. The Promoter Selling Shareholder has confirmed and authorized its participation in the Offer for Sale. The Equity Shares being offered by the Promoter Selling Shareholder have been held by them for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations and is in compliance with Regulation 8A of the SEBI ICDR Regulations. For details of authorisations for the Offer for Sale, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 541.*

(4) *In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion could have been made available for allocation and Allotment, proportionately to all Eligible Employees Bidding in the Employee Reservation Portion who had Bid in excess of ₹200,000 (net of the Employee Discount,), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹500,000), shall be added to the Net Offer. For further details, see "Offer Structure" beginning on page 565.*

Notes to the Capital Structure

I. Share capital history of our Company

a. *Equity Share capital*

The history of the equity share capital of our Company is set forth below:

Sr. No.	Date of allotment of equity shares/ Shareholders' resolution	Total number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of allotment	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)	Details of allottees
1.	February 23, 1999	2	10	10	Initial subscription to the Memorandum of Association	Cash	2	20	Allotment of one equity share of face value ₹10 to Manek Mistry and one equity share of face value ₹10 to Hormazd D. Tampal pursuant to the initial subscription to the Memorandum.
2.	October 10, 2000	394,807	10	10	Further issue	Cash	394,809	3,948,090	Allotment of 165,707 equity shares of face value ₹10 each to Lansford Holdings Ltd. A.V.V., 31,600 equity shares of face value ₹10 each to Jerry R. Ehrenwald Corp. and 197,500 equity shares of face value ₹10 each to Hattron Holdings (India) Ltd.
3.	May 8, 2024	Pursuant to a resolution passed by our Board on April 25, 2024, and a resolution passed by our Shareholders on May 8, 2024, the issued, subscribed and paid-up capital of our Company was sub-divided from 394,809 equity shares of face value of ₹10 each to 1,974,045 equity shares of face value of ₹2 each.							
4.	June 6, 2024	394,809,000	2	N.A.	Bonus issue in the ratio of 200 equity shares of face value ₹2 each for every 1 equity	N.A.	396,783,045	793,566,090	394,809,000 equity shares of face value ₹2 each were allotted to BCP TopCo

Sr. No.	Date of allotment of equity shares/ Shareholders' resolution	Total number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of allotment	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)	Details of allottees
					share of face value ₹2 each held				

b. ***Preference Share capital***

Our Company has not issued any Preference Shares as on the date of this Prospectus.

2. **Issue of equity shares through bonus issue or for consideration other than cash or out of revaluation of reserves**

Except as set out below, our Company has not issued equity shares through bonus issue or for consideration other than cash. Further, our Company has not issued any equity shares out of revaluation reserves since incorporation.

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Details of allottees	Reason for allotment and Benefits accrued to our Company
June 6, 2024	394,809,000	2	N.A.	394,809,000 equity shares of face value ₹2 each were allotted to BCP TopCo	Bonus issue in the ratio of 200 equity shares of face value ₹2 each for every 1 equity share of face value ₹2 each held

3. **Issue of Equity Shares pursuant to schemes of arrangement**

Our Company has not allotted any equity shares pursuant to a scheme of amalgamation approved under Section 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act.

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

Except as disclosed above in *"– Notes to Capital Structure – Share capital history of our Company"* on page 79, our Company has not issued any Equity Shares during a period of one year preceding the date of this Prospectus at a price which may be lower than the Offer Price.

5. Shareholding pattern of our Company

The table below presents the shareholding pattern of our Company as on the date of this Prospectus.

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up equity shares held (IV)	Number of Partly paid-up equity shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B + C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class eg: Equity Shares	Class eg: Others	Total								
(A)	Promoter and Promoter Group	7*	396,783,045	-	-	396,783,045	100.00%	396,783,045	-	396,783,045	100.00%	-	100.00%		-	-	-	396,783,045
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-
	Total	**7***	**396,783,045**	**-**	**-**	**396,783,045**	**100.00%**	**396,783,045**	**-**	**396,783,045**	**100.00%**	**-**	**100.00%**		**-**	**-**	**-**	**396,783,045**

** Includes six equity shares of face value ₹2 each, one each held by Tehmasp Nariman Printer, Easwar Subramanian Iyer, Hardik Desai, Kareena Shahani, Sindhu Loyal and Aniket Mansukh Shah, as nominees of our Promoter.*

6. ***Details of shareholding of major shareholders of our Company***

(a) Set forth below is a list of Shareholders holding 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them, as on the date of this Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares (of face value of ₹ 2 each)	Percentage of the pre-Offer Equity Share capital (%)
1.	BCP TopCo	396,783,045*	100%

** Includes six equity shares of face value ₹2 each, one each held by Tehmasp Nariman Printer, Easwar Subramanian Iyer, Hardik Desai, Kareena Shahani, Sindhu Loyal and Aniket Mansukh Shah, as nominees of our Promoter.*

(b) Set forth below is a list of Shareholders holding 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them, as of ten days prior to the date of this Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares (of face value of ₹ 2 each)	Percentage of the pre-Offer Equity Share capital (%)
1.	BCP TopCo	396,783,045*	100%

** Includes six equity shares of face value ₹2 each, one each held by Tehmasp Nariman Printer, Easwar Subramanian Iyer, Hardik Desai, Kareena Shahani, Sindhu Loyal and Aniket Mansukh Shah, as nominees of our Promoter.*

(c) Set forth below is a list of Shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of equity shares held by them, as of one year prior to the date of this Prospectus:

Sr. No.	Name of the Shareholder	Number of equity shares (of face value of ₹ 10 each)	Percentage of the pre-Offer equity share capital (%)
1.	BCP TopCo	394,809[#]	100%

[#] BCP Asia II Holdco III Pte. Ltd. held one equity shares as a nominee of our Promoter.

(d) Set forth below is a list of Shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of equity shares held by them, as of two years prior to the date of this Prospectus:

Sr. No.	Name of the Shareholder	Number of equity shares (of face value of ₹ 10 each)	Percentage of the pre-Offer equity share capital (%)
1.	Alpha Yu B.V.	315,848	80.00%
2.	Lorie Holding B.V.	78,961	20.00%

7. **History of the equity share capital held by our Promoter**

As on the date of this Prospectus, our Promoter holds 396,783,045 equity shares of ₹2 each (includes six equity shares of face value ₹2 each, one each held by Tehmasp Nariman Printer, Easwar Subramanian Iyer, Hardik Desai, Kareena Shahani, Sindhu Loyal and Aniket Mansukh Shah, as nominees of our Promoter) equivalent to 100% of the issued, subscribed and paid-up Equity Share capital of our Company.

a. Build-up of the shareholding of our Promoter in our Company

The details regarding the equity shareholding of our Promoter since incorporation of our Company is set forth in the table below.

Date of allotment/transfer and made fully paid-up/ Shareholders' resolution	Nature of transaction	Number of equity shares	Nature of consideration	Face Value per equity share (₹)	Issue/ Transfer Price per equity share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post-Offer capital (%)
May 19, 2023	Transfer from Alpha Yu pursuant to share purchase agreement dated May 19, 2023	315,848	Cash	10	81,762.12*	0.40	0.37
	Transfer from Lorie Holding B.V. pursuant to share purchase agreement	78,961	Cash	10	81,763.42*	0.10	0.09

Date of allotment/transfer and made fully paid-up/ Shareholders' resolution	Nature of transaction	Number of equity shares	Nature of consideration	Face Value per equity share (₹)	Issue/ Transfer Price per equity share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post-Offer capital (%)
	dated May 19, 2023						
November 10, 2023	Transfer to BCP Asia II Holdco III Pte. Ltd.	(1)	Nil	10	Nil#	Negligible	Negligible
May 8, 2024	Pursuant to a resolution passed by our Board on April 25, 2024, and a resolution passed by our Shareholders on May 8, 2024, the issued, subscribed and paid-up capital of our Company was sub-divided from 394,809 equity shares of face value of ₹10 each to 1,974,045 equity shares of face value of ₹2 each. Accordingly, the cumulative number of equity shares held by BCP TopCo was changed from 394,808 equity shares of face value ₹10 each to 1,974,040 equity shares of face value ₹2 each.					N.A.	N.A.
May 22, 2024	Transfer from BCP Asia II Holdco III Pte. Ltd.	5	Nil	2	Nil#	Negligible	Negligible
June 6, 2024	Bonus issue in the ratio of 200 equity shares of face value ₹2 each for every 1 equity share of face value ₹2 each held	394,809,000	N.A.	2	N.A.	99.50	91.36
June 14, 2024	Transfer to Tehmasp Nariman Printer	(1)	Nil	2	Nil#	Negligible	Negligible
June 14, 2024	Transfer to Easwar Subramanian Iyer	(1)	Nil	2	Nil#	Negligible	Negligible
June 14, 2024	Transfer to Hardik Desai	(1)	Nil	2	Nil#	Negligible	Negligible
June 14, 2024	Transfer to Kareena Shahani	(1)	Nil	2	Nil#	Negligible	Negligible
June 14, 2024	Transfer to Sindhu Loyal	(1)	Nil	2	Nil#	Negligible	Negligible
June 14, 2024	Transfer to Aniket Mansukh Shah	(1)	Nil	2	Nil#	Negligible	Negligible
Total		**396,783,045**				**100.00**	91.81

** Calculated basis exchange rate of $1 = ₹82.05, as per Form SH-4.*
 # Transferred in the capacity of nominee shareholder of our Promoter.

b. *Shareholding of our Promoter and Promoter Group*

The details of the shareholding of our Promoter and the members of the Promoter Group as on the date of this Prospectus are set forth in the table below:

Category of Shareholders	Pre-Offer		Post-Offer*	
	No. of Equity Shares	% of total paid up Equity Share capital	No. of Equity Shares	% of total paid up Equity Share capital
Promoter				
BCP TopCo#^	396,783,045	100%	330,835,803	76.55%

Category of Shareholders	Pre-Offer		Post-Offer*	
	No. of Equity Shares	% of total paid up Equity Share capital	No. of Equity Shares	% of total paid up Equity Share capital
Total	**396,783,045**	**100%**	330,835,803	76.55%
Promoter Group (other than the Promoter)				
NIL				

* *Subject to finalisation of Basis of Allotment.*
\# *Also, the Promoter Selling Shareholder.*
^ *Includes six equity shares of face value ₹2 each, one each held by Tehmasp Nariman Printer, Easwar Subramanian Iyer, Hardik Desai, Kareena Shahani, Sindhu Loyal and Aniket Mansukh Shah, as nominees of our Promoter.*

c. *Details of Promoter's contribution and lock-in*

i. The majority of the proceeds of the Fresh Issue are being utilised towards the acquisition of the IGI Belgium Group and IGI Netherlands Group and constitutes 'capital expenditure' for the purposes of the Explanation to Regulation 16(1)(b) of the SEBI ICDR Regulations.

ii. Accordingly, pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, as amended, an aggregate of 20% of the post-Offer Equity Share capital of our Company held by our Promoter, shall be locked in for a period of 3 years as minimum Promoter's contribution ("**Minimum Promoter's Contribution**") from the date of Allotment or such other period as may be prescribed under the SEBI ICDR Regulations and the shareholding of the Promoter in excess of 20% of the post-Offer Equity Share capital shall be locked in for a period of one year from the date of Allotment or such other period as may be prescribed under the SEBI ICDR Regulations.

iii. Details of the Equity Shares to be locked-in for 3 years from the date of Allotment as Minimum Promoter's Contribution are set forth in the table below:

Name of Promoter	Number of Equity Shares locked-in(1)	Date of allotment/ transfer of equity shares and made fully paid-up	Nature of transaction	Face Value per equity share (₹)	Offer/ Acquisition price per equity share (₹)	Percentage of the pre-Offer paid-up capital (%)	Percentage of the post- Offer paid-up capital (%)
BCP TopCo	86,432,000	June 6, 2024	Bonus issue in the ratio of 200 Equity Shares of face value ₹2 each for every 1 Equity Share of face value ₹2 each held	2	N.A.	21.78	20.00
Total	**86,432,000**					**21.78**	**20.00**

(1) All equity shares were fully paid-up at the time of allotment/transfer.

Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Minimum Promoter's Contribution in terms of Regulation 15 of the SEBI ICDR Regulations.

iv. In this connection, please note that:

a. The Equity Shares offered for Minimum Promoter's Contribution do not include (i) Equity Shares acquired in the three immediately preceding years for consideration other than cash and revaluation of assets or where capitalisation of intangible assets was involved in such transaction, or (ii) Equity Shares that have resulted from bonus issue by utilization of revaluation reserves or unrealised profits of our Company or resulted from bonus shares issued against Equity Shares, which are otherwise ineligible for computation of Minimum Promoter's Contribution.

b. The Minimum Promoter's Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer.

c. Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm.

d. All the Equity Shares held by our Promoter are in dematerialised form.

e. The Equity Shares held by our Promoter and offered for Minimum Promoter's Contribution are not subject to pledge or any other encumbrance.

d. Other lock-in requirements:

i. In addition to the 20% of the post-Offer shareholding of our Company held by our Promoter and locked in for 3 years as specified above, in terms of the SEBI ICDR Regulations, the entire pre-Offer equity share capital of our Company will be locked-in for a period of one year from the date of Allotment or such other period as may be prescribed under the SEBI ICDR Regulations, including any unsubscribed portion of the Offer for Sale, except for (i) the Equity Shares which are successfully transferred as a part of the Offer for Sale by the Promoter Selling Shareholder; and (ii) any Equity Shares held by a VCF or Category I AIF or Category II AIF or FVCI, as applicable, provided that such Equity Shares shall be locked in for a period of at least six months from the date of purchase by such shareholders.

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

iii. In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by our Promoter, which are locked-in may be transferred to and among the member of our Promoter Group or to any new promoter of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the SEBI Takeover Regulations, as applicable.

iv. Pursuant to Regulation 21(a) of the SEBI ICDR Regulations, the Equity Shares held by our Promoter, which are locked-in for a period of 3 years from the date of Allotment (as mentioned above) may be pledged as collateral security for loans granted by scheduled commercial banks, public financial institutions, NBFC-SI or housing finance companies, provided that such loans have been granted by such bank or institution for the purpose of financing one or more of the objects of the Offer and pledge of the Equity Shares is a term of sanction of such loans.

v. Pursuant to Regulation 21(b) of the SEBI ICDR Regulations, the Equity Shares held by our Promoter which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks, public financial institutions, NBFC-SI or housing finance companies as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

vi. The Equity Shares held by any person other than our Promoter and locked-in for a period of one year from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the SEBI Takeover Regulations.

e. Lock-in of the Equity Shares to be allotted, if any, to the Anchor Investors

There shall be a lock-in of 90 days on 50% of the Equity Shares allotted to the Anchor Investors from the date of Allotment, and a lock-in of 30 days on the remaining 50% of the Equity Shares allotted to the Anchor Investors from the date of Allotment.

8. As on the date of the filing of this Prospectus, our Company has seven shareholders, including six nominee shareholders of our Promoter.

9. Except as disclosed in '- *History of the equity share capital held by our Promoter - Build-up of the shareholding of our Promoter in our Company*', our Promoter Group, directors of our Promoter, Directors of our Company and their relatives have not purchased or sold any Equity Shares during a period of six months preceding the date of this Prospectus.

10. Our Company is in compliance with the Companies Act, 1956 and the Companies Act, 2013, with respect to issuances of securities since its incorporation till date of filing of this Prospectus.

11. Except for Equity Shares to be allotted pursuant to the Fresh Issue, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities

convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise.

12. Neither our Company, nor any of our Directors have entered into any buy-back arrangements for purchase of Equity Shares from any person. Further, the Book Running Lead Managers have not entered into any buy-back arrangements for purchase of Equity Shares from any person.

13. **Details of Equity Shares held by our Directors, Key Managerial Personnel, Senior Management Personnel and Directors of Promoter**

As on date of this Prospectus, other than Tehmasp Nariman Printer, Easwar Subramanian Iyer, Hardik Desai, Kareena Shahani and Sindhu Loyal, who hold Equity Shares as nominees of our Promoter, none of our other Directors, Key Managerial Personnel, Senior Management Personnel and Directors of Promoter hold any Equity Shares or employee stock options in our Company.

14. Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Prospectus.

15. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Prospectus. All Equity Shares offered and Allotted pursuant to the Offer shall be fully paid-up at the time of Allotment.

16. As on the date of this Prospectus, the Book Running Lead Managers and their associates (as defined under the SEBI Merchant Bankers Regulations) do not hold any Equity Shares of our Company. The Book Running Lead Managers and their associates may engage in the transactions with and perform services for our Company and its affiliates in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company and its affiliates for which they may in the future receive customary compensation.

17. There have been no financing arrangements whereby our Promoter, member of our Promoter Group, directors of our Promoter, our Directors and their relatives have financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during a period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus and this Prospectus.

18. No person connected with the Offer, including, but not limited to, the Book Running Lead Managers, the Syndicate Members, our Company, Directors, Promoter Selling Shareholder and member of our Promoter Group shall offer any incentive, whether direct or indirect, in the nature of discount, commission and allowance, except for fees or commission for services rendered in relation to the Offer, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.

19. Our Promoter and the member of our Promoter Group will not participate in the Offer, except to the extent of the sale of Offered Shares by our Promoter Selling Shareholder by way of Offer for Sale.

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

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

22. Our Company has ensured that transactions in Equity Shares by our Promoter and member of our Promoter Group between the date of filing of the Red Herring Prospectus and the date of closure of the Offer if any were reported to the Stock Exchanges, within 24 hours of such transaction.

23. Our Shareholders are neither directly nor indirectly related to any of the BRLMs and respective associates.

24. **IGI Employee Stock Option Plan – 2024 ("ESOP 2024")**

Our Company, pursuant to resolutions dated passed by our Board on August 7, 2024 and our Shareholders on August 10, 2024, adopted ESOP 2024. The objective of ESOP 2024 is to incentivize, induce, reward and motivate the employees of our Company to contribute effectively towards the future growth and profitability of our Company, to align the employees towards a common objective of creating value for our Company and to induce the employees to remain in the service of our Company.

ESOP 2024 provides that the maximum number of options that can be granted under it shall not, at any time, upon exercise, exceed 23,093,200 Equity Shares (or such other adjusted figure for any corporate action or change in control of our Company). Under the ESOP 2024, options granted to employees will qualify for vesting based on vesting criteria as specified in the grant letter, which can include time, performance or milestone based conditions. (which may include conditions related to our Promoter's sale of Equity Shares, employee's performance, our Company's performance, determined on the basis of revenue and profitability or any other performance condition).

The details of the ESOP 2024, as certified by S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, by way of their certificate dated December 17, 2024 are as follows:

Particulars	From October 1, 2024 to date of filing of this Prospectus	Nine -months period ended September 30, 2024
Total options outstanding at the beginning of the period	23,093,200	Nil
Adjustment on account of bonus issue	Nil	Nil
Total options granted	20,951,824	Nil
Exercise price of options in ₹ (as on the date of grant options)	81.36	Nil
Total options vested (excluding the options that have been exercised)	Nil	Nil
Options exercised	Nil	Nil
The total number of Equity Shares arising as a result of exercise of options (including options that have been exercised)	Nil	Nil
Options forfeited/lapsed/cancelled	Nil	Nil
Variation of terms of options	Nil	Nil
Money realized by exercise of options	Nil	Nil
Total number of options outstanding in force	20,951,824	Nil
Employee-wise detail of options granted to:		
i. Key managerial personnel	17,844,741	NIL
(a) Tehmasp Nariman Printer	16,795,050	NIL
(b) Easwar Subramanian Iyer	1,049,691	NIL
(c) Hardik Desai	NIL	NIL
ii. **Senior management**	1,007,703	NIL
(a) Lata Manghnani	335,901	NIL
(b) Kareena Shahani	335,901	NIL
(c) Sindhu Loyal	335,901	NIL
(d) Deborah Pienica	NIL	NIL
iii. Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	NIL	NIL
iv. Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	Tehmasp Nariman Printer	
Fully diluted earnings per equity share (face value of ₹2 Equity Share)	NA	3.15*
*There were no ESOP granted by our Company in the previous years, so there were no impact on the Diluted EPS of said previous years.		
Lock-in	Shares issued pursuant to exercise of ESOP shall not be subject to any Lock-in	
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock	Not applicable since the options were priced at fair value on the date of grant by using Monte Carlo Simulation and Black Scholes Option Pricing model	

Particulars	From October 1, 2024 to date of filing of this Prospectus	Nine -months period ended September 30, 2024
options and the impact of this difference, on the profits of the Company and on the earnings per share of the Company		
Description of the pricing formula method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option	Our Company has applied **Monte Carlo Simulation (**MCS) to simulate the future equity value of IGI India for the next 9 years Our Company has applied a **Black Scholes Option Pricing (**BSOP) Model for each iteration where the ESOPs are expected to be vested out of the 10,000 iterations under MCS based on the period in which the ESOPs are expected to be vested	
x-Expected life of options (years)	1	Nil
-Volatility (% p.a)	MCS - 25.70% BSOP – 23.20%	Nil
-Risk free rate of returns (%)	3.90%	Nil
Dividend yield (%)	6.00%	Nil
Impact on profit and earnings per Equity Share (face value of ₹2 Equity Share, as applicable) of the last three years if the accounting policies prescribed in the SEBI SBEB Regulations had been followed in respect of options granted in the last three years	Not applicable	
Intention of the Key Managerial Personnel, Senior Management and whole time directors who are holders of Equity Shares allotted on exercise of options granted to sell their equity shares within three months after the date of listing of Equity Shares pursuant to the Offer	None of the Key Managerial Personnel, Senior Management and whole-time directors who are holders of Equity Shares allotted on exercise of options granted intend to sell their equity shares within three months after the date of listing of Equity Shares pursuant to the Offer	
Intention to sell Equity Shares arising out of an employee stock option scheme within three months after the listing of Equity Shares, by Directors, senior management personnel and employees having Equity Shares arising out of an employee stock option scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	None of the Directors, senior management personnel and employees having Equity Shares arising out of the employee stock option scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions) intend to sell equity shares arising out of the scheme within three months after the listing of Equity Shares, pursuant to the Offer.	

OBJECTS OF THE OFFER

The Offer comprises the Fresh Issue and the Offer for Sale. For further details of the Offer, see "*The Offer*" beginning on page 63.

Offer for Sale

The Promoter Selling Shareholder will be entitled to the proceeds from the Offer for Sale after deducting its proportion of Offer related expenses and the relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Gross Proceeds from the Fresh Issue. For further details of the Offer for Sale, see "*The Offer*" beginning on page 63.

Objects of the Fresh Issue

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

(a) Payment of the purchase consideration for the acquisition of IGI Belgium Group and IGI Netherlands Group from our Promoter; and

(b) General corporate purposes.

(collectively referred to as "**Objects**")

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

The main objects clause and objects necessary for furtherance of the main objects clause as set out in the Memorandum of Association enable our Company to undertake our existing business activities and the activities for which funds are proposed to be raised by our Company through the Fresh Issue.

Net Proceeds

After deducting our Company's share of the Offer related expenses from the gross proceeds received pursuant to the Fresh Issue, we estimate the proceeds to be ₹14,097.40 million ("**Net Proceeds**"), as detailed below:

(in ₹ million)

Particulars	Estimated amount*
Gross Proceeds of the Fresh Issue	14,750.00
(Less) Expenses in relation to the Fresh Issue(1)	652.60
Net Proceeds	**14,097.40**

(1) *See "Offer related expenses" below.*

Requirement of funds and utilisation of Net Proceeds

The Net Proceeds are proposed to be utilized in accordance with the details provided below:

(₹ in million)

Particulars	Estimated amount	Percentage of Net Proceeds (%)
Payment of the purchase consideration for the acquisition of the IGI Belgium Group and IGI Netherlands Group from our Promoter	13,000.00	92.22
General corporate purposes(1)	1,097.40	7.78
Net Proceeds	**14,097.40**	**100.00**

(1) *The amount to be utilised for general corporate purposes alone will not exceed 25% of the Gross Proceeds.*

Proposed schedule of implementation and deployment of Net Proceeds

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

(₹ in million)

Particulars	Total Estimated Cost	Amount to be funded from Net Proceeds	Estimated schedule of deployment of Net Proceeds in
			Calendar year ended year December 31, 2024
Payment of the purchase consideration for the acquisition of the IGI Belgium	13,244.63	13,000.00	13,000.00

Particulars	Total Estimated Cost	Amount to be funded from Net Proceeds	Estimated schedule of deployment of Net Proceeds in
			Calendar year ended year December 31, 2024
Group and IGI Netherlands Group from our Promoter			
General corporate purposes[(1)]	-	1,097.40	1,097.40
Net Proceeds[(1)]	**-**	**14,097.40**	**14,097.40**

(1) *The amount to be utilised for general corporate purposes alone will not exceed 25% of the Gross Proceeds.*

We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, our business and growth strategies, our ability to identify and implement inorganic growth initiatives (including investments and acquisitions), competitive landscape, general factors affecting our results of operations, financial condition and access to capital and other external factors such as changes in the business environment or regulatory climate or exchange rate fluctuations, which may not be within the control of our management.

Means of Finance

The aggregate purchase consideration for the Proposed Acquisitions is based on a total enterprise value aggregating $163.00 million (equivalent to ₹ 13,646.31 million ($1= ₹83.72 as of September 30, 2024 as per the Unaudited Pro Forma Condensed Combined Financial Information)) ("**Aggregate Enterprise Value**"), subject to customary adjustments for working capital, debt and surplus cash basis audited accounts, in accordance with the Share Purchase Agreement. As on the date of this Prospectus, the Aggregate Enterprise Value, as adjusted for working capital, debt and surplus cash basis audited accounts as of September 30, 2024 aggregates to $ 158.20 million (equivalent to ₹ 13,244.63 million ($1= ₹83.72 as of September 30, 2024 as per the Unaudited Pro Forma Condensed Combined Financial Information)) ("**Aggregate Equity Value**"). We propose to utilise ₹ 13,000.00 million from the Net Proceeds towards funding the Proposed Acquisitions and the balance will be funded from internal accruals. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance.

A) The purchase consideration for the proposed acquisition of IGI Belgium is based on a total enterprise value aggregating $ 80.00 million (equivalent to ₹6,697.58 million ($1= ₹83.72 as of September 30, 2024 as per the Unaudited Pro Forma Condensed Combined Financial Information)) ("Belgium Aggregate Enterprise Value"), as adjusted for working capital, debt and surplus cash, if any, basis audited accounts, in accordance with the terms of the Share Purchase Agreement. As on the date of this Prospectus, the Belgium Aggregate Enterprise Value, as adjusted for working capital, debt and surplus cash basis audited accounts, as of September 30, 2024 aggregates to $ 69.76 million (equivalent to ₹5,840.41 million ($1= ₹83.72 as of September 30, 2024 as per the Unaudited Pro Forma Condensed Combined Financial Information)) ("Belgium Aggregate Equity Value").

B) The purchase consideration for the proposed acquisition of IGI Netherlands is based on a total enterprise value aggregating $83.00 million (equivalent to ₹6,948.73 million ($1= ₹83.72 as of September 30, 2024 as per the Unaudited Pro Forma Condensed Combined Financial Information)) ("Netherlands Aggregate Enterprise Value"), as adjusted for working capital, debt and surplus cash, if any, basis audited accounts, in accordance with the terms of the Share Purchase Agreement. As on the date of this Prospectus, the Netherlands Aggregate Enterprise Value, as adjusted for working capital, debt and surplus cash basis audited accounts, as of September 30, 2024 aggregates to $88.44 million (equivalent to ₹ 7,404.22 million ($1= ₹83.72 as of September 30, 2024 as per the Unaudited Pro Forma Condensed Combined Financial Information)) ("Netherlands Aggregate Equity Value").

Our Company has entered into a share purchase agreement dated August 22, 2024 and an addendum to the share purchase agreement dated November 29, 2024, with our Promoter ("**Share Purchase Agreement**") for the Proposed Acquisitions. The purchase consideration for the Proposed Acquisitions is based on the Aggregate Enterprise Value, as adjusted for working capital, debt and surplus cash basis audited accounts, if any in accordance with the terms of the Share Purchase Agreement. As agreed, pursuant to the Share Purchase Agreement, adjustments at closing is not more than 20% of the aggregate equity value as disclosed in the Draft Red Herring Prospectus. For further details, including details of the Share Purchase Agreement, summarized details of valuation etc. please refer to "*Proposed Acquisitions*" on page 147.

Details of the Objects of the Offer

1. **Payment of the purchase consideration for the acquisition of the IGI Belgium Group and IGI Netherlands Group ("Target Entities") from our Promoter**

   As of the date of this Prospectus, our Company is responsible for the operation of the IGI business in India and Türkiye. IGI Belgium and IGI Netherlands, together with their respective subsidiaries, are responsible for operation of the IGI business outside of India and Türkiye.

Our Promoter, BCP Asia II TopCo Pte. Ltd., is the 100% shareholder of IGI Belgium and IGI Netherlands, which, together with their respective subsidiaries, are responsible for operation of the IGI business outside of India and Türkiye. As part of our proposed restructuring, our Company proposes to utilize ₹13,000.00 million from the Net Proceeds to acquire the entire shareholding of our Promoter in IGI Belgium and IGI Netherlands, together with the rights attaching to such shareholding (the "**Proposed Acquisitions**"). For details on the valuation, please see "*Proposed Acquisitions - Summarised Information about Valuation*" on page 157.

We seek to create long-term value for our stakeholders through the Proposed Acquisition by providing the benefits of our global business to our shareholders, in addition to streamlining the flow of cash from our global businesses to our Company. As on September 30, 2024, IGI Belgium Group has operations in Antwerp, Belgium, New York, USA, and IGI Netherlands Group has operations in Bangkok, Thailand, Dubai, UAE, Hong Kong and Shanghai, the PRC and in Israel and Egypt. The Proposed Acquisition is intended to consolidate our global business under our Company while continuing to leverage on our centralized management and simplify our group structure. Our global presence will allow us to serve our customers across geographies, access 31 laboratories and 18 IGI Schools and assist us in providing timely and accessible services to our customers. The Post Acquisition Group is the world's second-largest independent certification and accreditation services provider based on revenue for CY2023 among global peers for diamonds, studded jewelry and colored stones certifications, with a global market share of 33%, based on the number of certifications for CY2023, according to the Redseer Report. For further details, see, "*Our Business*" and "*Industry Overview*" on pages 159 and 113 respectively. In this regard, our Board has, in its meeting dated August 7, 2024, approved the Share Purchase Agreement.

Pursuant to the Share Purchase Agreement, the purchase consideration for the Proposed Acquisitions is based on the Aggregate Enterprise Value, as adjusted for working capital, debt and surplus cash basis audited accounts, in accordance with the terms of the Share Purchase Agreement. Pursuant to the Share Purchase Agreement, parties have agreed that the final purchase consideration, subject to adjustments at closing is not be more than 20% of the Aggregate Equity Value $ 155.93 million (equivalent to ₹ 13,054.01 million ($1= ₹83.72 as of September 30, 2024 as per the Unaudited Pro Forma Condensed Combined Financial Information)). For further details, including details of the Share Purchase Agreement, summarized details of valuation etc. please refer to "*Proposed Acquisitions*" on page 147.

As set out above, we propose to utilize ₹ 13,000.00 million from the Net Proceeds towards the Proposed Acquisition. The balance consideration is proposed to be paid out of the internal accruals of the Company. In accordance with the terms of the Share Purchase Agreement, our Company is required to pay the purchase consideration for the Proposed Acquisitions on the date of receipt of listing and trading approval from the Stock Exchanges by our Company pursuant to the Offer ("**Closing Date**"). Further, all requisite actions in respect of the transfer of equity shares of IGI Belgium and IGI Netherlands will be completed by our Promoter on the Closing Date before the payment consideration is exchanged.

Also, see "*Risk Factors – Our Company proposes to use the Net Proceeds from the Fresh Issue for the Proposed Acquisitions, following which our Company will be responsible for overseeing and managing the overall IGI business inside and outside of India. We may face difficulties managing and administering an internationally dispersed business and may not be able to achieve operational efficiencies following the Proposed Acquisitions, which could adversely affect our business or results of operations.*" and "*Risk Factors – A significant portion of the Net Proceeds are proposed to be paid to the Promoter of our Company.*" on pages 32 and 34, respectively. For further details, see "*Proposed Acquisitions*" on page 147 for a description of the IGI Belgium Group, IGI Netherlands Group, and the Share Purchase Agreement. For details in relation to the financial information pertaining to the IGI Belgium Group and the IGI Netherlands Group, see "*Special Purpose Consolidated Financial Statements for IGI Belgium Group and IGI Netherlands Group*" on page 285, and "*Unaudited Pro Forma Condensed Combined Financial Information*" on page 268.

Other than the payment of the aggregate purchase consideration to our Promoter for the Proposed Acquisitions pursuant to the Share Purchase Agreement, and the receipt of the proceeds of the Offer for Sale by our Promoter, our Company has not entered into and is not planning to enter into any arrangement/ agreements with any of our Directors, Key Managerial Personnel, Senior Management Personnel, Group Companies in relation to the utilisation of the Net Proceeds. Further, there are no material existing or anticipated interests of such individuals and entities in the objects of the Offer except as set out above.

2. General corporate purposes

The Net Proceeds will first be utilized towards the Objects as set out above. Subject to this, our Company intends to deploy any balance Net Proceeds towards general corporate purposes as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the gross proceeds of the Fresh Issue, in compliance with the SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilize Net Proceeds include working capital requirements, strengthening marketing capabilities and brand building exercises, meeting ongoing general corporate contingencies, business requirements of our Company in the ordinary course of business towards salaries and wages, rent administration expenses, upgrading our technology and maintenance and other purpose as may be approved by our Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act 2013. In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds or through our internal accruals, if any which are not applied to the other purposes set out above.

Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹1,869.30 million.

The Offer related expenses primarily include fees payable to the BRLMs and legal counsels, fees payable to the Statutory Auditors, brokerage and selling commission, underwriting commission, commission payable to Registered Brokers, RTAs, CDPs, SCSBs' fees, Sponsor Bank's fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Other than (a) listing fees and stamp duty payable on issue of Equity Shares pursuant to Fresh Issue which shall be borne solely by the Company, and (ii) stamp duty payable on transfer of the Offered Shares pursuant to the Offer for Sale and fees and expenses for the legal counsel to the Promoter Selling Shareholder which shall be borne solely by the Promoter Selling Shareholder, all costs, charges, fees and expenses associated with and incurred with respect to the Offer, shall be shared among the Company and the Promoter Selling Shareholder on a *pro rata* basis, in proportion to the Equity Shares alotted by the Company in the Fresh Issue and sold by the Promoter Selling Shareholder in the Offer for Sale in accordance with Section 28(3) of the Companies Act. All such payments shall be made by our Company in the first instance on behalf of the Promoter Selling Shareholder and the Promoter Selling Shareholder agrees that it shall reimburse our Company in proportion to the Equity Shares to be offered in the Offer for Sale, for any expenses incurred by our Company on behalf of the Promoter Selling Shareholder. The fees of the BRLMs, in accordance with the terms of the fee letter, fees payable to the legal counsels, the procurement brokerages and commissions payable to members of the syndicate in terms of Syndicate Agreement and any other agreed fees and commissions payable in relation to the Offer, shall be paid directly from the Public Offer Account where the proceeds of the Offer have been received, and immediately upon receipt of final listing and trading approvals from the Stock Exchanges, in the manner to be set out in the Offer related documents and as may be set out in the Cash Escrow and Sponsor Bank Agreement.

In the event that the Offer is postponed or withdrawn or abandoned for any reason or the Offer is not successful or consummated, all costs and expenses with respect to the Offer which may have accrued up to the date of such postponement, withdrawal, abandonment or failure shall be borne by our Company and the Promoter Selling Shareholder in proportion to the number of Equity Shares our Company has agreed to Allot. The estimated Offer related expenses are as follows:

(₹ in million)

S. No	Activity	Estimated amount(1) (₹ in million)	As a % of total estimated Offer Expenses(1)	As a % of Offer Size(1)
1.	BRLMs fees and commissions (including underwriting commission)	997.10	53.34	2.36
2.	Brokerage, selling commission, bidding charges, processing fees and bidding charges for the Members of the Syndicate, Registered Brokers, SCSBs, RTAs and CDPs (2)(3)(4)(5)(6)	43.16	2.31	0.10
3.	Advertising and marketing expenses for the Offer	251.34	13.45	0.59
4.	Other expenses (i) Listing fees, SEBI filing fees, BSE & NSE processing fees, book building software fees and other regulatory expenses, (ii) Printing and stationery expenses (iii) Fees payable to the legal counsel (iv) Fees payable to other advisors to the Offer including but not limited to industry expert,^ valuers,& independent chartered accountant,@ auditors,$ etc. (v) Fees payable to the Registrar to the Offer (vi) Miscellaneous	193.38 21.97 145.79 78.24 0.00 138.33	10.34 1.18 7.80 4.19 0.00 7.40	0.46 0.050.35 0.19 0.00 0.33
	Total Estimated Offer Expenses	**1,869.30**	**100.00**	**4.42**

^ *For preparation of the industry report commissioned and paid for by our Company, exclusively for the purpose of the Offer.*

& *For preparation of valuation report for purposes of the Offer.*

@ *For issue of certifications in connection with and for the purpose of the Offer.*

$ *For preparation of the restated financial statements and issue of certifications in connection with and for the purpose of the Offer.*

(1) *Offer expenses include goods and services tax, where applicable. Offer expenses are estimates and are subject to change.*

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

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

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid book of BSE or NSE.

No processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them.

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

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

**Processing fees payable to the SCSBs for capturing Syndicate Member/Sub-syndicate (Broker)/Sub-broker code on the ASBA Form for Non-Institutional Investors and Qualified Institutional Bidders with bids above ₹0.5 million would be ₹10 plus applicable taxes, per valid application.*

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed ₹2.00 million (plus applicable taxes) and in case if the total processing fees exceeds ₹ 2.00 million (plus applicable taxes) then processing fees will be paid on pro-rata basis for portion of (i) Retail Individual Bidders (ii) Non-Institutional Bidders and (iii) Eligible Employee Bidders and as applicable

(4) Selling commission on the portion for Retail Individual Bidders (up to ₹0.2 million), Non-Institutional Bidders and Eligible Employee Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts-linked online trading, demat & bank account provided by some of the Brokers which are Members of the Syndicate (including their Sub-Syndicate Members) would be as follows.

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

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined

(i) for Retail Individual Bidders Non-Institutional Bidders (up to ₹0.5 million) and Eligible Employee Bidders, on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member, and;

(ii) for Non-Institutional Bidders (above ₹0.5 million), Syndicate ASBA Form bearing SM Code & Sub-Syndicate Code of the application form submitted to SCSBs for Blocking of the Fund and uploading on the Exchanges platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the Syndicate / Sub Syndicate members and not the SCSB.

(5) Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members) on the applications made using 3-in-1 accounts would be ₹10.00 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members).

Notwithstanding anything contained above the total uploading charges payable under this clause will not exceed ₹ 2.00 million (plus applicable taxes) and in case if the total uploading charges exceeds ₹ 2.00 million (plus applicable taxes) then processing fees will be paid on pro-rata basis for portion of (i) Retail Individual Bidders (ii) Non-Institutional Bidders and (iii) Eligible Employee Bidders, as applicable.

(6) Selling commission/ uploading charges payable to the Registered Brokers on the portion for Retail Individual Bidders ,Non-Institutional Bidders and Eligible Employee Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

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

** Based on valid applications*

The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

Notwithstanding anything contained above the total Selling Commission/ Uploading Charges payable under this clause will not exceed ₹0.50 million (plus applicable taxes) and in case if the total uploading charges exceeds ₹ 0.50 million (plus applicable taxes) then Selling commission/ uploading charges will be paid on pro-rata basis for portion of (i) Retail Individual Bidders (ii) Non-Institutional Bidders, and (iii) Eligible Employee Bidders as applicable.

(7) Uploading charges/ Processing fees for applications made by UPI Bidders using the UPI Mechanism would be as under:

Members of the Syndicate (including their sub syndicate members) / RTAs / CDPs	*₹ 30.00 per valid application (Plus applicable taxes)*
Axis Bank Limited and Kotak Mahindra Bank Limited	*Per valid Bid cum Application Forms: ₹ Nil per valid Bid cum Application Form (plus applicable taxes)* *The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement, and other applicable laws.*

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement.

The total uploading charges / processing fees payable under this clause to members of the Syndicate, RTAs, CDPs, will be subject to a maximum cap of ₹ 5.00 million (plus applicable taxes). In case the total uploading charges/processing fees payable exceeds ₹5.00 million, then the amount payable to members of the Syndicate, RTAs, CDPs, would be proportionately distributed based on the number of valid applications such that the total uploading charges / processing fees payable does not exceed ₹5.00 million.

Pursuant to SEBI Master Circular SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / sub-Syndicate Member shall not be able to Bid the Application Form above ₹ 0.50 million and the same Bid cum Application Form need to be submitted to SCSB for blocking of the fund and uploading on the Stock Exchange bidding platform. To identify bids submitted by Syndicate / sub-Syndicate Member to SCSB a special Bid-cum application form with a heading / watermark "Syndicate ASBA" may be used by Syndicate / sub-Syndicate Member along with SM code and broker code mentioned on the Bid-cum Application Form to be eligible for brokerage on allotment. However, such special forms, if used for Retail Individual Investor ,Non-Institutional Investor and Eligible Employee Bids up to ₹ 0.50 million will not be eligible for brokerage

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/l/M dated March 16, 2021 and SEBI Master Circular SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated

November 11, 2024. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in compliance with the SEBI RTA Master Circular, in a format as prescribed by SEBI, from time to time and in accordance with SEBI Master Circular SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024.

Appraisal of the Objects and Bridge Financing

The objects of the Fresh Issue have not been appraised by any bank, financial institution or agency and we have not raised any bridge loans against the Net Proceeds.

Monitoring of Utilisation of Funds

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company has appointed the Monitoring Agency for monitoring the utilisation of the Gross Proceeds, as the size of the Fresh Issue exceeds ₹ 1,000.00 million, in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Gross Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilisation of the Gross Proceeds, including interim use under a separate head in our balance sheet for such periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Gross Proceeds have been utilised if any, of such currently unutilised Gross Proceeds. Our Company will also, in its balance sheet for the applicable Calendar Year, provide details, if any, in relation to all such Gross Proceeds that have not been utilised, if any, of such currently unutilised Gross Proceeds.

Pursuant to Regulation 18(3) and Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. 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 auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our director's report, after placing the same before the Audit Committee. We will disclose the utilisation of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilised clearly specifying the purpose for which such Net Proceeds have been utilised. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Calendar Year subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Interim use of Net Proceeds

The Net Proceeds shall be retained in the Public Offer Account until receipt of the listing and trading approvals from the Stock Exchanges by our Company. Pending utilization of the Net Proceeds for the purposes described above, our Company undertakes to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board or the IPO Committee. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and the applicable rules, and the SEBI ICDR Regulations, our Company shall not vary the objects of the Fresh Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Notice**") shall specify the prescribed details as required under the Companies Act, 2013. The Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, the vernacular language of the jurisdiction where our Registered Office is situated. Pursuant to Section 13(8) of the Companies Act, 2013, our Promoter will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal, to vary the objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of proving of the Equity Shares, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations.

BASIS FOR OFFER PRICE

The Price Band has been determined by our Company in consultation with the BRLMs, and the Offer Price has been determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the equity shares is ₹2 each and the Offer Price is 1.05 times the Floor Price and 1.00 times the Cap Price, and Floor Price is 198.50 times the face value and the Cap Price is 208.50 times the face value. Investors should also see "*Risk Factors*", "*Summary of Restated Financial Information*", "*Our Business*", "*Restated Financial Information*", and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 32, 65, 159, 214 and 508, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are as follows:

- World's second largest independent certification and accreditation services provider among our global peers for loose stones and studded jewelry and in an industry characterized by barriers to entry
- First mover and global market leader in providing certification services for the fast-growing laboratory grown diamond industry
- Extensive range of services for certification and accreditation services provided to a diverse group of customers along the value chain
- Education initiatives that support spreading awareness, building customer partnerships and our brand
- Demonstrated track record of delivering growth in revenue, margins and returns
- Experienced professional management team backed by the largest alternate asset manager globally

For details, see "*Our Business –Competitive Strengths of Post-Acquisition Group*" on page 166.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Financial Information. For details, see "*Restated Financial Information*" and "*Other Financial Information*" beginning on pages 214 and 502, respectively.

Pursuant to a resolution passed by our Board on April 25, 2024, and a resolution passed by our Shareholders on May 8, 2024, the issued, subscribed and paid-up capital of our Company was sub-divided from 394,809 equity shares of face value of ₹10 each to 1,974,045 equity shares of face value of ₹ 2 each.

Sub-division of shares are retrospectively considered for the computation of earnings per equity share in accordance with Ind AS 33 for all Calendar Years/ periods presented.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

A. Basic and Diluted Earnings Per Equity Share ("EPS"), as adjusted for changes in capital:

Calendar Year/Period Ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
December 31, 2023	8.18	8.18	3
December 31, 2022	6.09	6.09	2
December 31, 2021	4.32	4.32	1
Weighted Average	6.84	6.84	
Nine-months period ended September 30, 2024	8.22	8.22	-
Nine-months period ended September 30, 2023	6.02	6.02	-

Notes:

1. *The figures disclosed above for basic EPS and diluted EPS are derived from the Restated Financial Information.*
2. *Basic EPS is calculated as restated loss for the year/period attributable to owners of our Company divided by the weighted average number of Equity Shares outstanding during the year/ period.*
3. *Diluted EPS is calculated as restated loss for the year/period attributable to owners of our Company divided by the weighted average number of Equity Shares outstanding during the year/ period and the weighted average number of Equity Shares that could have been issued upon conversion of all dilutive potential Equity Shares.*
4. *Weighted average = aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/total of weights.*
5. *Pursuant to a resolution passed by our Board on April 25, 2024, and a resolution passed by our Shareholders on May 8, 2024, the issued, subscribed and paid-up capital of our Company was sub-divided from 394,809 equity shares of face value of ₹10 each to 1,974,045 equity shares of face value of ₹ 2 each. Sub-division of equity shares is retrospectively considered for the computation of basic EPS and diluted EPS in accordance with Indian Accounting Standard 33 ("**Ind AS 33**") for all the Calendar Years/ periods presented.*
6. *Pursuant to a resolution passed by our Board on April 25, 2024 and a resolution passed by our Shareholders on May 21, 2024, the issuance of 394,809,000 equity shares equity shares of face value ₹2 each by way of a bonus issue in the ratio of 200 Equity Share for every one equity share of face value ₹2 each held, was approved, which were allotted on June 6, 2024. Such Equity Shares allotted pursuant to the bonus issue are retrospectively considered for the computation of basic EPS and diluted EPS in accordance with Ind AS 33 for all the Calendar Years/periods presented.*

B. Price/Earning ("P/E") ratio in relation to Price Band of ₹397 to ₹417 per equity share of face value ₹2:

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on basic EPS for Calendar Year ended December 31, 2023	48.53	50.98
Based on diluted EPS for Calendar Year ended December 31, 2023	48.53	50.98

C. Industry P/E ratio

There are no listed companies globally and/or in India that engage in a business similar to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

D. Return on Net Worth ("RoNW")

Calendar Year/Period Ended	RoNW (%)	Weight
December 31, 2023	76.58	3
December 31, 2022	83.13	2
December 31, 2021	74.39	1
Weighted Average	**78.40**	
Nine-months period ended September 30, 2024	56.59	-
Nine-months period ended September 30, 2023	60.50	-

Notes:

1. *RoNW calculated as restated profit for the year/period divided by the average Net Worth for the respective year/period.*
2. *Net worth means aggregate of equity share capital and other equity.*
3. *Average net worth is sum of opening and closing net worth divided by two.*
4. *Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. RoNW x Weight for each year/total no. of weights.*
5. *The figures for restated profit for the period / year attributable to equity shareholders of the Company and total equity to calculate Net worth and RoNW are derived from the Restated Financial Information.*

E. Net Asset Value ("NAV") per equity share of face value ₹2, as adjusted

Particulars	Amount (₹)
As on December 31, 2023	12.83
As on September 30, 2024	16.22
After the completion of the Offer	
- At the Floor Price	48.82
- At the Cap Price	49.02
Offer Price	49.02

Notes:

1. *NAV per equity share represents net worth as at the end of the year / period, as restated, divided by the number of Equity Shares outstanding at the end of the year / period.*
2. *Pursuant to a resolution passed by our Board on April 25, 2024, and a resolution passed by our Shareholders on May 8, 2024, the issued, subscribed and paid-up capital of our Company was sub-divided from 394,809 equity shares of face value of ₹10 each to 1,974,045 equity shares of face value of ₹2 each. Sub-division of equity shares is retrospectively considered for the computation of basic EPS and diluted EPS in accordance with Indian Accounting Standard 33 ("Ind AS 33") for all the Calendar Years/ periods presented.*
3. *Pursuant to a resolution passed by our Board on April 25, 2024 and a resolution passed by our Shareholders on May 21, 2024, the issuance of 394,809,000 equity shares equity shares of face value ₹2 each by way of a bonus issue in the ratio of 200 Equity Share for every one equity share of face value ₹2 each held, was approved, which were allotted on June 6, 2024. Such Equity Shares allotted pursuant to the bonus issue are retrospectively considered for the computation of basic EPS and diluted EPS in accordance with Ind AS 33 for all the Calendar Years/periods presented*

F. Key Performance Indicators ("KPIs")

The table below sets forth the details of our KPIs that our Company considers to have a bearing for arriving at the basis for Offer Price. All the KPIs disclosed below have been approved by a resolution of our Audit Committee dated December 1, 2024 (copy made available in item no. (i) under "*Material Contracts and Documents for Inspection*" on page 598), and the Audit Committee has confirmed that the KPIs pertaining to our Company that have been disclosed to earlier investors at any point of time during the three years period prior to the date of filing of this Prospectus have been disclosed in this section, and also noted that these KPIs have been subject to verification and certification by S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, pursuant to certificate dated December 17, 2024. The KPIs that have been consistently used by the management to analyse, track and monitor the operational and financial performance of our Company and were presented in the past meetings of our Board or shared with the Shareholders during the three years preceding the date of the Red Herring Prospectus, which have been consequently identified as relevant and material KPIs and are disclosed in this *"Basis for Offer Price"* section.

In addition to the above, the Audit Committee also noted that other than the below mentioned KPIs:

(i) there are certain items/ metrics which have not been disclosed in this Prospectus as the same are either sensitive to the business and operations, not critical or relevant for analysis of our financial and operational performance or such items do not convey any meaningful information to determine performance/ valuation of our Company; and

(ii) there are certain items/ metrics which are included in the business description, Management Discussion & Analysis or financials in this Prospectus which are purely operational in nature and are not considered to be performance indicators or deemed to have a bearing on the determination of Offer price. For details, see "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Restated Financial Information*" on pages 159, 508 and 214, respectively.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis on a post-acquisition basis, at least once a year, for a duration of one year after the date of listing of the Equity Shares on the Stock Exchanges or till the utilisation of the Offer Proceeds, whichever is later, or for such other duration as required under the SEBI ICDR Regulations. For further details, see "*Objects of the Offer*" starting on page 90 of this Prospectus.

(₹ in million, unless otherwise specified)

Sr. No.	Particulars	Unit	As of and for the nine-months period ended September 30, 2024 (Consolidated)	As of and for the nine-months period ended September 30, 2023 (Consolidated)	As of and for the Calendar Year ended December 31, 2023 (Consolidated)	As of and for the Calendar Year ended December 31, 2022 (Consolidated)	As of and for the Calendar Year ended December 31, 2021 (Standalone)
1.	Revenue from Operations of the Pre-Acquisition Group	(₹) in million	5,963.57	4,537.88	6,385.28	4,909.94	3,646.91
2.	Revenue Growth (Y-o-Y) of the Pre-Acquisition Group	%	31.42	N.A.	30.05	34.63	N.A.
3.	Segmental Revenue by service line of the Pre-Acquisition Group						
A	- Certification services	₹ in millions	5,856.58	4,410.59	6,206.82	4,777.44	3,574.30
B	- Educational courses	₹ in millions	36.99	45.42	53.59	38.73	24.71
C	- Others	₹ in millions	70.00	81.87	124.87	93.77	47.90
4.	EBITDA of the Pre-Acquisition Group	₹ in millions	4,291.82	3,213.16	4,501.18	3,351.82	2,406.48
5.	EBITDA Y-o-Y growth of the Pre-Acquisition Group	%	33.57	N.A.	34.29	39.28	N.A.
6.	EBITDA Margin% of the Pre-Acquisition Group	%	71.97	70.81	70.49	68.27	65.99
7.	Profit after tax of the Pre-Acquisition Group	₹ in millions	3,260.60	2,386.95	3,247.38	2,417.58	1,715.30
8.	Profit after tax margin of the Pre-Acquisition Group	%	54.68	52.60	50.86	49.24	47.03

Sr. No.	Particulars	Unit	As of and for the nine-months period ended September 30, 2024 (Consolidated)	As of and for the nine-months period ended September 30, 2023 (Consolidated)	As of and for the Calendar Year ended		
					December 31, 2023 (Consolidated)	December 31, 2022 (Consolidated)	December 31, 2021 (Standalone)
9.	Return on equity of the Pre-Acquisition Group	%	56.59*	60.50*	76.58	83.13	74.39
10.	Return on capital employed of the Pre-Acquisition Group	%	62.19*	64.54*	80.96	87.09	86.79
11.	Net working capital of the Pre-Acquisition Group	₹ in millions	4,150.05	2,791.48	2,968.30	2,371.30	1,486.81
12.	Number of IGI laboratories of the Pre-Acquisition Group	Number	20	20	20	19	16
13.	Number of schools of the Pre-Acquisition Group	Number	9	9	9	8	8
14.	Number of reports per year by the Pre-Acquisition Group	Number in millions	6.86	5.17	7.21	5.87	4.29
15.	Number of employees of the Pre-Acquisition Group	Number	843	697	727	542	498

**Not annualised.*

1) *Revenue from Operations of the Pre-Acquisition Group means the revenue from operations as appearing in the Restated Financial Information.*
2) *Revenue Growth (Y-o-Y) of the Pre-Acquisition Group is calculated as a percentage of revenue from operations of the relevant period/year minus revenue from operations of the preceding period/year, divided by revenue from operations of the preceding period/year.*
3) *Segmental Revenue by service line of the Pre-Acquisition Group means the revenue from operations as per Note 24 to the Restated Financial Information. Other revenue comprises of sale of products, advertisement and show income and commission income (exports).*
4) *EBITDA is calculated as restated profit / (loss) for the period / year, plus finance costs, total taxes, and depreciation and amortisation expense less other income.*
5) *EBITDA growth Y-o-Y (%) is calculated as a percentage of EBITDA of the relevant period/year minus EBITDA of the preceding period/year, divided by revenue from operations of the preceding period/year.*
6) *EBITDA margin (%) is calculated as EBITDA divided by revenue from operations.*
7) *Profit after tax means restated profit / (loss) for the period/year as appearing in the Restated Financial Information.*
8) *Profit after tax margin refers to the percentage margin derived by dividing profit after tax by revenue from operations.*
9) *Return on equity (RoE)(%) refers to restated profit after tax divided by average total equity for the year/period. Restated profit after tax means restated profit / (loss) for the period/year as appearing in the Restated Financial Information. Average total equity is the sum of opening and closing total equity divided by two.*
10) *Return on capital employed (RoCE)(%) is calculated as EBITDA less depreciation and amortisation / capital employed. Capital employed is calculated as total equity plus total borrowings plus total lease liabilities and deferred tax liabilities(net).*
11) *Net working capital refers to the total current assets minus the total current liabilities.*
12) *Refers to the number of IGI laboratories located in the branches of the Pre-Acquisition Group as at period/year end, excluding in-factory laboratory set-ups and mobile laboratory set-ups.*
13) *Refers to the number of IGI Schools of Gemology of the Pre-Acquisition Group as at end of the period/ year.*
14) *Refers to the number of certification reports issued by the Pre-Acquisition Group for the period/ year.*
15) *Refers to the number of employees on the payroll of the Pre-Acquisition Group as at end of the period/ year.*

For details of our other operating metrics disclosed elsewhere in this Prospectus, see "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 159 and 509, respectively.

G. Description on the historic use of the KPIs by our Company to analyze, track or monitor the operational and/or financial performance of our Company.

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs are not intended to be considered in isolation or as a substitute for the Restated Financial Information. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS.

A list of our KPIs along with a brief explanation of the relevance of the KPIs to our business operations are set forth below:

KPIs	Description
Revenue from Operations of the Pre-Acquisition Group	Revenue from operations represents the scale of our business as well as provides information regarding our overall financial performance
Revenue Growth (Y-o-Y) of the Pre-Acquisition Group	Growth in Revenue from operations provides information regarding the growth of the business for the respective period.
Segmental Revenue by service line of the Pre-Acquisition Group	Segmental revenue by service line helps us to track the level and growth of business from each of the service line and identify service lines which require specific attention
- Certification services	It helps to track the level and growth of the business from certification of diamonds, jewelry and colored stones
- Educational courses	It helps to track the level and growth of the business from offering educational courses in gemology, diamond grading, jewelry design and related subjects.
- Others	It helps to track the level and growth of the business from advertisement income, sale of D-check machines and commission income on exports.
EBITDA of the Pre-Acquisition Group	EBITDA is an indicator of the operational profitability and financial performance of our business.
EBITDA Y-o-Y growth of the Pre-Acquisition Group	Growth in EBITDA provides information regarding the growth in the operational profitability of the business for the respective period.
EBITDA Margin% of the Pre-Acquisition Group	EBITDA margin indicates the percentage of revenue that translates into EBITDA, which helps us assess profitability and margin profile. It's preferred over other margin calculations because it focuses solely on operational performance, excluding non-operating factors
Profit after tax of the Pre-Acquisition Group	Restated profit after tax is an indicator of the overall profitability and financial performance of the business.
Profit after tax margin of the Pre-Acquisition Group	PAT margin is an indicator of the overall profitability and financial performance of the business as a percentage to the revenue from operations.
Return on equity of the Pre-Acquisition Group	RoE provides how efficiently our Company generates profits from the shareholders' funds.
Return on capital employed of the Pre-Acquisition Group	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Net working capital	Net working capital indicates the operating liquidity of our Company and its ability to meet short-term obligations
Number of IGI laboratories of the Pre-Acquisition Group	Number of labs helps us to track the infrastructural capabilities of our Company to provide certification services
Number of schools of the Pre-Acquisition Group	Tracking the number of schools run by the Pre-Acquisition Group helps us to promote IGI brand, raise awareness about the need for certification and upskill industry professionals.
Number of reports per year by the Pre-Acquisition Group	Number of reports helps us to track the year-on-year volume in terms of the number of certification services provided during the period/year.
Number of employees of the Pre-Acquisition Group	Number of employees helps us to track the operational capabilities of our Company to provide

We have described and defined the KPIs, as applicable, in "*Definitions and Abbreviations*" on page 1. For details of our other operating metrics disclosed elsewhere in this Prospectus, see "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 159 and 508, respectively.

H. Comparison with listed industry peers

There are no listed companies in India or internationally among IGI's global peers.

Our primary business is the provision of services related to the certification and accreditation of natural diamonds, laboratory-grown diamonds, studded jewelry and colored stones as well as the offering of educational programs. Our Company, IGI India, is part of the IGI, is one of the established reputed certifiers in the global market for certification, according to the Redseer Report. According to the Redseer Report, players with a presence in India along with global reach in at least five countries which include the following players, Gemological Institute of America (GIA), Gemological Science International (GSI), Hoge Raad Voor Diamant (HRD) Antwerp, Solitaire Gemmological Laboratories (SGL) and International Gemmological Institute (IGI). Among these, Gemological Institute of America (GIA) is a non-profit institute, and no other player among IGI peers is listed. For details, see "*Industry Overview*" beginning on page 113.

Weighted average cost of acquisition ("WACA"), floor price and cap price

I. Price per share of our Company (as adjusted for corporate actions, including bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under an employee stock option scheme and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding options granted under ESOP 2024 but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances")

Our Company has not issued any equity shares, excluding issuance of bonus shares, during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company, in a single transaction or multiple transactions combined together over a span of rolling 30 days.

J. Price per share of our Company (as adjusted for corporate actions, including bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving our Promoter, Promoter Group or other shareholders with the right to nominate directors on our Board during the 18 months preceding the date of filing of the Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding options granted under ESOP 2024 granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions")

Our Company has not done a secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving any of the Promoter Selling Shareholder or other Shareholders of the Company with rights to nominate directors during the 18 months preceding the date of filing of this Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up equity share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

K. If there are no such transactions to report under I or J, the following are the details of the price per share of our Company basis the last five primary or secondary transactions (secondary transactions where our Promoter, Promoter Group or other shareholders with the right to nominate directors on our Board, are a party to the transaction), not older than three years prior to the date of filing of the Red Herring Prospectus irrespective of the size of transactions:

Primary Transactions:

There are no transactions to report to under I above. Therefore, the following are the details of the price per share of our Company basis the last five primary transactions prior to the date of filing of the Red Herring Prospectus is as set below:

Date of Allotment	Number of equity shares allotted	Face value per equity share (in ₹)	Nature of allotment	Nature of Consideration	Total Consideration (₹ million)	Acquisition Price per equity share (₹)
June 6, 2024	394,809,000	2	Bonus issue in the ratio of 200 equity shares of face value ₹2 each for every	N.A.	Nil	Nil**

			one equity share of face value ₹2 each held			
Weighted average cost of acquisition (WACA) (primary transactions) (₹ per Equity Share)						**Nil**

****Nil, since the Equity Shares were acquired through a bonus issue.*

Secondary Transactions:

There are no transactions to report to under J above. Therefore, the details of last secondary transactions (where our Promoter, members of the Promoter Group, Selling Shareholders or shareholders with right to nominate directors on our Board, are a party to the transaction) prior to the date of filing of this Prospectus are below:

Date of Transfer	No. of Equity Shares transferred (adjusted for bonus issue and split)	Nature of Consideration	Total Consideration* (₹ million)	Acquisition Price per Equity Share* (adjusted for bonus issue and split) (₹)
May 19, 2023	317,427,240	Cash	25,824.40	81.36
May 19, 2023	79,355,805	Cash	6,456.12	81.36
Total:	396,783,045		32,280.52	81.36
Weighted average cost of acquisition (WACA) (secondary transactions) (₹ per Equity Share)				**81.36**

** Consideration was paid in USD.*
Calculated basis exchange rate of $1 = ₹82.05, as per Form SH-4.

L. Weighted average cost of acquisition, floor price and cap price:

Types of Transactions	Weighted average cost of acquisition (₹ per equity share)#	Floor Price (i.e. ₹ 397)	Cap Price (i.e. ₹ 417)
Weighted average cost of acquisition (WACA) of primary issuances as disclosed in point I above	N.A.	N.A.	N.A.
Weighted average cost of acquisition (WACA) of secondary transactions as disclosed in point J above	N.A.	N.A.	N.A
Weighted average cost of acquisition (WACA) of equity shares as disclosed in point K above			
Based on the primary issuances undertaken during the last three years	Nil	N.A.	N.A.
Based on the secondary transactions undertaken during the last three years	81.36	4.88	5.13

 # As certified by S K Patodia & Associates LLP, with firm registration number 112723W/W100962, Chartered Accountants pursuant to their certificate dated December 17, 2024.

M. Justification for Basis of Offer price

The following provides an explanation to the Offer Price being 5.13 times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired or sold by our Promoter, Promoter Group, or other shareholders with rights to nominate directors on our Board by way of primary and secondary transactions in the last three Calendar Years preceding the date of this Prospectus compared to our Company's KPIs/ financial ratios for the nine-months period ended September 30, 2024, September 30, 2023 and for the Calendar Years 2023, 2022 and 2021 and in view of external factors, if any:

1. The Pre-Acquisition Group has achieved overall financial growth across key metrics from CY2021 to CY2023 and for the nine-months period ended September 30, 2024. Revenue from operations of the Pre-Acquisition Group increased by 75.09% to ₹6,385.28 million in CY2023 from ₹3,646.91 million in CY 2021;

2. The Pre-Acquisition Group has also delivered EBITDA margins of 71.97%, 70.81%, 70.49%, 68.27% and 65.99% for the nine-months period ended September 30, 2024 and 2023, and CY2023, CY2022 and CY2021, respectively and profit after tax margins of 54.68%, 52.60%, 50.86%, 49.24% and 47.03%, respectively;

3. The return on capital employed of the Pre-Acquisition Group was 62.19%, 64.54%, 80.96%, 87.09% and 86.79% and our return on net worth was 56.59%, 60.50%, 76.58%, 83.13% and 74.39% for the nine-months period ended September 30, 2024 and 2023, and CY2023, CY2022 and CY2021, respectively;

4. The contribution of the certification services as a percentage of the revenue of operations was 98.21%, 97.20%, 97.21%, 97.30% and 98.01% for the nine-months period ended September 30, 2024 and 2023, and CY2023, CY2022 and CY2021, respectively;

5. The number of reports generated by the Pre-Acquisition Group was 6.86 million, 5.17 million, 7.21 million, 5.87 million and 4.29 million for the nine-months period ended September 30, 2024 and 2023, and CY2023, CY2022 and CY2021, respectively;

6. According to the Redseer Report, IGI is the world's second largest independent certification and accreditation services provider among our global peers for diamonds, studded jewelry and colored stones certifications, with a global market share of approximately 33% based on the number of certifications of diamonds, studded jewelry and colored stones performed in CY2023;

7. According to the Redseer Report, IGI was the first among our global peers to issue certification reports for laboratory-grown diamonds globally in CY2005, and through our customer-centric approach and commitment to innovation, IGI has become the global leader with approximately 65% of the market share based on the number of certifications of laboratory-grown diamonds for CY2023;

8. According to the Redseer Report, IGI is one of three players that offer a full stack of comprehensive offerings among our global peers, covering grading and classification services across different stone types;

9. According to the Redseer Report, as the largest certification services provider for laboratory-grown diamonds in India, IGI India serves more than 5 Indian growers of laboratory-grown diamonds with over ₹1,000 million of revenue for FY2023.

The Offer Price of ₹417 has been determined by our Company in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building Process. Investors should read the abovementioned information along with "*Risk Factors*", "*Our Business*" and "*Financial Information*" beginning on pages 32, 159 and 214, respectively, to have a more informed view.

STATEMENT OF SPECIAL TAX BENEFITS

To,
The Board of Directors
International Gemmological Institute (India) Limited
702, The Capital, G Block BKC,
Bandra Kurla Complex, Bandra East,
Mumbai, Maharashtra 400051

Sub: Statement of possible special tax benefits available to International Gemmological Institute (India) Limited and its shareholders under the direct and indirect tax laws, prepared in accordance with the requirements under Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations").

1. We, M S K A & Associates ("**the Firm**"), Chartered Accountants, the statutory auditors of International Gemmological Institute (India) Limited ("**the Company**") hereby confirm the enclosed statement in the Annexure prepared and issued by the Company, which provides the possible special tax benefits under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961, the Income-tax Rules, 1962, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, The Customs Act, 1962, The Customs Tariff Act, 1975 and the Foreign Trade Policy (collectively the "**Taxation Laws**"), the rules, regulations, circulars and notifications issued thereon, as amended by the Finance (No. 2) Act, 2024 as applicable to the assessment year 2025-26 relevant to the financial year 2024-25, available to the Company and its shareholders. There is no Material Subsidiary of the Company identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Several of these benefits are dependent on the Company and its shareholders, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company and its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its shareholders face in the future. The Company and its shareholders may or may not choose to fulfil such conditions for availing special tax benefits.

2. This statement of possible special tax benefits is required as per paragraph (9)(L) of Part A of Schedule VI of the SEBI ICDR Regulations. While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, the same would include those benefits as enumerated in the statement. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.

3. The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to them.

4. The benefits stated in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the in the proposed initial public offering of equity shares of the Company (the 'Offer') and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this statement. Also, any tax information included in this written communication was not intended or written to be used and it cannot be used by the Company or the investor for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.

5. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

6. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

7. We do not express any opinion or provide any assurance on whether:
   - The Company and its shareholders will continue to obtain these benefits in future;
   - The conditions prescribed for availing the benefits have been/would be met; and

- The revenue authorities/courts will concur with the views expressed herein.

8. The contents of the enclosed statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law.

9. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.

10. This statement is addressed to the Board of Directors and issued at specific request of the Company. The enclosed Annexure 1 & Annexure 2 to this Statement is intended solely for your information and for inclusion in the draft red herring prospectus, red herring prospectus, the prospectus and any other material in connection with the Offer, and is not to be used, referred to or distributed for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views contained in our statement. While reasonable care has been taken in the preparation of this certificate, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

For M S K A & Associates
Chartered Accountants
Firm Registration No. 105047W

Jiger Saiya
Partner
Membership No: 116349
UDIN: 24116349BKFZIX6758

Place: Mumbai
Date: August 22, 2024
Enclosure: Annexure 1 & Annexure 2

ANNEXURE-1

Statement of possible special tax benefits available to International Gemmological Institute (India) Limited ('the Company') and its Shareholders under the Income Tax Act, 1961

Direct Taxation

This statement of possible special direct tax benefits available to the Company and its shareholders under the direct tax laws in force in India. This statement is required as per paragraph (9)(L) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations"). This statement is as per the Income-tax Act, 1961 as amended by the Finance (No. 2) Act, 2024 read with the relevant rules, circulars and notifications applicable for the Financial Year 2024-25 relevant to the Assessment Year 2025-26, presently in force.

1. **Special Income tax benefits available to the Company under the Income-tax Act, 1961 ('Act')**

- Section 115BAA of the Act, as inserted *vide* The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a corporate tax rate of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/deductions/exemptions or set-off of losses and depreciation provided under clause (ii) and clause (iii) of sub-section (2) of section 115BAA of the Act and claiming depreciation determined in the prescribed manner. In case a company opts for paying tax as per section 115BAA, provisions of section 115JB, i.e., Minimum Alternate Tax ('MAT') would not be applicable on exercise of the option under section 115BAA, as specified under sub-section (5A) of Section 115JB of the Act, and unutilized MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

- The Company has evaluated and decided to opt for the lower corporate tax rate of 22 percent (plus applicable surcharge and cess) with effect from the Financial Year 2019-20 relevant to the Assessment Year 2020-21 under section 115BAA of the Act. Such option has been exercised by the Company while filing its return for the Financial Year 2019-20 relevant to the Assessment Year 2020-21 within the due date prescribed under sub-section (1) of section 139 of the Act. Since the Company has opted for lower corporate tax rate, MAT tax credit (if any) is no longer available for set-off or carry forward in future years.

- Subject to the fulfilment of prescribed conditions, for the year, the Company is entitled to claim deduction under section 80JJAA of the Act with respect to an amount equal to 30% of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided. Further, where the Company wishes to claim possible tax benefit, it shall obtain necessary certification from Chartered Accountant on fulfilment of the conditions under the extant provisions of the Act.

- As per the provisions of Section 80M of the Act, dividend received by the Company from any other domestic company or a foreign company or a business trust, shall be eligible for deduction while computing its total income for the relevant year. The amount of such deduction would be restricted to the amount of dividend distributed by the Company to its shareholders on or before one month prior to due date of filing of its Income-tax return for the relevant year. Since the Company has investments in foreign company, it may avail the above-mentioned benefit under Section 80M of the Act.

2. **Special direct tax benefits available to the Shareholders of Company under the Act**

- There are no special tax benefits available to the shareholders of Company for investing in the shares of the Company. However, such shareholders shall be liable to concessional tax rates on certain incomes (arising from sale of equity shares of the Company).

- Section 112A of the Act provides for concessional rate of tax on transfer of equity shares with effect from April 1, 2019 (i.e. Assessment Year 2019-20) subject to conditions. Any income, exceeding INR 1,25,000 arising from the transfer of a long-term capital asset (i.e. capital asset held for the period of 12 months or more) being an Equity Share in an Indian company or a unit of an equity-oriented fund wherein Securities Transaction Tax ('STT') is paid on both acquisition and transfer, income tax is charged at a rate of 10% without giving effect to indexation if the transfer takes place before 23 July, 2024. For transfers which take place after 23 July, 2024, the rate of tax is increased from 10% to 12.5% without giving effect to indexation.

  Section 111A of the Act provides for concessional rate of tax @ 15% in respect of short-term capital gains (provided the short-term capital gains exceed the basic threshold limit of exemption, where applicable) arising from the transfer of a short-term capital asset (i.e. capital asset held for the period of less than 12 months) being an Equity Share in a company or a unit of an equity-oriented fund wherein STT is paid on both acquisition and transfer provided the transfer takes place before 23 July, 2024. For transfers which take place after 23 July, 2024, the rate of tax is increased from 15% to 20%.

- Separately, any dividend income received by the resident shareholders would be subject to tax deduction at source by the company under section 194 @ 10%, subject to compliance of other conditions. However, in case of individual shareholders, this would apply only if dividend income exceeds INR 5,000. Further, dividend income shall be taxable in the hands of the shareholders at the rates as applicable in their case.

- In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident shareholder has fiscal domicile.

Notes:

1. The benefits discussed above cover only possible special tax benefits under the Act, available to the Company and its Shareholders and do not cover any general tax benefits or any indirect tax law benefits or benefit under any other law. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

2. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws.

3. This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax arising out of their participation in the Proposed IPO.

4. The views expressed in this annexure are based on the facts and assumptions as indicated in the annexure. No assurance is provided that the revenue authorities/courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For **International Gemmological Institute (India) Limited**

Name: Easwar Iyer
Designation: Chief Financial Officer

Place: Mumbai
Date: August 22, 2024

ANNEXURE-2

Statement of Special Tax Benefits Available To International Gemmological Institute (India) Limited ('the Company') and its Shareholders under the Indirect Tax Laws

Outlined below are the special tax benefits available to the Company, and its Shareholders under the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, and respective State Goods and Services Tax Act, 2017, as amended from time to time, the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act"), as amended by the Finance Act 2024 applicable for the Financial Year 2024-25, presently in force in India (collectively referred to as "Indirect Tax Laws"). This statement is required as per paragraph (9)(L) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations").

1. To the Company

Based on the information provided by the management, we hereby state that no special tax benefits are available to the Company under the Indirect Tax Laws.

2. To the shareholders

Based on the information provided by the management, we hereby state that no special tax benefits are available to the Shareholders of the Company under the Indirect Tax Laws.

Notes:

1. This Annexure sets out the only the special tax benefits available to the Company and its Shareholders under the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017 and the applicable State / Union Territory Goods and Services Tax Act, 2017, and relevant rules made thereunder ("GST Acts"), as amended from time to time, the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act"), as amended by the Finance Act 2024 applicable for the Financial Year 2024-25, presently in force in India.

2. Our comments are based on specific activities carried out by the Company. Any variation in the understanding could require our comments to be suitably modified.

3. Based on the information provided to us, we understand that the Company has not claimed any exemption or benefits or incentives under the indirect tax laws;

4. This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, the changing tax laws, each investor is advised to consult his/her own tax advisor with respect to specific tax implications arising out of their participation in the Proposed IPO.

5. This annexure covers only indirect tax laws benefits and does not cover any income tax law benefits or benefit under any other law.

6. These comments are based upon the provisions of the specified Indirect Tax Laws, and judicial interpretation thereof prevailing in the country, applicable for the Financial Year 2024-25, presently in force in India.

7. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For International Gemmological Institute (India) Limited

Name: Easwar Iyer
Designation: Chief Financial Officer
Place: Mumbai
Date: August 22, 2024

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a discussion of certain U.S. federal income tax consequences to U.S. Holders (defined below) of acquiring, owning and disposing of Equity Shares, but it does not purport to be a comprehensive discussion of all tax considerations that may be relevant to a particular person's decision to acquire Equity Shares. This discussion applies only to a U.S. Holder that acquires Equity Shares in the Offer and that owns Equity Shares as capital assets for U.S. federal income tax purposes. This discussion is based on the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), its legislative history, U.S. Treasury regulations promulgated under the Code, and administrative rulings and judicial interpretations thereof, in each case as in effect of the date of this Prospectus. Except as expressly described herein, this discussion does not address the U.S. federal income tax consequences that may apply to U.S. Holders under the Convention Between the Government of the United States of America and the Government of the Republic of India for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (the "**Treaty**"). All of the foregoing authorities are subject to change, which change could apply retroactively and could affect the tax consequences described below. No ruling will be sought from the U.S. Internal Revenue Service (the "**IRS**") with respect to any statement or conclusion in this discussion, and there can be no assurance that the IRS will not challenge such statement or conclusion in the following discussion or, if challenged, that a court will uphold such statement or conclusion.

In addition, this discussion does not describe all of the tax consequences that may be relevant in light of a U.S. Holder's particular circumstances, including any U.S. state, local or non-U.S. tax law, the Medicare tax on net investment income, and any estate or gift tax laws, and it does not describe differing tax consequences applicable to U.S. Holders subject to special rules, such as:

- certain banks or financial institutions;
- regulated investment companies and real estate investment trusts;
- dealers or traders in securities that use a mark-to-market method of tax accounting;
- insurance companies;
- persons holding Equity Shares as part of a hedge, straddle, conversion, constructive sale, wash sale, integrated transaction or similar transaction;
- persons liable for the alternative minimum tax;
- persons required for U.S. federal income tax purposes to accelerate the recognition of any item of gross income with respect to our Equity Shares as a result of such income being recognized on an applicable financial statement;
- persons whose functional currency for U.S. federal income tax purposes is not the U.S. dollar;
- entities or arrangements classified as partnerships or pass-through entities for U.S. federal income tax purposes or holders of equity interests therein;
- tax-exempt entities, "individual retirement accounts" or "Roth IRAs";
- certain U.S. expatriates;
- persons that own, directly, indirectly or constructively, ten percent (10%) or more of the total voting power or value of all of our outstanding stock; or
- persons owning Equity Shares in connection with a trade or business conducted outside the United States.

U.S. Holders should consult their tax advisors concerning the U.S. federal, state, local and non-U.S. tax consequences of acquiring, owning and disposing of Equity Shares in their particular circumstances.
For purposes of this discussion, a "U.S. Holder" is a person that, for U.S. federal income tax purposes, is a beneficial owner of Equity Shares and is:

- an individual citizen or resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust if a court within the United States is able to exercise primary supervision over its administration and one or more United States persons have the authority to control all substantial decisions of the trust or otherwise if the trust has a valid election in effect under current Treasury regulations to be treated as a United States person.

If an entity or arrangement that is classified as a partnership for U.S. federal income tax purposes owns Equity Shares, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the status and activities of the partnership. Partnerships owning Equity Shares and partners in such partnerships should consult their tax advisors as to the particular U.S. federal income tax consequences of acquiring, owning and disposing of the Equity Shares.

THE DISCUSSION OF U.S. FEDERAL INCOME TAX CONSIDERATIONS SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS CONCERNING THE TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP, OR DISPOSITION OF

EQUITY SHARES IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES, INCLUDING THE APPLICABILITY AND EFFECT OF OTHER FEDERAL, STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS, INCLUDING THE TREATY, AND POSSIBLE CHANGES IN TAX LAW.

Taxation of Distributions

Subject to the discussion below under "—Passive Foreign Investment Company Rules," the gross amount of any distribution of cash or property paid with respect to our Equity Shares (including any amounts withheld in respect of Indian taxes), will generally be included in a U.S. Holder's gross income as dividend income on the date actually or constructively received to the extent such distribution is paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Distributions in excess of our current and accumulated earnings and profits will be treated first as a non-taxable return of capital, thereby reducing the U.S. Holder's adjusted tax basis in our Equity Shares (but not below zero), and thereafter as either long-term or short-term capital gain depending upon whether the U.S. Holder held our Equity Shares for more than one year as of the time such distribution is actually or constructively received. Because our Company does not prepare calculations of our earnings and profits using U.S. federal income tax principles, it is expected that distributions generally will be taxable to U.S. Holders as dividends, and taxable at ordinary income tax rates.

Dividends on our Equity Shares generally will not be eligible for the dividends-received deduction generally available to U.S. corporations with respect to dividends received from other U.S. corporations. With respect to certain non-corporate U.S. Holders, including individual U.S. Holders, dividends will be taxed at the lower capital gains rate applicable to "qualified dividend income," provided that (i) our Company is eligible for the benefits of the Treaty, (ii) our Company is not a PFIC (as discussed below under "—Passive Foreign Investment Company Rules") for its taxable year in which the dividend is paid and the preceding taxable year, and (iii) certain holding period and other requirements are met. The amount of any dividend paid in Rupee will be the U.S. dollar value of the Rupee calculated by reference to the spot rate of exchange in effect on the date of actual or constructive receipt, regardless of whether the payment is in fact converted into U.S. dollars on such date. U.S. Holders should consult their own tax advisors regarding the treatment of any foreign currency gain or loss.

A U.S. Holder may be entitled, subject to certain limitations, to a credit against its U.S. federal income tax liability, or to a deduction, if elected, in computing its U.S. federal taxable income, for non-refundable non-U.S. income taxes withheld from dividends at a rate not exceeding the rate provided in the Treaty (if applicable). For purposes of the foreign tax credit limitation, dividends paid by our Company generally will constitute foreign source income in the "passive category income" basket. However, there are significant complex limitations on a U.S. Holder's ability to claim such a credit or deduction, and U.S. Holders should consult their tax advisors concerning their availability in their particular circumstances.

Sale or Other Taxable Disposition of Equity Shares

Subject to the discussion below under "—Passive Foreign Investment Company Rules", a U.S. Holder generally will recognize gain or loss for U.S. federal income tax purposes on the sale, exchange or other taxable disposition of our Equity Shares in an amount equal to the difference between the amount realized on the disposition and the U.S. Holder's adjusted tax basis in the Equity Shares disposed of, in each case as determined in U.S. dollars. Such gain or loss generally will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder's holding period for the Equity Shares exceeds one year. Long-term capital gains of certain non-corporate U.S. Holders (including individuals) are generally eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

A U.S. Holder's initial tax basis in our Equity Shares will be the U.S. dollar value of the Rupee denominated purchase price determined on the date of purchase, and the amount realized on a sale, exchange or other taxable disposition of our Equity Shares will be the U.S. dollar value of the payment received determined on the date of disposition. If our Equity Shares are treated as traded on an "established securities market," a cash method U.S. Holder or, if it elects, an accrual method U.S. Holder, will determine the U.S. dollar value of (i) the cost of such Equity Shares by translating the amount paid at the spot rate of exchange on the settlement date of the purchase, and (ii) the amount realized by translating the amount received at the spot rate of exchange on the settlement date of the sale, exchange or other taxable disposition. Such an election by an accrual method U.S. Holder must be applied consistently from year to year and cannot be revoked without the consent of the IRS. Accrual-method U.S. Holders that do not elect to be treated as cash-method taxpayers for this purpose may have a foreign currency gain or loss for U.S. federal income tax purposes, which in general will be treated as U.S.-source ordinary income or loss. U.S. Holders should consult their advisors as to the U.S. federal income tax consequences of the receipt of Rupee.

If any Indian tax is imposed on the sale or other disposition of our Equity Shares, a U.S. Holder's amount realized will include the gross amount of the proceeds of the sale or other disposition before deduction of the Indian tax. Any Indian securities transaction tax will likely not be treated as a creditable foreign tax for U.S. federal income tax purposes. U.S. Holders should consult their own tax advisors concerning the creditability or deductibility of any Indian income tax imposed on the disposition of Equity Shares in their particular circumstances.

Passive Foreign Investment Company Rules

In general, a corporation organized outside the United States will be treated as a passive foreign investment company ("**PFIC**") for U.S. federal income tax purposes in any taxable year in which (a) 75% or more of its gross income is passive income (the "**income test**") or (b) 50% or more of its assets by value either produce passive income or are held for the production of passive income, based on the quarterly average of the fair market value of such assets (the "**asset test**"). For this purpose, "passive income" generally includes, for example, dividends, interest, certain rents and royalties, certain gains from the sale of stock and securities, and certain gains from commodities transactions. For purposes of the PFIC income test and asset test described above, if our Company owns, directly or indirectly, 25% or more of the total value of the outstanding shares of another corporation, our Company will be treated as if it (a) held a proportionate share of the assets of such other corporation and (b) received directly a proportionate share of the income of such other corporation. Based on our Company's gross income, gross assets, and the nature of the Company's business, and taking into account certain estimates of the aforementioned items, together with the expected use of the proceeds from the offering and our Company's anticipated Market Capitalization for the taxable year ending December 31, 2024, our Company does not expect to be classified as a PFIC for the taxable year ending December 31, 2024. Because a determination of whether a company is a PFIC must be made annually after the end of each taxable year and our Company's PFIC status for each taxable year will depend on facts, including the composition of our Company's income and assets and the value of our Company's assets (which may be determined in part by reference to the market value of the Equity Shares) at such time, there can be no assurance that our Company will not be a PFIC for the current or any future taxable year. Our U.S. counsel expresses no opinion with respect to our PFIC status for our past, current or future taxable years. If our Company is a PFIC for any taxable year during which a U.S. Holder holds Equity Shares and any of our Company's non-U.S. subsidiaries is also a PFIC, such U.S. Holder will be treated as owning a proportionate amount (by value) of the shares of the lower-tier PFIC for purposes of the application of these rules. U.S. Holders are urged to consult their tax advisors about the application of the PFIC rules to any of our Company's subsidiaries.

If our Company was a PFIC for any year during which a U.S. Holder owned Equity Shares, our Company would generally continue to be treated as a PFIC with respect to such U.S. Holder for all succeeding years during which such U.S. Holder held the Equity Shares, even if our Company ceased to meet the threshold requirements for PFIC status unless (i) we ceased to be a PFIC and (ii) the U.S. Holder made a "deemed sale" election under the PFIC rules. If our Company was a PFIC for any year during which a U.S. Holder owned Equity Shares, a U.S. Holder should consult with their tax advisors regarding whether such a "deemed sale" purging election may be available and whether to make such an election.

Generally, if our Company is a PFIC for any taxable year during which a U.S. Holder holds Equity Shares, the U.S. Holder may be subject to adverse tax consequences. Generally, gain recognized by a U.S. Holder upon a disposition (including, under certain circumstances, a pledge) of Equity Shares by the U.S. Holder would be allocated ratably over the U.S. Holder's holding period for such Equity Shares. The amounts allocated to the taxable year of disposition and to years before our Company became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for that taxable year for individuals or corporations, as appropriate, and an interest charge would be imposed on the tax attributable to the allocated amount. Further, to the extent that any distribution received by a U.S. Holder on the Equity Shares exceeds 125% of the average of the annual distributions on such Equity Shares received during the preceding three years or the U.S. Holder's holding period, whichever is shorter, that distribution would be subject to taxation in the same manner as gain, described immediately above. Certain elections discussed below may be available that would result in alternative treatments of the Equity Shares if our Company was a PFIC.

If we are or become a PFIC, certain elections would result in alternative treatments, such as a mark-to-market treatment election (discussed below) of the Equity Shares, or such as a ''qualified electing fund'' ("**QEF**") election to include in income the U.S. Holder's share of the corporation's income on a current basis.

A U.S. taxpayer may generally make a QEF election with respect to shares of a foreign corporation only if such taxpayer is furnished annually with a PFIC annual information statement as specified in the applicable Treasury regulations. We do not intend to provide information necessary for U.S. Holders to make QEF elections. Therefore, U.S. Holders should assume that they will not receive such information from us and would therefore be unable to make a QEF election with respect to any of the Equity Shares.

Alternatively, if we are a PFIC for any taxable year and if the Equity Shares are "regularly traded" on a "qualified exchange," a U.S. Holder could make a mark-to-market election with respect to the Equity Shares (but not with respect to any lower-tier PFIC, if any) that would result in tax treatment different from the general tax treatment for PFICs described above. The Equity Shares will be treated as "regularly traded" in any calendar year in which more than a *de minimis* quantity of the Equity Shares is traded on a qualified exchange on at least 15 days during each calendar quarter. A foreign exchange is a "qualified exchange" if it is regulated by a governmental authority in the jurisdiction in which the exchange is located and certain other requirements are met with respect to it. The IRS has not identified specific foreign exchanges that are "qualified" for this purpose. U.S. Holders should consult their tax advisers as to whether BSE or NSE is a "qualified exchange" for this purpose. There can be no assurance, therefore, that the mark-to-market election would be available to a U.S. Holder of Equity Shares.

Generally, under the mark-to-market election the U.S. Holder will recognize at the end of each taxable year (i) ordinary income in respect of any excess of the fair market value of the Equity Shares over their adjusted tax basis or (ii) ordinary loss in respect of any excess of the adjusted tax basis of the Equity Shares over their fair market value (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). If a U.S. Holder makes the election, the U.S. Holder's tax basis in the Equity Shares will be adjusted to reflect these income or loss amounts. Any gain recognized on the sale or other disposition of the Equity Shares in a year when we were a PFIC will be treated as ordinary income and any loss will be treated as an ordinary loss (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). U.S. Holders should consult their tax advisors regarding the availability and advisability of making a mark-to-market election in their particular circumstances.

As to any elections with respect to the Equity Shares, including mark-to-market elections or QEF elections, U.S. Holders should consult their own tax advisors to determine whether any of these elections would be available or advisable if we are, were or become a PFIC and, if so, what the consequences of the alternative treatments would be in their particular circumstances.

If a U.S. Holder owns our Equity Shares during any year in which we are a PFIC, the U.S. Holder generally will be required to file an IRS Form 8621 annually with respect to our Company, generally with the U.S. Holder's U.S. federal income tax return for that year unless specified exceptions apply.

U.S. Holders should consult their tax advisors regarding our PFIC status for any taxable year and the potential application of the PFIC rules.

Information Reporting and Backup Withholding

Payments of dividends and sales proceeds from a sale, exchange or other taxable disposition (including redemption) of our Equity Shares that are made within the United States, by a U.S. payor or through certain U.S.-related financial intermediaries to a U.S. Holder generally are subject to information reporting, unless the U.S. Holder is a corporation or other exempt recipient, and if required, demonstrates that fact. In addition, such payments may be subject to backup withholding, unless (1) the U.S. Holder is a corporation or other exempt recipient or (2) the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding in the manner required.

Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a U.S. Holder will generally be allowed as a credit against the U.S. Holder's U.S. federal income tax liability or may entitle the U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

Foreign Financial Asset Reporting

Certain U.S. Holders who are individuals or certain specified entities that own "specified foreign financial assets" with an aggregate value in excess of U.S.$50,000 (and in some circumstances, a higher threshold) may be required to report information relating to the Equity Shares by attaching a complete IRS Form 8938, Statement of Specified Foreign Financial Assets (which requires U.S. Holders to report "foreign financial assets," which generally include financial accounts held at a non-U.S. financial institution, interests in non-U.S. entities, as well as stock and other securities issued by a non-U.S. person), to their tax return for each year in which they hold our Equity Shares, subject to certain exceptions (including an exception for our Equity Shares held in accounts maintained by U.S. financial institutions). U.S. Holders should consult their tax advisors regarding their reporting obligations with respect to their acquisition, ownership, and disposition of the Equity Shares.

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

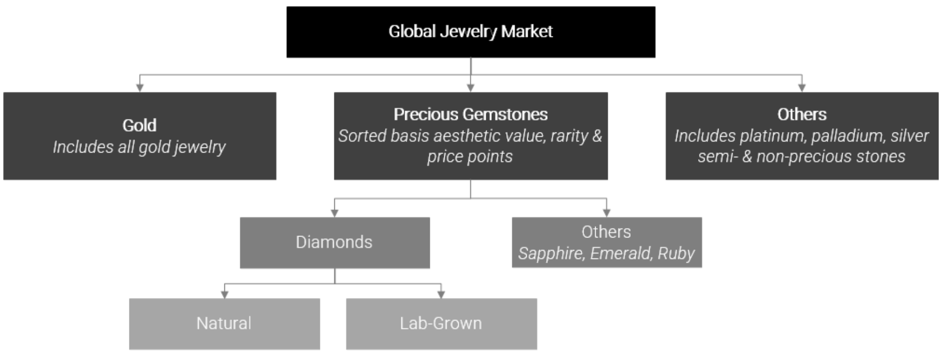
*The information contained in this section is derived from a report titled "Loose stones and studded jewelry Certification Market" dated December 3, 2024, which is exclusively prepared for the purposes of the Offer and issued by Redseer and is commissioned and paid for by our Company ("**Redseer Report**"). Redseer was appointed on May 6, 2024 by our Company. We commissioned and paid for the Redseer Report for the purposes of confirming our understanding of the industry specifically for the purposes of the Offer, as no report is publicly available which provides a comprehensive industry analysis, particularly for our Company's products, that may be similar to the Redseer Report. The Redseer Report is available on the website of our Company at https://investor.igi.org/shareholder-information/documents/ from the date of the Draft Red Herring Prospectus until the Bid/Offer Closing Date, and has also been included as a document for inspection in "Material Contracts and Documents for Inspection – Material Documents" on page 598. Industry publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based on such information. Forecasts, estimates, predictions, and other forward-looking statements contained in the Redseer Report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the Draft Red Herring Prospectus and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. Our fiscal year ends on December 31 of each year, and references to a particular calendar year, or "Calendar Year" or "CY" are to the 12 months ended December 31 of that year, being our financial year. References to "FY" are to the year beginning on April 1 of the base year and continues until March 31 of the succeeding year. Unless otherwise indicated, financial, operational, industry and other related information derived from the Redseer Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

1. Global Jewelry Market Overview

The total global jewelry market is worth ~INR 26,600 billion (~USD 320 billion)[1]in CY 2023; China, India, and the USA are the leading consumer markets

The global jewelry market is influenced by various economic trends, cultural traditions, and ever-evolving consumer preferences. It includes spending by consumers on fine jewelry, which is composed of the following segments:

Figure 1: Global Jewelry Market Structure

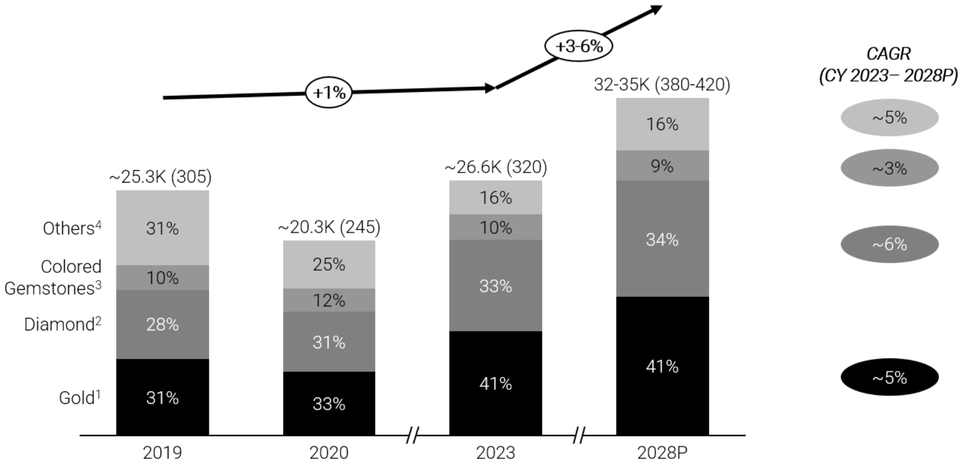


Note(s): This does not include costume jewelry
Source(s): Redseer research and analysis

The global jewelry market stood at ~INR 26,600 billion (~USD 320 billion) in CY 2023. Since CY 2020, the market has rebounded, achieving a Compound Annual Growth Rate ("**CAGR**") of ~9%. Over the longer term, from CY 2019 onwards, it has experienced a CAGR of 1%. Post-COVID-19, gold and diamond-studded jewelry markets grew at CAGR of 18% and 12%, respectively, from CY 2020 till CY 2023; they are currently the two largest contributors, constituting a 74% market share. The global jewelry market is expected to grow at a CAGR of 3-6% in value terms from CY 2023 till CY 2028, with the gold and diamond-studded jewelry market expected to grow at a CAGR of 5% and 6%, in value terms, respectively, over the same period.

Figure 2: Global Jewelry Market Size
In INR Billion (USD Billion), CY 2019 – CY 2020, CY 2023, CY 2028P

[1] Exchange rate is taken to be 1 USD = 83 INR, consistent in this section.



Note(s): 1. Includes gold jewelry market 2. Includes both natural diamonds and lab-grown diamonds studded in jewelry; 3. Includes colored gemstones studded jewelry, i.e., sapphires, emeralds, rubies, jade, etc. excluding diamonds. 4. Includes platinum, palladium, silver, and semi-precious stones studded jewelry market 5. Conversion rate: 1 USD = 83 INR. P is Projected
Source(s): World Gold Council, Kimberley Process, Redseer research and analysis

Multiple trends and drivers will contribute to this growth-

Demand-side drivers of the global jewelry market:

- **Emergence of daily wear jewelry:** Consumer preferences are shifting towards daily-use jewelry, seen more as fashion accessories than status symbols. According to the Gem & Jewellery Export Promotion Council ("**GJEPC**") trends, wearing daily-wear jewelry is on a steep rise. This surge is also attributed to the increasing availability of affordable options such as demi-fine jewelry and lab-grown diamonds.
- **Emerging trends in jewelry preferences:** Preference for jewelry form and aesthetics is changing – new adornments such as bracelets, nose-pieces, and anklets made with materials other than gold, such as studded diamonds, colored stones, etc., are gaining consumer interest. They are now becoming fashion staples for daily wear, gifting, and various celebrations, enhancing market growth.
- **Importance of high-end branded jewelry:** High-end branded jewelry plays a crucial role in driving the demand for diamond-studded jewelry by emphasizing quality, design, marketing, and the overall luxury experience. This trend is evident in recent ventures by global luxury brands like Prada (CY 2023), Gucci (CY 2019), Saint Laurent (CY 2023) and Balmain (CY 2022) into the fine jewelry market.
- **Acceptance for various colored stones:** Colored stones such as tanzanite, rubellite, tourmalines, garnets, pearls, etc., which were not as popular, are gaining more acceptance among consumers compared to 5 years ago.

Supply-side drivers of the global jewelry market:

- **Innovation in jewelry design:** Evolving customer tastes and growing awareness of the availability of different jewelry designs and styles are driving the purchase of modern jewelry. Manufacturers are responding with innovative designs that are unique to changing consumer perception, such as different colored stones and metals and adding personal engravings. For instance, in February 2023, a leading gold and diamond retail chain in India, unveiled the 'Gemstone Jewelry Festival' to showcase its collection of pure gold jewelry adorned with colored stones and uncut diamonds. Such new and innovative jewelry designs are expected to drive demand for the market.
- **Emergence of "demi-fine" jewelry:** Demi-fine jewelry utilizes a blend of materials to achieve affordability, durability, and high quality (E.g.: gold-plated silver). Bridging the gap between fast fashion/costume jewelry and high-end pieces, demi-fine jewelry offers quality craftsmanship at more affordable prices, catering to diverse tastes and styles, thereby broadening market appeal.
- **Online retail growth:** Technological advancements are enhancing the accessibility of jewelry, with online platforms making it easier for consumers to browse and purchase. The global online revenue share of fine jewelry increased from 10% in CY 2019 to 15% in CY 2023. The fine jewelry industry is expected to generate ~25% of its revenue online in CY 2028, which is projected to grow at a CAGR of 15-18% from CY 2023, three times faster than the global jewelry market.
- **Focus on authenticity and quality:** Rising consumer awareness about the authenticity of metals and stones is prompting manufacturers to adhere to quality standards and educate the consumers, fostering trust and driving market growth.

Emerging trends in the global jewelry market:

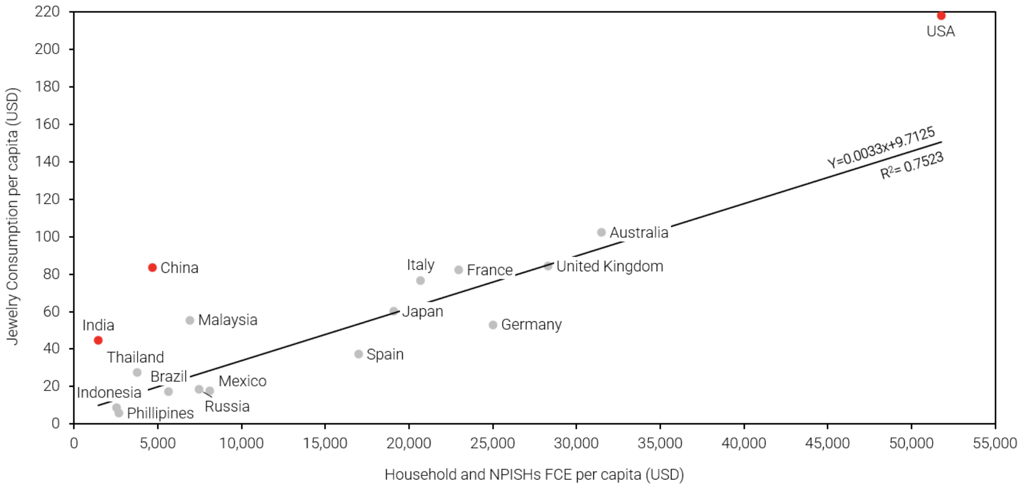
- **Rising men's jewelry market:** Adoption and usage of jewelry by men are driving demand for products like cufflinks, plain gold chains, and unique pieces like cartography necklaces and signet rings, fuelling market expansion. Men's jewelry contributes to ~10% of the global jewelry market in CY 2023 at ~INR 2.9K billion (USD 35 billion). The men's jewelry market is expected to outpace the overall jewelry market, which is projected to grow at ~8% CAGR till CY 2028 to reach ~INR 4.1K billion (~USD 50 billion).

- **Innovation and technology advancements across the value chain of jewelry:** The utilization of technology is driving product optimization across the value chain of the jewelry industry. Software such as Computer-Aided Design (CAD) facilitates intricate designs, while lasers are employed for precise engraving. Additionally, 3D printing enables the production of complex designs. Tech-enabled methods for detecting and mapping small diamonds enhance transparency and efficiency within the value chain. Finally, the integration of augmented reality enhances the online retail experience, providing consumers with seamless virtual try-ons.

China, India, and the USA observe high spending on jewelry as a proportion of total spending compared to other economies.

The Households and NPISHs FCE (Non-Profit Institutions Serving Household Final Consumption Expenditure, formerly private consumption) observe a high correlation with jewelry consumption. China, India, and the USA's spending on jewelry as a proportion of their overall spending is higher than the average of other countries.

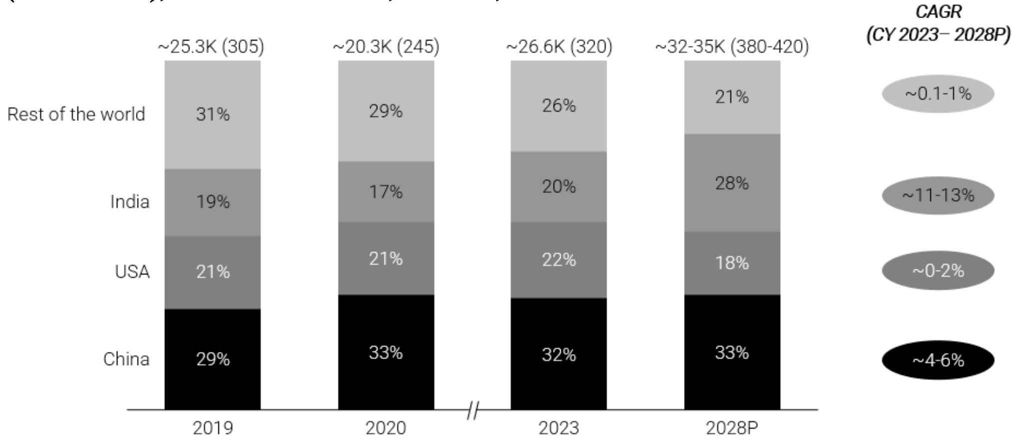
Figure 3: Households and NPISHs FCE (current USD) per capita vs Jewelry Consumption per capita
In USD, CY 2022



Source(s): World Bank, Redseer research and analysis

China, India, and the USA also emerge as the leading consumption markets in the global jewelry landscape, collectively contributing to a 74% market share in CY 2023 in terms of value. The expected combined contribution of these top three countries is expected to rise to ~79% by CY 2028. This growth is expected to be primarily fuelled by India, which is projected to grow at a CAGR of ~12% until CY 2028, 2.5x of the global jewelry growth rate.

Figure 4: Consumption of Jewelry by Top Countries
In INR Billion (USD Billion), CY 2019 – CY 2020, CY 2023, CY 2028P



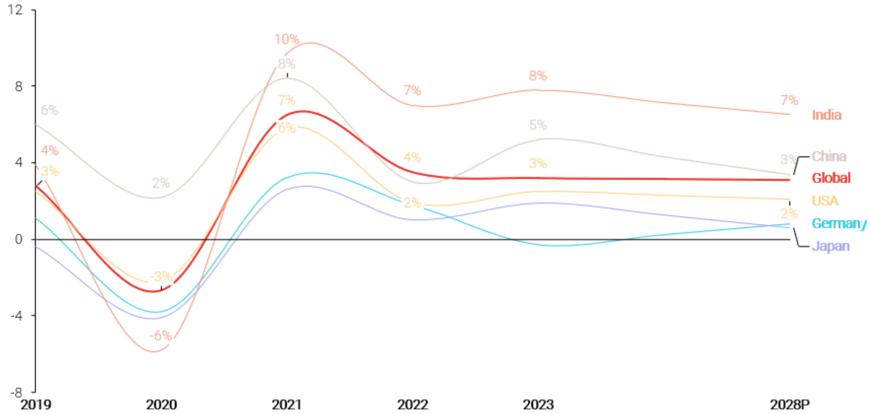
Note(s): Conversion rate: 1 USD = 83 INR, P is Projected
Source(s): Redseer research and analysis

Macroeconomic tailwinds for the USA, China and India

The outlook for the global economy is optimistic, with projections indicating continued positive expansion till CY 2028. As per the International Monetary Fund (“**IMF**”), it is expected that the global economy will witness a growth of 5% in GDP at current prices from CY 2023 to CY 2028.

Among the top 5 economies in terms of GDP, the USA has grown at the global average in CY 2023 at 3% and is expected to grow at 2% till CY 2028. China is the second fastest-growing economy at 5% in CY 2023 and is expected to grow at the global average of 3% till CY 2028. However, India has been the fastest growing from CY 2020 to CY 2023 and is expected to grow at a 7% year-on-year (Y-o-Y) growth rate till CY 2028.

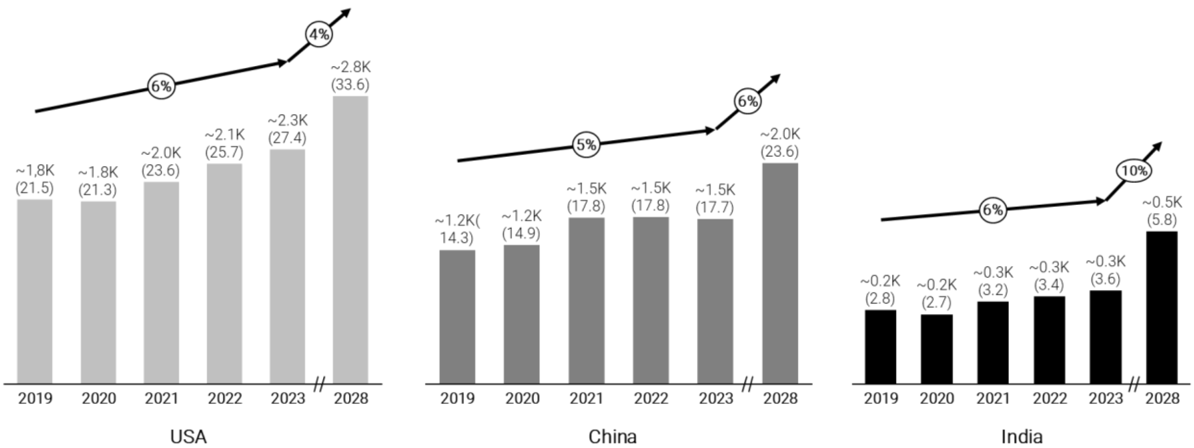
Figure 5: Real GDP Growth – Global, Top 5 Economies as of CY 2023
In Y-o-Y % change, CY 2019 – CY 2023, CY 2028P



Source(s): International Monetary Fund

The USA is the largest economy in the world, contributing to ~26% of the global GDP (at current prices) at INR 2.3K trillion (USD 27.4 trillion) in CY 2023, followed by China, contributing ~17% with INR 1.4K trillion (USD 17.7 trillion) in the same year. India is the 5th largest and fastest growing economy, contributing to ~3% of the global GDP with INR 0.3K trillion (USD 3.6 trillion) in CY 2023.

Figure 6: GDP at Current Prices – the USA, China, and India
In INR Trillion (USD Trillion), CY 2019 – CY 2023, CY 2028P

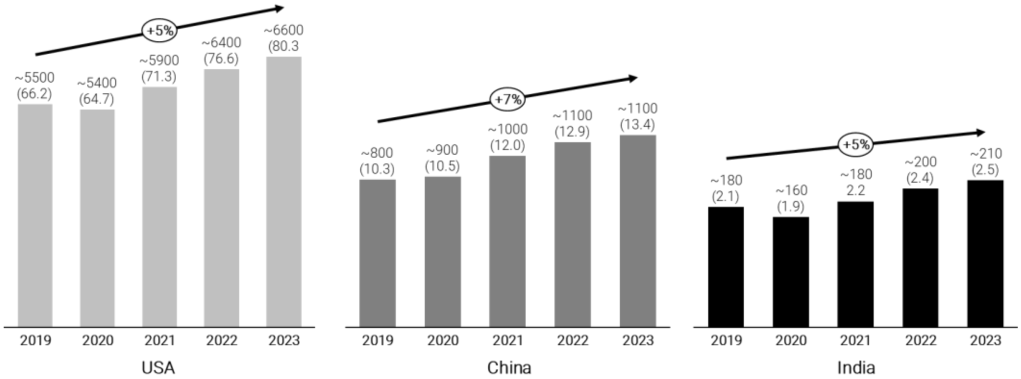


Source(s): World Bank

One of the key drivers for positive global economic growth is the rising per capita income amongst the global population. As per the World Bank, Gross National Income (“**GNI**”) per capita has rebounded from COVID-19-induced lows of ~INR 918K (USD 11,061) globally in CY 2020 to ~INR 1,096K (USD 13,212) in CY 2023 at ~3% CAGR. This is higher than pre-COVID levels of ~INR 956K (USD 11,518) in CY 2019.

India’s per capita income has steadily increased in the past ten years. While the per capita income saw a sharp decline due to the COVID-19 pandemic, falling to about ~INR 160K (USD 1.9K) in CY 2020, the same quickly recovered to ~INR 180K (USD 2.2K) in CY 2021 and ~ INR 210K (USD 2.5K) in CY 2023. India’s per capita income has increased annually by ~5% from CY 2019 to CY 2023. The growth rates of the per capita incomes of the USA and China were ~5% and ~7%, respectively from CY2019 to CY 2023.

Figure 7: GNI per Capita (Current Prices)
In INR 000's (USD 000's), CY 2019 – CY 2022

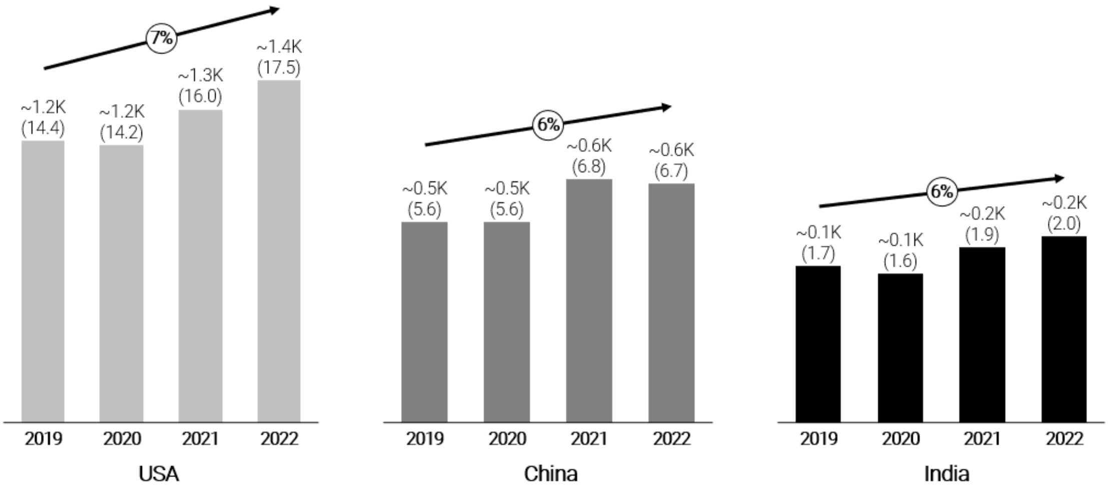


Source(s): World Bank

The increased per capita income has fuelled consumption growth globally, with the global GNI per capita observing a growth of ~3% from CY 2019 to CY 2023. On the other hand, the global Households and NPISH final consumption expenditure (FCE) observed a ~9% growth from CY 2019 to CY 2022. It rebounded from ~INR 3,901 trillion (USD 47 trillion) in CY 2020 to INR 4,648 trillion (USD 56 trillion) in CY 2022.

China, India, and the USA's Household and NPISH FCE, grew at 6%, 6%, and 7%, from CY 2019 to 2022, respectively.

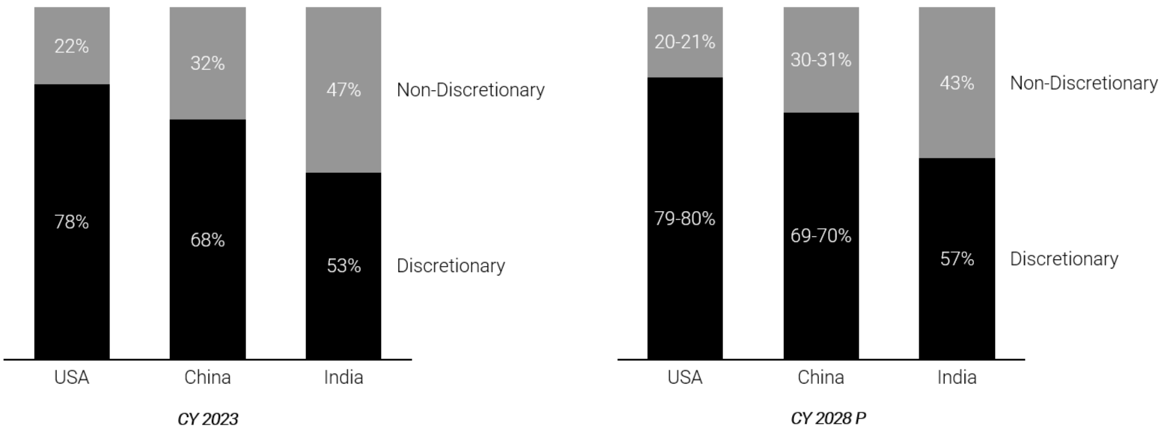
Figure 8: Household and NPISH FCE at Current Prices – the USA, China, and India
In INR Trillion (USD Trillion), CY 2019 – CY 2022



Source(s): World Bank

This rising consumption growth will be led by increased spending on discretionary categories. In CY 2023, the USA, China, and India had ~78%, ~68%, and ~53% of their retail spending towards discretionary categories, respectively. The discretionary retail market in China and the United States is expected to increase to 69-70% and 79-80% respectively by CY 2028.

Figure 9: Retail Market by Discretionary and Non-Discretionary Expenditures – the USA, China and India
In %, CY 2023, CY 2028P



Note(s): Discretionary expenditures include spending on categories such as FMCG (excl. staples), apparel, consumer electronics, consumer appliances, general merchandise, and beauty & personal care (BPC), among others. These tend to have cyclical demand, fluctuating with economic conditions. Non-discretionary expenditures encompass spending on essential categories such as pharmaceuticals, staples, and fresh food, among others which are less sensitive to economic changes.
Source(s): Redseer research and analysis

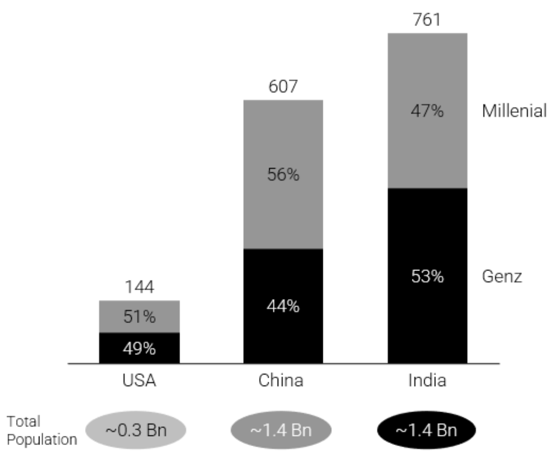
These macroeconomic tailwinds are underpinned by several key demographic factors that are driving consumer behavior and shaping the retail landscape in these countries.

Demographic trends of China, India, and the USA

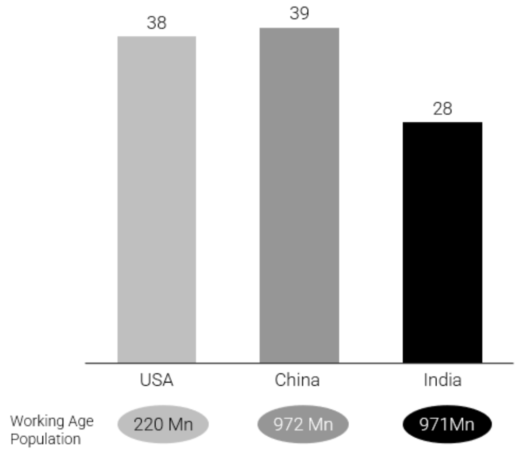
- Large young working population: As per estimates by the United Nations, India's median age in CY 2023 is ~28 years. Similarly, that of the USA and China measure 38 and 39 years, respectively. With the largest population in the world in CY 2023, over 40% of Indians are under the age of 25. At 761 million, or ~54% of the nation's total population, India is home to the greatest populations of Gen Z (those in the age group of 11-26 years) and Millennials (those in the age group of 27-42 years) as of CY 2023.

  With an expanding young population, the working population is also at the cornerstone of its economic dynamism and growth trajectory. As per the World Bank – the USA, China, and India's working-age population age group (15-64 years) percentages stand at ~69%, ~65%, and ~68%, respectively, in CY 2023.

Figure 10: Millennials and Gen Z Population Split
In Millions, CY 2023



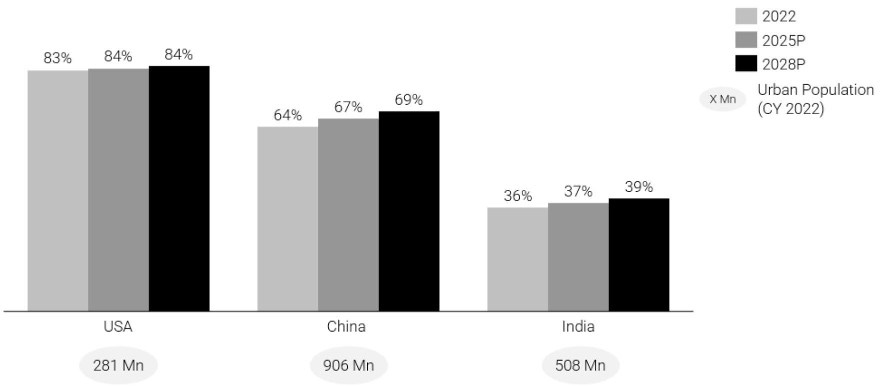
Median Age Benchmark
Actual Age, CY 2023



Note(s): Gen Z are those in the age category of 11-26 years, and Millennials are those in the age group of 27-42 years; the working age population is 15-64 years.
Source(s): World Bank, World Population Prospects

- Rapid urbanization: Urbanization is the cornerstone for economic growth because it enhances productivity through the agglomeration of industries, fosters innovation by bringing diverse talents together, improves infrastructure and access to services, and creates larger markets for goods and services. The urban population in India, China, and the USA stands at 36%, 64%, and 83%, respectively in CY 2022, and it is projected to grow to 39%, 69%, and 84% by CY 2028.

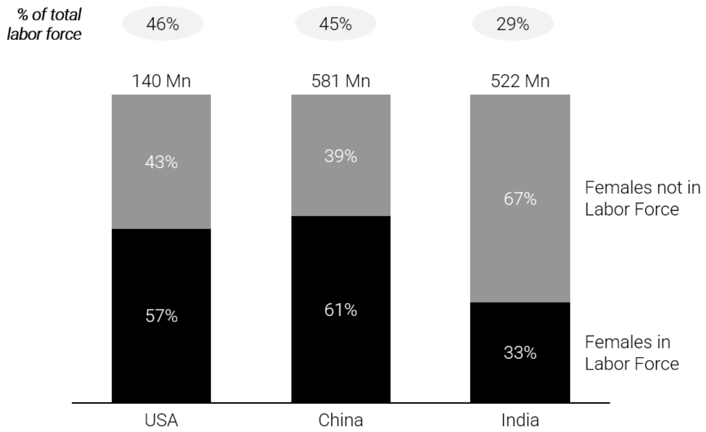
Figure 11: Urbanization Benchmarks – the USA, China and India
Population (%), CY 2022, 2025P, 2028P



Source(s): World Urbanization Prospects, United Nations

- Large and increasing participation of women in the workforce is boosting economic productivity and reshaping purchasing patterns as they make more autonomous consumption choices. The USA and China have a strong female Labor Force Participation Rate (LFPR) with ~57% and ~61% of females between ages 15-64 in the workforce in CY 2023, respectively, while India's female LFPR stands at ~33% in the same year.

Figure 12: Total Female Population (15-64 years) by Workforce Participation – the USA, China and India
In Millions, CY 2023



Source(s): International Labor Organization (ILO), United Nations Population Division (UNPD)

India is among the fastest-growing economies and is transitioning into a consumption-driven economy, making it a key market.

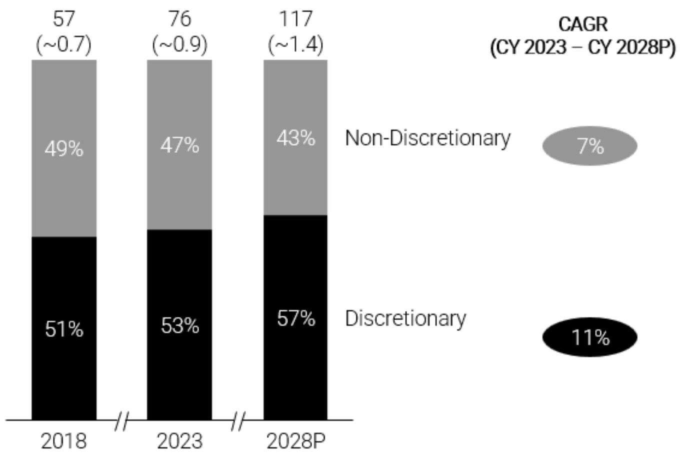
India is progressively transitioning into a consumption-driven economy, as evidenced by the increase in Private Final Consumption Expenditure (PFCE) as a proportion of GDP. According to the Ministry of Statistics and Programme Implementation, PFCE rose from 59% of GDP in FY 2019 to 60% of GDP in FY 2024, growing at ~10% compared to GDP growth of ~9% during the same period. In contrast, this ratio was 69% in the USA in CY 2022, suggesting significant room for growth in India.

The GDP per capita mark of INR 166K (USD 2,000) is widely recognized as an inflection point for economic growth in many large economies, characterized by increased discretionary spending and heightened consumer confidence in categories such as apparel, packaged food and beverage, and personal care. This confidence boost typically stems from improved financial stability, which allows individuals to invest in quality-of-life enhancements beyond necessities.

For instance, when China exceeded the INR 166K (USD 2,000) GDP per capita threshold in CY 2006, it experienced significant year-on-year growth in its Private Final Consumption Expenditure (PFCE) over the following years. Similarly, India surpassed the INR 166K (USD 2,000) mark in CY 2019 and then again in CY 2021, following a temporary decline in CY 2020 due to COVID-19. Given these precedents, we believe India is poised for a similar trend in PFCE growth in the near term, reflecting its increasing economic maturity.

As disposable incomes rise and lifestyles evolve, the share of discretionary spending in categories like jewelry, fashion, electronics, or experiences is projected to increase to ~57% by CY 2028.

Figure 13: India Retail Market by Discretionary and Non-Discretionary Expenditures
In INR Trillion (USD Trillion), CY 2018, CY 2023, CY 2028P



Note(s): Discretionary expenditures include spending on categories such as FMCG (excl. staples), apparel, consumer electronics, consumer appliances, general merchandise, and beauty & personal care (BPC), among others. These tend to have cyclical demand, fluctuating with economic conditions. Non-discretionary expenditures encompass spending on essential categories such as pharmaceuticals, staples, and fresh food, among others which are less sensitive to economic changes; Conversion rate: 1 USD = 83 INR; P is Projected.
Source(s): Redseer research and analysis

Multiple drivers are leading to this growth:

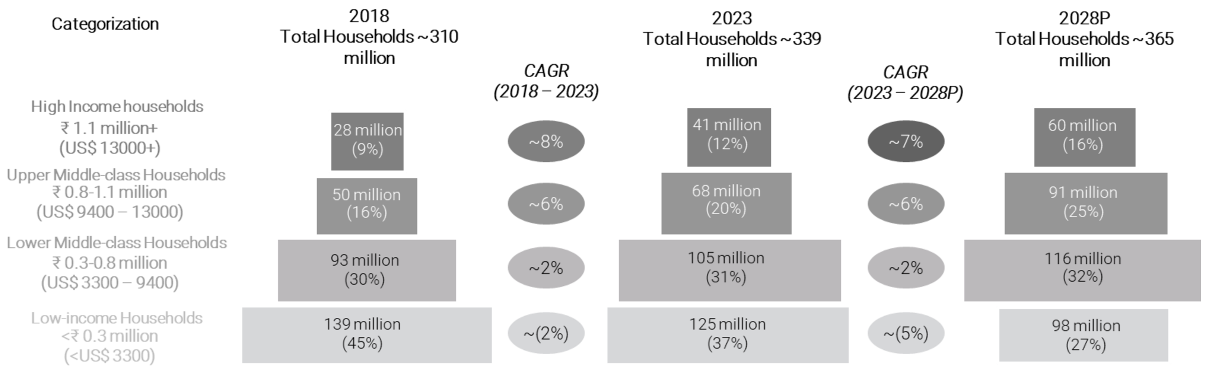
Rising income per capita leading to a burgeoning middle-class

India's per capita income has steadily increased in the past ten years. While the per capita income sharply declined due to the COVID-19 pandemic, falling to about INR 156K (USD ~1.9K) in CY 2020, the same quickly recovered to INR 180K (USD ~2.1K) in CY 2021 and INR 196K (USD ~2.4K) in CY 2022. India's per capita income has increased annually by ~5% from CY 2019 to CY 2022.

India's growing middle class is at the helm of this growth. The number of middle-class households (upper- and lower-middle class households included) increased from ~143 million in CY 2018 to ~173 million in CY 2023, driven by a structural shift from an agrarian-based economy towards manufacturing and services, growing formalization of employment, and rapid economic development. Driven by these tailwinds, in CY 2023, this cohort represented ~51% of Indian households. Further, as another ~30 million households graduate into this income bracket, ~57% of all Indian households are projected to fall into the middle-income segment by CY 2028 (~207 million).

The increasing affluence of India's higher income segments is set to disproportionately drive growth in status/influence-oriented consumption categories. Heightened demand for premium products and enhanced purchasing experiences with seamless access are resulting in accelerated growth in discretionary categories, resulting in heightened demand for businesses catering to this segment.

Figure 14: Households by Annual Income Groups – India
In Millions, CY 2018, CY 2023, CY 2028P



Note(s): Annual household income range: High-income (INR 11 Lakh+), Upper-middle class (INR 8 to 11 Lakh), Lower-middle class (INR 3 to 8 Lakh), and Low-income (less than INR 3 Lakh)
Source(s): Redseer research and analysis

Urbanization is leading to increasing demand for consumer goods and services

In India, the middle class, driven by the pursuit of enhanced opportunities and living standards, is progressively relocating to urban areas. This shift has increased the number of urban households from 110-120 million in CY 2018 to 120-130 million in CY 2023. In that same year, approximately 511 million people, or 36% of India's total population, resided in urban areas — this figure surpasses the total population of the United States, which is around 330 million. According to the Ministry of Urban Affairs, over 50% of the population is predicted to live in cities by CY 2050, and urban regions will account for 80% of the country's GDP. Increasing urbanization leads to higher living standards and lifestyle changes. Also, urban dwellers have greater access to a variety of retail options, entertainment, and dining, increasing demand for consumer goods and services.

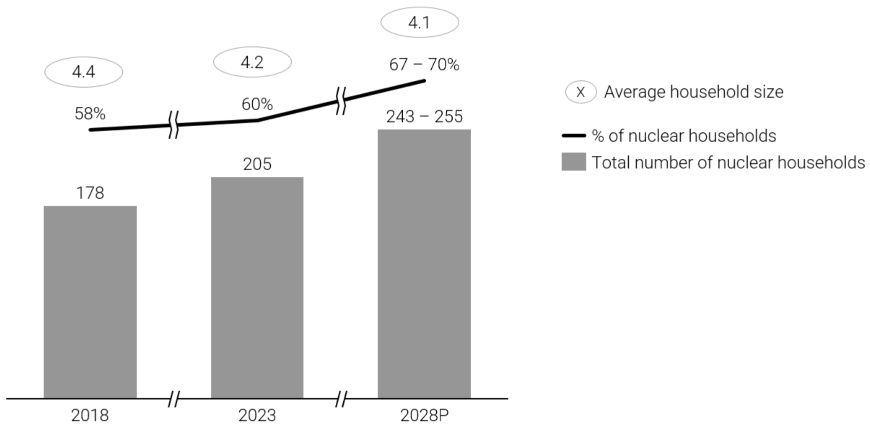
Expanding young working population reshaping consumption patterns

India is currently experiencing a demographic dividend due to the country's increasing proportion of people in the working age group (15-64 years old), which is projected to make up ~69% of the country's population by CY 2030, according to the World Bank. This young population often has higher disposable income and a greater inclination towards spending on experiences and lifestyle, leading to increased discretionary spending. Younger generations are more likely to adopt new trends and technologies.

Increasing nuclearization paving way for increasing and streamlined consumption patterns

The younger population of India is migrating from joint families across the country to form nuclear families in major cities. Consequently, the average household size in India has decreased from 4.4 in 2018 to 4.2 in CY 2023, leading to an increase in the number of nuclear households of more than 30 million between CY 2018 and CY 2023. This number is projected to increase by approximately 40-50 million by CY 2028. This directly benefits consumer-driven businesses as they have higher numbers of households to reach and serve. This trend of increasing nuclearization results in higher consumption across retail categories as the young, aspirational population exercises freedom in decision-making, resulting in growing individualistic requirements and choices and higher openness for purchasing services that ease household needs and enhance the need for convenience.

Figure 15: Number of Nuclear Households in India
In Millions, CY 2018, CY 2023, CY 2028P

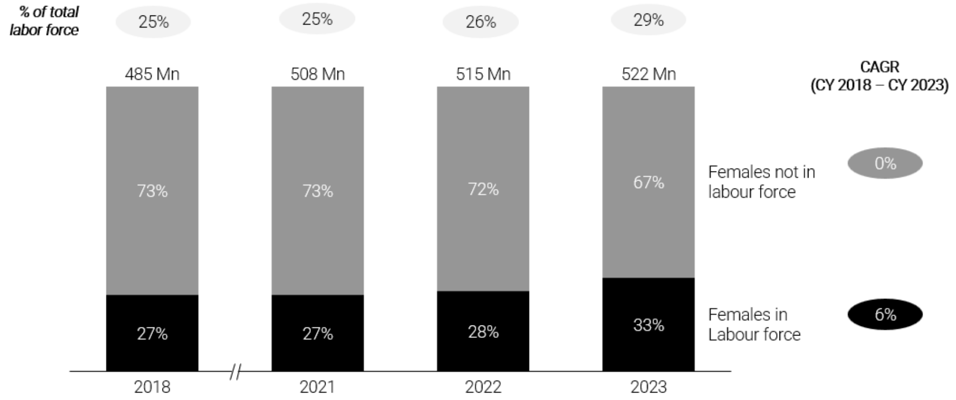


Note(s): Includes "couple only" households, "couple with children" households, and "single parent with children" households. P is Projected
Source(s): Redseer research and analysis

Increasing participation of women in the workforce is boosting economic productivity and reshaping purchasing patterns as they make more autonomous consumption choices

In India, the number of females in active employment increased from ~129 million in CY 2018 to ~170 million in CY 2023, growing at a CAGR of ~6%. This growth has been attributed to reduced barriers for working women, coupled with focused efforts by the government and private sector employers to increase female participation in the workforce. Consequently, this has increased dual-income households, resulting in increased discretionary expenditure and a preference for aspirational products. These households increasingly opt for aspirational products, driven by a combination of elevated lifestyle goals and the pursuit of quality goods at competitive prices.

Figure 16: India's Total Female Population (15-64 years) by Workforce Participation
In Millions, CY 2018, CY 2021 – CY 2023

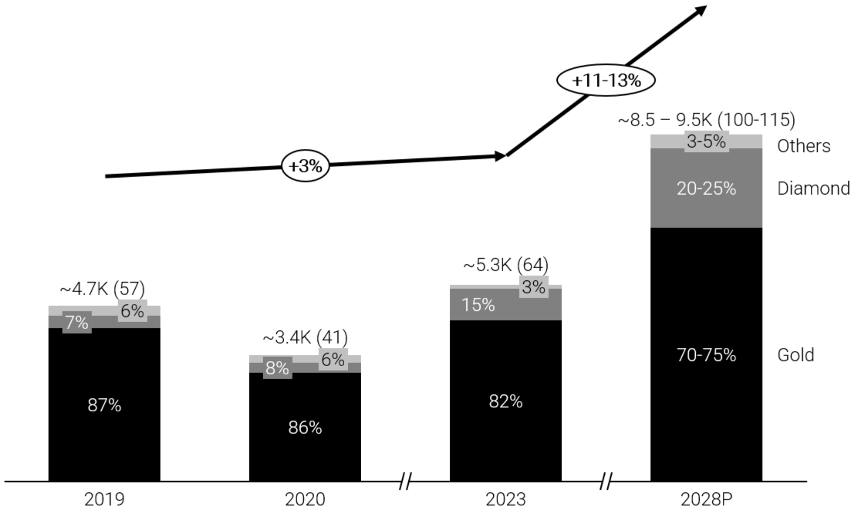


Source(s): International Labor Organization (ILO), United Nations Population Division (UNPD)

India's Jewelry Market Overview

The Indian jewelry market stood at ~INR 5,300 billion (USD 64 billion) in CY 2023. Due to the COVID-19-induced lockdowns, footfall in jewelry stores was reduced; weddings, which generate most of the jewelry demand in the country, were postponed, and weddings took a backseat. This resulted in a dip in jewelry purchases as a gift or celebratory gesture, leading to the market shrinking by ~28% to reach ~INR 3,400 billion (USD 41 billion) in CY 2020. However, the market rebounded after the pandemic, driven by pent-up consumer demand, growing at a CAGR of 16% to reach ~INR 5,300 billion (USD 64 billion) in CY 2023.

Figure 17: Indian Jewelry Market Size – by Value
In INR Billion (USD Billion), CY 2019 – CY 2020, CY 2023, CY 2028P



Note(s): Others include silver, platinum, and precious and semi-precious-colored stones. 1 USD = 83 INR. P is Projected
Source(s): Redseer research and analysis

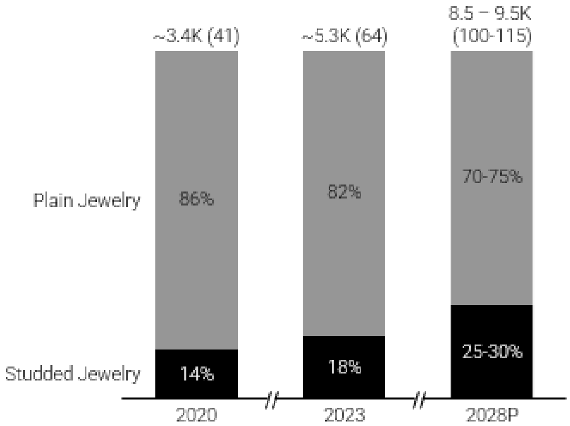
In the Indian jewelry market, gold has traditionally held the largest share, representing around 87% in CY 2019. Post-COVID-19, gold jewelry observed a 14% growth from CY 2020 to CY 2023 to reach ~INR 4,300 billion (USD ~52 billion) due to pent-up demand and weddings returning to pre-pandemic scale, but the share of gold jewelry reduced to 82% in CY 2023. Its contribution to the overall market is expected to decline to 70-75% by CY 2028 as other categories become more prominent.

Diamond-studded jewelry, the second-largest segment, accounted for around 7% of the market in CY 2019, growing rapidly to INR ~780 billion (USD ~9 billion) by CY 2023, contributing ~15% to the overall market. The diamond-studded jewelry market is expected to drive India's jewelry market by growing at a projected ~20% CAGR from CY 2023 till CY 2028. The major growth drivers for this fast growth of diamond-studded jewelry are:

- **Rising discretionary incomes leading to an increasing demand:** The increase in discretionary spending among Indians marks a significant transformation in consumer behavior. As disposable incomes rise, especially amongst the middle-class segment, sectors like jewelry particularly benefit, where purchases could be viewed as potential investments as well.
- **A rising young urban population and their changing consumption patterns:** Jewelry purchases are no longer confined to weddings and festivals; these young consumers are keeping pace with global fashion trends and are increasingly acquiring jewelry for daily wear, as well as for gifts and celebratory occasions, contributing to the growing popularity of diamonds

- **Financially independent working women emerging as the new generation of shoppers:** The emergence of financially independent working women is reshaping the jewelry market in India. These women are increasingly becoming decision-makers in jewelry purchases, driving demand for both everyday wear and special occasion jewelry, including diamonds, as expressions of self-confidence and financial security.
- **Western influence resulting in greater demand for diamond-studded jewelry:** The growing influence of Western fashion trends has sparked a surge in demand for studded jewelry accessories, which contributed to ~18% of the jewelry market in CY 2023 and is expected to grow to contribute 25-30% of the market in CY 2028. As consumers seek to emulate the glamor and sophistication associated with Western styles, there is a heightened interest in incorporating diamond-studded jewelry into clothing items. This trend reflects a broader cultural shift towards luxury and self-expression, driving the popularity of studded jewelry in the fashion landscape.

Figure 18: Indian Jewelry Market Size – by Studded vs Plain Jewelry
In INR Billion (USD Billion), CY 2020, CY 2023, CY 2028P

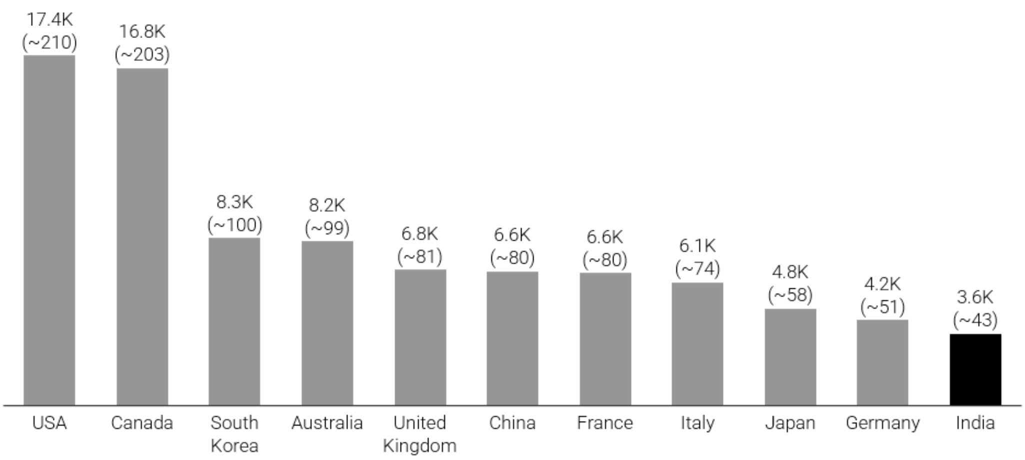


Note(s): P is Projected
Source(s): Redseer research and analysis

- **Increasing significance of diamonds in marriages and engagement rings:** As traditions evolve and societal norms change, there is a growing preference for diamond-studded jewelry, especially engagement rings symbolizing commitment and love.
- **Technological advancements in diamonds leading to lower selling prices:** The advent of lab-grown diamonds (LGDs), which have 70-80% lower selling prices than natural diamonds on a per-carat basis in CY 2023, is enabling growth in the market. LGD brands are increasing branding regarding the similar nature of LGDs with their natural counterparts, boosting customer awareness.
- **Multiple Direct-to-Consumer (D2C) LGD brands emerging offering certified LGD-studded jewelry:** D2C LGD brands are ensuring transparency and providing consumers with access to high-quality, affordable jewelry options.

In CY 2023, the jewelry consumption per capita for India stands at INR 3,600 (USD 43), which is ~80% lower than that of the USA and ~46% lower than that of China. While India is the third largest jewelry consumer, the scope for growth is still large.

Figure 19: Jewelry Consumption per capita- by Country
In INR (USD), CY 2023

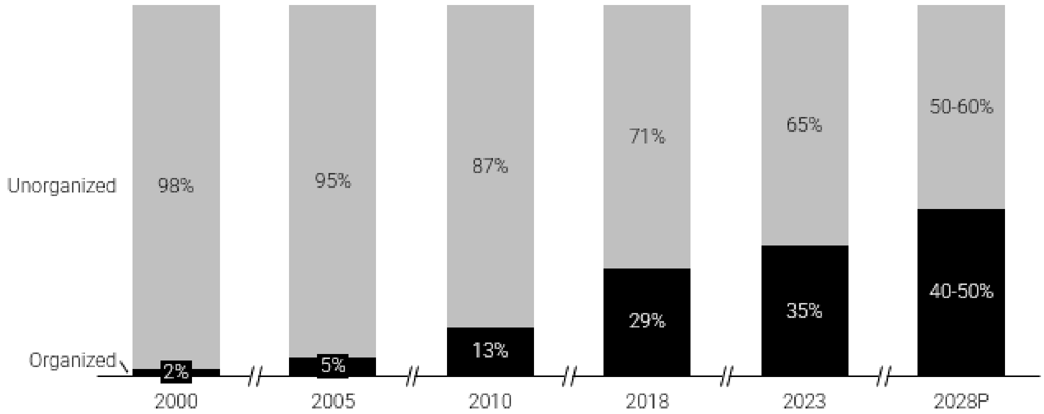


Source(s): World Bank, Redseer research and analysis

Organized market is gaining share in India due to both demand and supply-side drivers, aided by regulatory reforms.

The organized market drove ~35% of the Indian jewelry market in CY 2023, while the industry remains dominated by the unorganized segment comprising local jewelers & goldsmiths. The share of the organized market in India is much lower than that of global leaders like China and the USA, where the organized market holds 60% and 80% of their markets, respectively. Following the trend in developed markets, the share of organized jewelry retail in India has rapidly increased in the past two decades, increasing from a meager 2% in CY 2000 to ~35% in CY 2023. From being dominated by traditional jewelers, the market is witnessing a shift after the emergence of organizations in the form of key industry leaders providing sophisticated retail experiences across the country.

Figure 20: Indian Jewelry Market by Market Structure
In %, CY 2000 – CY 2023, CY 2028P



Source(s): Redseer research and analysis

Traditional family jewelers have prominently controlled the Indian jewelry market till CY 2000. The early 2000s were marked by the emergence of an organized market with the first few players launching retail stores in India. Further, dominant local players started their regional expansion and began deploying franchise models. Multiple players also launched multiple sub-brands from CY 2000 to CY 2010, leading to further growth in the market. Post CY 2016, supply-side reforms like the introduction of Goods and Services Tax, mandatory gold hallmarking, and demonetization further pushed the growth of organized retail. The organized market share is expected to increase to contribute to 40-50% of the market by CY 2028. Multiple factors have been driving this growth and are expected to continue to do so in the future –

Some of the key demand drivers for organized jewelry retail are:

1. *Increasing Urbanization & Migration*

With an increase in demand for labor in urban areas & better wages, the country has witnessed a rapid rise in migration over the last few years. As a result, traditional jewelers whose business is largely dependent on family connections are losing their business to migration, while the organized segment is enjoying a growing consumer base by fulfilling their need for a reliable & transparent jewelry partner in urban cities.

2. *Increasing young population and rising women's participation in the workforce, reshaping consumer preferences*

In CY 2023, India had the largest Gen Z (anyone in the age group of 11-26 years) and Millennial (anyone in the age group of 27-42 years) population of 761 million, which constituted ~53% of the country's total population. With the rise in the younger population, there has been an evident shift in consumer preferences for jewelry. More in line with global trends, there has been a rise in demand for modern, fashionable, everyday & affordable jewelry with better designs. Organized markets are more adapted to cater to the changing needs of the consumer, providing them with an advantage over unorganized jewelers.

Women's participation in the workforce has been increasing gradually with better access to education and career opportunities, increasing daily wear and fashion jewelry sales. Organized market players have been better able to address the gap in the daily wear and fashion jewelry market through the integration of online & offline storefronts in comparison to unorganized players with a lack of online presence.

3. *Increasing need for authenticity and transparency*

With a rise in awareness & brand consciousness, consumers have now become more sophisticated in terms of their jewelry preferences. There is a need for quality & price assurance among consumers, contributing to the need for certification. Leading organized retailers have been able to address this need, providing certifications from world-renowned laboratories, hence providing customers with a superior shopping experience & satisfaction.

4. Shift to brand value and superior shopping experience

Organized market jewelry players have leveraged multiple marketing campaigns and carefully fabricated a brand name, value & trust over the years. Providing a wide variety of designs, transparent prices, product customization, after-sales buyback service & superior showroom shopping experience, they have been able to grab an increased consumer base as compared to unorganized players. Also, the adoption of an omnichannel approach has been crucial. Strategy integrating various shopping channels (online, in-store, mobile) into a seamless customer experience has been instrumental in inclination towards organized players as it has provided customers with better information and built trust, leading to informed decision-making.

Some of the key supply-side drivers for organized jewelry retail are:

1. Goods & Services Tax (GST)

Total tax & duties levied on gold jewelry increased by ~1.6% after the implementation of GST (with effect from July 1, 2017). GST brought in increased transparency in the jewelry market by enforcing tax compliance, which ultimately benefitted the larger organized market players by reducing the cost gaps between organized & unorganized market players.

2. Mandatory Hallmarking Requirements

Gold hallmarking is a purity certification & was voluntary till June 16, 2021, when the government mandated it. Organized market players have always found themselves on the lower end of the stick as unorganized players enjoyed a cost advantage over them by non-disclosure of purity standards. But with the compulsion of hallmarking, unorganized players will find themselves in a tight spot with additional costs & processes to comply with the hallmarking requirements. Reduction in the price gap will eventually shift business from unorganized to organized sector.

3. Mandatory PAN Card

Government-mandated KYC in the form of PAN or Aadhar Card for any transaction above INR 2 Lakh with effect from January 1, 2016, for jewelry purchases, hence making it compulsory to establish the identity of the buyer, which will make it difficult for the unorganized market to operate.

4. Demonetization

With the advent of demonetization, a perceptible shift from cash to cashless transactions was noticed in the jewelry sector. Organized players, adding on their transparent transactions claim, were quick to switch to the new mode of payments, while the unorganized retailers who run a predominantly cash-based business found it difficult to adjust to the changes, giving the organized players a chance to further penetrate the market.

Demand for jewelry in India observes peaks in the last three months of each calendar year, i.e., October, November, and December. This is due to a combination of wedding season, harvest season, and festivals which take place during the last quarter of each year - all occasions where jewelry-buying is an important part of the Indian culture. Other periods where demand has seen an increase are in April and May, which are the festivals of Akshay Tritiya and Ugadi. These mark important days signifying prosperity and good fortune; thus propelling mass purchase of gold in India.

2. Global Diamond Market

Diamonds are precious stones made of carbon atoms arranged in a dense lattice structure that makes them incredibly hard and resistant to deformation. Their most well-known application is for the studded jewelry industry. Diamonds are utilized in the making of studded jewelry due to their brilliant and luxurious nature, often adorning items like engagement rings, earrings, necklaces, and bracelets. Due to their abrasive nature, they are also extensively utilized in various industrial applications, including the manufacturing of industrial drills, dental tools, speaker domes, and computer components.

There are two main types of diamonds: natural & lab-grown. Both natural diamonds and lab-grown diamonds (LGDs) share remarkable similarities in their physical, chemical, and optical properties. Both exhibit the brilliance, fire, and durability that make diamonds prized stones. The only discernible difference between them lies in their origin – natural diamonds are formed over millions of years under immense heat and pressure from the Earth's surface. Conversely, LGDs are created in laboratories over a few weeks using various manufacturing techniques.

The supply chain of natural diamonds (NDs) involves several stakeholders, each adding value to the final product.

Three major stages define the value chain in the natural diamond industry, beginning with the exploration of a potential diamond deposit and ending with retail sales.

Figure 21: Value chain of Natural Diamond-studded Jewelry

Source(s): Redseer research and analysis

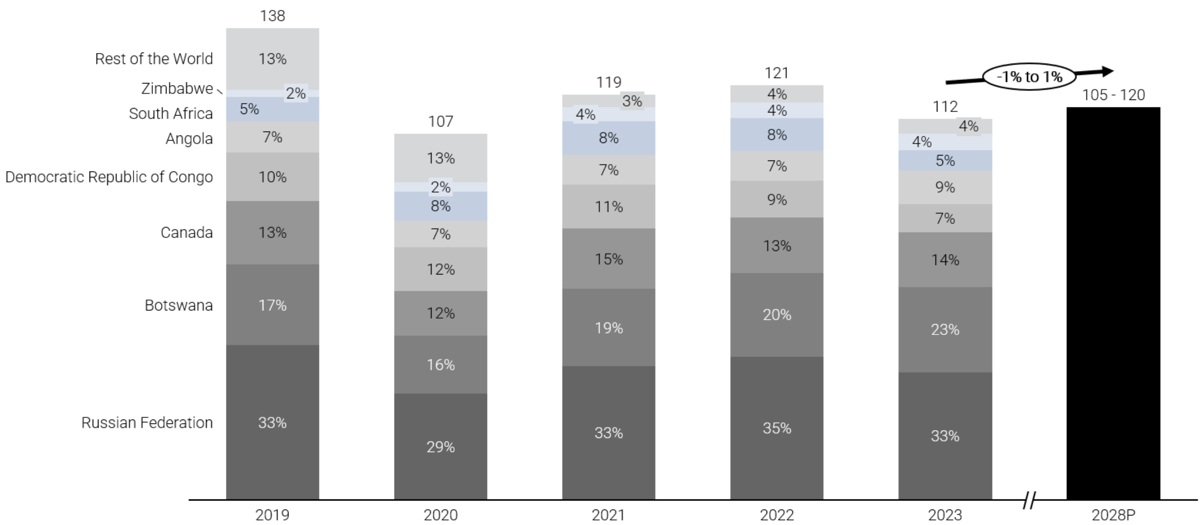
Upstream:

This stage starts with exploration, where producers engage in the search for commercially viable diamond resources. Once a promising site is identified, producers proceed to develop and construct new mines. The exploration phase involves extensive geological surveys, exploration drilling, and feasibility studies to evaluate the economic viability of mining operations. Upon confirming the potential of a site, producers invest in infrastructure, equipment, and personnel to establish and operate the new mine. This stage is critical for securing a sustainable supply of diamonds and involves significant investment, planning, and risk assessment to ensure successful mine development and production. In CY 2023, there were ~1,700 million carats of industrial diamond reserves, as per the US Geological Survey.

The next phase involves producers extracting diamondiferous ore (diamond-bearing location or materials) mined out of the ground. Once mined, the diamond ore passes through various processing stages to extract rough diamonds from it. Because these diamonds are in their natural state, they are called rough diamonds.

Mining of rough diamonds is highly dependent on reserves, and the growth of rough diamond production has been at ~1% from CY 2010 to CY 2019. The annual production has grown by ~1% from CY 2020 to CY 2023 and is expected to be in the range of 105-120 million carats by CY 2028. Russia, Botswana, and Canada account for ~68% of total natural diamond mining in CY 2022. Furthermore, in the same year, ~35% of the world's rough diamonds are of Russian origin. International sanctions due to the Russia-Ukraine war limiting or prohibiting the importation of these diamonds could negatively affect the worldwide supply of natural diamonds.

Figure 22: Global Natural Rough Diamond Production – by Countries
In Million Carats, CY 2019 – CY 2023, CY 2028P



Note(s): P is Projected
Source(s): Kimberley Process, Redseer research and analysis

In the last phase of upstream processes, after extracting rough diamonds, the producers inspect, classify, and prepare them for sale. An initial sorting of rough diamonds is done for their valuation.

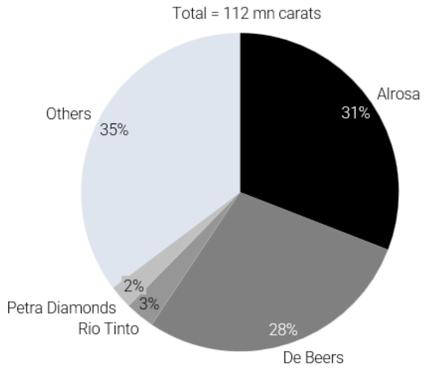
Rough diamonds are sold through 3 main channels –

- Tenders and auctions: Rough diamonds are offered for sale through competitive bidding processes.
- Long-term contracts: Diamond producers and major buyers negotiate long-term supply contracts, where predetermined quantities of rough diamonds are sold at regular intervals.
- Spot market sales: Buyers purchase diamonds at prevailing market prices without long-term commitments.

The authorized bulk purchasers of rough diamonds are called sight holders who can buy them via any of the above sales channels.

Another feature of the upstream stage of diamond production is that the market is highly concentrated in terms of market participants. The two largest players in the industry, Alrosa and De Beers, together accounted for ~60% of the world's annual production of rough diamonds in CY 2023.

Figure 23: Global Natural Rough Diamond Production – by Players
In %, CY 2023



Source(s): Kimberley Process, Redseer research and analysis

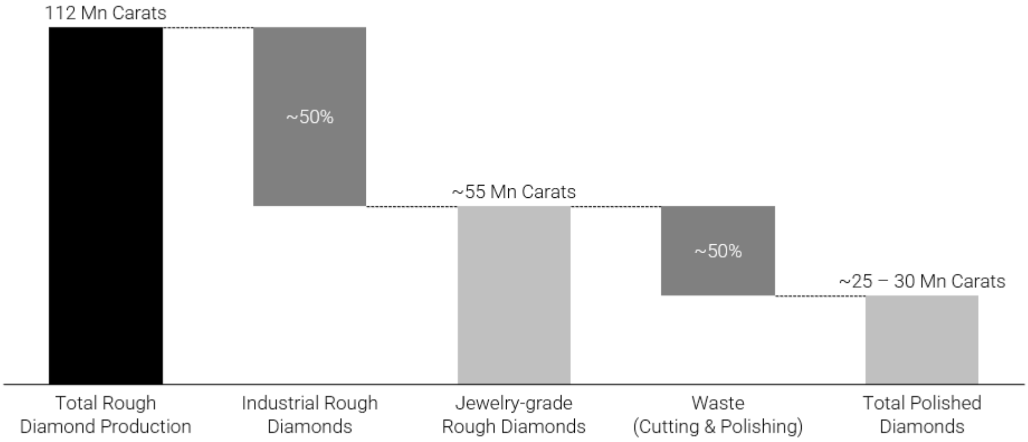
Midstream:

This stage begins with careful examination and analysis of the rough diamond's characteristics, such as its size, shape, color, clarity, and potential internal flaws or inclusion. This is done to maximize each rough diamond's beauty, brilliance, and value while cutting and polishing. Diamond cutters use advanced technology like 3D scanning and modeling to create precise digital blueprints for each diamond. These blueprints determine the optimal shape and proportions for cutting the diamond to maximize its brilliance and fire while minimizing weight loss. The planning stage also involves making decisions about the number and placement of facets, which significantly influence the diamond's sparkle and overall appearance.

Skilled artisans called "lapidaries" then use their expertise to ensure that each diamond is cut to achieve the best possible combination of beauty and value. They transform the rough diamonds into finished stones to create the largest gem possible, given the physical properties of the stone.

From the total rough diamond production, ~50% of diamonds are used for industrial purposes, and the rest, ~50%, are jewelry-grade rough diamonds. These rough diamonds lose ~50% of their weight in the cutting and polishing process.

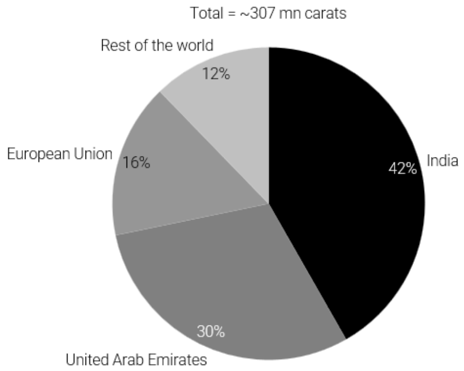
Figure 24: Global Gem-Quality Polished Natural Diamond Production
CY 2023



Note(s): Industrial diamonds are used for non-jewelry purposes in manufacturing processes across various industries (construction, high-tech, etc.). It might contain some diamonds that eventually are used in studded jewelry manufacturing, however, their share is relatively minute.
Source(s): Redseer research and analysis

India is the leading importer of rough diamonds, contributing to ~42% of overall rough diamond imports in CY 2023. UAE and EU are the next leading importer of rough diamonds.

Figure 25: Import of Rough Natural Diamonds – by Geography
CY 2023



Note(s): The imports are higher than current year production due to rough diamond stocks and double counting as rough diamonds travel to multiple countries before their final destination
Source(s): Kimberley Process, Redseer research and analysis

Cut and Polished diamonds (CPD) are then sold at wholesale prices to jewelry manufacturers. India is the world's largest center for cutting and polishing diamonds, accounting for ~95% of the world's total polished diamonds in volume terms in CY 2023. This is primarily due to the low labor costs and an abundance of skilled artisans – talent accumulated with Surat, which has been a diamond trading center for several decades. In India, Surat is the primary hub of cutting and polishing diamonds, contributing to more than 90% of India's total volume of CPD in CY 2023.

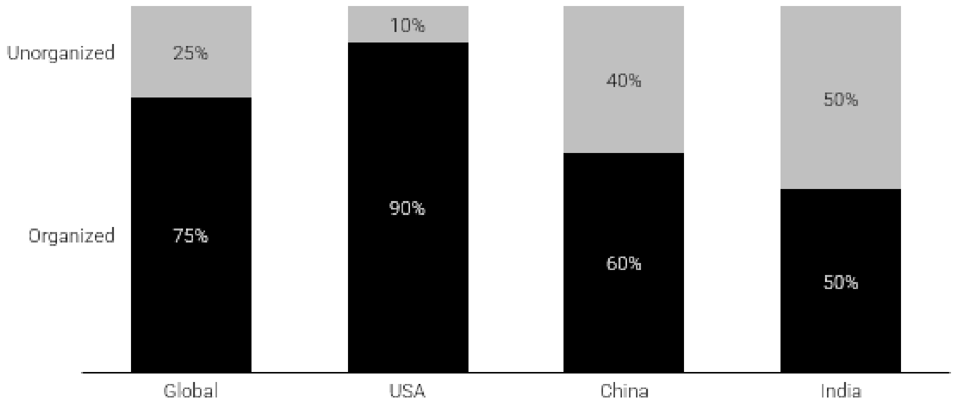
Polished diamonds undergo thorough grading and certification by independent gemological laboratories. These laboratories assess various factors, including color, clarity, cut, carat weight, and testing for natural or lab-grown origin to determine the quality and value of the diamonds. Certification of diamonds is done across the last two stages of the value chain for loose gemstones as well as studded jewelry.

Downstream:

Retail sales are the next stage of the value chain, which consists of multiple jewelry retailers selling to consumers around the world. The market is very fragmented, with multiple retail formats. After the pandemic, online retail is increasingly becoming a preferred channel for diamond purchases due to its diverse selection and increased options for consumers. While the USA is the largest consumer of diamonds, demand in Asia is increasing at a faster rate.

The retail global diamond market is categorized into organized and unorganized, where organized refers to studded jewelry being sold through established retail chains, branded stores, and online platforms, whereas the unorganized includes sales through local jewelers, family-owned businesses, and informal traders. The global diamond market is primarily organized, with only 20-30% coming from unorganized channels in CY 2023. The USA is the top consumer of natural diamonds, with a 55% market share, followed by China and India, both contributing ~22% combined in CY 2023. The USA diamond market is highly organized, with ~90% contribution due to major established brands, retail chains, and stringent regulations governing the industry. Chinese and Indian diamond markets are relatively more unorganized, with ~60% and ~50% contribution from organized channels, respectively in CY 2023.

Figure 28: Global Natural Diamond Jewelry Market (in value terms) - by Market Structure
In %, CY 2023



Source(s): Redseer research and analysis

Lab-grown diamonds (LGDs): a classic case of innovation-led disruption

The development of LGDs began in the 1950s. Initially, LGDs were manufactured almost exclusively for industrial applications. However, with advancements in technology, they gradually came to meet the demand for jewelry-grade diamonds, which led to the production of jewelry-grade LGDs in the 2000s.

Traditional diamond mining involves several intricate steps, including exploration, extraction, cutting, and distribution. In contrast, LGDs revolutionize the supply chain by bypassing mining and related processes and producing diamonds with the same composition in a faster and more sustainable manner. Technological developments have further streamlined LGD production, reducing both costs and production time. The demand for LGDs is largely driven by changing consumer preferences towards more affordable, sustainable, and ethical options. While natural diamonds still dominate the big engagement markets, LGDs offer a compelling value proposition. Consumers increasingly prioritize larger LGDs with color and higher clarity with the same budget, which would have gotten them a smaller and less quality natural diamond.

Lab-grown diamond (LGD) prices are generally 70-80% lower than those of natural diamonds on a per-carat basis in CY 2023. LGD prices have declined by 37% from CY 2020 to CY 2023. Such a decrease is primarily contributed by the declining wholesale prices. The rising consumer interest and improved technology have pushed multiple players in the production chain of lab-grown diamonds, causing an oversupply in the market.

However, prices of LGDs are expected to stabilize shortly due to a theoretical minimum cost of production. In CY 2023, LGD growers are estimated to incur an initial capital investment of USD 180,000 for rough lab-grown diamonds produced per reactor. These expenses include the cost of CVD reactor machines, generators, cooling systems, gas supply systems, and other setup costs. This investment cost can vary depending on the number of reactors a grower operates. These reactors have an estimated average monthly capacity of ~180 carats. Assuming ~85% utilization, they are projected to produce ~1,900 carats of rough LGD annually. An additional estimated operating cost of ~USD 51,300 is incurred for producing rough LGD per reactor, which is then sold to polishers at ~USD 66,500, yielding an estimated margin of ~20-25% over the revenue in CY 2023. The projected operating profit per reactor is around USD 15,200 in CY 2023. Dividing this by the estimated capital investment per reactor of ~USD 180,000 results in an estimated 8% RoIC. Polishers then sell this to jewelry manufacturers with an estimated operating margin of 30-35%, at a wholesale value of USD 200-250 for a 1-carat polished LGD in CY 2023.

After manufacturing diamond studded jewelry, it is sold to retailers at USD 650-700 per carat with an estimated 20-25% operating margin in CY 2023. Jewelry manufacturers bear multiple costs like the High-Pressure High-Temperature ("**HPHT**") color treatments, grading and certification, laser inscription, annealing, shipping and handling of the diamonds between different facilities, and insurance[2]. Margins largely depend on the scale of the retailer. Retailer's prices to the end consumer are often varied with high operating margins of ~30-35%, thus bringing the price of the loose stone up to ~USD 1,100 for a 1-carat loose stone in CY 2023.

Given the capital-intensive nature of LGD production, LGD growers are unlikely to be able to reduce the selling price of rough LGDs much further. Other players in the value chain are also unlikely to shrink their margins significantly. Thus, LGD prices will likely stabilize. Also, LGD per carat retail prices have seen a price decline slowdown towards ~37% from CY 2020 to CY 2023, compared to the 65% decline observed from CY 2016 to CY 2020.

Figure 29: Indicative Breakdown of Margins for LGD growers

CY2023

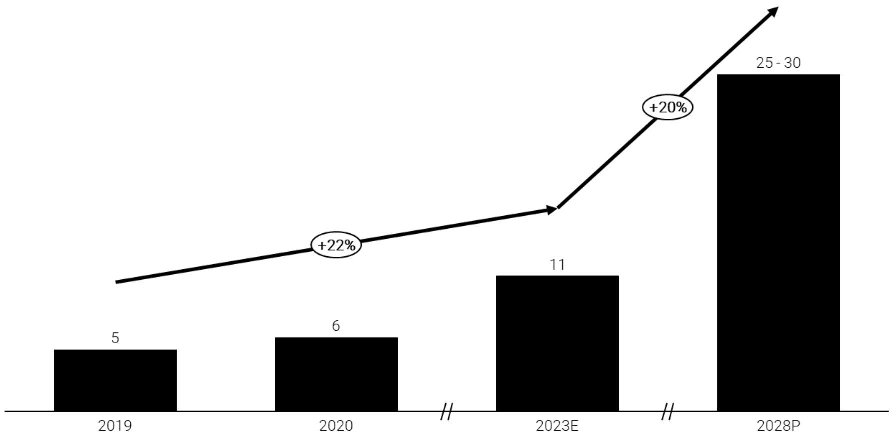
Metric	Units	LGD Grower
Capital invested per reactor (includes other setup cost)	USD	~180,000
Average annual capacity per reactor	Carat	~2,160
Annual rough LGD production per reactor	Carat	~1,900
Operating cost (rough LGD) per reactor	USD	~51,300
Operating revenue per reactor	USD	~66,500
Operating Margins	%	20-25%
ROIC	%	~8%
Years to cover reactor setup costs	years	~11

*Note(s): 1. Grower margins are for organizations only selling rough LGDs. 2. Annual production=80% (utilization rate) * Average annual capacity per reactor 3. Annual CPD LGD production per reactor = Annual Rough LGD production per reactor * wastage (assumed at 50%). 4. These assumptions on investments and costs can vary further than the ranges given basis the size of the grower, and year of incorporation. 5. Operating Margins = operating profit/operating revenue*
Source(s): Redseer research and analysis

[2] These expenses can be incurred at other stages in the value chain.

At present, rough gem-quality LGD production for jewelry purposes is estimated at ~11 million carats in CY 2023. The rough gem-quality LGD production is expected to increase at ~20% CAGR to reach a projected ~25-30 million carats by CY 2028.

Figure 30: Global Gem-quality Rough LGD Production – by Volume
In Million Carats, CY 2019 – CY 2023E, CY 2028P

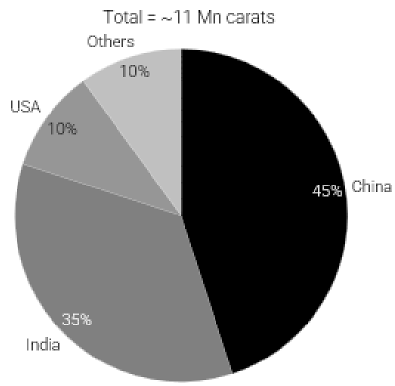


Source(s): Redseer research and analysis

China and India are the leading producers of LGDs, together contributing to an estimated ~80% of the LGD volume in CY 2023. The USA is the 3rd largest LGD producer with a 10% share.

Amongst the top studded jewelry-consuming nations, the USA leads the consumption of LGD-studded jewelry with more than ~80% of the market demand in terms of estimated volume for CY 2023. The high-income nation is viewing promising growth in non-bridal diamond-studded jewelry owing to the affordability of LGD-studded jewelry. Furthermore, jewelry brands like Pandora, which are leaders in lab-grown diamond sales, have the USA as their largest market. Their expansion into LGD-studded jewelry in North America has captured shoppers' interest, boosting demand for their entire product range.

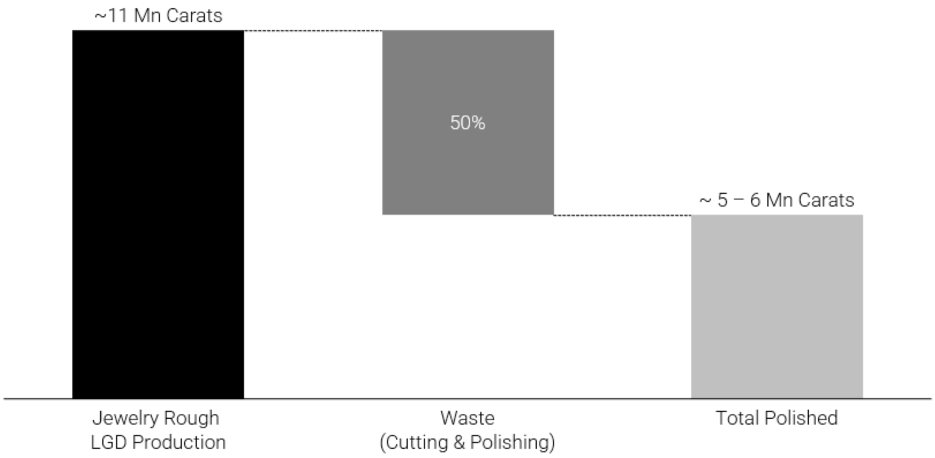
Figure 31: Global Gem-quality Rough LGD Production – by Country
In %, CY 2023E



Source(s): Redseer research and analysis

Similar to the production process of natural diamonds, lab-grown diamonds undergo sorting for both jewelry and industrial applications before they can be cut and polished to achieve the desired shape. It is estimated that LGDs lose ~50% of their weight during this stage.

Figure 32: Global Gem-quality Polished LGD Production
In Million Carats, CY 2023E



Source(s): Redseer research and analysis

Two primary methods are utilized in the production of LGDs: the High-Pressure High-Temperature (HPHT) method and the Chemical Vapour Deposition (CVD) process.

1. **HPHT**: Emerging in the 1950s, this is the older of the two methods in terms of usage and involves a higher initial investment. Herein, diamonds are produced from carbon material in apparatuses, which create high temperatures and pressures found in natural diamond formation. This method is also used to treat the color of naturally mined or CVD lab-grown diamonds. However, its reliance on graphite input faced supply chain challenges during the pandemic, posing setbacks for the industry, particularly in China, which extensively uses the HPHT technique.

2. **CVD**: This method involves the crystallization of a diamond seed through the infusion of a carbon-containing gas in a chamber. However, it was not until the 1980s that this process was refined. Today, it requires smaller machines, works at moderate temperatures and low pressure, and tends to be cheaper and more sustainable than HPHT diamonds, thus opening the possibility for cost-effective mass production of diamonds. Unlike HPHT diamonds, which are contaminated by nitrogen, CVD diamonds are purer as they do not contain nitrogen or boron impurities. India deploys extensive use of the CVD technique.

Diamonds produced through the two methods often differ in shape, clarity, and color. Following production, they require planning, cutting, and polishing before they can become suitable for jewelry. This step is crucial, as it gives the final diamond its shape. About 90-95% of the gem-quality LGDs came to Surat, India, for cutting and polishing in CY 2023.

Production and consumption of LGD are growing at a faster rate than natural diamonds.

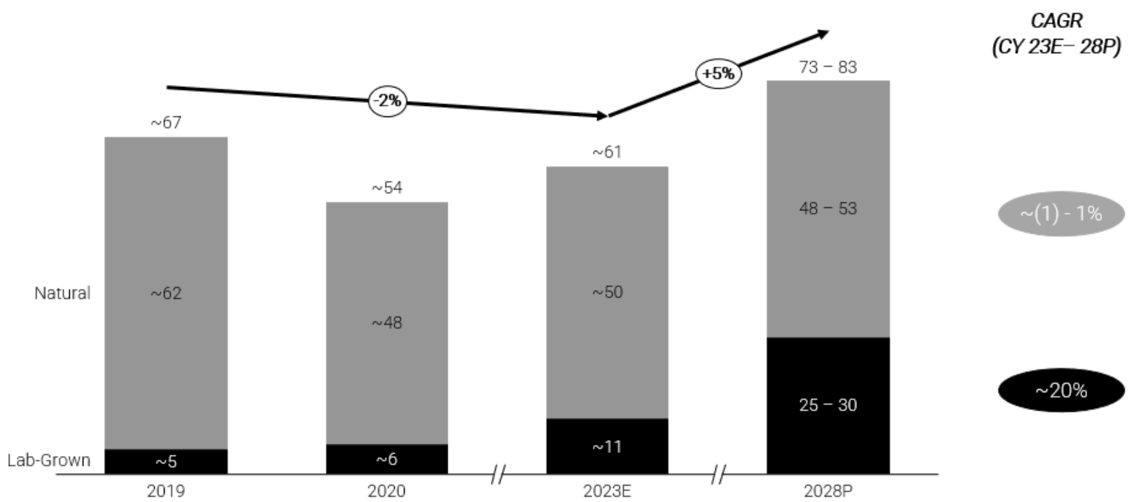
Figure 33: ND and LGD Comparison

	Natural Diamond	Lab-Grown Diamond
Origin	Mined from the earth	Chemically developed in labs
Shape of rough form	Octahedron	Cuboctohedron/Cube
Chemical Composition	Single element carbon with some impurities	Single element carbon with negligible impurities
Production Methods	Mining	HPHT, CVD
Major Producing countries	Russia, Canada, Botswana	China, India
Indicative Producers	Alrosa, De Beers, Rio Tinto	Blue Star, Dholakia Technologies, Greenlab Diamonds, Zuhai Zhong Na Diamond
Carbon Footprint	~110 kg CO_{2e} per carat	~10 kg CO_{2e} per carat
Retail Price of a 1 carat solitaire[1]	~US$ 5K	~US$ 1.1K

Note(s): 1. Only sold in set jewelry, price based on estimated cost of loose stone: 1-carat, VS clarity, F-H color, V-G ideal cut. These prices can vary by the quality of a diamond. The name of the producers is an indicative list.
Source (s): Redseer research and analysis

Currently, the total global gem-quality rough diamond production is estimated at ~61 million carats in CY 2023. LGD production has observed a faster growth than natural diamond production from CY 2020 to CY 2023 and has reached an estimated ~11 million carats. It is further expected to increase at a faster growth rate of 18-22% till CY 2028 and projected to reach 25-30 million carats.

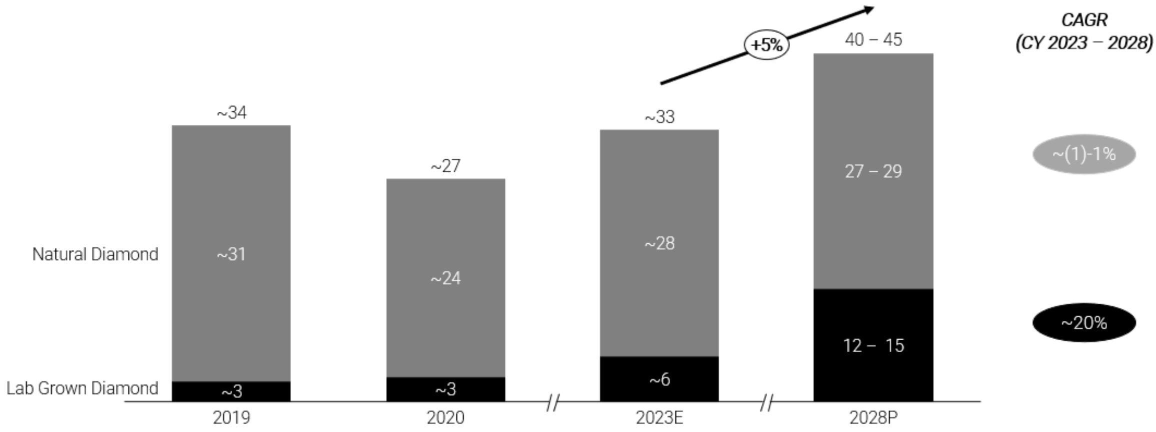
Figure 34: Global Gem-quality Rough Diamond Production by ND and LGD
In Million Carats, CY 2019 – CY 2023E, CY 2028P



Source(s): Kimberley Process, Redseer research and analysis

In CY 2023, the global cut and polished diamonds (CPD) used for jewelry purposes stood at an estimated ~33 million carats, with ~28 million natural diamonds and ~6 million LGDs.

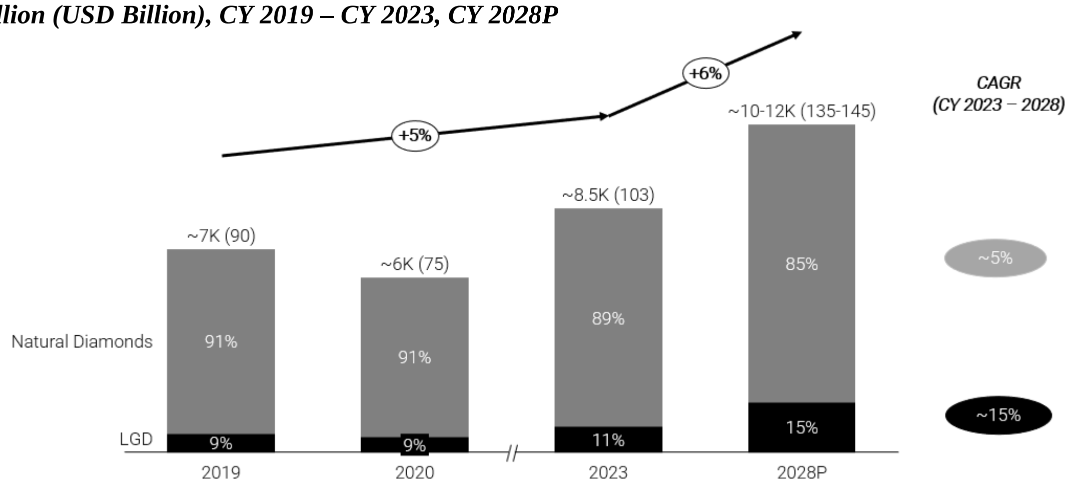
Figure 35: Global Cut and Polished (Gem-quality) Diamond Production by ND and LGD
In Million Carats, CY 2019 – CY 2023E, CY 2028P



Source(s): Redseer research and analysis

The overall global diamond jewelry consumption stands at ~INR 8.5K billion (USD 103 billion) in CY 2023, with ~89% contribution from natural diamond consumption. The market is expected to grow at a CAGR of ~6% to reach INR 10-12K billion (USD 135-145 billion) by CY 2028, with LGDs driving growth by increasing at a projected ~15% CAGR, whereas natural diamond is expected to grow at ~5% CAGR.

Figure 36: Global Retail Diamond Jewelry Consumption by ND and LGD
In INR Billion (USD Billion), CY 2019 – CY 2023, CY 2028P

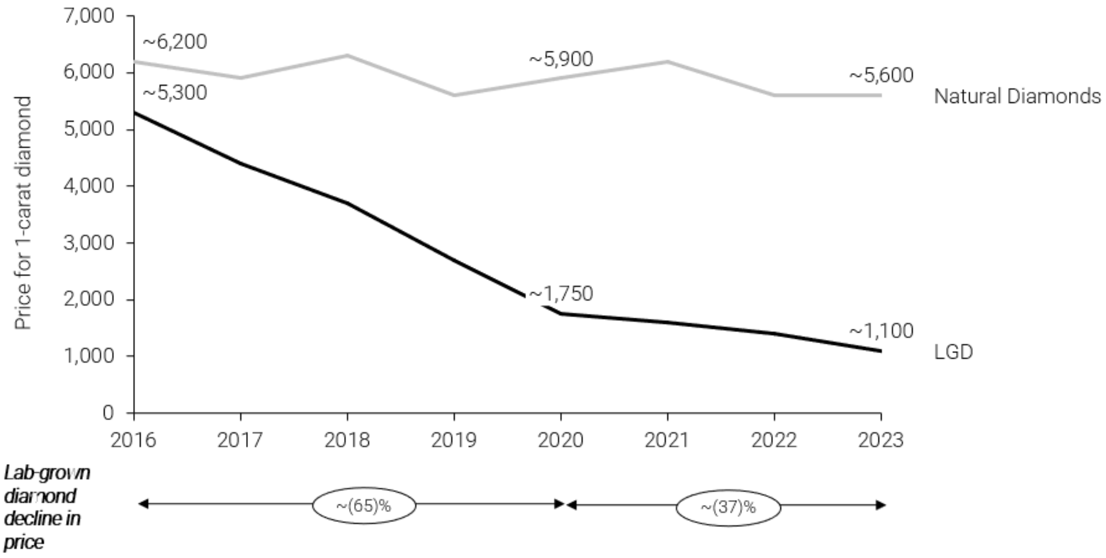


Source(s): Redseer research and analysis

The following are the key drivers for the fast growth of global LGD consumption-

- **Affordable luxury**: Lab-grown diamonds are generally priced 70-80% lower than NDs on a per-carat basis in CY 2023 and offer larger stones within the same budget in the retail market. Customers can avail of larger and varied stones for similar prices. There is a potential for customers to increase the frequency of purchasing diamonds.

Figure 37: Retail Pricing Benchmark of LGD vs Natural Diamonds
In USD, CY 2016 – CY 2023



Note(s): Only sold in set jewelry, price based on the estimated cost of loose stone: 1-carat, VS clarity, F-H color, V-G ideal cut. These prices can vary on the quality of the diamond.
Source(s): Redseer Research & Analysis

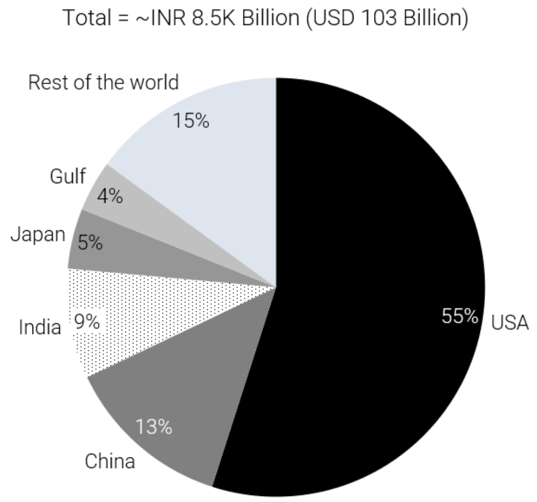
- **LGDs provide the opportunity to design diamonds**: Unlike natural diamonds, LGDs offer the possibility of customization of colors, sizes, and clarity during the production process. For example, while natural-colored diamonds are rare in nature, LGDs can be artificially created in laboratories in a matter of a few weeks.

- **Greater acceptance from jewelry retailers**: Big jewelry brands increasingly see LGDs as a lucrative introduction to their fashion and everyday jewelry segments. Jewelry retailers are increasingly adopting LGDs as they drive sales volumes and act as an affordable entry point for consumers. As advancements in technology make LGDs more characteristically rich, the inclusion of separate LGD lines by these industry players is observed. For example, a leading LGD jewelry brand commenced retail of LGDs in CY 2021 in the UK and expanded to the USA and Canada, recognizing the sustainability appeal. It has since then launched multiple campaigns featuring top celebrities as the face of its LGD collection, introducing rings, earrings, bracelets, and necklaces. Another leading jewelry and accessories brand renowned for its precision cutting, innovation, and artistry since 1895 added lab-grown diamonds to its B2B portfolio in CY 2016 before expanding into the consumer-facing fine jewelry market around CY 2018.

- **Changing consumer perception of LGDs**: The shift in consumer preferences towards experiences and affordability rather than traditional symbols of status is driving demand for lab-grown diamonds. Companies' marketing programs have begun advocating for LGDs.

China, India, and the USA are the world's top 3 diamond-studded jewelry-consuming markets that combined contribute to ~77% of the market in CY 2023. The USA is the largest consumer of diamond jewelry with ~INR 4.8 K billion (USD 57 billion). Both China and India have grown at more than ~20% CAGR to reach ~INR 1,120 billion (USD 13.5 billion) and ~INR 780 billion (USD ~9 billion), respectively, in CY 2023.

Figure 38: Global Diamond-studded Jewelry Consumption by Countries
CY 2023



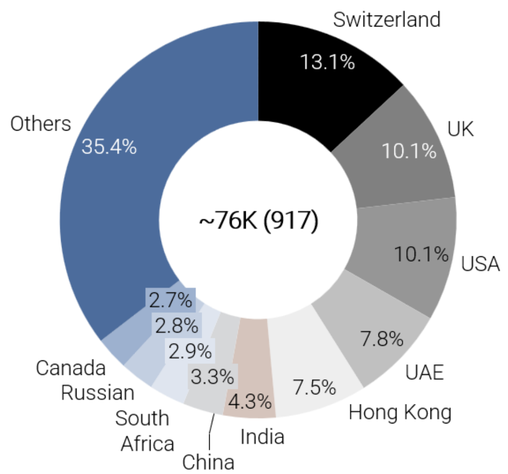
Source(s): Redseer research and analysis

India is not only a key diamond-studded jewelry consumer but also plays a key role in the value chain – for both natural and lab-grown diamonds

India is an export hub for jewelry and loose stones

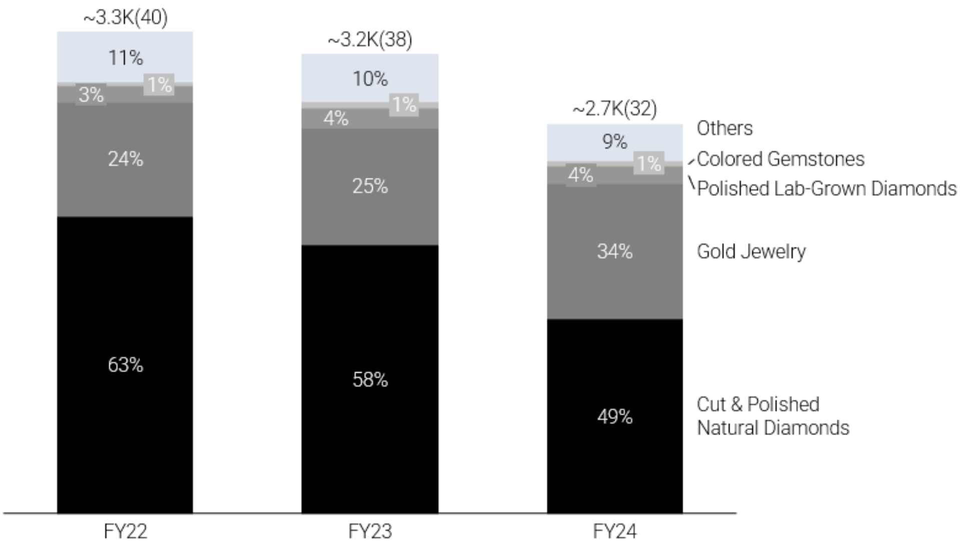
India was the sixth-largest exporter of jewelry and loose stones and had a ~4.3% share in global exports in CY 2022.

Figure 39: Global Jewelry and Loose Stones Exports[1] by Countries
INR Billion (USD Billion), CY 2022



Note(s): 1. Jewelry and loose stone exports include cut and polished diamonds, gold jewelry, silver jewelry, polished LGDs, colored stones, platinum jewelry, and others
*Source(s): Gem and Jewelry Export Promotion Council ("**GJEPC**")*

Figure 40: Indian Jewelry and Loose Stones Exports by Type of Products
INR Billion (USD Billion), FY 2022 – FY 2024



Note(s): "Others" includes rough-colored stone exports, silver and platinum jewelry, imitation jewelry, pearls, gold bars, polished synthetic stones, etc.
*Source(s): Gem and Jewelry Export Promotion Council ("**GJEPC**")*

Cut and polished diamonds (CPD) account for ~50% of total jewelry and loose stones exports in FY 2024: India is the world's largest hub for cutting and polishing diamonds, accounting for ~95% of the world's polished diamonds in CY 2023. As per data from the Gem and Jewellery Export Promotion Council (GJEPC), India held the top position in CPD exports, accounting for ~27% of the world's exports in FY 2022. CPDs from India are exported to countries like the USA, Hong Kong, the UAE, Belgium, etc. The USA is the key market, with a 36% share in FY 2023, followed by Hong Kong at 25%.

In FY 2024, gross exports of CPDs dropped from ~USD 22 billion in FY 2023 to ~USD 16 billion. Several factors contributed to this decline, including the normalization of the pent-up demand post-recovery from concerns around the Russia-Ukraine crisis, rising inflation in global economies, and weak demand from China and Western countries.

Lab-grown diamonds: India is the second largest in terms of rough LGD manufacturing in the world after China - India produced ~35% of the world's LGDs in CY 2023. However, India ranked first in exports of lab-grown diamonds in CY 2022, with a share of 29% of the world's exports. LGD exports constituted ~4% of India's total jewelry and stones exports in FY 2024.

Several factors have contributed to India's leadership in the diamond value chain –

- **Strong moats that enable India to control ~95% of the global diamond polishing requirements in CY 2023** –
  - Skilled Labor Force: A large pool of skilled artisans and craftsmen is available, possessing expertise in diamond cutting, polishing, and studded jewelry manufacturing. Traditional craftsmanship has been passed through generations with a culture of precision and attention to detail.
  - Cost Efficiency: Skilled labor force and artisans are available at much lesser costs compared to other diamond manufacturing centers in the world.
- **Early adoption of LGD manufacturing**: While LGD manufacturing technology has been developing for several decades, Indian entrepreneurs and manufacturers have warmed up to LGDs and scaled up production quickly, making India the second-largest LGD manufacturer in the world.
- **Infrastructure and ecosystem**: India has developed a robust infrastructure that includes specialized diamond-cutting and polishing centers in cities like Surat, Mumbai, and Jaipur. These hubs are equipped with state-of-the-art technology and facilities for efficient diamond processing. A well-developed network of industry associations and trade bodies also facilitates collaboration, knowledge sharing, and skill development.

The government is supporting the domestic diamond industry by building infrastructure and policy interventions, specifically for LGDs

The Government of India (GOI) has implemented several initiatives to boost the diamond industry in both processing and trading infrastructure –

- **Surat Diamond Bourse (SDB)** has been established in Surat, Gujarat, to consolidate and streamline various aspects of the diamond industry. Inaugurated in CY 2023, the SDB is the world's largest jewelry and diamond business center, built up over 6.6 million sq. ft. of area, encompassing 4,500 offices for national & international traders.

- **Safe harbor rules**: The Union Budget 2024 proposed allowing Safe Harbor Rules for the sale of rough diamonds in Special Notified Zones (SNZs). Safe Harbour Rules aim to create a more favorable trading environment and reduce regulatory liability. This is aimed at making India a trading hub for rough diamonds, similar to Dubai and Belgium.

Additionally, the GOI has emphasized boosting the exports of lab-grown diamonds due to their cost-effectiveness and growing demand in the market.

- **Research grants**: In the Union Budget 2023, GOI allocated a grant of INR 2.42 billion to IIT Madras for research on LGDs. The primary objective was to develop a sector complementary to the natural diamond industry, stimulate domestic employment and manufacturing, and decrease reliance on imports.

- **Duty exemptions**:

    a. **Customs duty exemption for LGD seed diamonds**: In February 2023, CBIC (Central Board of Indirect Taxes) provided exemption from customs duty on the import of seeds for use in the manufacturing of rough lab-grown diamonds. This exemption shall be available till 31st January 2025.

    b. **Customs duty exemption for testing and certification of diamonds**: Selected laboratories have been permitted to import diamonds to their laboratories without any import duty for certification/grading reports.

- **Policies**

    a. **Foreign Direct Investment (FDI)**: The GOI allows 100% FDI in the LGD sector through the automatic route, positioning India as an attractive market for LGD companies.

    b. **Distinct import codes for LGD**: Two distinct import codes were created for LGDs and natural diamonds to enhance transparency and enable consumer-level product identification.

3. Traceability, Trust & Certification In Loose Stones and Studded Jewelry Market

Certification consists of the physical analysis of a stone provided by independent[3] laboratories. It is a structured process that includes both scientific analysis and manual assessment. Some of the most common problems faced by stakeholders in the loose stones and studded jewelry supply chain are related to traceability, standardization, and authenticity. The grading system serves to standardize product evaluation among jewelers, laboratories, and consumers worldwide.

Historically, studded jewelry and loose gemstones have been graded through visual inspection. The process was very subjective and depended largely on the skill, expertise, and judgment of the individual involved, including the parameters selected. This posed a challenge to reliable valuation and comparison of diamonds originating from different parts of the world. The situation has improved drastically since the latter half of the 20th century, with certification laboratories and institutions setting their respective standards for certification.

The major global peer set[4] of diamond certification companies include Gemological Institute of America (GIA), Gemological Science International (GSI), Hoge Raad Voor Diamant (HRD) Antwerp, Solitaire Gemmological Laboratories (SGL), and International Gemmological Institute (IGI)[5]. All these players have a presence in India along with global reach in at least 5 countries.

Certification plays a key role in the global loose stones and studded jewelry market. While metal quality can be determined based on its purity, the properties of diamonds are not visibly distinguishable to the human eye and require an expert assessment. Diamonds are made of carbon and other impurities, which impart essential characteristics (such as color) to the stone. Hence, "purity" cannot be used as a parameter for diamond quality analysis, unlike metallic elements such as gold, silver, and platinum. Thus, it is nearly impossible to have a single standard for diamond certification. However, the key common standards include cut, clarity, color, and carat weight. Often, metrics of fluorescence, symmetry, etc., are also evaluated. These standards would vary in terms of rigor, transparency, and scope across industry players – leading to variability in diamond grading.

[3] Independent implies the lab is not affiliated with any jewelry retailer, manufacturer, or other commercial entity that could potentially bias their assessments.
[4] Referred to as the peers – see definition in glossary.
[5] As used in this report, all references to IGI refer to the global IGI business as a whole, including IGI India and its subsidiary, IGI Belgium and its subsidiaries and IGI Netherlands and its subsidiaries.

Comprehensive certification of diamonds is thus essential for several reasons.

1. **Establishing trust & authenticity for downstream stakeholders**: Diamond and colored stone certification serves as vital proof of grade, authenticity, quality, and origin for both the present and future. This helps eliminate doubt about the product and assures engaging with the right product. A certificate, thus, provides legitimacy to multiple players in the value chain as well as makes the process for authentication of diamond quality & possibility for reselling seamless.

2. **Counterfeiting and fraud**: With advancements in technology, counterfeiters have become increasingly adept at producing simulants replicating the appearance of diamonds and colored stones using advanced techniques, such as synthetic stones and sophisticated imitations. These counterfeit stones can closely resemble natural diamonds in terms of appearance, color, and clarity, making them difficult to distinguish without specialized equipment and expertise. This erodes consumer trust and creates hesitation as they are unable to distinguish between genuine and counterfeit stones. All stakeholders, particularly the jewelry retail brands, stand to lose their reputation if counterfeit goods bearing their brand name or trademarks enter the market. Thereby arises a need to appropriately educate all stakeholders in assessing diamond and colored stone characteristics in addition to certification.

3. **Identification of the origin of diamonds**: The diamond market is rapidly evolving and moving towards LGDs. LGDs are typically cheaper than comparable NDs, resulting in greater affordability & access. India and China are emerging as high-growth LGD manufacturers. Such growth has two-fold effects. Firstly, LGDs create their demand for certification on parameters similar to NDs, along with origin reports. On the other hand, growth in LGDs – especially the unorganized market – creates the risk of adulteration (e.g., impersonation of LGDs as NDs) as they are indistinguishable in the absence of adequate equipment. IGI is the first mover among its global peers to introduce lab-grown diamond grading with comprehensive parameters. Additionally, it became the first among its global peers to issue certification reports for lab-grown diamonds globally (CY 2005).

4. **Ethical sourcing and traceability**: A universal standard for what constitutes an “ethically sourced” or “sustainable” diamond is absent. While industry initiatives such as the Kimberley Process Certification Scheme aim to prevent the trade of conflict diamonds, there is potential to expand the scope and enforcement mechanisms. New technologies for end-to-end traceability, such as blockchain, are very nascent. Additionally, standards for environmental sustainability in diamond mining vary widely depending on local regulations, industry practices, and corporate policies. Diamond certification labs are also increasingly moving towards sustainable practices.

As a result, diamond certification has grown in the last few years despite several challenges faced by diamond industry stakeholders.

Certification is one of the key elements in assuring the quality of diamonds and colored stones for each stakeholder in the supply chain. This is particularly critical for midstream and downstream activities so that the authenticity and quality of the stones used in jewelry-making are verifiable.

- **Wholesalers and manufacturers**: Certification of loose diamonds and colored stones is important to ensure input quality as purchased from cutting-polishing players. This allows accurate comparisons and ensures consistency in grading. Additional information on the origin geography of natural diamonds and colored stones helps meet ethical sourcing requirements.

- **Retailers**: Certification builds trust in the retailers’ buying process, allowing better visibility on the valuation of the diamonds used in jewelry manufacturing. It also reduces the risk of retailers investing in inventory that may be difficult to sell or subject to disputes and returns due to quality discrepancies.

- **End consumers**: The purchase of jewelry is based on trust in the retailer. ~50% of the natural diamonds market in India is organized in CY 2023. However, in the absence of a standardized process for checking the quality of diamonds (in contrast to the standardized implementation of “hallmark” for checking the purity of gold used in a jewelry piece), the need to build customer trust is even higher. Certification from independent certification providers meets this gap. It also establishes trust in aspects such as the “Ethical” sourcing of diamonds and colored stones, with certified identification of the origin.

Brief history of gemstones and diamond certification

Diamond certification involves thorough analysis conducted by independent laboratories, blending scientific examination and subjective evaluation. Today, the diamond grading system serves as a crucial communication tool across the industry. Over time, this system has evolved and been influenced by technology, collaboration, and a deeper understanding of diamonds.

In the 1800s, diamond grading faced challenges, especially in determining color consistency. Terms like “Jager” and “Cape” denoted diamond origins (based on their mining locations), and grading metrics were largely inconsistent, complicating the grading system. In 1941, a US-based gemological laboratory became the first firm to introduce a standardized grading system.

The creation of 4Cs (Carat Weight, Color, Clarity, and Cut) in 1953 has since replaced subjective descriptors with objective letter grades, which have emerged as internationally recognized standards.

Process of certification for diamonds and colored gemstones

The process of diamond certification involves a series of meticulous steps conducted by independent laboratories to evaluate various aspects of a diamond's quality –

1. **Weight and measurement**: Specialized equipment is employed to accurately weigh and measure the dimensions of the diamond. Typically, the weight of a diamond is measured in "carats" and "cents", with 1 carat being equal to 200 milligrams and a "cent" denoting 2 milligrams. Precision in these measurements is crucial, forming fundamental aspects of the diamond's overall evaluation.

2. **Color grading and fluorescence**: Color is a significant factor affecting the value of a diamond. The rarity of the color of a diamond, especially a natural diamond, influences its pricing, with exceptional stones fetching premium prices. Each certification agency has its own set of "master stones" consisting of diamonds with known color grades. These stones serve as a reference to determine the color grade of the stone being tested. The diamond is examined under controlled lighting conditions to accurately assess its color, ensuring consistency and reliability. It is done on a D-Z scale where D signifies colorless and Z, light yellow.

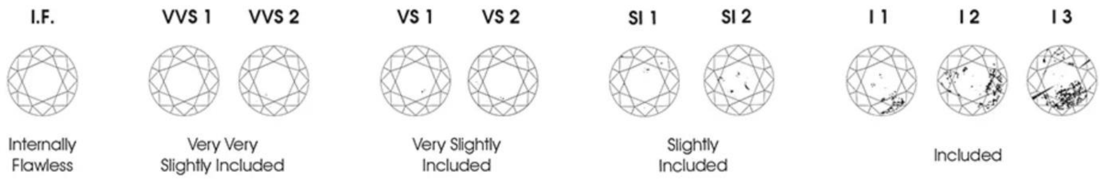
Diamonds are also tested on their fluorescence, which is the property of diamonds to emit visible light when exposed to UV rays. The degree of fluorescence impacts a diamond's brilliance; very strong fluorescence can make it look hazy. The intensity of fluorescence is reported in a range from "none" to "very strong" after optical measurement of the visible spectrum of light generated by passing UV rays through a diamond.

Figure 41: Example of Color Grading Scale used for Diamond Certification

Source: International Gemmological Institute (IGI)

3. **Clarity and finish grading**: Highly skilled graders examine the diamond under magnification and standardized lighting conditions. They assess clarity characteristics such as "inclusions" (internal flaws) and "blemishes" (external imperfections). The finish quality, including polish and symmetry, is also thoroughly evaluated against specific standards. Multiple graders may be involved in this step to verify the findings and ensure consistency. The most recognized grading system grades the highest to lowest clarity of diamonds from Flawless (FL) to Included (I). Clarity grades denote the absence or presence of inclusions and are determined under 10x magnification. Gemologists use a step-by-step wedge technique, examining the diamond in segments, to provide a map of the diamond's internal and external clarity characteristics.

Figure 42: Example of Clarity Grading Scale used for Diamond Certification



Source: International Gemmological Institute (IGI)

4. **Cut grading**: There has been an increased emphasis on and awareness of the fancy-shaped diamonds. Broadly, diamonds are categorized into two primary shapes when considering their cut grades: "round" and "fancy." For round brilliant diamonds, evaluation is based on a set of guidelines/parameters that directly affect the – brightness (amount of white light that a diamond reflects.), fire (dispersion or colorful flashes of light that a diamond emits when exposed to light), scintillation (shimmer effect that occurs when a diamond is viewed from different angles), weight ratio (weight in relation to a diamond's average girdle diameter), durability (risk of damage that might result from an extremely thin girdle), polish (quality of the diamond's surface finish) and symmetry (alignment of diamond's facets). The first three describe the diamond's appearance, and the remaining four components describe the design and craftsmanship. Shapes such as "Princess", "Cushion", "Heart", "Radiant", "Emerald", "Oval", "Pear", etc. fall under the category of "Fancy"

shape diamonds. Most laboratories grade these diamonds on select guidelines/parameters (typically only polish and symmetry). The typical grading scale of cut consists of 5 - 6 levels (different for different certification agencies), ranging from poor/fair to excellent/ideal.

Figure 43: Type of Diamond "Shapes"

Source: International Gemmological Institute (IGI)

5. **Certification report**: Finally, a comprehensive certification report is generated detailing the diamond's characteristics based on the grading system employed by the certification agency. This report includes information and relevant graphical representation of the diamond's cut, color, clarity, carat weight, finish symmetry, fluorescence, and any inscriptions. It serves as official documentation of the diamond's quality and attributes, providing valuable information for consumers, retailers, and industry professionals alike.

6. **Other testing parameters (typically provided as optional tests by laboratories)**

   a. **Laser Inscription**: A unique identification number can be laser-etched onto the diamond's girdle. This inscription provides added security and traceability, connecting the report directly to the physical diamond and enhancing confidence for buyers.

   b. **Origin Identification**: Different laboratories have varying methods for certifying the geographical origin of diamonds and colored stones. Some laboratories document a diamond's unique characteristics from its rough state and examine the finished diamond to certify its origin; others have identified subtle differences in physical traits of diamonds produced from different geographies as markers to create an in-house database.

Colored Gemstones: The grading process of colored gemstones is similar to diamonds, with some minor variations. It encompasses evaluating the same 4C's: color, clarity, cut, and carat weight.

1. **Color** is assessed based on intensity, saturation, and hue, with some stones like ruby and sapphire being highly valued for their vibrant colors. The color of a colored gemstone can also help identify its origin and species.

2. **Clarity** refers to the presence of inclusions, which are tiny imperfections within the colored gemstone's crystal structure, with fewer or less visible inclusions indicating higher clarity grades.

3. **Cut** affects a colored gemstone's brilliance and sparkle, with well-cut stones maximizing light reflection.

4. **Carat** weight measures a colored gemstone's mass, with larger stones generally commanding higher prices.

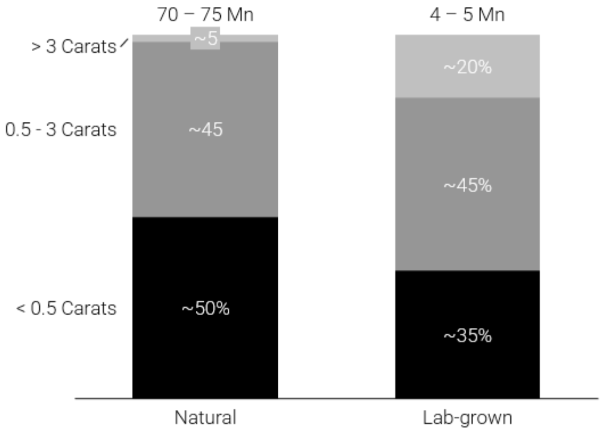
The rarity of features like color and clarity influences pricing, with exceptional stones fetching premium prices. Optical measuring devices are used to measure loose polished stones' proportions, measurements, and facet angles. Studded stones are measured but not weighed.

4. Diamonds, Studded Jewelry and Colored Stones Certification Market

Diamond grading takes place once the diamonds are cut and polished. They either get certified as loose stones or, after getting studded in the jewelry, for which a certificate is issued detailing the diamond's various attributes as the studding permits. Since the founding of the business in 1975, IGI has advanced various technical and industry practices in the loose stones and studded jewelry certification segment. In 1980, IGI USA was the first to issue jewelry identification reports among its global peers.

In CY 2023, ~33 million carats of loose-cut and polished diamonds, both natural and LGD, were produced. These 33 million carats of cut and polished diamonds translate to 70-75 million number of diamonds – spread across various carat weights. Natural diamonds exhibit a skewed concentration towards smaller diamond sizes, with ~50% of diamonds measuring less than 0.5 carats. This is mainly due to the conditions needed to form large and rare diamonds. Mining processes often break larger stones, and smaller diamonds are more practical and cost-effective to sell and buy. This is different in the case of lab-grown diamonds, where only ~35% of the loose gemstones measure less than 0.5 carats, as they can be produced in larger sizes more consistently under controlled and optimized growth conditions. Unlike natural diamonds, they aren't subject to the unpredictable factors of natural formation and mining, allowing for the creation of larger diamonds that meet market demands more effectively.

Figure 44: Global Number of Gem-quality Diamonds Split by Carat Weights
Number of Diamonds (Millions), CY 2023E

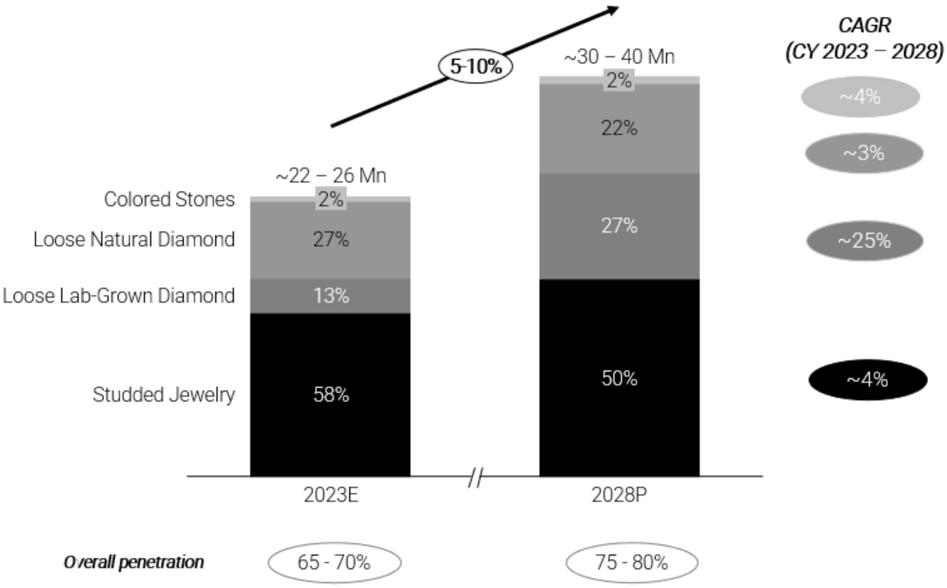


Source: Redseer research and analysis

Of the total number of diamonds, the penetration of certification for natural diamonds is ~65% in CY 2023. These can either translate into loose gemstones or studded jewelry certificates. The majority of them are certified as studded jewelry, with IGI having a global market share of ~42% in terms of the number of studded jewelry certifications in CY 2023. IGI commands a global market share of 33% in the number of certifications of diamonds, studded jewelry, and colored stones performed in CY 2023.

The certification penetration for LGDs is higher at ~70% in CY 2023. One of the reasons for this is that LGDs are more likely to be produced in larger carat sizes, which are more commonly certified. The overall natural diamond certificate generation is expected to rise by ~3% till CY 2028. LGD Certification is leading the certification growth by volume expected to rise by ~25 %, leading to a projected total of 8-9 million LGD certificates in CY 2028. Overall, an estimated 22-26 million certifications were issued in CY 2023, which is projected to grow at a CAGR of 5-10% till CY 2028.

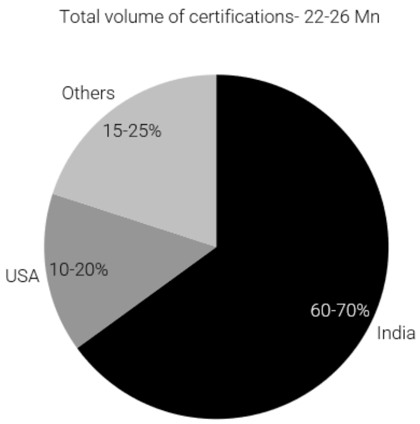
Figure 45: Number of Certifications Issued – by Volume
Number of Certifications (Millions), CY 2023E, CY 2028P



Note(s): The number of stones per studded jewelry certification is assumed to be 3. Thus, colored stones getting certified as % of total colored stones is higher than the overall number of certifications.
Source(s): Redseer research and analysis

India contributed 60-70% of the overall diamonds, studded jewelry, and colored stones certifications as a key cutting and polishing hub in CY 2023. This is followed by the USA, which contributed to 10-20% of the overall certifications.

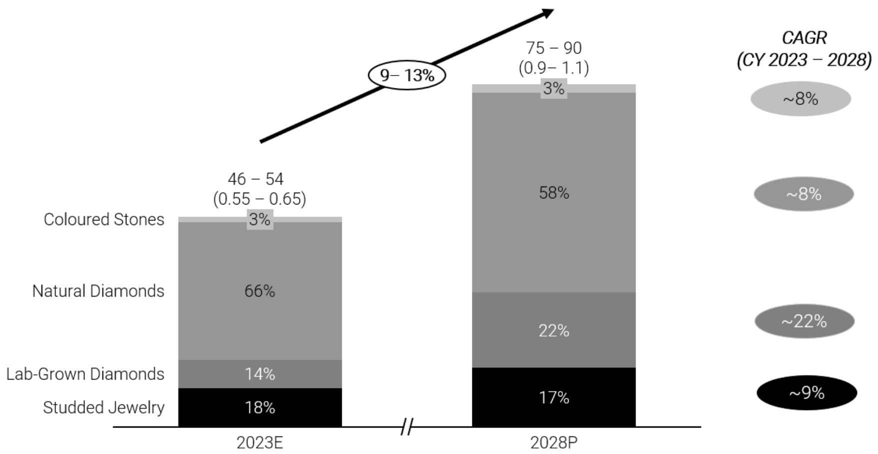
Figure 46: Number of Certifications Issued – by Geography
In %, CY 2023E



Note(s): Geography split corresponds to lab presence.
Source(s): Redseer research and analysis

The loose stones and studded jewelry certification market is estimated at INR 46-54 billion (USD 550-650 million) in CY 2023. This is projected to grow by 9-13% from CY 2023 to CY 2028, with LGD being projected as the fastest-growing segment with a CAGR of ~22% in the same period.

Figure 47: Loose Gemstone & Studded Jewelry Certification Market
INR Billion (USD Billion), CY 2023E, CY 2028P



Source(s): Redseer research and analysis

Key drivers for the growth of loose stones and studded jewelry certification

As the studded jewelry market grows, demand for certification is likely to rise as well. Thus, diversification in jewelry types, changing consumption patterns, and lower selling prices, among other factors, have a spill-over effect on the loose stones and studded jewelry certification market. However, certain salient growth drivers unique to increasing the certifications' volume include –

5. **Increasing awareness among consumers**: The increasing awareness around certification is driven by consumer education campaigns, industry partnerships, online resources, and media coverage about the certification process. Certification from an independent body is positioned as a solution to assure the end customers of the quality and authenticity of diamonds and colored stones. It also helps preserve value and improve resale potential. Further, there is a gathering momentum of requests for certificates of diamond origin to assure customers that ethical and sustainable practices have been employed in sourcing and production.

6. **Increase in sales of lab-grown diamonds**: About ~70% of the LGDs are getting certified globally for CY 2023. Surging demand for LGDs is expected to lead to increased certification requirements to ~85% of LGDs by CY 2028.

7. **Shift towards organized jewelry retail and rise of D2C brands**: The diamond jewelry market in India is predominantly unorganized at ~50% in terms of sales value in CY 2023. It comprises several thousands of individual retail shops and workshops versus only a few hundred chain stores. However, as income levels and discretionary spending increase, consumers have demonstrated a tendency to shift towards organized jewelry retail as they demand

consistent quality, premium purchase experience, and brand value. Organized market players are expected to expand their reach in underserved urban centers through multi-channel strategies, including D2C online sales. Combined with increased awareness of the potential for fraud and misrepresentation, the need for certifications is expected to also increase.

8. **Potential for expanding certification to lower-size diamonds**: Natural diamonds over 0.5 carats were typically certified, with costs under 2% of the retail value as of CY 2023. However, smaller diamonds face higher certification costs. Due to the increasing risk of adulteration and the need for authenticity assurance, the certification of smaller diamonds is expected to rise. In CY 2023, it is estimated that about 50% of natural diamonds under 0.5 carats were certified, compared to an overall estimated certification rate of around 65%. By CY 2028, this rate is expected to increase to 60%.

   For lab-grown diamonds (LGDs), some market players price these diamonds per piece rather than per carat, making the certification of smaller LGDs more viable. In CY 2023, ~45% of LGDs under 0.5 carats were estimated to be certified, compared to ~70% overall. By CY 2028, certification for these smaller LGDs is expected to rise to ~68%.

9. **Jewelry as an asset**: Appraisal certificates provide the monetary replacement value of the loose stones and studded jewelry for insurance purposes. Hence, when such jewelry is viewed as a financial asset, revisions to the appraisals are done to estimate the value of the diamond.

10. **Increasing second-hand market in diamond-studded jewelry**: De Beers began operating its second-hand diamond arm as early as CY 2016. With vintage jewelry sales on the rise, new platforms dedicated to pre-owned jewelry are emerging, reflecting a growing consumer trend toward rare pieces and iconic designs. In this case, certification verifies a diamond's attributes and assures its provenance and quality.

5. Competitive Landscape of the Loose Gemstone & Studded Jewelry Certification Market

The loose stones and studded jewelry certification market exhibits oligopolistic characteristics and is dominated by a few players, primarily due to the need to build up a strong reputation and credibility, alongside the requirement for specialized expertise and advanced equipment. These players tend to have offices in key diamond-consuming, polishing, and producing nations around the globe. With a legacy of approximately 50 years, the International Gemmological Institute (IGI) is one of the established reputed certifiers in the global market, along with the Gemological Institute of America (GIA) and Hoge Raad Voor Diamant (HRD) Antwerp. Among these, GIA is a nonprofit institute, and no other player among IGI peers is listed. More recent global players emerging in the 2000s competing with them include Gemological Science International (GSI) and Solitaire Gemmological Laboratories (SGL).

These characteristics arise due to the following key reasons – leading to high barriers to entry for new players:

- **Reputation & brand name**: Existing incumbents maintain a stronghold over certification service, with their legacy of operations acting as a proxy for trust and quality. Due to their long-standing presence and grading criteria, leading laboratories garnered trust and recognition from consumers and sellers.

- **High initial set-up costs**: Another prominent reason for high barriers to entry is high initial set-up costs, considering the cost of equipment and infrastructure. Scaling up also requires a similar presence across key locations - which could potentially deter competition.

- **Standard operating procedures (SOPs) and personnel**: The top laboratories have established education practices, providing them with a steady supply of high-quality talent. Their technological capabilities established SOPs and systems to train gemologists, thus acting as entry barriers.

- **Strategic partnerships**: Major laboratories often form partnerships with jewelry retailers, further solidifying their market position.

- **International accreditation**: Internal grading standards such as ISO often certify top laboratories. These stand as evidence to test the independence and quality of certification laboratories.

Similar oligopolistic characteristics are also evident in a few sectors, such as accounting and credit rating, where a select few firms dominate due to the high barriers to entry created by the need for established reputations. According to the International Accounting Bulletin annual survey, the Big Four giants – EY, Deloitte, KPMG, and PwC – dominate the global accounting market with over 74% market share in CY 2020. Their scale and resources allow them to invest heavily in technology, training, and global infrastructure, ensuring consistent service quality across regions and industries. They have built extensive networks and long-standing relationships with clients, and their reputation and brand recognition make them the preferred choice for large corporations and public companies.

Likewise, the trio – Moody's, S&P, and Fitch dominate the global credit rating industry. These agencies have been operating for over a century, building a strong reputation and brand recognition among investors and financial institutions. The Big Three have established a wide network of users, including investors, issuers, and regulators. Investors and financial institutions tend to be risk-averse and prefer to rely on established brands like the Big Three, creating a self-reinforcing cycle. Further, new entrants face regulatory barriers, such as the rigorous registration process of the US Securities and Exchange Commission (SEC) for Nationally Recognized Statistical Rating Organizations (NRSROs).

In this market, there also exist a few local and regional players. Key diamond markets such as the USA, China, and India have multiple players operating on a regional scale. Despite their local presence, they lack international offices and haven't scaled up globally as of CY 2023. On a global scale, reputation and brand names become important to establish a presence as a market leader.

In terms of global presence, GIA and IGI are the leading players, with a presence in 10+ countries and multiple laboratories across countries as of September 2024. IGI has the largest number of laboratories globally and the largest number of schools established, among the peers, as of September 30, 2024. In terms of revenue for CY2023, IGI is the world's second-largest independent certification and accreditation services provider among its global peers for diamonds, studded jewelry, and colored stones certifications. IGI commands a global market share of ~33% based on the number of certifications of diamonds, studded jewelry, and colored stones performed in CY 2023. It has a ~42% global market share based on the number of studded jewelry certifications and a global leader with ~65% market share based on the number of certifications of LGDs in the same year.

Figure 48: Competition Benchmarking (as of September 2024)

	GIA	IGI	HRD	GSI	SGL
# of labs	12	31	3[1]	14	16
# of schools	8	18	3	NA	3

Note(s): 1. Includes number of diamond labs only, excludes representative offices 2. # denotes number. The number of schools includes offline establishments only.
Source: Company websites

Global players are typically located across key markets in the USA, Hong Kong, Belgium, Türkiye, the UAE, and India. While the USA and Hong Kong are among the key consuming nations, India, the UAE, Türkiye, and Belgium are home to global diamond manufacturing and trading hubs such as Surat, Dubai, Istanbul, and Antwerp, respectively, in CY 2023. However, among the peer set, one of the players has exited the Turkish market.

Since ~95% of cutting and polishing takes place in India in CY 2023, India has also become a crucial center for certification. All global players house their laboratories in Mumbai – home to Bharat Diamond Bourse, the world's largest diamond bourse by area in CY 2022. In India, IGI India[6] was the first international laboratory for diamonds, studded jewelry, and colored stones certification to be established; it was also the first to provide certification and accreditation services among its global peers in 1999. In India, IGI India is the largest independent certification and accreditation services provider in terms of the number of certifications of diamonds, studded jewelry, and colored stones (~50% market share in the same) for CY 2023. IGI India also serves 9 of the top 10 jewelry chains in India[7]. As the largest certification services provider for lab-grown diamonds in India, IGI India serves more than 5 Indian growers of lab-grown diamonds with over INR 100 crores of revenue for FY 2023. As of September 30, 2024, IGI India has the largest pan-India laboratory network among its global peers for grading lab-grown diamonds, complemented by global reach, giving it a significant competitive advantage. Furthermore, IGI India took the initiative to establish its own signature event, D Show, which has evolved in the last 13 years to become a widely used platform in India for 100+ jewelry retailers, 80 jewelry manufacturers and 800+ visitors to engage and share insights, in CY 2024. Some significant certifications IGI India has undertaken include the jewelry adorned on the Ram Lalla idol in the Ram Mandir temple in Ayodhya, India, in January 2024, and the largest laboratory-grown diamond[8] weighing 75.33 carats, 'Celebration of India' as of September 30, 2024.

These players also operate as centers of learning and research, and offerings extend from gemological analysis to product offerings such as screening equipment for diamond grading and analysis. All global players have their gemological schools. Among its global peers, IGI has the largest number of laboratories globally and the largest number of schools established as of September 30, 2024. Schools serve the purpose of both training gemologists and raising awareness about the importance and

[6] International Gemmological Institute (India) Limited (formerly known as International Gemmological Institute (India) Private Limited) ("**IGI India**")
[7] Top jewelry chains by revenue in FY 2024
[8] Emerald-cut LGD

process of diamond screening and grading. This also serves as a gateway to promote the player's distinct grading standards by training the workforce for the same.

Even though the industry standard of grading diamonds based on the 4Cs is the largely prevalent and accepted metric of grading, this judgment is subjective, and it can vary among institutions and gemologists themselves. Reliance on human judgment, variability in lighting and equipment, variability in master stone sets (a lineup of diamonds that have predetermined characteristics used as a reference point to grade diamonds) and the complexity of the diamonds' inherent properties are certain factors leading to the subjectivity in the diamond grading process. Different graders may perceive inclusions, blemishes, and color variations differently, influenced by their experience and visual assessment conditions. Due to this subjective element, there is tolerance in the industry for a diamond rating. For example, a diamond can be off by one letter grade in color grading result meaning one lab may grade a particular diamond to be an 'E' color while another can evaluate it as an 'F.' Grading methodology also differs across stone type and shape, whether studded or not.

IGI is one of the three players that offer a full stack of comprehensive offerings among the peer set, covering grading and classification services across different stone types.

Figure 49: Grading and Classification Services Benchmarking (as of September 2024)

		GIA	IGI	HRD	GSI	SGL
Loose	Natural diamond	✓	✓	✓	✓	✓
	Lab-grown diamond	✓	✓	✓	✓	✓
	Coloured diamond	✓	✓	✓	✓	✓
Finished jewellery		✗	✓	✓	✓	✓
Hearts & arrows		✗	✓	✓	✓	✓
Appraisals		✗	✓	✗	✓	✓
Sorting & Screening		✓	✓	✓	✓	✓

Source: Company websites

The primary and prevalent offerings include loose gemstone grading for natural diamonds, lab-grown diamonds, and colored stones. Not all players, however, take up grading for other colored stones, such as pearls, which have very distinct standards. Diamonds, however, are typically graded on cut, clarity, color, and carat weight. Clients can opt for additional add-on services such as laser inscription of the certification number, origin reports, audits for quality checks, previous metal testing, photography, damage analysis, etc. In terms of revenue for CY2023, IGI is the world's second-largest independent certification and accreditation services provider among its global peers for diamonds, studded jewelry, and colored stones certifications in CY 2023. Since May 2023, IGI has been wholly owned by BCP Asia II TopCo Pte. Ltd., which is an affiliate of funds managed and/or advised by affiliates of Blackstone, the world's largest alternative asset manager, based on assets under management of $ 1,107.63 billion as of September 30, 2024. For the certification and accreditation of lab-grown diamonds, which is the fastest growing sub-segment within the overall jewelry market with a CAGR of ~19% from CY 2019 to CY 2023 (in terms of value), IGI is the leader with ~65% of the global market share in the number of certifications for the year CY 2023. IGI, GSI, and SGL are firms that provide comprehensive certification across loose stones and studded jewelry.

One of the crucial add-on services is the cut analysis for Hearts and Arrows. Round-cut diamonds tend to exhibit hearts and arrows when examined from the pavilion and the crown of the diamond, respectively. However, a diamond can have a top grading in cut and clarity – but not exhibit Hearts and arrows. This is why Hearts and Arrows is tested independently and is considered a sign of superior craftsmanship. IGI Belgium was one of the earliest among its global peers to introduce the "Hearts & Arrows" diamond reports to the consumer market in 1998.

Another important add-on service taken by jewelers and consumers alike is appraisals of loose stones and studded jewelry for either insurance or financial investment purposes. However, very few laboratories offer appraisals of studded jewelry, even though natural diamonds are seen by many as financial/mortgage objects.

In summary, the loose stones and studded jewelry certification market's oligopolistic nature, driven by high entry barriers, including established reputations of the incumbents, and the strategic importance of global presence, ensures that leading players maintain their dominance, underscoring the critical role of trust, credibility, and comprehensive service offerings in shaping the industry's future.

6. Industry Threats and Challenges

Major threats faced by the loose stones and studded jewelry certification industry are as follows:

- **Volatility in global diamond prices**: Fluctuations in diamond prices, influenced by factors like supply, demand, and economic conditions, can impact the demand for certification services. During periods of low prices, demand for certification may decrease as traders and retailers become more price-sensitive.

- **Technological advancements in counterfeiting and synthetic production**: Improved technologies in creating synthetic stones and treatments can make it increasingly difficult to distinguish between natural and lab-grown with treated diamonds. This necessitates significant investments in state-of-the-art equipment and highly trained personnel.

- **Reputation and Trust issues**: Any incidents of fraud, inaccuracies in certification, or involvement in unethical practices can severely damage the reputation of certification bodies.

- **Technological disruption and automation**: Advancements in AI, machine learning, and spectroscopy could lead to automated grading and identification, potentially reducing the need for human expertise and changing the dynamics in the industry.

- **Counterfeiting of colored stone certificates**: The presence of counterfeit certificates devalues the trust associated with genuine certifications. This necessitates continuous investment in advanced security features and anti-counterfeiting measures.

- **Advancements in colored stone treatments and synthesis technologies**: The continuous advancement of colored stone treatment and synthesis technologies makes it challenging for laboratories like IGI to stay ahead of the curve in detecting new treatments and synthetic stones.

- **Economic downturns**: Economic downturns, such as the one experienced during the COVID-19 pandemic, result in reduced disposable income, impacting luxury goods purchases, including jewelry. This can lead to a decline in demand for certification services, affecting IGI's revenue.

- **Geopolitical risk**: Geopolitical risks and conflicts in diamond-producing, trading, or processing regions can disrupt the supply chain, making it difficult for IGI to access diamonds for certification. This can lead to delays in service delivery and potential loss of revenue.

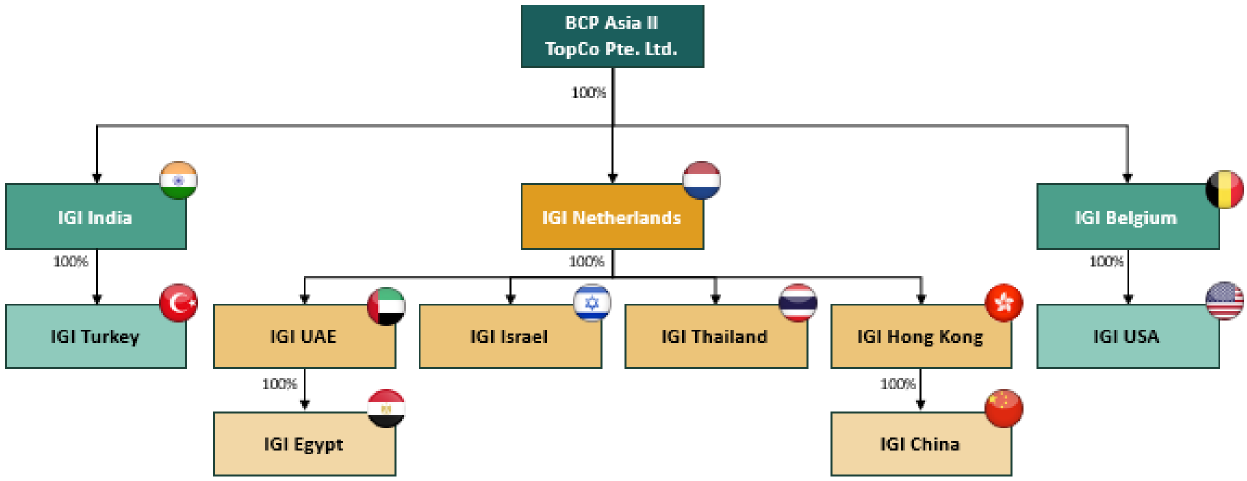
- **Environment and ethical concerns**: Concerns about the environmental and social impact of diamond mining could lead to a decrease in demand for natural diamonds and related services. Increased awareness of "blood diamonds" and ethical sourcing issues may further fuel this trend.

The loose stones and studded jewelry certification industry faces a dynamic risk landscape. By proactively identifying and addressing these risks, the industry can continue to play a vital role in ensuring consumer trust and maintaining the integrity of the diamond trade.

PROPOSED ACQUISITIONS

As on the date of this Prospectus, our Company, IGI Belgium (which holds the IGI Belgium Group) and IGI Netherlands (which holds the IGI Netherlands Group) are held by our Promoter, namely BCP Asia II TopCo Pte. Ltd. IGI Belgium and IGI Netherlands, together with their respective subsidiaries, are responsible for operation of the IGI business outside of India and Türkiye, where our Company and its Subsidiary operates their business. As part of our proposed restructuring, our Company proposes to utilize a portion of the Net Proceeds towards acquiring 100% of the share capital of IGI Belgium and IGI Netherlands from the Promoter. Following the completion of such acquisition, our Company will become the 100% shareholder of IGI Belgium and IGI Netherlands, and will be responsible for operation of the IGI business globally.

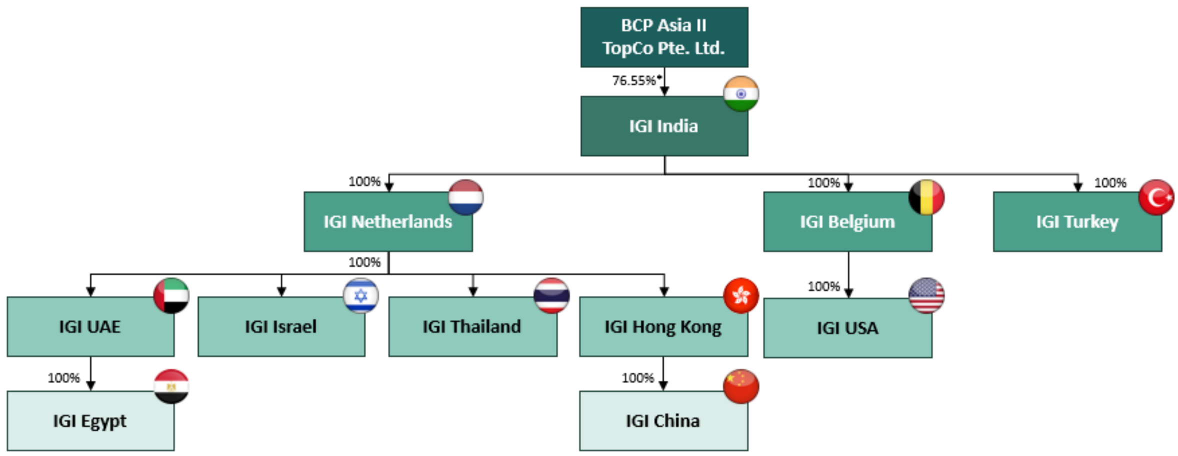
Set out below is existing holding structure of the global IGI Business as on the date of this Prospectus:



Note: IGI China includes entities incorporated in China namely, IGI Shanghai Consulting, IGI Shanghai Training, IGI Shanghai Testing and IGI Shenzhen. IGI Shanghai Consulting and IGI Shanghai Training are wholly owned subsidiaries of IGI Hong Kong. IGI Shenzhen and IGI Shanghai Testing are wholly owned subsidiaries of IGI Shanghai Consulting.

Proposed holding structure of the Post-Acquisition Group

Pursuant to the completion of the Proposed Acquisitions, the IGI Belgium Group and the IGI Netherlands Group are proposed to be held entirely by our Company, and accordingly our Company will be responsible for operation of the IGI business globally. The proposed holding structure of the Post-Acquisition Group pursuant to the Proposed Acquisitions is set out below:



**Subject to finalisation of Basis of Allotment.*
Note: IGI China includes entities incorporated in China namely, IGI Shanghai Consulting, IGI Shanghai Training, IGI Shanghai Testing and IGI Shenzhen. IGI Shanghai Consulting and IGI Shanghai Training are wholly owned subsidiaries of IGI Hong Kong. IGI Shenzhen and IGI Shanghai Testing are wholly owned subsidiaries of IGI Shanghai Consulting.

Details of the IGI Belgium Group and the IGI Netherlands Group

1. IGI Belgium Group

The IGI Belgium Group comprises International Gemmological Institute BV and its subsidiary, International Gemological Institute, Inc.

*(a) International Gemmological Institute BV ("**IGI Belgium**")*

Corporate information

IGI Belgium was incorporated on June 30, 1975, as a private limited liability company under the Companies and Association Code 2019. Its registered office is situated at Schupstraat 1-7, 2018 Antwerp, Belgium. The corporate identification number of the IGI Belgium is 0415.201.273.

Nature of Business

The principal business of IGI Belgium is, among others, to carry on the business of diamond screening and detection services (authenticity and quality assessment and issuance of diamond certificates and reports), diamond sorting services, laser scribing of diamonds, and courses in gemology.

Capital structure

As on the date of this Prospectus, IGI Belgium has 750 ordinary shares without nominal value which have been issued and paid up.

Shareholding pattern

The shareholding pattern of IGI Belgium as on the date of this Prospectus is set out below:

Sr. No.	Name of the shareholder	Number of ordinary shares	Percentage of total ordinary share capital (%)
1.	BCP TopCo	750	100

*(b) International Gemological Institute, Inc. ("**IGI USA**")*

Corporate information

IGI USA was incorporated as a domestic business corporation on March 26, 1979 under the laws of the State of New York. The registered office of IGI USA is at 545 Fifth Avenue, 11th floor, New York, NY 10017, USA. The New York Department of State identification number of IGI USA is 547101.

Nature of Business

The principal business of IGI USA is, among others, to carry on the business of diamond and gemstone identification and appraisal.

Capital structure

As of the date of this Prospectus, the authorized capital stock of IGI USA consists of 200 shares of preferred voting stock and 200 shares of common stock. The issued shares of capital stock of IGI USA consists of 100 shares of preferred voting stock and 100 shares of common stock.

Shareholding pattern

The shareholding pattern of IGI USA as on the date of this Prospectus is set out below:

Serial No.	Name of the Shareholder	Class of Stock	Number of Shares
P-1	International Gemmological Institute BVBA	Preferred Voting Stock	100

Serial No.	Name of the Shareholder	Class of Stock	Number of Shares
C-1	International Gemmological Institute BVBA	Common Stock	100

2. IGI Netherlands Group

The IGI Netherlands Group comprises IGI Netherlands B.V., its subsidiaries IGI UAE, IGI Israel, IGI Thailand and IGI Hong Kong, and its step-down subsidiaries, IGI Egypt, IGI Shanghai Consulting, IGI Shenzhen, IGI Shanghai Training and IGI Shanghai Testing

*(a) IGI Netherlands B.V. ("**IGI Netherlands**")*

Corporate information

IGI Netherlands was incorporated as a private limited liability company on 22 October 2018 under the laws of the Netherlands. The registered office of IGI Netherlands is situated at Basisweg 10, 1043AP Amsterdam. The corporate identification number of the IGI Netherlands is 72894938.

Nature of Business

IGI Netherlands is a holding company, which holds entities under the IGI Netherlands Group, and does not have any business operations.

Capital structure

As on the date of this Prospectus, the authorised share capital of IGI Netherlands is € 100 divided into 1,000 ordinary shares of € 0.10 each. The issued, subscribed and paid-up equity share capital of IGI Netherlands is € is € 100 divided into 1,000 ordinary shares of € 0.10 each.

Shareholding pattern

The shareholding pattern of IGI Netherlands as on the date of this Prospectus is set out below:

Name of the shareholder	Number of ordinary shares of € 0.10 each	Percentage of total ordinary share capital (%)
BCP TopCo	1,000	100.00

*(b) International Gemological Institute DMCC ("**IGI UAE**")*

Corporate information

IGI UAE was incorporated on May 21, 2012 as private limited under U.A.E. New Commercial Companies Law No. 2 of 2015. The registration no. of IGI UAE is DMCC3296. and its office is situated at Unit No. 27, A B C G & H, Almas Tower, Jumeirah Lakes Towers, Dubai, United Arab Emirates.

Nature of Business

The principal business of IGI UAE is, among others, to carry on the business of technical and occupational skill training, diamond & precious gemstones testing laboratory, gold and precious metal testing laboratory, jewelry designing, and professional and management development training.

Capital structure

As on the date of this Prospectus, the authorised share capital of IGI UAE is AED 200,000 divided into 200 equity shares of AED 1,000 each. The issued, subscribed and paid-up equity share capital of IGI UAE is AED 200,000 divided into 200 equity shares of AED 1,000 each.

Shareholding pattern

The shareholding pattern of IGI UAE as on the date of this Prospectus is set out below:

Name of the shareholder	Number of shares	Percentage of total share capital (%)
IGI Netherlands	200	100.00

(c) *I.G.I International Gemmological Institutes (Israel) Ltd. ("**IGI Israel**")*

Corporate information

IGI Israel was incorporated on May 28, 1995 as private limited under the Companies Ordinance [new version], 5733-1983. The corporate identification number of IGI Israel is 512154857. The registered office of IGI Israel is situated at Yahalom Building, 31st floor, Room 78, Tuval 21, Ramat Gan, Israel.

Nature of Business

The principal business of IGI Israel is, among others, to carry on the business of grading and certification services.

Capital structure

As on the date of this Prospectus, the authorised share capital of IGI Israel is ILS 25,000 divided into 25,000 equity shares of ILS 1 each. The issued, subscribed and paid-up equity share capital of IGI Israel is ILS 1,000 divided into 1,000 equity shares of ILS 1 each.

Shareholding pattern

The shareholding pattern of IGI Israel as on the date of this Prospectus is set out below:

Name of the shareholder	Number of shares	Percentage of total share capital (%)
IGI Netherlands B.V.	1,000	100.00

(d) *International Gemmological Identification (Thailand) Limited ("**IGI Thailand**")*

Corporate information

IGI Thailand was incorporated on June 5, 1997 as private limited under the Laws of the Kingdom of Thailand. The corporate identification number of IGI Thailand is 0105540053361. The registered office of IGI Thailand is situated at 3rd Fl, BGI Building, 9, Soi Charoenkrung 36, Charoenkrung Road, Bangrak, Bangkok - 10500.

Nature of Business

The principal business of IGI Thailand is, among others, to carry on the business of verification, analysis and evaluation of quality and price of diamonds, gems and precious stones including issuing certificate for quality test.

Capital structure

As on the date of this Prospectus, the authorised share capital of IGI Thailand is THB 3,200,000 divided into 32,000 ordinary shares of THB 100 each. The issued, subscribed and paid-up equity share capital of IGI Thailand is THB 3,200,000 divided into 32,000 ordinary shares of THB 100 each.

Shareholding pattern

The shareholding pattern of IGI Thailand as on the date of this Prospectus is set out below:

Name of the shareholder	Number of shares	Percentage of total share capital (%)
IGI Netherlands	32,000#	100.00

 # Includes two ordinary shares of THB 100 each, one each held by Robert Martha L Van Es and Yaowaluck Rajidchameegrn, as nominees of IGI Netherlands.

(e) *International Gemological Institute (HK) Limited (“**IGI Hong Kong**”)*

Corporate information

IGI Hong Kong was incorporated as a private limited on July 13, 2004 under the Companies Ordinance (Chapter 32) with the Registrar of Companies, Hong Kong Special Administrative Region. The corporate identification number of IGI Hong Kong is 34729955. The registered office of IGI Hong Kong is at Unit 705, 7/F Fu Hang Industrial Building, 1 Hok Yuen Street East, Hung Hom, Kowloon.

Nature of Business

The principal business of IGI Hong Kong is, among others, to carry on the business of provision of scientific laboratory services for the identification and grading of diamonds and colored stones and investment holding.

Capital structure

As on the date of this Prospectus, the authorised share capital of IGI Hong Kong is HKD 15,601,000 divided into 15,601,000 shares of HKD 1 each. The issued, subscribed and paid-up equity share capital of IGI Hong Kong is HKD 15,601,000 divided into 15,601,000 ordinary shares of HKD 1 each.

Shareholding pattern

The shareholding pattern of IGI Hong Kong as on the date of this Prospectus is set out below:

Name of the shareholder	Number of shares	Percentage of total share capital (%)
IGI Netherlands	15,601,000	100.00

(f) *International Gemological Institute for Jewelry and Precious Stones (IGI) (“**IGI Egypt**”)*

Corporate information

IGI Egypt was incorporated as a private limited on November 20, 2022 under the laws of Egypt with the Egypt Investment Authority. The corporate identification number of IGI Egypt is 197515. The registered office of IGI Egypt is at Kamaleldin Hussein Street, Heliopolis, 7th Floor, Building No. 12, Cairo, Egypt - 11361.

Nature of Business

The principal business of IGI Egypt is, among others, to carry on the business of gemmological consultation for gemstones and jewellery, grading diamond, gemstones and jewellery, and running training courses to improve skills.

Capital structure

As on the date of this Prospectus, the authorised share capital of IGI Egypt is $82,000 divided into 8,200 equity shares of $10 each. The issued, subscribed and paid-up equity share capital of IGI Egypt is $82,000 divided into 8,200 equity shares of $10 each.

Shareholding pattern

The shareholding pattern of IGI Egypt as on the date of this Prospectus is set out below:

Name of the Shareholder	Number of Shares	Percentage of total share capital (%)
International Gemological Institute DMCC	8,200	100.00

(g) *IGI (Shanghai) Business Consulting Company Limited (“**IGI Shanghai Consulting**”)*

Corporate information

IGI Shanghai Consulting was incorporated as a limited company on October 11, 2013 under the Chinese Company Law. The corporate identification number of IGI Shanghai Consulting is 91310115078169674G. The registered office of IGI Shanghai Consulting is at Unit 02, 12/F, Building 2, No. 600 Zhongshan East 2nd Road, Huangpu District, Shanghai, China.

Nature of Business

IGI Shanghai Consulting is, among others, authorised to carry on the business of business information consulting (excluding financial information); marketing planning; business management consulting; retail, wholesale, import and export and commission agency (excluding auction) of office supplies, stationery supplies, paper products, toys, animation and amusement supplies, metal tools, optical instruments, arts and crafts and ceremonial items (excluding ivory and its products), daily necessities, textiles, lighting apparatus, and provision of related supporting services.

Capital structure

As on the date of this Prospectus, the authorised share capital and paid-in capital of IGI Shanghai Consulting is HKD 16,080,000.

Shareholding pattern

The shareholding pattern of IGI Shanghai Consulting as on the date of this Prospectus is set out below:

Sr. No.	Name of the shareholder	Registered Capitals Subscribed	Percentage of total ordinary share capital (%)
1.	IGI Hong Kong	HKD 16,080,000	100.00

(h) *IGI (Shenzhen) Jewelry Testing Co., Ltd. (“**IGI Shenzhen**”)*

Corporate information

IGI Shenzhen was incorporated as a limited liability on November 5, 2019 under the Chinese Company Law. The corporate identification number of IGI Shenzhen is 91440300MA5FX1DL73. The registered office of IGI Shenzhen is at Room 1501, Jinzhan Jewelry Plaza, No. 20 Shuibeiyi Road, Cuijin Community, Cuizhu Street, Luohu District, Shenzhen, China.

Nature of Business

IGI Shenzhen is, among others, authorised to carry on inspection and testing of jewelry, jade, diamonds and precious metals and related technical consulting services; information consulting (excluding talent intermediary services, securities, futures, insurance, financial services and other restricted items); purchase, sale and design of jewelry testing instruments and equipment; educational information consulting (excluding educational training and other restricted items); business management consulting.

Capital structure

As on the date of this Prospectus, the authorised share capital of IGI Shenzhen is ¥ 6,000,000 and the paid-in capital of IGI Shenzhen is ¥ 3,100,000. Based on the latest statutory contribution requirements, IGI Shanghai Consulting should pay up the remaining registered capital, i.e., ¥ 2.9 million no later than June 30, 2032 (or pursuant to other statutory requirements in extreme circumstances such as Shenzhen certification's insolvency and/or liquidation proceedings).

Shareholding pattern

The shareholding pattern of IGI Shenzhen as on the date of this Prospectus is set out below:

Sr. No.	Name of the shareholder	Registered Capitals Subscribed	Percentage of total ordinary share capital (%)
1.	IGI Shanghai Consulting	¥6,000,000	100.00

(i) *IGI (Shanghai) Gemological Research and Testing Ltd.("**IGI Shanghai Testing**")*

Corporate information

IGI Shanghai Testing was incorporated as a limited liability on March 13, 2020 under the Chinese Company Law. The corporate identification number of IGI Shanghai Testing is 91310101MA1FPH670M. The registered office of IGI Shanghai Testing is at Unit 01, 12/F, Building 2, No. 600 Zhongshan East 2nd Road, Huangpu District, Shanghai.

Nature of Business

IGI Shanghai Testing is, among others, authorised to engage in technical consulting, technology development and technical services in the field of jewelry, jade and precious metals testing, and business information consulting.

Capital structure

As on the date of this Prospectus, the authorised share capital and paid-in capital of IGI Shanghai Testing is ¥ 6,200,000.

Shareholding pattern

The shareholding pattern of IGI Shanghai Testing as on the date of this Red Herring Prospectus is set out below:

Sr. No.	Name of the shareholder	Registered Capitals Subscribed	Percentage of total ordinary share capital (%)
1.	IGI Shanghai Consulting	¥6,200,000	100.00

(j) *IGI (Shanghai) Gemological Training Co., Ltd. ("**IGI Shanghai Training**")*

Corporate information

IGI Gemological Training was incorporated as a limited liability on January 29, 2021 under the Chinese Company Law. The corporate identification number of IGI Shanghai Training is 91310000MA1FL7PH4R. The registered office IGI Shanghai Training is at Unit 03, 12/F, Building 2, No. 600 Zhongshan East 2nd Road, Huangpu District, Shanghai.

Nature of Business

IGI Shanghai Training is, among others, authorised to impart professional skills training (training of precious metal jewelry, gemstone and jade inspectors and jewelry designers).

Capital structure

As on the date of this Prospectus, the authorised share capital and paid-in capital of IGI Shanghai Training is HKD 1,450,000.

Shareholding pattern

The shareholding pattern of IGI Shanghai Training as on the date of this Prospectus is set out below:

Sr. No.	Name of the shareholder	Registered Capitals Subscribed	Percentage of total ordinary share capital (%)
1.	IGI Hong Kong	HKD 1,450,000	100.00

Description of the Share Purchase Agreement

The share purchase agreement ("**SPA**") entered into between our Company and Promoter for the sale and purchase of equity shares ("**Sale Shares**") of IGI Netherlands and IGI Belgium (collectively, "**Target Companies**") was executed on August 22, 2024 and an addendum to the SPA was executed on November 29, 2024. The closing of the Proposed Acquisitions shall occur on the date on which the listing and trading approval is obtained by our Company from BSE and NSE for listing and trading of the Equity Shares ("**Closing Date**") i.e., on or about December 19, 2024.

Purchase Considerations

The aggregate purchase consideration for the Proposed Acquisitions is based on a total enterprise value aggregating $ 163.00 million (equivalent to ₹ 13,646.31 million ($1= ₹83.72 as of September 30, 2024 as per the Unaudited Pro Forma Condensed Combined Financial Information)) ("**Aggregate Enterprise Value**"), as adjusted for working capital, debt and surplus cash, if any, basis audited accounts, in accordance with the terms of the Share Purchase Agreement. As on the date of this Prospectus, the Aggregate Enterprise Value, as adjusted for working capital, debt and surplus cash basis audited accounts, as of September 30, 2024 aggregates to $ 158.20 million (equivalent to ₹ 13,244.63 million ($1= ₹83.72 as of September 30, 2024 as per the Unaudited Pro Forma Condensed Combined Financial Information)) ("**Aggregate Equity Value**"). As agreed to pursuant to the Share Purchase Agreement, the final purchase consideration, subject to adjustments at closing is not more than 20% of the aggregate equity value.

a. The purchase consideration for the proposed acquisition of IGI Belgium is based on a total enterprise value aggregating $ 80.00 million (equivalent to ₹6,697.58 million ($1= ₹83.72 as of September 30, 2024 as per the Unaudited Pro Forma Condensed Combined Financial Information)) ("Belgium Aggregate Enterprise Value"), as adjusted for working capital, debt and surplus cash, if any, basis audited accounts, in accordance with the terms of the Share Purchase Agreement. As on the date of this Prospectus, the Belgium Aggregate Enterprise Value, as adjusted for working capital, debt and surplus cash basis audited accounts, as of September 30, 2024 aggregates to $ 69.76 million (equivalent to ₹5,840.41 million ($1= ₹83.72 as of September 30, 2024 as per the Unaudited Pro Forma Condensed Combined Financial Information)) ("**Belgium Aggregate Equity Value**").

b. The purchase consideration for the proposed acquisition of IGI Netherlands is based on a total enterprise value aggregating $83.00 million (equivalent to ₹6,948.73 million ($1= ₹83.72 as of September 30, 2024 as per the Unaudited Pro Forma Condensed Combined Financial Information)) ("Netherlands Aggregate Enterprise Value"), as adjusted for working capital, debt and surplus cash, if any, basis audited accounts, in accordance with the terms of the Share Purchase Agreement. As on the date of this Prospectus, the Netherlands Aggregate Enterprise Value, as adjusted for working capital, debt and surplus cash basis audited accounts, as of September 30, 2024 aggregates to $88.44 million (equivalent to ₹ 7,404.22 million ($1= ₹83.72 as of September 30, 2024 as per the Unaudited Pro Forma Condensed Combined Financial Information)) ("**Netherlands Aggregate Equity Value**").

Conditions Precedent to Closing

The purchase of Sale Shares under the SPA is subject to the following conditions, namely, (a) our Promoter ensuring that each of the Target Companies obtains and delivers a tax valuation report to our Company and Promoter, with respect to the fair market value of the Sale Shares as per Section 56(2)(x) of the Income-tax Act, from a chartered accountant or a category I merchant banker registered with SEBI; (b) with respect to each of the Target Companies, our Company obtaining and delivering a valuation report in compliance with the Foreign Exchange Management (Overseas Investment) Rules, 2022, in a form as acceptable to the relevant authorised dealer bank; (c) our Company obtaining listing and trading approval from the Stock Exchanges; (d) the absence of any judgment, injunction or restraining order by any authority, after the date of the SPA, that restrains or prohibits the transactions contemplated under the SPA, unless such event has been resolved through a final, non-appealable order and no authority having instituted any investigation or proceeding that would reasonably be expected to likely result in such judgement, injunction, order or decree; and (e) there having been no law enacted, entered, promulgated or enforced by any authority after the date of the SPA, which restricts or prohibits the transactions contemplated under the SPA. Further, our Company was required to inform our Promoter of the proposed date of filing of the Red Herring Prospectus at least ten business days prior to such filing and on the date of filing of the Red Herring Prospectus, deliver a letter confirming to our Company that all warranties by our Promoter under the SPA are true and correct as of the date of the SPA and the date of filing of the Red Herring Prospectus and the Closing Date, that all the warranties in respect of the Target Companies and their

Subsidiaries ("**Target Group Companies**") are true and correct as of the date of the SPA and the date of filing of the Red Herring Prospectus, and the Closing Date, and that no material adverse effect has occurred.

Representations and Warranties

Our Company and our Promoter have provided the following warranties to each other under the SPA, which *inter alia* include, (a) they are validly incorporated, in valid existence and are duly registered under the laws of their respective jurisdictions of incorporation; (b) they have requisite power and authority to enter into and perform their obligations under the SPA, and to consummate the transactions contemplated thereunder, they have obtained all corporate approvals and/or regulatory approvals (if any) necessary to execute, and perform their obligations under the SPA; and the SPA constitutes legal, valid and binding obligations of each of our Company and our Promoter; (c) the execution of the SPA does not result in breach of any constitutional documents of our Company or our Promoter or any other instrument or law to which our Company or Promoter are a party or by which they are bound, where such conflict or default (as the case may be) would adversely affect to a material extent their ability to perform their obligations under the SPA; (d) our Promoter is the sole legal and beneficial owner of the Sale Shares, which have been issued and acquired in compliance with applicable law and our Promoter is entitled to sell and transfer ownership of the Sale Shares to our Company; and (e) our Company or our Promoter are not insolvent and no notice of bankruptcy or insolvency proceedings which have been/ to be initiated against them have been received by them and no resolution for winding up or liquidation have been passed by their shareholders or creditors. The warranties have been provided as on the date of execution of the SPA, the date of filing of the Red Herring Prospectus and the Closing Date.

Our Promoter has also provided certain warranties to our Company under the SPA in relation to the Target Group Companies, which *inter alia*, include, (a) the Target Group Companies are validly incorporated, in existence and duly registered and have the corporate power and authority (including under their respective constitutional documents) to own, use and operate their respective assets and to carry on their respective businesses in all material respects as conducted up to the date of filing of the Red Herring Prospectus or the Closing Date, as applicable; (b) their outstanding and issued share capital is duly authorized, validly issued and all shares are fully paid-up; (c) the Target Group Companies have not issued any other shares or instruments, whether convertible, non-convertible securities or securities exchangeable for shares to any person; (d) each of them has carried out its business in material compliance with all laws in all material aspects and shall continue to do so until the date of filing of the Red Herring Prospectus or the Closing Date, as applicable; (e) there are no material labour disputes subject to any grievance procedure, arbitration or litigation, that are currently outstanding/unresolved and there is no representation petition pending or to the knowledge of our Promoter, threatened, with respect to any of the employees' of the Target Group Companies in his/ her capacity as an employee; (f) there is no material action, suit, proceeding, claim, arbitration or investigation pending or to its best knowledge, threatened in writing against it which (i) is or is likely to individually, or in aggregate, have a material adverse effect, (ii) is criminal in nature, or (iii) seeks non-monetary or equitable remedies against any Target Group Companies (g) other than as provided in the SPA, the Target Group Companies do not have any subsidiaries and do not currently own any shares in the capital of or any interest in, or control, directly or indirectly, any corporation or any joint venture; (h) each Target Group Company's registers, statutory books, books of account and other records of whatsoever kind which are required to be maintained under law are maintained in accordance with law, in all material aspects; (i) each Target Group Company is not insolvent or unable to pay its debts within the meaning of any laws relating to insolvency binding upon it; (j) each Target Group Company is not subject to any bankruptcy or insolvency order in any jurisdiction; (k) each Target Group Company has not received a notice of any insolvency or bankruptcy proceedings been/ to be initiated against it; (l) no resolution has been passed by the shareholders or creditors of each Target Group Company for its winding up or liquidation; (m) there has been no material breach or event of default under any borrowing or financing documents entered into by each Target Group Company; (n) each Target Group Company has filed or caused to be filed in a timely manner all material tax returns required to be filed by such Target Group Company and all material due taxes have been paid, other than those being contested in good faith; (o) no Target Group Company has received any written notice from any authority with respect to any material tax investigation or tax claim; and (p) each Target Group Company has obtained and maintained the insurance policies as required by law in relation to its business. No warranties pertaining to the Target Group Companies have been provided for the period prior to May 19, 2023 (i.e. the date on which our Promoter acquired the Target Group Companies).

In terms of the SPA, our Promoter has delivered a disclosure letter dated August 22, 2024 and an updated disclosure letter dated December 6, 2024 to our Company, setting out certain matters as disclosed in the Red Herring Prospectus, to the extent of which the warranties in relation to the Target Companies would stand qualified.

Indemnification

Our Promoter has agreed to indemnify and hold harmless our Company, its Directors, officers and employees (together, "**Company Indemnified Parties**") from and against any and all losses incurred, sustained or suffered by our Company as a result of, arising out of, or relating to a breach of warranties provided by our Promoter and warranties provided by the Target Group Companies.

Upon closing, our Promoter will assign the benefit of: (i) warranties with respect to the Target Group Companies provided to our Promoter by Alpha Yu B.V. and Lorie Holding B.V pursuant to the share purchase agreement dated May 19, 2023 pursuant to which our Promoter acquired the shareholding of our Company from Alpha Yu B.V. and Lorie Holding B.V. ("**May 2023 SPA**"); and (ii) buyer warranty and indemnity insurance policy ("**W&I Insurance Policy**") provided to our Promoter in respect of breach of warranties, and indemnities, provided by Alpha Yu B.V. and Lorie Holding B.V to our Promoter pursuant to the

May 2023 SPA, to the extent applicable to the Target Group Companies, subject to receipt of necessary consents from applicable third parties for such assignment. The Company Indemnified Parties may make a claim against our Promoter for any breach of its warranties, only after it has exhausted all means of recourse available under (and it has recovered all amounts recoverable by it under) W&I Insurance Policy. Our Promoter's liability in respect of any warranty shall be reduced by an amount equal to any loss or damage to which the claim related to which has actually been recovered under the W&I Insurance Policy or the May 2023 SPA, which amount shall not include any costs incurred in making such recovery which has not been recovered. The W&I Insurance Policy is subject to certain limitations, including certain limitations upon the warranties provided under the May 2023 SPAs, as well as a limit on liability of $50.00 million (equivalent to ₹ 4,186.00 million ($1= ₹83.72 as of September 30, 2024 as per the Unaudited Pro Forma Condensed Combined Financial Information)) in aggregate for the entire policy period.

Limitation of Liability

In terms of the SPA, our Promoter shall not be liable for any claims in relation to breach of its warranties unless a notice of such claim is given by our Company to our Promoter within three years from closing, and in relation to breach of the warranties provided in relation to the Target Group Companies unless a notice of such claim is given by our Company within two years of the Closing Date. The aggregate liability of our Promoter in respect of all claims under the SPA arising out of or in connection with the warranties provided by our Promoter (i) in respect of itself shall not exceed an amount equal to 100% of the aggregate consideration, and (ii) in respect of the Target Group Companies, shall not exceed an amount equal to 10% of the aggregate consideration. Provided that the aggregate liability of our Promoter in respect of all claims under the SPA shall not exceed an amount equal to 100% of the aggregate consideration. None of the Company Indemnified Parties shall be entitled to indemnification, damages or other payment from our Promoter in respect of any indemnification claims under the SPA which are for an amount of less than 0.25% of the aggregate purchase consideration, and in respect of any claim unless the aggregate of all such claims collectively against our Promoter exceeds 1% of the aggregate purchase consideration, after which such Company Indemnified Parties shall only be entitled to claim the amount of loss suffered or incurred that exceeds 1% percent of the aggregate purchase consideration. The Company Indemnified Parties may, at their discretion, make claims as they arise, but shall be entitled to receive payment from our Promoter only once the aggregate of all such claims exceeds 1% percent of the aggregate purchase consideration.

Further, our Promoter shall not be liable for (a) any liability which is contingent, until such contingent liability becomes an actual liability and is due and payable; and (b) loss which has been made good or otherwise compensated for without cost to the Company Indemnified Party. The Company Indemnified Party (at the cost of our Promoter) shall procure that reasonable steps are taken, and reasonable assistance is given, in each case in accordance with applicable law, to avoid or mitigate any losses which in the absence of mitigation might give rise to a liability in respect of any claim made by it under the SPA.

Our Promoter's liability in respect of any warranty provided under the SPA shall be reduced by an amount equal to any loss or damage to which the claim related to which has actually been recovered under the W&I Insurance Policy or the May 2023 SPA, which amount shall exclude any costs incurred in making such recovery, which has not been recovered.

Further, our Promoter shall not be liable for any claim to the extent that it would not have arisen but for, or has been increased or not reduced as a result of, any voluntary act, omission or transaction carried out: (i) after the Closing Date, by our Company (or its respective directors, employees or agents or successors in title or any of its affiliates) outside the ordinary and usual course of business of the Target Group Companies as at the Closing Date, unless such act, omission or transaction is carried out pursuant to a legally binding commitment created by the Target Group Company or our Promoter on or before the Closing Date (subject to applicable law); or (ii) before the Closing Date, by our Promoter or its affiliates acting at the written direction or written request or with the written approval of our Company.

No Company Indemnified Party shall be entitled to claim for any loss of profit, loss of goodwill or possible business after closing, whether actual or prospective, or for any punitive, special, indirect or consequential loss except for any loss of profit, loss or goodwill or possible business or consequential loss which are reasonably foreseeable or otherwise determined to be direct damages.

Termination

Before the Closing Date, the SPA could be terminated at any time prior to filing of the Red Herring Prospectus in the following circumstances, *inter alia*, (a) by mutual agreement; or (b) by written notice from our Company upon occurrence of a material adverse effect or upon material breach by our Promoter of a warranty which is not cured within the timelines specified in the SPA. Before the Closing Date, the SPA may be terminated at any time (a) automatically on non-receipt of listing approval by our Company before 18 months after the date of the SPA or as mutually agreed between the parties ("**Long Stop Date**"); (b) by either party if closing does not occur within five business days of the Long Stop Date or (c) by written notice from our Company if consummation of the Offer does not occur for any reason whatsoever or if our Company undertakes not to proceeds with the Offer, or if any order of any authority preventing the consummation of the Proposed Acquisitions shall have become final and non-appealable or any applicable law shall have rendered the transactions contemplated under the SPA illegal.

Governing Law and Dispute Resolution

The SPA and all non-contractual or other obligations arising out of or in connection with it are governed by the laws of the Republic of Singapore. Any dispute arising from or connected to the SPA shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre in accordance with the arbitration rules of the Singapore International Arbitration Centre.

IGI Belgium is governed by the Belgian Companies and Associations Code of 23 March 2019 and IGI Netherlands is governed by the Dutch Civil Code. Both entities are not regulated by any sectoral regulator. While there is no requirement to report the Proposed Acquisition under the laws of Belgium, with respect to IGI Netherlands, IGI Netherlands is required to complete the registration of the Company as the new sole shareholder of IGI Netherlands at the trade register of the Dutch Chamber of Commerce within eight days of completion of the Proposed Acquisition.

For risks in relation to the Proposed Acquisitions, see "*Risk Factors – Our Company proposes to use the Net Proceeds from the Fresh Issue for the Proposed Acquisitions, following which our Company will be responsible for overseeing and managing the overall IGI business inside and outside of India. We may face difficulties managing and administering an internationally dispersed business and may not be able to achieve operational efficiencies following the Proposed Acquisitions, which could adversely affect our business or results of operations.*" and "*Risk Factors – A significant portion of the Net Proceeds are proposed to be paid to the Promoter of our Company.*" on pages 32 and 33, respectively. Also see, "*Objects of the Offer*" on page 90.

Summarised Information about Valuation

In estimating the equity value of IGI Belgium and IGI Netherlands, the Valuer has evaluated the suitability of the three approaches to value i.e Income Approach – Discounted Cash Flow Method, Market Approach and NAV/Cost Approach. The Valuer has used internationally accepted valuation methodologies, specifically the discounted cash flow method under Income approach.

Since there are no direct comparable companies with similar size or operating model and given the niche nature of the industry in which the companies operate, the Valuer has not relied on the market approach to value the companies.

The NAV/ cost approach does not capture the going concern value of any company/ business and the value embedded in the company's workforce and its knowledge basis since these do not get reflected in the company's balance sheet. Therefore, the Valuer has not used the NAV/Cost approach to value the companies.

The Valuer has considered the latest available special purpose interim consolidated financials as of September 30, 2024 as representative of the consolidated financial position of IGI Belgium, and IGI Netherlands as of the valuation date.

The following sets forth the estimated fair value of equity of IGI Belgium and IGI Netherlands from the Valuation Report.

Estimation of Fair Value of Equity of IGI Belgium as of September 30, 2024 (based on the income approach – discounted cashflow method) as set out in the Valuation Report dated December 4, 2024 prepared by D&P Advisory

(*$ millions*)

Particulars	**Value***
Income Approach: Discounted Cash Flow Method	81.00
Indicated Enterprise Value	1.30
Add: Loans from related party / Sub-lease Receivables	0.30
Less: Employee Benefit Obligations	3.20
Add: Cash and Cash Equivalents	85.00
Estimated Value of Equity (Rounded)	81.00

** 1$ = ₹ 83.52 as on April 30, 2024 (Source: https://www.rbi.org.in/scripts/ReferenceRateArchive.aspx)*

Estimation of Fair Value of Equity of IGI Netherlands as of September 30, 2024 (based on the income approach – discounted cashflow method) as set out in the Valuation Report dated December 4, 2024 prepared by D&P Advisory

(*$ millions*)

Particulars	**Value***
Income Approach: Discounted Cash Flow Method **Indicated Enterprise Value**	85.00
Less: Borrowings	0.70
Less: Employee Benefit Obligations	0.70
Add: Cash and Cash Equivalents	6.20
Add: Investments	0.20
Estimated Fair Value of Equity (Rounded)	90.00

** 1$ = ₹ 83.52 as on April 30, 2024 (Source: https://www.rbi.org.in/scripts/ReferenceRateArchive.aspx)*

The Valuation Report is subject to certain assumptions and qualifications, including that there are no other material surplus or contingent assets or liabilities that are likely to materialize, other than those that are appearing on the consolidated balance sheet of IGI Belgium and IGI Netherlands as of the valuation date of September 30, 2024. Economic conditions, factors and performance changes may result in valuations conclusions becoming quickly outdated. Additionally, D&P Advisory has considered the latest available special purpose interim consolidated financials as of September 30, 2024, as representative of the consolidated financial positions of the IGI Belgium and IGI Netherlands as of the valuation date of September 30, 2024.

Certain assumptions used in considering the discounted cashflow analysis for IGI Belgium and IGI Netherlands include:

a. D&P Advisory has relied on prospective consolidated financial information of IGI Belgium and IGI Netherlands provided by the management of our Company;
b. The basis of value has been considered to be "fair value" on a going-concern premise; and
c. The valuation of IGI Belgium and IGI Netherlands has been carried out on an as-is basis.

Additionally, as per the Valuation Report, in the absence of pure-play companies operating specifically in the diamond/jewelry rating space, D&P Advisory have considered global publicly traded companies in the inspection, certification and testing industry as comparable companies as part of its valuation methodology.

See "*Risk Factors – The valuation report obtained for the Proposed Acquisitions is based on various assumptions and may not be indicative of the true value of the IGI Belgium Group and the IGI Netherlands Group.*" on page 33.

Financial information pertaining to the IGI Belgium Group and IGI Netherlands Group

For details in relation to the financial information pertaining to the IGI Belgium Group and the IGI Netherlands Group, see "*Special Purpose Consolidated Financial Statements for IGI Belgium Group and IGI Netherlands Group*" on page 285. Please also see "*Unaudited Pro Forma Condensed Combined Financial Information*" on page 268. Also see "*Risk Factors - Unaudited Pro Forma Condensed Combined Financial Information included in this Prospectus is prepared on a voluntary basis for illustration purposes only. Our actual results may differ from the actual outcome of the Proposed Acquisitions as presented in such Unaudited Pro Forma Condensed Combined Financial Information*." on page 33.

OUR BUSINESS

As used herein, references to the "Post-Acquisition Group" or "IGI" (including in the context of any pro forma financial information) refer to the IGI business globally, comprising our Company, our Subsidiary, the IGI Belgium Group and the IGI Netherlands Group, assuming the completion of the Proposed Acquisitions only. As used herein references to the "Pre-Acquisition Group" (including in the context of any financial information) are to the Company and our Subsidiary as of the date of this Prospectus and prior to the completion of the Proposed Acquisitions. References to "we", "our" or "us", as the context so requires, will be to our Pre-Acquisition Group or Post-Acquisition Group, as the case may be.

Our fiscal year ends on December 31 of each year, and references to a particular calendar year, or "Calendar Year" or "CY" are to the 12 months ended December 31 of that year, being our financial year. References to "FY" are to the year beginning on April 1 of the base year and continues until March 31 of the succeeding year. Unless otherwise indicated or the context requires otherwise, the financial information included herein for the nine-months periods ended September 30, 2024 and 2023 and CY2023, 2022 and 2021, is based on the Restated Financial Information included in this Prospectus. For further information, see "Restated Financial Information" on page 214.

We have also presented pro forma financial and operational information for CY2023 and the nine-months period ended September 30, 2024 in this section, which are based on the Unaudited Pro Forma Condensed Combined Financial Information, to illustrate the impact of the Proposed Acquisitions from the proceeds of the Offer on our Company's financial position as at September 30, 2024 and December 31, 2023 and financial performance for the nine-months period ended September 30, 2024 and for the year ended December 31, 2023, as if the acquisitions had taken place as at January 1, 2023. In this regard, please see "Risk Factors – Unaudited Pro Forma Condensed Combined Financial Information included in this Prospectus is prepared on a voluntary basis for illustration purposes only. Our actual results may differ from the actual outcome of the Proposed Acquisitions as presented in such Unaudited Pro Forma Condensed Combined Financial Information." on page 33.

We have included certain non-GAAP financial measures and other performance indicators relating to the financial performance and business of the Pre-Acquisition Group and Post-Acquisition Group in this Prospectus, each of which are supplemental measures of our performance and liquidity and are not required by, or presented in accordance with Ind AS, IFRS or U.S. GAAP. Such measures and indicators are not defined under Ind AS, IFRS or U.S. GAAP, and therefore, should not be viewed as substitutes for performance, liquidity or profitability measures under Ind AS, IFRS or U.S. GAAP. In addition, such measures and indicators are not standardized terms, and a direct comparison of these measures and indicators between companies may not be possible. For risks relating to non-GAAP measures, see "Risk Factors – We have presented certain non-GAAP measures of our performance and liquidity which is not prepared under or required under Ind AS." on page 51. See "Other Financial Information – Reconciliation of Non-GAAP Measures." on page 502 for a reconciliation of our Non-GAAP measures to the Restated Financial Information or Unaudited Pro Forma Condensed Combined Financial Information for the relevant periods.

Unless otherwise indicated, industry and market data used in this section has been derived or extracted from the Redseer Report, which has been commissioned, and paid for, by us exclusively in connection with the Offer, pursuant to an engagement letter dated May 6, 2024, as no report is publicly available which provides a comprehensive industry analysis, particularly for our services, that is similar to the Redseer Report. The Redseer Report is available on the website of our Company at https://investor.igi.org/shareholder-information/documents/ from the date of this Prospectus until the Bid/Offer Closing Date and has also been included in "Material Contracts and Documents for Inspection – Material Documents" on page 598. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Redseer Report and included herein with respect to any particular year, refers to such information for the relevant year. See "Risk Factors – This Prospectus contains information from an industry report which we have commissioned and paid for from Redseer." on page 52. References to segments in "Industry Overview" beginning on page 113 and information derived from the Redseer Report are in accordance with the presentation, analysis and categorization in the Redseer Report.

Some of the information set out in this section, especially information with respect to our business plans, the Proposed Acquisitions and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" beginning on page 29 for a discussion of the risks and uncertainties related to those statements and "Risk Factors" beginning on page 32 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward -looking statements.

Overview of the Pre-Acquisition Group

As used herein references to the "Pre-Acquisition Group" (including in the context of any financial information) are to our Company (or IGI India) and our Subsidiary as of the date of this Prospectus and prior to the completion of the Proposed Acquisitions. References to "we", "our" or "us", as the context so requires, will be to our Pre-Acquisition Group.

The Pre-Acquisition Group's primary business is the provision of services related to the certification and accreditation of natural diamonds, laboratory-grown diamonds, studded jewelry and colored stones as well as the offering of educational programs.

The Pre-Acquisition Group is part of the International Gemmological Institute ("**IGI**") group, and is responsible for the operation of the business under the "IGI" brand exclusively in India and Türkiye. IGI is one of the established reputed certifiers in the global market, according to the Redseer Report (see page 143 of "*Industry Overview*"). See "- *Overview of the Post-Acquisition Group*" on page 162 for more information on IGI.

According to the Redseer Report (see page 128 of "*Industry Overview*"), in India, which is the world's largest center for cutting and polishing diamonds accounting for approximately 95% of the world's total polished diamonds in volume terms in CY2023, IGI India is the largest independent certification and accreditation services provider in India, holding approximately 50% market share in terms of number of certifications of diamonds, studded jewelry and colored stones for CY2023. According to the Redseer Report (see page 144 of "*Industry Overview*"), as of September 30, 2024, IGI India has the largest pan-India laboratory network among its global peers for grading lab-grown diamonds. As of September 30, 2024, the Pre-Acquisition Group has 19 IGI laboratories in India and 1 IGI laboratory in Türkiye which perform certification services.

The key services/offerings of the Pre-Acquisition Group are as follows:

- **Comprehensive diamond grading**, including issuing reports assessing the 4Cs (cut, color, clarity, and carat weight) of natural and laboratory-grown diamonds, along with additional information such as fluorescence and symmetry. We also provide screening and sorting services, if required by our customers.

- **Evaluating the quality and authenticity of colored stones**, including rubies, sapphires, emeralds, and other precious and semi-precious stones, and issuing grading reports detailing their characteristics.

- **Grading and assessment of finished jewelry pieces**, including assessing the quality of diamonds, colored stones, craftsmanship, such as mounting and symmetry, and overall value.

- **Conducting educational programs and courses** in gemology, diamond grading, jewelry design, and related subjects for professionals and enthusiasts in the diamonds, studded jewelry and colored stones industry. Our certification and accreditation business benefits from a foundation in education offered through our gemology education institution, the IGI Schools of Gemology, where we leverage educating the industry on the importance of diamonds, studded jewelry and colored stones certifications and the terminology used in the industry as a precursor to demand for our certification business.

The following diagram illustrates the revenue segments of the Pre-Acquisition Group for CY2023:

According to the Redseer Report (see page 144 of "*Industry Overview*"), IGI India was the first to provide certification and accreditation services among our global peers in 1999 and was the first international laboratory for diamonds, studded jewelry and colored stones certification to be established. We have built customer relationships over the years, by focusing on service quality and full-service offering across all types of diamonds, studded jewelry and colored stones certification and accreditation. Throughout this journey, we have aimed to provide our services with quality, accuracy, and integrity. The Pre-Acquisition Group has a diversified customer base spanning across the value chain of the diamonds, studded jewelry and colored stones industry. According to the Redseer Report (see page 144 of "*Industry Overview*"), as the largest certification services provider for laboratory-grown diamonds in India, IGI India serves more than 5 Indian growers of laboratory-grown diamonds with over ₹1,000 million of revenue for FY2023. As per the Redseer Report (see page 144 of "*Industry Overview*"), IGI India also served 9 out of the top 10 jewelry chains in India by revenue for FY2024.

Over the years, we have further strengthened our relationships with our customers and stakeholders through various initiatives such as introducing co-branded reports, in-factory laboratory set-ups, mobile laboratory set-ups, and continually expanding our suite of certification and accreditation services. For example, in 2021, our Company launched in-factory laboratory set-ups for laboratory-grown diamond growers in India to deliver on-site certification services to our customers to provide a more convenient option to fulfil their certification needs.

Our ability to attract and retain our talent has been key to our market position in the diamonds, studded jewelry and colored stones industry in India. Our network of 20 laboratories and 9 schools under the Pre-Acquisition Group is supported by 843 employees, including 316 gemologists and other professionals in research, education, and certification processes as of September 30, 2024. The gemologists under the Pre-Acquisition Group have an average tenure of 6.24 years with us as of September 30, 2024. Our focus on innovation is supported by our gemologists and research personnel who endeavour to stay up-to-date with advancements in gemology and by engaging in workshops, seminars, and educational programs in the diamonds, studded jewelry and colored stones industry held around the world.

We are led by a diverse and experienced management team, many of whom have been instrumental in shaping our Company's trajectory for decades, and we benefit from their extensive industry knowledge and leadership. Our Managing Director and Chief Executive Officer, Tehmasp Nariman Printer, has been with us for 25 years and has been instrumental in establishing and expanding our Company in India. He has been awarded '*Outstanding Zarathushti Professional of the Year – 2023*' by W.Z.C.C and '*GJTCI Excellence Award*' under '*Excellence in Laboratory Services*' by Gem & Jewellery Trade Council of India at GJTCI Excellence Awards, Second Edition, 2014.

Since May 2023, BCP Asia II TopCo Pte. Ltd., which is our Promoter, and is an affiliate of funds managed and/or advised by affiliates of Blackstone, currently holds 100.00% of our pre-Offer issued, subscribed and paid-up Equity Share capital. We benefit from the resources, relationships and experience of Blackstone, which is the world's largest alternative asset manager based on assets under management of US$1,107.63 billion as at September 30, 2024, according to the Redseer Report (see page 145 of "*Industry Overview*"). Blackstone's assets under management include global investment strategies focused on real estate, private equity, infrastructure, life sciences, growth equity, credit, real assets, secondaries and hedge funds.

Our business model has enabled the Pre-Acquisition Group to deliver a demonstrated track record of growth and profitability. For the nine-months period ended September 30, 2024 and 2023, and for CY2023, 2022 and 2021, revenue from operations of the Pre-Acquisition Group was ₹5,963.57 million, ₹4,537.88 million, ₹6,385.28 million, ₹4,909.94 million and ₹3,646.91 million, respectively, representing a CAGR of 32.32% from CY2021 to CY2023. For the nine-months period ended September 30, 2024 and 2023, and for CY2023, 2022 and 2021, EBITDA margin of the Pre-Acquisition Group was 71.97%, 70.81%, 70.49%, 68.27% and 65.99%, respectively and the profit after tax margins of the Pre-Acquisition Group was 54.68%, 52.60%, 50.86%, 49.24% and 47.03%, respectively. The Pre-Acquisition Group is also net cash positive as of September 30, 2024 and December 31, 2023, 2022 and 2021.

Overview of the Post-Acquisition Group

The following sets forth an overview of the Post-Acquisition Group. As used herein, references to the "Post-Acquisition Group" or "IGI" (including in the context of any pro forma financial information) refer to the IGI business globally, comprising our Company, our Subsidiary, the IGI Belgium Group and the IGI Netherlands Group, assuming the completion of the Proposed Acquisitions. References to "we", "our" or "us", as the context so requires, will be to our Pre-Acquisition Group.

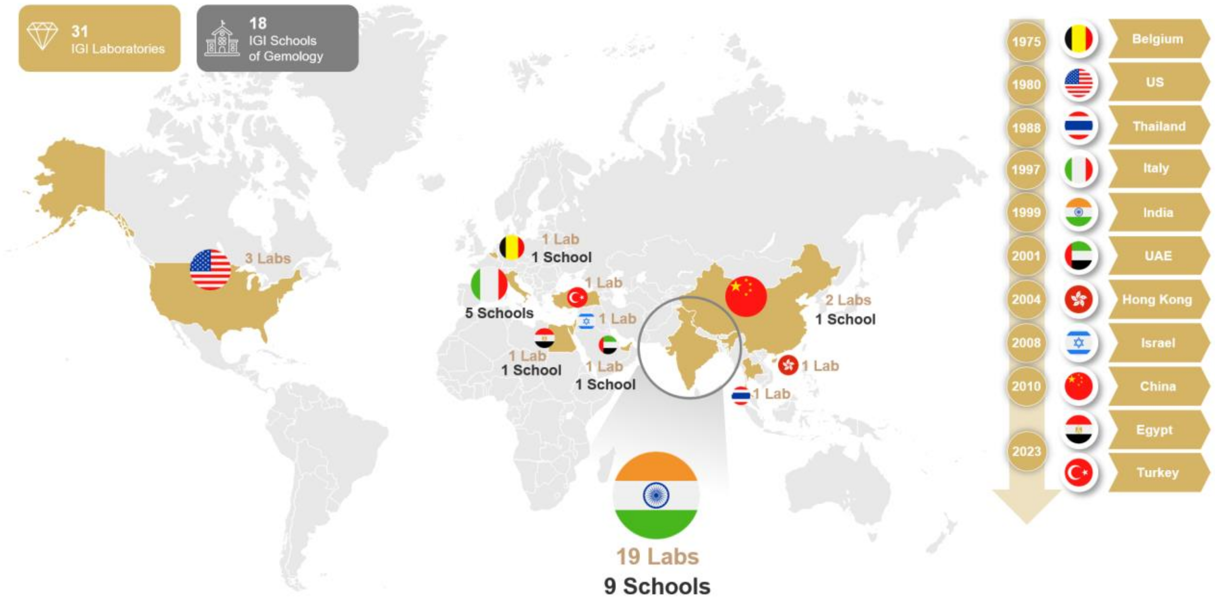
IGI is the world's second largest independent certification and accreditation services provider based on revenue for CY2023 among global peers for diamonds, studded jewelry and colored stones certifications, with a global market share of approximately 33%, based on the number of certifications of diamonds, studded jewelry and colored stones performed in CY2023, according to the Redseer Report (see page 144 of "*Industry Overview*"). IGI is one of the established reputed certifiers in the global market, according to the Redseer Report (see page 143 of "*Industry Overview*"). For the certification and accreditation of laboratory-grown diamonds, which according to the Redseer Report (see page 145 of "*Industry Overview*") is the fastest growing sub-segment within the overall jewelry market with a CAGR of approximately 19% from CY2019 to CY2023, IGI is the global leader with approximately 65% of the market share based on the number of certifications for CY2023. According to the Redseer Report (see page 141 of "*Industry Overview*"), IGI also has a global market share of approximately 42% in terms of the number of certifications of studded jewelry in CY2023.

According to the Redseer Report (see page 145 of "*Industry Overview*"), IGI is one of three players that offer a full stack of comprehensive offerings among our global peers, covering grading and classification services across different stone types.

IGI's operations first started in Belgium in 1975 through the establishment of IGI Belgium, and as of September 30, 2024, IGI has a global network of 31 branches which are equipped with IGI laboratories across 10 countries and 18 schools of gemology across 6 countries. As per the Redseer Report (see page 144 of "*Industry Overview*"), IGI has the largest number of laboratories globally and the largest number of schools established, among our global peers, as of September 30, 2024. According to the Redseer Report (see page 140 of "*Industry Overview*"), in 1980, IGI USA was the first to issue jewelry identification reports among its global peers. According to the Redseer Report (see page 138 of "*Industry Overview*"), in CY2005, IGI was also the first among our global peers to issue certification reports for laboratory-grown diamonds globally.

As of September 30, 2024, IGI had over 7,500 customers located across 10 countries, including laboratory-grown diamonds growers, natural diamond and colored stone wholesalers, jewelry manufacturers and retailers. IGI has developed multi-year relationships with many brands and retailers, including international jewelry brands and retailers.

The following map sets out the geographical locations of IGI's branches (which are equipped with IGI laboratories) and our IGI Schools of Gemology, as of September 30, 2024:



IGI's certification business is conducted through its global network of 31 branches as of September 30, 2024 which are equipped with IGI laboratories located across 10 countries, including in key markets such as Surat and Mumbai in India, Antwerp, Belgium, New York, USA, Bangkok, Thailand, Dubai, UAE, Hong Kong and Shanghai, the PRC, among other cities. IGI's global presence allows it to serve customers across geographies and assists in providing timely and accessible services.

IGI's laboratories are equipped with gemological instruments and technologies, some of which are developed by in-house. Our investments in innovation through the adoption of new technologies have sought to improve efficiencies during the grading processes. Additionally, in 2018, IGI introduced the Dcheck System that enables us to differentiate between laboratory-grown diamonds and natural diamonds in loose as well as in mounted condition, and includes advanced features and attachments for bangles and bracelets as well as live screens to enable identification of accurate markings and separations of the diamonds.

To support our laboratory-based services, IGI offers digital solutions through our online platforms including IGI's website and application programming interface ("**API**"), for customers and their end-consumers to access their respective grading reports. These are accessible through a QR code in our grading reports and also allows our customers to track the status of their submissions. We also conduct research and development activities through our in-house research and development team in gemology and related fields to advance knowledge and understanding of diamonds and colored stones, their characteristics, treatments, and identification methods. Certain research and development activities are complementary to the key services we offer customers and allow us to improve and enhance our service offerings.

IGI's global education platform, the IGI Schools of Gemology, enables us to promote the IGI brand, raise awareness about the need for certification in the diamonds, studded jewelry and colored stones industry, and helps upskill industry professionals. We provide a range of courses spanning the study of polished and rough diamonds, colored stone grading, jewelry design and retail support courses along with a graduate gemologist diploma (IGI, G.G.). Through our IGI Schools of Gemology, we aim to create partnerships with our customers by providing courses to help train their employees, enabling us to further establish our relationships with them. Our IGI Schools of Gemology also serves as a recruitment platform where we can source and recruit new talent who complete courses with us to work in our laboratories.

The following table sets forth the metrics of the Pre-Acquisition Group as derived from the Restated Financial Information and the Post-Acquisition Group as derived from the Unaudited Pro Forma Condensed Combined Financial Information, as at and for the years/periods indicated:

	Post-Acquisition Group		**Pre-Acquisition Group**					
Particulars	**As at/for the nine-months period ended September 30,**	**As at/ for Year Ended December 31,**	**As at/for the nine-months period ended September 30,**		**As at/ for Calendar Year Ended December 31,**			**CAGR (CY2021 to CY2023)***
	2024	**2023**	**2024**	**2023**	**2023**	**2022**	**2021**	
Financial metrics								
Revenue from operations *(in ₹ millions)*	7,881.60	8,980.14	5,963.57	4,537.88	6,385.28	4,909.94	3,646.91	32.32%
Revenue from Certification	7,633.24	8,631.57	5,856.58	4,410.59	6,206.82	4,777.44	3,574.30	31.78%

Particulars	Post-Acquisition Group		Pre-Acquisition Group					
	As at/for the nine-months period ended September 30,	As at/ for Year Ended December 31,	As at/for the nine-months period ended September 30,		As at/ for Calendar Year Ended December 31,			CAGR (CY2021 to CY2023)*
	2024	2023	2024	2023	2023	2022	2021	
Services *(in ₹ millions)*								
Natural diamonds *(in ₹ millions)*	1,411.38	1,662.18	1,157.49	930.31	1,224.16	1,221.39	1,183.51	1.70%
Laboratory-grown diamonds *(in ₹ millions)*	4,072.04	4,128.27	3,515.52	2,337.91	3,338.65	2,049.88	1,286.73	61.08%
Studded jewelry and colored stones *(in ₹ millions)*	2,149.82	2,841.12	1,183.57	1,142.37	1,644.00	1,506.17	1,104.06	22.03%
Revenue from Education *(in ₹ millions)*	189.18	227.93	36.99	45.42	53.59	38.73	24.71	47.28%
Revenue from Others(1) *(in ₹ millions)*	59.18	120.64	70.00	81.87	124.87	93.77	47.90	61.46%
EBITDA(2) *(in ₹ millions)*	4,417.14	4,960.02	4,291.82	3,213.16	4,501.18	3,351.82	2,406.48	36.76%
EBITDA margin(3) *(%)*	56.04	55.23	71.97	70.81	70.49	68.27	65.99	3.36%
Profit before tax *(in ₹ millions)*	4,346.23	4,554.31	4,396.72	3,149.69	4,437.78	3,293.61	2,360.46	37.11%
Profit before tax margin(4) *(%)*	55.14	50.72	73.73	69.41	69.50	67.08	64.73	3.62%
Profit after tax *(in ₹ millions)*	3,168.33	3,308.48	3,260.60	2,386.94	3,247.38	2,417.58	1,715.30	37.59%
Profit after tax margin(5) *(%)*	40.20	36.84	54.68	52.60	50.86	49.24	47.03	3.98%
Days Sales Outstanding(6) (in days)	47.74	43.82	54.75	53.85	48.83	36.12	30.33	-
Net working capital(7)	(8,583.17)	(9,735.32)	4,150.05	2,791.48	2,968.30	2,371.30	1,486.81	41.30%
Net working capital as a percentage of revenue from operations(8) (%)	(108.90)	(108.41)	69.59	61.52	46.49	48.30	40.77	-
Return on Net Worth (%)(9)	N.A.	N.A.	56.59	60.50	76.58	83.13	74.39	-
Return on Capital Employed (%)(10)	N.A.	N.A.	62.19	64.54	80.96	87.09	86.79	-
Operational metrics								
Number of IGI laboratories(11)	31	31	20	20	20	19	16	-
Number of schools(12)	18	18	9	9	9	8	8	-
Number of reports (in millions)(13)	7.72	8.39	6.86	5.17	7.21	5.87	4.29	29.64%

**Compound Annual Growth Rate of the Pre-Acquisition Group from CY2021 to CY2023.*

Notes:

(1) Others comprise revenue from contracts with customers from the sale of traded goods and other operating revenue from advertisement and show

income and commission income (exports).

(2) EBITDA is calculated as the restated profit /(loss) for the period/year plus tax expense, finance cost, depreciation and amortization expenses less other income. EBITDA is a non-GAAP measure. For a reconciliation of EBITDA to our Restated Financial Information or Unaudited Pro Forma Condensed Combined Financial Information, see "Other Financial Information – Reconciliation of Non-GAAP Measures" on page 502.

(3) EBITDA margin is calculated as our EBITDA divided by our revenue from operations. EBITDA margin is a non-GAAP measure. For a reconciliation of EBITDA margin to our Restated Financial Information or Unaudited Pro Forma Condensed Combined Financial Information, see "Other Financial Information – Reconciliation of Non-GAAP Measures" on page 502.

(4) Profit before tax margin is calculated as our profit before tax divided by our revenue from operations.

(5) Profit after tax margin is calculated as our profit after tax divided by our revenue from operations.

(6) Days Sales Outstanding calculates the average number of days it takes to collect payment after making a sale, by multiplying the average trade receivables by 365 (in the case of CY2021 to CY2023) and by 274 (in the case of the nine-months period ending September 30, 2024), and dividing by the revenue from operations for the year/period. Average trade receivables is calculated as the sum of our opening trade receivables and closing trade receivables for the year/period, divided by 2. Days Sales Outstanding is a non-GAAP measure. For a reconciliation of Days Sales Outstanding to our Restated Financial Information or Unaudited Pro Forma Condensed Combined Financial Information, see "Other Financial Information – Reconciliation of Non-GAAP Measures" on page 502.

(7) Net working capital is calculated as current assets minus current liabilities. Net working capital is a non-GAAP measure. For a reconciliation of net working capital to our Restated Financial Information or Unaudited Pro Forma Condensed Combined Financial Information, see "Other Financial Information – Reconciliation of Non-GAAP Measures" on page 502.

(8) Net working capital as a percentage of revenue from operations is calculated as our net working capital divided by our revenue for operations. Net working capital as a percentage of sales is a non-GAAP measure. For a reconciliation of net working capital as a percentage of revenue from operations to our Restated Financial Information or Unaudited Pro Forma Condensed Combined Financial Information, see "Other Financial Information – Reconciliation of Non-GAAP Measures" on page 502.

(9) Return on net worth is our profit for the year/period, divided by the average net worth. Average net worth is calculated as the sum of the opening total equity and the closing total equity, divided by 2. Return on net worth is a non-GAAP measure. For a reconciliation of return on net worth as a percentage of revenue from operations to our Restated Financial Information or Unaudited Pro Forma Condensed Combined Financial Information, see "Other Financial Information – Reconciliation of Non-GAAP Measures" on page 502.

(10) Return on capital employed is calculated as EBIT divided by the capital employed for the year/period. EBIT is calculated as the sum of restated profit, tax expenses and finance costs less other income. EBIT and return on capital employed are non-GAAP measures. For a reconciliation of EBIT and return on capital employed to our Restated Financial Information or Unaudited Pro Forma Condensed Combined Financial Information, see "Other Financial Information – Reconciliation of Non-GAAP Measures" on page 502.

(11) Refers to the number of IGI laboratories located in the branches of the Pre-Acquisition Group or Post-Acquisition Group (as the case may be), as at period/year end, excluding in-factory laboratory set-ups and mobile laboratory set-ups.

(12) Refers to the number of IGI Schools of Gemology of the Pre-Acquisition Group or Post-Acquisition Group (as the case may be), as at end of the period/ year.

(13) Refers to the number of certification reports issued by the Pre-Acquisition Group or Post-Acquisition Group (as the case may be) for the period/ year.

Market Opportunity of the Pre-Acquisition Group and the Post-Acquisition Group

The global jewelry market, which includes studded jewelry, is worth approximately ₹26,600 billion (US$320 billion) in CY2023, which is expected to grow at a CAGR of 3% to 6% until CY2028. As the studded jewelry market grows, demand for certification is likely to rise as well. The key factors driving the penetration of certification services, include:

- Increasing awareness among consumers of the need for certification driven by consumer education campaigns, industry partnerships, online resources, and media coverage about the certification process.
- Increase in sales of laboratory-grown diamonds, where approximately 70% of laboratory-grown diamonds are being certified globally in CY2023, and surging demand for laboratory-grown diamonds is expected to lead to increased certification requirements to approximately 85% of laboratory-grown diamonds by CY2028.
- As income levels and discretionary spending increase, consumers have demonstrated a tendency to shift towards organized jewelry retail as they demand consistent quality, premium purchase experience and brand value. Organized players are expected to expand their reach in underserved urban centres through multi-channel strategies, including direct-to-consumer ("**D2C**") online sales. Combined with increased awareness of the potential for fraud and misrepresentation, the need for certification is expected to also increase.
- Due to the risk of adulteration and the need for authenticity assurance, the certification of smaller diamonds is expected to rise.
- Jewelry's position as an asset, where appraisal certificates provide the monetary replacement value of the diamonds, studded jewelry and colored stones for insurance purposes.
- With an increasing second-hand market in diamond-studded jewelry, certification serves to verify a diamond's attributes and assures its provenance and quality.

The overall global diamond jewelry consumption was approximately ₹8,500 billion (US$103 billion) in CY2023 and is expected to grow at a CAGR of approximately 6% from CY2023 to CY2028, with laboratory-grown diamonds driving growth and at a projected CAGR of 15% from CY2023 to CY2028 and natural diamond is expected to grow at a CAGR of approximately 5% over the same period. Demand for laboratory-grown diamonds is largely driven by changing consumer preferences towards more affordable, sustainable and ethical options. Additionally, the fast growth of global laboratory-grown diamonds consumption is also attributable to factors such as possibility of customisability of colors, sizes and clarity during the production process, and greater acceptance from jewelry retailers who are increasingly adopting laboratory-grown diamonds as they drive sales volumes and act as an affordable entry point for consumers. In terms of certification, the loose stones and studded jewelry certification market is estimated at ₹46 to 54 billion (US$550 to 650 million) in CY2023. An estimated 22 million to 26 million certifications were issued in CY2023, which is expected to grow at a CAGR of 5% to 10% from CY2023 to CY2028, with laboratory-grown diamonds certification leading the certification growth by volume and is expected to increase by approximately 25% in CY2028. (*Source: Redseer*).

Competitive Strengths of the Post-Acquisition Group

We are the world's second largest independent certification and accreditation services provider among our global peers for diamonds, studded jewelry and colored stones and in an industry characterized by barriers to entry

According to the Redseer Report (see page 144 of "*Industry Overview*"), IGI is the world's second largest independent certification and accreditation services provider among our global peers for diamonds, studded jewelry and colored stones certifications, with a global market share of approximately 33% based on the number of certifications of diamonds, studded jewelry and colored stones performed in CY2023. In India, which, according to the Redseer Report (see page 128 of "*Industry Overview*"), is the world's largest center for cutting and polishing diamonds accounting for approximately 95% of the world's total polished diamonds in volume terms in CY2023, IGI is the largest independent certification and accreditation services provider holding approximately 50% market share in terms of number of certifications for diamonds, studded jewelry and colored stones for CY2023. Our international presence in India, United States, the PRC, Belgium, Netherlands, UAE, Egypt, Israel, Thailand, Hong Kong and Türkiye, enables us to service our global customer base. According to the Redseer Report (see page 143 of "*Industry Overview*"), the loose gemstone and studded jewelry certification market is characterized by high barriers to entry for new players, including (a) leading laboratories who have garnered trust and recognition from consumers and sellers, (b) high initial set-up costs of equipment and infrastructure, (c) established education practices by top laboratories which provides them with a steady supply of high-quality talent and (d) strategic partnerships with jewelry retailers formed by major laboratories which further solidify their market position. We have cemented our position in this growing industry with significant barriers to entry and over time we have developed our capabilities.

We possess extensive industry knowledge and experience which has supported our efforts to anticipate developments and pioneer initiatives to participate in the fast changing industry landscape. Since the founding of the business in 1975, IGI has advanced various technical and industry practices in the diamond, studded jewelry and colored stone certification segment, including the following:

- In IGI USA was the first to issue jewelry identification reports among its global peers, according to the Redseer Report (see page 140 of "*Industry Overview*").
- In 1998, IGI Belgium was one of the earliest among its global peers, according to the Redseer Report (see page 145 of "*Industry Overview*"), to introduce the "Hearts & Arrows" diamond reports to the consumer market.
- In 1999, IGI was the first to provide certification and accreditation services in India among our global peers, according to the Redseer Report (see page 144 of "*Industry Overview*").

Our certification services are performed at our laboratories based on processes that adhere to international standards. As of the date of this Prospectus, our laboratory in Surat and one of our laboratories in Mumbai received the ISO/IEC 17025:2017 accreditation for competence of testing and calibration laboratories, which certify that our laboratories meet the technical and quality benchmarks for analytical testing methods. Our laboratories in India are also members of the Responsible Jewelry Council, which is an international organization dedicated to promoting ethical, social, and environmental practices throughout the jewelry supply chain. We also offer mobile and in-factory certification services, and we endeavor to improve the quality and agility of our services and scale up operations to meet with the rise in customer demand, thereby enabling us to stay relevant and strengthen our position across the various segments that we operate in.

Through our operating history and global presence, we have undertaken several initiatives to build our brand equity, including the introduction of co-branded certification reports. These co-branded certificates demonstrate the relationships with and brand equity we have built, and serve as a marketing tool, enhancing visibility among end-consumers and bolstering the strength of our brand and reputation. In India, we also offer co-branded reports in partnership with jewelry retailers such as Mahendra Brothers. We also partnered with international jewelry retailers for co-branded certification reports for certain of their laboratory-grown diamonds. We endeavour to establish a reputable brand which instils trust amongst our customers.

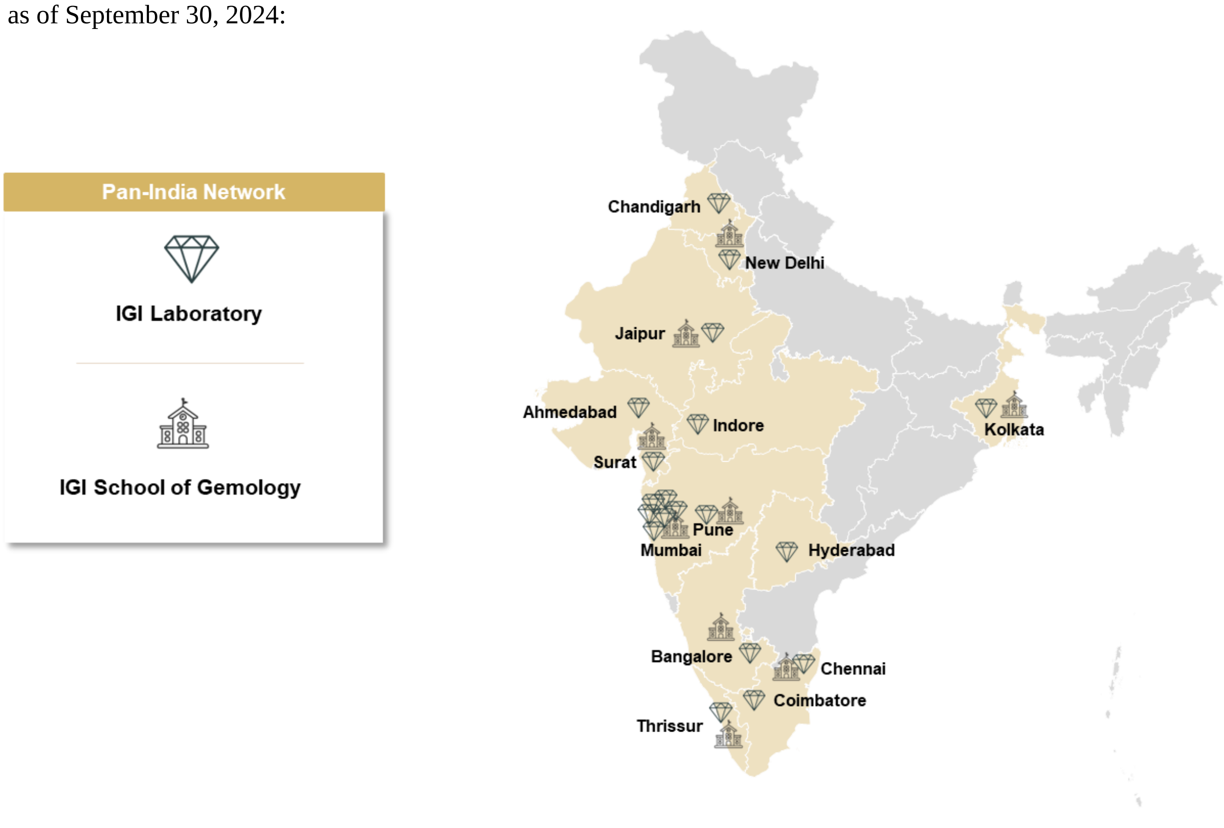
Our value proposition, which is based on this combination of brand reputation, industry leadership, deep organization expertise and strategic presence in key markets positions us to benefit from the expected growth in the diamonds, studded jewelry and colored stones certification and accreditation industry.

First mover and global market leader in providing certification services for the fast-growing laboratory grown diamond industry

According to the Redseer Report (see page 122 of "*Industry Overview*"), laboratory-grade diamonds are expected to drive the growth of the overall global diamond jewerly consumption from CY2023 to CY2028. We started providing certification services for laboratory-grown diamonds in 2005 through IGI USA. According to the Redseer Report (see page 138 of "*Industry Overview*"), IGI was the first among our global peers to issue certification reports for laboratory-grown diamonds globally in CY2005, and through our customer-centric approach and commitment to innovation, IGI has become the global leader with approximately 65% of the market share based on the number of certifications of laboratory-grown diamonds for CY2023. Our market position in the certification of laboratory-grown diamonds positions us to leverage on the favourable trends underpinning the growth of the laboratory-grown diamonds market. Our focus on and capabilities of innovation have aided our initiatives to remain at the forefront of the laboratory-grown diamonds certification industry. For instance, in 2021, we included details on post-growth treatment of laboratory-grown diamonds in our certifications, which enable customers to identify whether the laboratory-grown diamonds is "as grown" or has been subject to any post-growth treatments which alter its color.

As the first mover in the certification of laboratory-grown diamonds, we have created customer relationships and developed efficiencies in the mode of service delivery to improve the quality of our certification services. We are strategically present in the key markets for laboratory-grown diamonds, including India, the United States and the PRC. According to the Redseer Report (see page 130 of "*Industry Overview*"), the PRC and India are the leading producers of laboratory-grown diamonds, together contributing to approximately 80% of volumes of laboratory-grown diamonds in CY2023, and the United States is the leading consumer of laboratory-grown diamond studded jewelry, accounting for more than approximately 80% of the market demand in CY2023 in estimated volume terms. In these jurisdictions, as of September 30, 2024, IGI has 20 IGI laboratories in India and 3 IGI laboratories in the United States and 2 IGI laboratories in the PRC which position us to leverage the anticipated increase in demand for laboratory-grown diamonds in these countries.

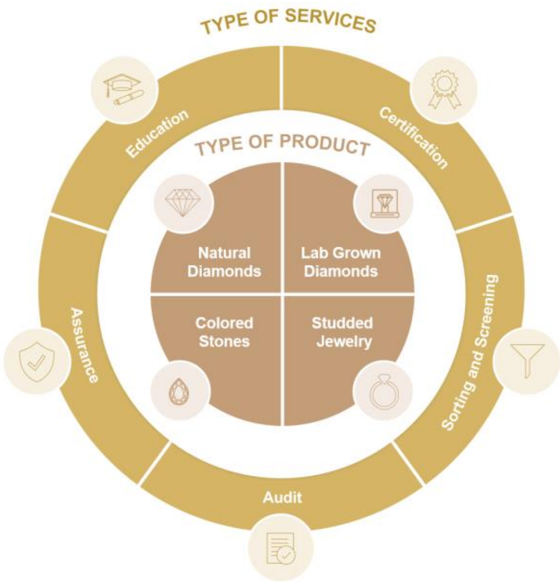
Our leadership position in India and in the certification of laboratory-grown diamonds globally, coupled with our laboratory network, which according to the Redseer Report (see page 144 of "*Industry Overview*") is the largest pan-India laboratory network among our global peers as of September 30, 2024, for the grading of laboratory-grown diamonds, and complemented by our global reach, have created significant competitive advantages for us. The following map sets out a breakdown of the geographical locations of our 19 branches (which are equipped with our IGI laboratories) and 9 IGI Schools of Gemology in India, as of September 30, 2024:



Extensive range of services for certification and accreditation services provided to a diverse group of customers along the value chain

According to the Redseer Report (see page 145 of "*Industry Overview*"), IGI is one of three players that offer a full stack of comprehensive offerings among our global peers, covering grading and classification services across different stone types. Our service offerings comprise providing certification, co-branded reports, grading and accreditation services for natural diamonds, laboratory-grown diamonds, studded jewelry and colored stones. We also provide value-added services to our customers such as the screening and detection of laboratory-grown and natural diamonds and sorting of diamond parcels for the detection of laboratory-grown diamonds and/or diamond simulants, as well as ancillary services such as audit and assurance services where we provide audit specialist services for accounting firms and financial institutions. As we aim for our education business to serve as the precursor of our certification business, we also offer education solutions to our customers through our IGI Schools of Gemology to train their employees. We also offer marketing support to certain customers and partners including during the development of co-branded reports.

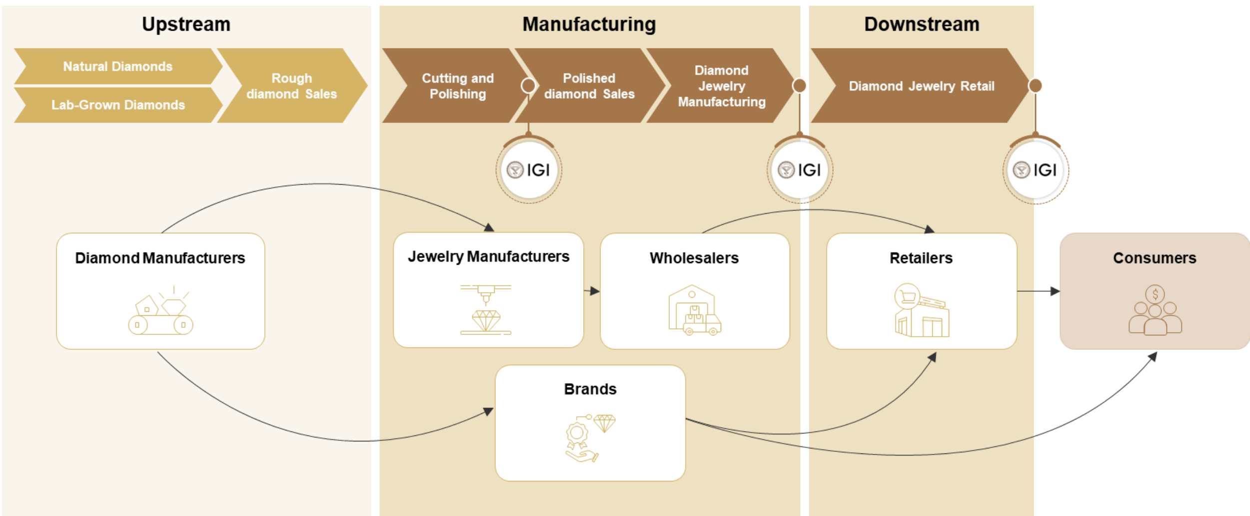
The following diagram illustrates our service offerings and types of products:



Our extensive service offerings aim to provide our customers with a one-stop solution to meet their needs in a dynamic market environment. Our technical capabilities allow us to certify diamonds and colored stones across a variety of use cases such as studded jewelry sets, watches, diamond and colored stone jewelry pieces. Further, we have deployed in-factory certification services, which enables us to deliver on-site certification services to select high volume customers' facilities in India. This facilitates a closer integration of our services with their operations and allows us to provide them with improved turnaround times for certification.

We provide certification services for each key stage in the value chain for polished and finished jewelry of diamonds and colored stones to a diverse group of customers, ranging from laboratory-grown diamonds growers, natural diamond and colored stone wholesalers, jewelry manufacturers and retailers. Some of our key customers include jewelry firms such as Morellato, as well as luxury groups and retailers.

The following diagram illustrates the certification services we provide to customers in the value chain for polished and finished studded jewelry of diamonds and colored stones:



Education initiatives that support spreading awareness, building customer partnerships and our brand

Our education programs through the IGI Schools of Gemology are generally offered to (a) institutions, where we offer tailored courses and webinars to wholesalers, growers, manufacturers and retailers as well as (b) any individuals ranging from diamond and colored stone buyers, beginners to professionals in the diamonds, studded jewelry and colored stones industry wishing to gain more industry knowledge. To reach a wider pool of students, we offer e-learning courses which present a more flexible and accessible option and are available in seven languages. Our partnerships with customers to deliver tailored courses to their employees also serve to deepen our relationship with them.

Our network of 18 IGI Schools of Gemology across 6 countries as of September 30, 2024 helps enhance our pool of qualified gemologists, build partnerships with potential customers, creates awareness towards importance of certification and helps build our brand and reputation, and promote our services to existing and potential customers. For instance, institutions such as wholesalers and retailers who attend our education programs would learn more about our quality and service offerings, providing us with an avenue to promote our service offerings to such potential customers. Our education programs also serve to educate professionals in the industry and provides us with recruitment opportunities.

Demonstrated track record of delivering growth in revenue, margins and returns

The Pre-Acquisition Group has achieved overall financial growth across key metrics from CY2021 to CY2023 and for the nine-months period ended September 30, 2024. Revenue from operations of the Pre-Acquisition Group increased by 75.09% to ₹6,385.28 million in CY2023 from ₹3,646.91 million in CY2021. The Pre-Acquisition Group has also delivered EBITDA margins of 71.97%, 70.81%, 70.49%, 68.27% and 65.99% for the nine-months period ended September 30, 2024 and 2023, and CY2023, CY2022 and CY2021, respectively and profit after tax margins of 54.68%, 52.60%, 50.86%, 49.24% and 47.03%, respectively.

We also have a low capital expenditure business model, and the capital expenditure of the Pre-Acquisition Group was ₹163.88 million, ₹238.79 million, ₹389.01 million, ₹111.39 million and ₹49.29 million for the nine-months period ended September 30, 2024 and 2023, and CY2023, CY2022 and CY2021, respectively. This accounted for 2.75%, 5.26%, 6.09%, 2.27% and 1.35% of revenue from operations of the Pre-Acquisition Group for the nine-months period ended September 30, 2024 and 2023, and CY2023, CY2022 and CY2021, respectively. This model of operations helps maintain return profile, together with our ability to utilize resources effectively, and return on capital employed of the Pre-Acquisition Group was 62.19%, 64.54%, 80.96%, 87.09% and 86.79% and our return on net worth was 56.59%, 60.50%, 76.58%, 83.13% and 74.39% for the nine-months period ended September 30, 2024 and 2023, and CY2023, CY2022 and CY2021, respectively. Our capital expenditure increased slightly in CY2023 compared to CY2022, and our return on capital employed and return on equity decreased in CY2023 compared to CY2022, primarily due to capital expenditure of ₹199.09 million incurred in connection with the development of the new facility in Surat as well as an increase in accumulated profits resulting in an increase in shareholders' equity. The Pre-Acquisition Group has also been net cash positive with no financial leverage as of September 30, 2024 and December 31, 2023, 2022 and 2021.

The Pre-Acquisition Group's historical low capital expenditure and high cash flow business model provides the Post-Acquisition Group with ample liquidity and flexibility in managing our operations, investments and strategic initiatives. It also mitigates against risks associated with debt obligations, helping us to maintain our profitability and cash flows remain resilient even in challenging economic environments.

Experienced professional management team backed by the largest alternate asset manager globally

Our diverse and experienced management team comprise qualified professionals with extensive industry experience, many of whom have had long tenures with us, and have spearheaded the direction and expansion of our business. Our Managing Director and Chief Executive Officer, Tehmasp Nariman Printer. In 2024, the Gem & Jewelry Export Promotion Council (GJEPC) honored him at their Hall of Fame event, for outstanding contributions to the loose stones and studded jewelry industry. He has also been awarded '*Outstanding Zarathushti Professional of the Year - 2023*' by W.Z.C.C and '*GJTCI Excellence Award*' under '*Excellence in Laboratory Services*' by Gem & Jewellery Trade Council of India at GJTCI Excellence Awards, Second Edition, 2014. Our Managing Director and Chief Executive Officer and global chief operating officer are supported by a group of qualified, experienced and diverse management team, including country managers, business heads, head of operations and head of education with IGI. For further information, see "*Our Management*" beginning on page 196.

We are a portfolio company of Blackstone and we benefit from the resources, relationships and expertise of Blackstone, which is the world's largest alternative asset manager based on assets under management of US$1,107.63 billion as of September 30, 2024, according to the Redseer Report (see page 145 of "*Industry Overview*"). Since May 2023, our Promoter, BCP Asia II TopCo Pte. Ltd., which is an affiliate of funds managed and/or advised by affiliates of Blackstone, holds 100.00% of our pre-Offer issued, subscribed and paid-up Equity Share capital, and will continue to retain majority ownership of the business subsequent to the Offer. We benefit from the resources, relationships and expertise of Blackstone, which has also helped us create a robust, structural governance framework.

Growth Strategies of the Post-Acquisition Group

Maintain our leadership position in certification of laboratory-grown diamonds

Market Positioning: Leveraging our leadership in this segment as the market leader with approximately 65% of the global market share based on the number of certifications of laboratory-grown diamonds for CY2023 as per the Redseer Report (see page 145 of "*Industry Overview*"), we are intensifying efforts to expand our market share. We aim to achieve this through the creation of marketing campaigns aimed at increasing our brand awareness, and working closely with our customers to increase the business volumes of laboratory-grown diamonds to be certified by us.

In-Factory Set Up: We have strategically established in-factory laboratory set-ups which deliver onsite services for select, high volume laboratory-grown diamond growers to optimize supply chain logistics and minimize lead times. Our in-factory laboratory set-up helps cement our relationship with these customers, entrench us within the facilities of our customers, improve operational efficiencies, and make it challenging to replace us. By strategically distributing our service capabilities through our in-factory laboratory set-ups, we are able to improve flexibility and responsiveness to the rising market demand. This direct delivery approach enhances our operational resilience. We will strive to further expand our in-factory laboratory presence as new participants enter the laboratory-grown diamond manufacturing segment and develop robust relationships with them.

Expand our presence in the natural diamond and studded jewelry and colored stone vertical

Market Expansion Through Partnerships: We have established partnerships with many jewelry brands, as our experience and reputation add credibility to the offerings of these brands and assist in maintaining industry standards. To reinforce our market positioning and seize greater opportunities, we are intensifying our efforts to solidify our presence in these lucrative markets. One key strategy involves deepening our relationships with diamond sellers, colored stone mines, and other stakeholders in the supply chain. By fostering closer collaborations and establishing mutually beneficial relationships, we seek to enhance our access to premium-quality natural diamonds, studded jewelry and colored stones.

We are identifying niches in the natural diamond, studded jewelry and colored stone certification market and tailoring our offerings to meet the unique needs of different customer segments. By catering to luxury and retail jewelry brands and specialists through partnerships in certification and education, we seek to maintain relationships throughout the diamonds, studded jewelry and colored stones value chain that help generate consumer demand for our services.

Elevating Certification Services Offered: We are enhancing our certification standards for diamonds and colored stones with the overall objective of setting a new benchmark for quality assurance. This includes leveraging advanced technology and capabilities to evaluate and authenticate each diamond and colored stone. Recently in 2024, we introduced light performance add-on assessment that articulates the overall intensity of brightness, contrast and scintillation of a diamond in addition to other grading properties. Further, with a global market share of approximately 42% in terms of the number of certifications of studded jewelry in CY2023, as per the Redseer Report (see page 141 of "*Industry Overview*"), we are able to expand our service offerings and create a one-stop solution for customers across all their diamonds, studded jewelry and colored stones accreditation requirements. By continuing to expand the services we offer, we seek to further differentiate ourselves from competitors and expand our market share.

Expand our global laboratory network

As our business scales, we recognize the importance of enhancing customer touchpoints. These additional customer touchpoints not only improve accessibility but also foster greater customer engagement and satisfaction. Expanding our global laboratory network, consisting of IGI laboratories as well as in-factory and mobile set-ups, is a strategic imperative to meet the increasing demand for our services and enhance customer accessibility. We aim to increase our footprint in existing markets as well as to establish laboratories in new markets as the demand for our services increases. This proactive approach enables us to stay ahead of market demands and cater to the growing needs of our customers.

Our low capital expenditure business model empowers us to scale our laboratory network rapidly while maintaining financial agility. By minimising capital expenditure and leveraging on existing infrastructure, we can deploy resources more efficiently, thereby accelerating our expansion efforts. This approach allows us to allocate resources strategically, ensuring sufficient availability of skilled grading professionals to support our growing network.

By strategically positioning our laboratories in regions which are central to the global diamonds, studded jewelry and colored stones industry, we aim to increase the availability of our services and strengthen our market share in existing segments. In line with this expansion strategy, we are focusing on emerging markets with a growing demand for gemological services such as India and the PRC, as well as established markets like the United States where demand continues to thrive. For example, our Company is commissioning a new 214,159 square feet facility in Surat, India which is expected to be completed in 2025. Additionally, the Surat facility positions us to capitalize on the growth in laboratory-grown diamond market, where laboratory-grown diamond is expected to grow at a CAGR of approximately 15% from CY2023 to CY2028 with India as one of the leading producers of laboratory-grade diamonds in CY2023, according to the Redseer Report (see pages 130 and 133 of "*Industry Overview*"). With the establishment of our proposed Surat facility, we are poised to meet the rising demand in the certification services industry, while maintaining our leadership position in the market.

Continue to invest in building brand salience

Business-to-Consumer ("B2C") Initiatives: We anticipate the end-customers of our customers to drive our growth. As brand awareness among these end-customers increases, this may result in more demand for our B2C jewelry certification services, as well as encourage jewelry manufacturers and retailers to seek more partnerships and business opportunities with us. Therefore, investing in building brand salience is a strategic priority for us as it reinforces our position as a benchmark authority in the certification of diamonds, studded jewelry and colored stones and drives consumer confidence in our services. We are committed to enhancing awareness and recognition of the "IGI" brand across diverse channels and touchpoints, including our website and social media handles.

Business-to-Business ("B2B") Initiatives: We have forged relationships with laboratory-grown diamonds growers, natural diamond and colored stone wholesalers, jewelry manufacturers, brands, retailers and other stakeholders in the studded jewelry value chain to extend our brand reach. Additionally, our collaborations with brands and retailers on co-branded reports provide us with opportunities to align with market trends. For instance, through our collaboration with an international jewelry company in 2022 and with another international jewelry company in 2023 on the certification of laboratory-grown diamonds, we issued electronic certificates instead of paper certificates, as part of efforts to promote sustainability.

We are a partner to certain international luxury jewelry brands, and have trained their sales force professionals. In addition, by collaborating with renowned international jewelry brands, we have executed awareness initiatives to elevate our brand visibility. For instance, our partnership with an international jewelry company included a billboard on 5th Avenue, New York City, United States. Additionally, we have partnered on events in collaboration with luxury brands in their boutiques, which provides opportunities to showcase our capabilities and reinforce brand associations with their customers. We aim to continue to explore ways we can develop partnerships with our customers through collaboration opportunities to strengthen our brand recognition.

Marketing Events: As part of our marketing activities, we strive to be a thought leader in the diamonds, studded jewelry and colored stones industry by continuing to host jewelry shows and participate in trade shows to expand our visibility. This includes participating in trade shows globally including the Jewelers Circular Keystone Show, Vincenzaoro, Istanbul Jewelry Show and the India International Jewelry Show. We also took the initiative to establish our own signature event, "D Show" which has evolved in the last 13 years to become a widely used platform in India for more than 100 jewelry retailers, 80 manufacturers and more than 800 visitors to engage and share insights in CY2024, according to the Redseer Report (see page 144 of "*Industry Overview*"). Additionally, we also organize "IGI Expressions", which is an annual global online jewelry design competition. Our jewelry design contests serve as platforms to engage with aspiring designers, fostering brand affinity and positioning the IGI brand as a catalyst for creativity and innovation in the industry. We also recently introduced our "IGI Trusted Jeweler" initiative, which seeks to establish an exclusive network of Jewelers who have demonstrated a dedication to quality craftsmanship, ethical business practices and customer service. Our "IGI Trusted Jeweler" initiative is aimed at among other things, promoting the IGI brand and creating a community of trusted jewelers that we can engage with, contributing to building brand loyalty. Through strategic advertising, sponsorships, and digital marketing efforts, we aim to position ourselves as the go-to destination for the certification of premium natural diamonds, studded jewelry and colored stones.

For the nine-months period ended September 30, 2024 and 2023, and CY2023, 2022 and 2021, the advertising and exhibition expenses of the Pre-Acquisition Group were ₹56.08 million, ₹86.46 million, ₹123.45 million, ₹91.52 million and ₹37.62 million, accounting for 3.12%, 5.99%, 6.03%, 5.38% and 2.72% of total expenses of the Pre-Acquisition Group, respectively.

Leverage our strength in education to increase awareness as well as build trust and transparency

Our education services vertical offers dual benefits of nurturing potential employees and cultivating future customers while promoting industry-wide knowledge and best practices.

Source of Potential Future Customers: Education is also one of our tools for building long-term relationships with our customers by fostering trust and transparency. Through our educational initiatives, we aim to empower consumers with knowledge about colored stone quality, grading standards, and ethical sourcing practices and equip them with the information they need to make informed purchasing decisions, thereby cultivating a loyal customer base that values authenticity and integrity. As consumers become more educated about diamonds, studded jewelry and colored stones through our IGI Schools of Gemology, we seek to inculcate trust in IGI-certified products, thereby driving demand and loyalty over the long term.

Source of Employee Base: Investing in education helps us cultivate a talent pipeline by providing comprehensive gemological education and training programs. These programs seek to serve as incubators for future gemologists, appraisers, and industry experts, positioning us as an educator and employer of choice within the industry.

Our planned initiatives for expanding the scope of our education services vertical include the following measures:

- **Expansion of Educational Offerings:** We plan to expand the range of educational programs to cater to a diverse audience, including aspiring gemologists, industry professionals, and consumers. These programs will cover a wide range of topics, from colored stone identification and grading to ethical sourcing and sustainability. We also aim to offer our programs in additional languages to make gemological education more accessible to a global audience.

- **Expanding our Geographical Footprint:** As of September 30, 2024, IGI has a physical presence in 6 countries through 18 schools. As our catalogue of educational courses expands, we seek to selectively add new schools in markets which are strategically important to our certification business.

- **Establishing Digital Learning Platforms:** Recognising the importance of digital technology in education, we plan to continue to invest in digital learning platforms to deliver engaging and accessible educational content to a global audience. These platforms will leverage multimedia resources, interactive tools, and virtual learning environments to enhance the learning experience and reach a wider audience of learners.

- **Industry Partnerships:** Collaborating with educational institutions, industry associations, and other stakeholders, we aim to create synergies and promote knowledge sharing within the colored stone community. By fostering collaboration and dialogue, we aim to contribute to the advancement of industry standards and practices while enhancing our brand's visibility and credibility.

Continue to invest in technology including AI to improve processes

We are focused on pursuing advancements in newer technologies, including AI, to optimize our processes. Our efforts extend to exploring and integrating any available technology on the market that holds the potential to enhance efficiency and drive continuous improvement. We intend to continue to develop existing technologies including our Dcheck System to improve operational efficiencies.

Description of the Business of the Pre-Acquisition Group and the Post-Acquisition Group

The following section sets forth a description of the business undertaken by the Pre-Acquisition Group and the Post-Acquisition Group, unless otherwise specified.

Services

The Pre-Acquisition Group and the Post-Acquisition Group are primarily engaged in the business of providing certification and accreditation services for natural diamonds, laboratory-grown diamonds, studded jewelry and colored stones. We also derive revenue from our education business through our IGI Schools of Gemology as well as traded goods through the sale of our Dcheck System equipment to our customers.

The following table sets forth a breakdown of the revenue from operations of the Pre-Acquisition Group for the years/periods indicated:

₹ in millions, except percentages

	Nine-months period ended September,				**Calendar Year ended December 31,**						**CAGR (CY2021 to CY2023)**
	2024		**2023**		**2023**		**2022**		**2021**		
Certification Services	5,856.58	98.21 %	4,410.59	97.20 %	6,206.82	97.21 %	4,777.44	97.30 %	3,574.30	98.01 %	31.78%
Natural diamonds	1,157.49	19.41 %	930.31	20.50 %	1,224.16	19.45 %	1,221.39	25.23 %	1,183.51	32.45 %	1.70%
Laboratory-grown diamonds	3,515.52	58.95 %	2,337.91	51.52 %	3,338.66	53.03 %	2,049.88	42.35 %	1,286.73	35.28 %	61.08%
Studded jewelry and colored stones	1,183.57	19.85 %	1,142.37	25.17 %	1,644.00	25.75 %	1,506.17	31.12 %	1,104.06	30.27 %	22.03%
Education	36.99	0.62 %	45.42	1.00%	53.59	0.84%	38.73	0.79%	24.71	0.68%	47.28%
Others(1)	70.00	1.17 %	81.87	1.80%	124.87	1.96%	93.77	1.91%	47.90	1.31%	61.46%
Total Revenue from Operations	**5,963.57**	**100.00%**	**4,537.88**	**100.00 %**	**6,385.28**	**100.00 %**	**4,909.94**	**100.00 %**	**3,646.91**	**100.00 %**	**32.32%**

Note:

(1) Others refers to revenue from the sale of traded goods and other operating revenue from advertisement and show income and commission income (exports).

Certification and Accreditation Services

We offer certification and accreditation services for natural diamonds, laboratory-grown diamonds, studded jewelry and colored stones. Our certification process adopts a combination of gemological analyses and stringent grading protocols, using advanced technical equipment such as spectrometers, microscopes, and spectroscopes to examine each stone based on certain parameters. These include its 4Cs (Carat Weight, Color, Clarity and Cut), which according to the Redseer Report (see page 139 of "*Industry Overview*") are internationally recognized standards. In addition, depending on the type of diamond, our certification process may also extend beyond the 4Cs to provide our customers value-added information such as fluorescence and symmetry. Each certification report issued by us contains detailed information regarding these assessments, along with a graphic representation of the proportions and clarity characteristics of the diamond, studded jewelry or colored stone and laser inscriptions, where applicable.

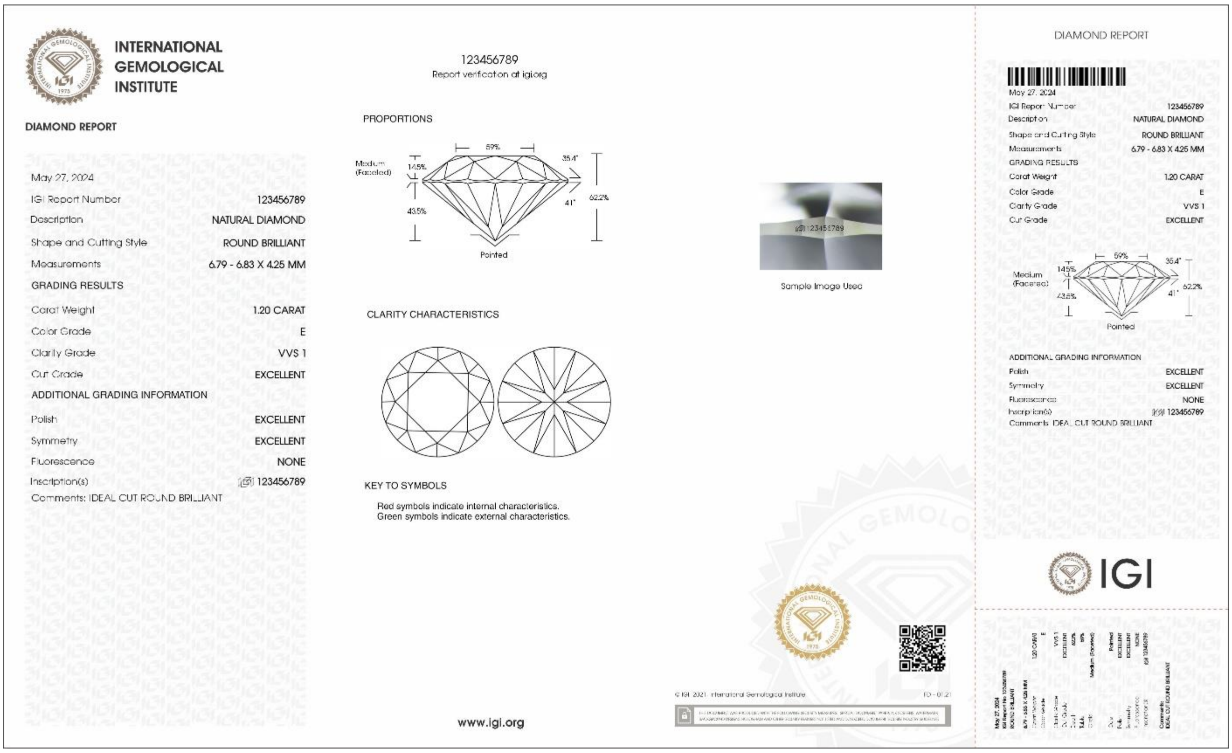
Diamond Reports

The certification and accreditation services we provide to our customers for diamonds mainly come in the form of a Natural Diamond Report or Laboratory Grown Diamond Report depending on the diamond type. Our diamond reports include details such as whether the diamond is of natural or laboratory-grown origin and will document all aspects of the diamond's value-setting 4Cs.

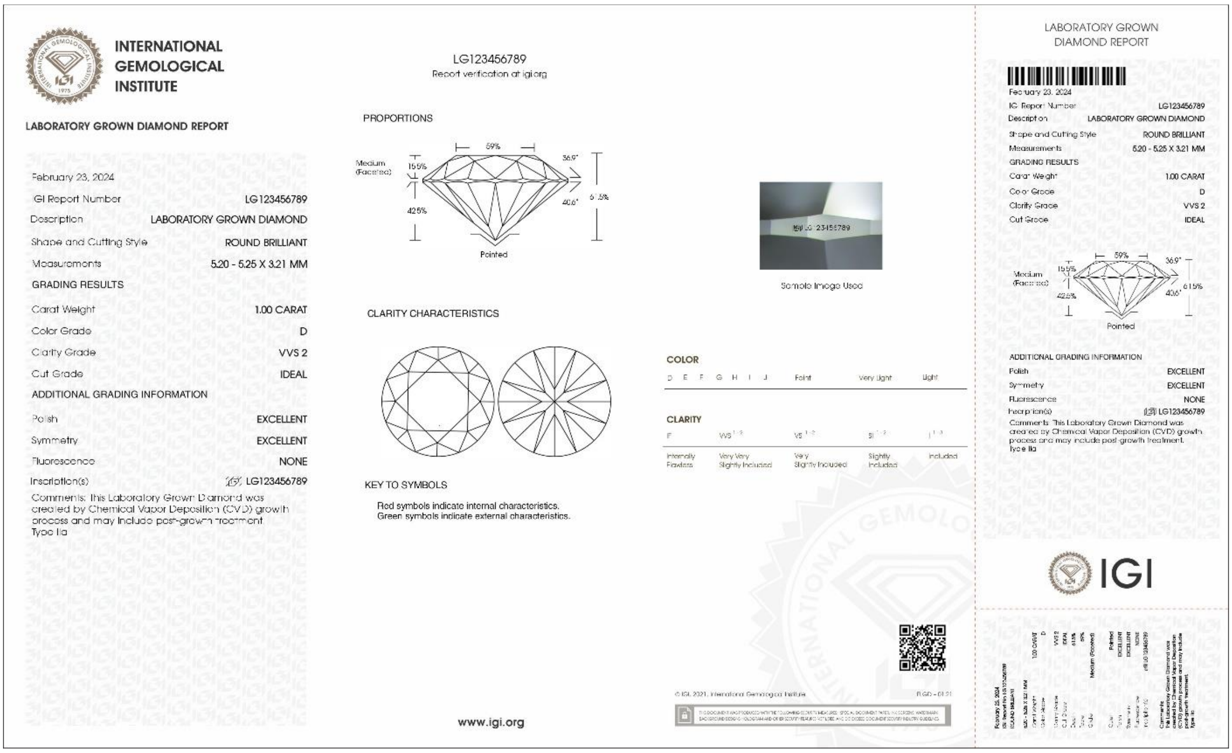
The following sets forth an overview of the main types of reports we issue for diamonds, along with the additional grading information we provide, depending on each type of report:

Type of Report	Type of Diamond	Additional Grading Information
Natural Diamond Reports	Natural Diamonds	• Assess the quality based on international grading standards, including the 4Cs
Laboratory Grown Diamond Reports	Laboratory-grown Diamonds	• Assess the quality based on international grading standards, including the 4Cs • Identify the technology used to grow the laboratory-grown diamonds – namely High Pressure, High Temperature ("**HPHT**") or Chemical Vapor Deposition ("**CVD**")

The following illustrates an example of our Natural Diamond Report:



The following illustrates an example of our Laboratory Grown Diamond Report:

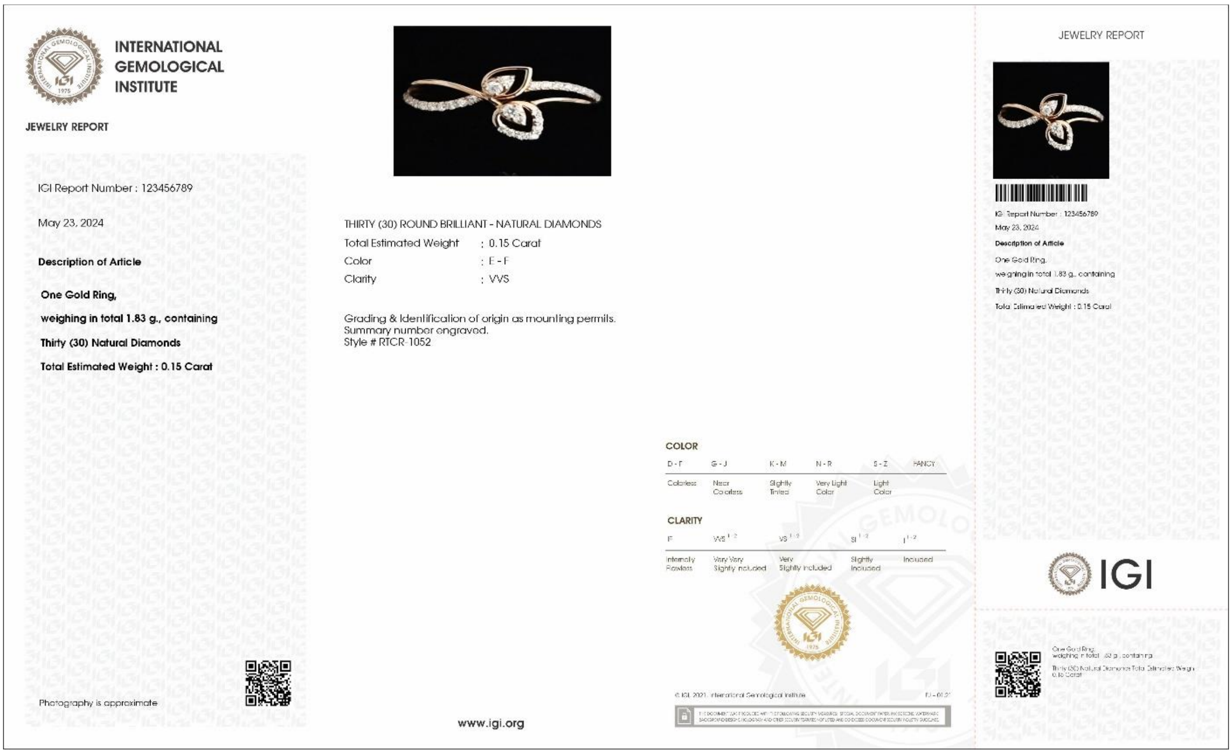


Depending on the shape of the diamond, we may undertake additional steps when we conduct our grading assessment, which is set out in the report. For instance, for fancy- shaped diamonds, which are diamonds that have non-rounded shapes, such as princess, emerald and pear, we undertake additional assessments using a four-step system which entails (a) polish and symmetry grading, (b) proportions qualifications, (c) shape-specific requirements and (d) light return grading, which will be noted on the grading report.

Jewelry Reports

We issue Jewelry Reports for jewelry pieces featuring natural and laboratory grown stones. Each report provides all colored stone and mounting specifics, and clear standardized photos showing craftsmanship details, such as mounting and symmetry, that may not otherwise be visible. Our Jewelry Report describes the article, identifying all mounted colored stones as well as precious metal content and purity stamps, if present. For jewelry pieces with diamond center stones, its shape, cutting style, measurements and 4Cs assessments are provided in the Jewelry Reports, as mounting permits. For jewelry pieces with color center stones, its species, variety, shape, cutting style, measurements, color, transparency, and other relevant gemological details are provided in the Jewelry Reports, as mounting permits.

The following illustrates an example of our Jewelry Report:



INTERNATIONAL GEMOLOGICAL INSTITUTE

JEWELRY REPORT

IGI Report Number : 123456789

May 23, 2024

Description of Article

One Gold Ring,

weighing in total 1.83 g., containing

Thirty (30) Natural Diamonds

Total Estimated Weight : 0.15 Carat

Photography is approximate

THIRTY (30) ROUND BRILLIANT - NATURAL DIAMONDS

Total Estimated Weight	: 0.15 Carat
Color	: E - F
Clarity	: VVS

Grading & Identification of origin as mounting permits.
Summary number engraved.
Style # RTCR-1052

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COLOR

D - F	G - J	K - M	N - R	S - Z	FANCY
Colorless	Near Colorless	Slightly Tinted	Very Light Color	Light Color	

CLARITY

F	VVS 1-2	VS 1-2	SI 1-2	I 1-2
Internally Flawless	Very Very Slightly Included	Very Slightly Included	Slightly Included	Included

JEWELRY REPORT

IGI Report Number : 123456789
May 23, 2024
Description of Article
One Gold Ring,
weighing in total 1.83 g., containing
Thirty (30) Natural Diamonds
Total Estimated Weight : 0.15 Carat

IGI

Colored Stone Reports

Our Colored Stone Report identifies certain details of a colored stone, including its species and variety and characteristics. A detailed photograph is included, and the country of origin will be stated in the report if this can be conclusively ascertained by gemological analysis.

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The following illustrates an example of our Colored Stone Report:

INTERNATIONAL GEMOLOGICAL INSTITUTE

COLORED STONE REPORT

May 27, 2024

IGI Report Number	123456789
Species	NATURAL BERYL
Variety	EMERALD
Shape and Cutting Style	EMERALD CUT
Weight	10.30 CARATS
Measurements	13.61 x 11.89 x 8.40 mm
Color and Transparency	INTENSE GREEN TRANSPARENT
Characteristics	NATURAL INCLUSION(S) PATTERN
Country of Origin	BASED ON CURRENT GEMOLOGICAL INFORMATION THE GEMSTONE DESCRIBED ABOVE WOULD BE CLASSIFIED AS BEING OF "COLOMBIA" ORIGIN

Comments:
Indications of moderate clarity enhancement
Natural emeralds are commonly enhanced as part of their normal fashioning process

Photography is approximate

OPTICAL and PHYSICAL PROPERTIES

Refractive Index	1.577 - 1.583
Birefringence	0.006
Optic Character	UNIAXIAL
Optic Sign	-
Specific Gravity	2.72

Optical and physical properties are approximate values

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Species & Variety

Gems may be classified in different species, according to their basic chemical composition and crystal structure; within a certain species, small differences in composition may result in different colors, or varieties.

The way that light interacts with the gem may create some astonishing optical phenomena, such as a star, a cat's eye effect or change of color, in different varieties.

Transparency

As light passes through a gemstone, part of it, if not all, will be absorbed, and part will be transmitted. The more light that is absorbed the less transparent the stone will be.

Characteristics

Internal characteristics are the fingerprints of a gemstone. Not only do they provide essential information about the formation, but also the possible geological and geographical region where they originate from. Sometimes they also provide information about whether the gemstone has been treated.

Refractive Index

When light passes through air and enters a gemstone it slows down due to a difference in the medium. The ratio between the speed of light in air and in a particular medium is known the Refractive Index.

Optic Character

Determining how light travels through the crystal. Using a range of specialized instruments, we will be able to establish if the stone is isotropic or anisotropic, uniaxial or biaxial.

Specific Gravity

Specific gravity is the ratio of the density of the gemstone to the density of an equal volume of water.

All IGI Laboratories employ a wide range of state-of-the-art equipment, like FTIR and Raman spectrometers, all of which give a unique spectral graph for different gemstones. They can reveal the species of the gemstone, treatments and, at times, even the geographic origin.

COLORED STONE REPORT

May 27, 2024

IGI Report Number	123456789
Species	NATURAL BERYL
Variety	EMERALD
Shape and Cutting Style	EMERALD CUT
Weight	10.30 CARATS
Measurements	13.61 x 11.89 x 8.40 mm
Color and Transparency	INTENSE GREEN TRANSPARENT
Characteristics	NATURAL INCLUSION(S) PATTERN
Country of Origin	BASED ON CURRENT GEMOLOGICAL INFORMATION THE GEMSTONE DESCRIBED ABOVE WOULD BE CLASSIFIED AS BEING OF "COLOMBIA" ORIGIN

Comments:
Indications of moderate clarity enhancement
Natural emeralds are commonly enhanced as part of their normal fashioning process

IGI

May 27, 2024
123456789
EMERALD CUT
10.30 CARATS
NATURAL BERYL
EMERALD

Collaboration and Co-Branding Certificates

Our Co-Branded Report is a collaboration with a brand or retailer, and is intended to enhance the credibility and marketability of the diamonds or colored stones certified under such reports through our expertise and reputation in gemological grading. A portion of the revenue we receive as certification fees in connection with such co-branded reports, typically from manufacturers, is paid to such brand or retailer as commissions.

Other Value-Added Services

We also offer other value-added services, such as performing screening services to determine whether a diamond is laboratory-grown or natural, and whether there are any stimulants. We also provide sorting services for diamond parcels, where such loose diamonds are sorted and screened and returned to our customers. In the United States, IGI USA also offers independent appraisal services where we attribute an estimated value to the high-value studded jewelry.

For companies who seeking more than our certification services, we offer a certification, education and marketing package where we provide support in the form of creating co-branded reports, tailoring education programs to their sales team and assisting with the development of their point-of-sale materials such as the creation of an "online retrieval" landing page on their websites where their customers can access our reports.

Education

In addition to our certification business, we also provide a variety of education courses and programs through our IGI Schools of Gemology. Our education courses and programs through our IGI Schools of Gemology are generally offered to (a) institutions, where we offer tailored courses and webinars to wholesalers, growers, manufacturers and retailers and (b) any individuals ranging from diamond and colored stone buyers, beginners to professionals in the industry wishing to gain more industry knowledge. As of September 30, 2024, the Pre-Acquisition Group had 9 schools which are all located in India. As of September 30, 2024, the Post-Acquisition Group had 18 schools located across 6 countries (including 9 schools held by the Pre-Acquisition Group in India), offering a mix of in-person and virtual classes. In addition, we offer e-learning courses in seven languages to students since 2020, with content similar to our offline courses.

The following table sets forth a breakdown of the number of schools and countries where they are located for the Post-Acquisition Group, for the years/periods indicated:

	As of September 30,	**As of December 31,**		
	2024	**2023**	**2022**	**2021**
Number of physical schools	18	18	17	17
Number of countries where such physical schools are located	6	5	4	4

The following sets forth certain courses which are available to any individual under our IGI Schools of Gemology:

- ***Graduate Programs***: includes our Graduate Gemologist Program, Diamond Graduate Program, Colored Stone Graduate Program and Jewelry Design Graduate Program;

- ***Diamond Courses***: includes our Polished Diamond course, Online Polished Diamond course, Advanced Polished Diamond course, Rough Diamond course, Professional Diamantaire course and Diamond Assortment & Mounted Jewelry course;

- ***Colored Stone Courses***: includes our Colored Stone Course, Identification of Ruby, Emerald & Sapphire course, Colored Stone Identification course, Colored Stone Grading & Evaluation course, Synthetics, Imitations & Treatments Identification course, Pearl Grading & Evaluation course, Organic Gemstones course, and Colored Stone Gem Cutting & Faceting course; and

- ***Jewelry Design Courses***: includes our Jewelry Design courses, Digital Jewelry Design courses, Jewelry Merchandiser course and Jewelry Business Essentials course.

We also offer a retail technical training program in India as a standalone full-day program to train the sales staff of retailers, which includes topics covering rough stones, polished and fancy shaped diamonds, the 4Cs of diamonds and an overview of color stones, IGI reports, imitations, jewelry settings, and inventory management.

Furthermore, we offer tailored courses in diamonds and colored stones and webinars to wholesalers and retailers, including trainings for their employees. For instance, we have also offered individual training sessions for corporates like Rosyblue to cater to the education needs of their staff.

Our Laboratories and Grading Process

Our Laboratories

As of September 30, 2024, the Pre-Acquisition Group has 20 branches which are equipped with IGI laboratories, comprising 19 IGI laboratories in India and 1 IGI laboratory in Türkiye. Further, our Company is in the process of developing our 214,159 square feet facility in Surat, India expected to be completed in 2025.

The Post-Acquisition Group has 31 branches located across 10 countries, including the 19 IGI laboratories and 1 IGI laboratory in Türkiye held by the Pre-Acquisition Group as well as 3 IGI laboratories in the United States, 2 IGI laboratories in the PRC and 1 IGI laboratory in each of Belgium, Dubai, Egypt, Hong Kong, Israel and Thailand.

Our laboratories are equipped with an array of technologically advanced equipment. The following sets forth an overview of certain key equipment used at our laboratories during the certification process:

- ***Dcheck System***: Our in-house technology which enables us to differentiate between laboratory-grown diamonds and natural diamonds in loose as well as in mounted condition, and includes advanced features and attachments for bangles and bracelets as well as live screens to enable identification of accurate markings and separations of the diamonds.

- ***Diamond weighing scale***: A precision instrument specifically designed for accurately measuring the weight of diamonds and other colored stones down to the milligrams or even fractions of a milligram.

- ***Sarine's DiaMension***: A diamond scanning and measurement device which can capture the dimensions and proportions of diamonds and assess the cut quality of diamonds.

- ***Ultraviolet-visible spectrometer***: An analytical instrument used to measure the absorbance and reflectance of ultraviolet and visible light to analyze the optical properties of diamonds and other colored stones.

- ***Photoluminescence (PL) spectrometer***: An analytical instrument used to measure the photoluminescence properties of materials which can identify the presence of any treatments in laboratory-grown diamonds.

- ***Short wave ultraviolet screening devices***: Specialized instruments used to analyze the fluorescence properties of materials, particularly in the diamond industry for identifying synthetic diamonds, detecting treatments, and assessing the quality of colored stones.

Our laboratories are supported by a team of gemologists and research personnel who aim to keep up to pace with technological advancements in gemology. As of September 30, 2024, we had 316 gemologists supporting our laboratory operations in our Pre-Acquisition Group. Our gemologists and research personnel engage in ongoing professional development activities, including participation in diverse workshops, seminars, and educational programs in the diamonds, studded jewelry and colored stones industry globally, to keep abreast of the new technologies and industry insights.

We perform our services primarily through (1) IGI laboratories that are located within close proximity to the locations of our customers, (2) in-factory set-ups which are located within the premises of our laboratory-grown diamond grower customers and are integrated with their business processes and (3) mobile set-ups which deliver onsite services for jewelry manufacturers.

In 2021, our Company launched in-factory laboratory set-ups for laboratory-grown diamond growers in India to deliver on-site certification services to our customers. As of September 30, 2024, our Company has 12 in-factory laboratory set-ups located in India. Following the completion of the Proposed Acquisition, the Post-Acquisition Group will have 13 in-factory laboratory set-ups, comprising 12 in-factory laboratory set-ups in India and 1 in-factory laboratory set-up in the United States. Through our in-factory laboratory set-ups, we are able perform certification services in a dedicated laboratory within the factories of select high volume laboratory-grown diamond growers. These in-factory laboratory set-ups are equipped with the necessary equipment supplied by our customers, and are staffed with our gemologists and employees of our customers, who attend trainings provided by us on certain basic steps of the certification process. This arrangement improves the efficiency of the certification process and enables our gemologists to handle a greater volume of cases.

We have also strategically established mobile laboratory set-ups which deliver onsite services for jewelry manufacturers to optimize supply chain logistics and minimize lead times. As of September 30, 2024, our Company has mobile laboratory set-ups which are available in 17 branches in India. Following the completion of the Proposed Acquisition, the Post-Acquisition Group will have 19 mobile laboratory set-ups, comprising 17 mobile laboratory set-ups in India, 1 mobile laboratory set-up in Dubai and 1 mobile laboratory set-up in Hong Kong. By strategically distributing our service capabilities, this set-up enables us to enhance flexibility and responsiveness to market demand fluctuations. For instance, for any studded jewelry pieces which are rejected during the certification and accreditation process, our customers are able to rectify any quality issues on-site through the mobile laboratory set-up, thereby reducing transportation time.

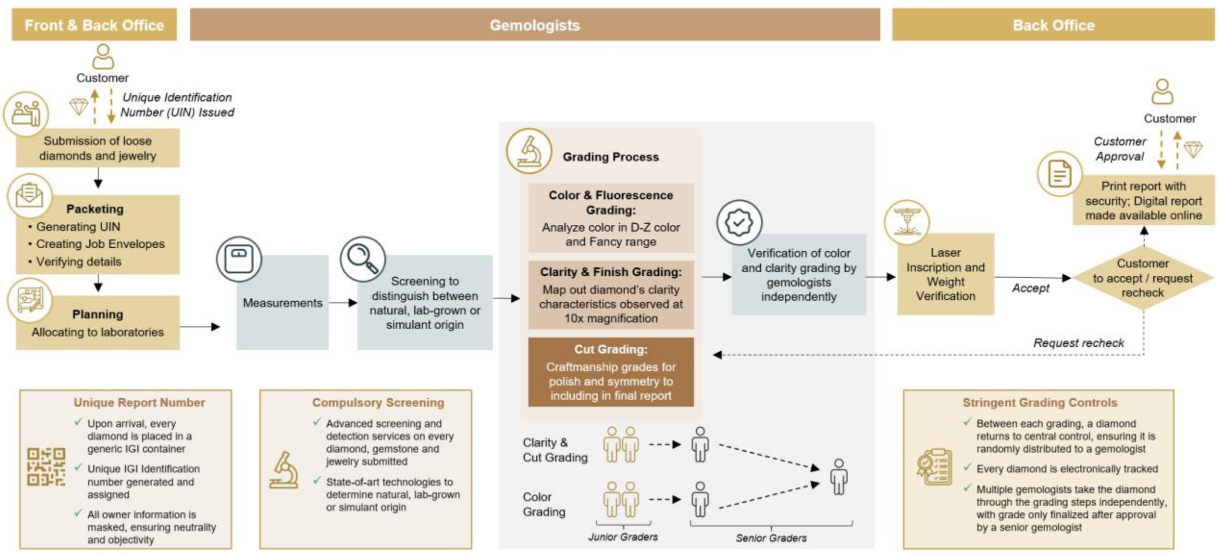
Our "IGI Island" in Surat

Our Company is in the process of developing our 214,159 square feet facility in Surat, India which is expected to be completed in 2025, as an additional laboratory in India to support our business operations, across natural diamonds, laboratory-grown diamonds, studded jewelry and colored stones. This facility is intended to serve as our "center of excellence" in Surat, which can provide our certification and accreditation services through an IGI laboratory as well as R&D activities and education programs.

As of the date of this Prospectus, we have secured the lease of the land under a 99-year lease agreement and have commenced the construction of the facility. For details of our capital commitments in connection with the development of such facility, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Capital Commitments and Contingent Liabilities*" on page 525.

The certification process

The following sets forth the typical certification process for natural diamonds, laboratory-grown diamonds, studded jewelry and colored stones:



- ***Initial Intake:*** During the initial submission of diamonds, studded jewelry or colored stones, the details are verified physically and details are recorded in our system and assigned a document number and a auto-generated unique identifier ("**UID**") number. The diamonds, studded jewelry or colored stones will be placed in a job envelope with UID details identifying the particular stone. During the certification process, in order to ensure a neutral and objective assessment process, each diamonds, studded jewelry or colored stone will only be identified using the assigned UID number. The document number, which is linked to the details of the client, is kept confidential to prevent any ability to identify the owner of the diamond, studded jewelry or colored stone.

- ***Carat Weight***: The first stage is weighing the diamonds or colored stones in carats. The stone's measurements are also recorded using an optical measuring device which generates a 3D digital sculpture of the stone's geometry.

- ***Color and Fluorescence Grading***: The color of the stone is graded on a color grading scale of D to Z against calibrated master stone, conducted by multiple graders independently. Fluorescence, which refers to the diamond's reaction to ultraviolet light, is also recorded in terms of the strength and color of the fluorescence.

- ***Clarity and Finish Grading***: We grade clarity according to internationally accepted standards at 10X magnification. Gemologists use a step-by-step wedge technique, examining the diamond in segments, to provide a map of the diamond's internal and external clarity characteristics.

- ***Cut Grading***: We provide a cut grading for diamonds and colored stones. All shapes and colors will have craftsmanship grades for polish and symmetry noted on the grading report.

- ***Verification***: Upon request by our customers, we also perform verification services for diamonds, studded jewelry or colored stones that have already been certified by us or by a third party. For those which were previously certified by us, the verification process includes identification of the previously graded stones, verifying the 4Cs and laser inscription and identifying any external damages or treatments. We would then issue a new report as of the current date for those previously certified stones. We also do verifications of third-party reports where we are asked to confirm that the stone corresponds to the certificate issued by a third party and to conduct checks based on the weight, measurements, inclusions (such as the internal characteristics of the stone), naturality (whether it is natural or laboratory-grown) and laser inscription.

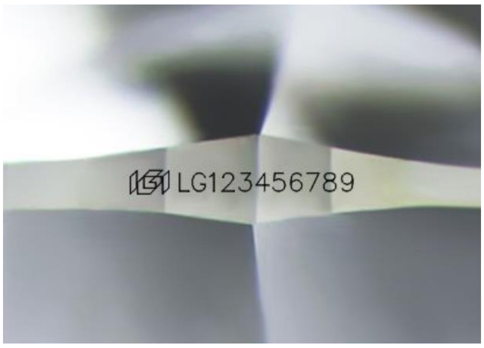
- ***Report Printing and Security***: Each grading report is bar coded with a unique, non-replicable number which facilitate the tracking of the physical certificate. The grading reports are printed on paper with characteristics that ensure the certificate is long-lasting and resistant to forgery and tampering, and consists of security features such as ultra-violet and holographic logos of IGI. We also have various security measures such as including a security seal for each diamond and colored stone, CCTVs in our laboratories and daily stock taking.

- ***Digital Grading Report Sent to the Customer and Posted***: A digital copy of the report will also be sent to the customers along with the report number and link sent to the customers' mobile for verification. A digital copy of the report will also be posted online on our platform, which is accessible using a one-time password and cannot be copied or downloaded. we offer digital solutions through our online platforms including our website and application programming interface ("**API**"), for our customers and their end-consumers to access their respective grading reports. These are accessible through a QR code in our grading reports and also allows our customers to track the status of their submissions.

Laser Inscription

Our IGI Laserscribe inscription system is an inscription service where alphanumeric characters and/or brand logos are inscribed on the girdle of the diamond and is a key factor in diamond identification. For laboratory-grown diamonds, laser inscription are mandatory and accordingly, any laboratory-grown diamond that we grade will include an inscription denoting its laboratory-grown origin. For natural diamonds, laser inscriptions are optional at the request of our customers, based on their needs and preferences.

The following illustrates an example of a IGI Laserscribe inscription on a laboratory-grown diamond:



Quality Control and Assurance

Grading Controls

Our grading processes involve inspections at every stage of grading. We employ at least 2 gemologists to independently evaluate each diamond or colored stone through the grading process. A final grade is only assigned when a consensus is reached by the senior gemologist. A senior gemologist is determined based on a variety of factors, including his/her experience, skill and capabilities, based on an internal assessment by our Company. Each diamond, colored stone and jewelry which is submitted is electronically tracked throughout the entire process through its UID and bar code, allowing central control to monitor its location at all times and review each step in the grading process. This tracking system enables us to track the stones or jewelry at any given point of time in different departments.

To maintain the consistency and precision of our evaluations, we conduct periodic calibration of our gemologists. This process involves reassessing and adjusting their grading techniques to ensure alignment with the international grading standards adopted by IGI globally and mitigate any deviations over time. To maintain consistency in certification process, calibration is also undertaken across the different IGI laboratories globally. This also enables IGI laboratories globally to stay updated with market changes and new technologies. Additionally, we implement quality checks on a random basis. We also require our gemologists to undergo regular seminars, workshops and educational courses as part of our aim to keep them abreast with the latest advancements in gemology and international standards and best practices. Additionally, gemologists at in-factory and mobile laboratory set-ups also operate on a rotation basis.

We also use our in-house developed software "Swiftcert" to track all diamonds, studded jewelry and colored stones that have been submitted across our laboratories globally. Through "Swiftcert", we are able to track the diamonds, studded jewelry and colored stones through the entire grading process from the time of submission, during the various stages of the grading process and up to the time the certificates are issued and the invoice is issued, through our centralized office in Mumbai. We completed the transition to the "Swiftcert" system completely for IGI India's laboratory operations in 2019. For the rest of the IGI offices, we commenced the transition to the "Swiftcert" system in 2020, which was completed in 2024. As of the date of this Prospectus, the "Swiftcert" system is fully implemented across all IGI offices globally. See "- *Information Technology – SwiftCert"* on page 183.

As of the date of this Prospectus, our Company's laboratory in Surat and one of our Company's laboratories in Mumbai has received the ISO/IEC 17025:2017 accreditation for competence of testing and calibration laboratories, which certifies that our laboratories meet the technical and quality benchmarks for analytical testing methods. IGI Dubai's laboratory has also obtained the ISO 9001:2015 accreditation for management systems, in respect of the testing, classification, grading and certification of, precious stones (loose and mounted) and providing training on classification, grading of precious stones and jewelry design. Our laboratories in India are also members of the Responsible Jewelry Council, which is an international organization dedicated to promoting ethical, social, and environmental practices throughout the jewelry supply chain.

Customers

We provide our certification services to the following diverse group of customers including laboratory-grown diamonds growers, natural diamond and colored stone wholesalers, jewelry manufacturers and retailers, spanning across the diamond, studded jewelry and colored stone market:

- ***Upstream Market***: Laboratory-grown diamond growers and natural diamond wholesalers which bring polished natural diamonds or laboratory-grown diamonds for certification before selling to jewelers who manufacture diamond jewelry or retailers.

- ***Manufacturing Market***: Jewelry manufacturers and brands which manufacture jewelry with diamond or colored stone, as well as retailers which engage us for certification services before the diamond or jewelry sold in the retail market.

- ***Downstream Market:*** End-consumers who directly or indirectly (through our manufacturers or retailers) request for our B2C jewelry certification services. This is done directly through walk-ins by the end consumer or through retailers, who have customers who request for our certification.

These customers are located globally. IGI's customers include diamond growers such as Kira Diam, jewelry firms such as Morellato, retailers and other international jewelry brands and international luxury brands.

Some significant certifications that Our Company has undertaken include, among others, the jewelry adorned on the Ram Lalla idol in the Ram Mandir temple in Ayodhya, India in January 2024. Our Company has also certified the largest laboratory-grown diamond weighing 75.33 carats, 'Celebration of India', as of September 30, 2024, according to the Redseer Report (see page 144 of "*Industry Overview*").

The following table sets forth details of revenue from the certification business of the Pre-Acquisition Group which is derived from our laboratories, in-factory laboratory set-ups and mobile laboratory set-ups located in India and Türkiye for the years/periods indicated:

₹ in millions, except percentages

Revenue of certification business	**Nine-months period ended September 30,**				**Calendar Year ended December 31,**					
	2024		**2023**		**2023**		**2022**		**2021**	
India	5,844.23	99.79%	4,394.29	99.63%	6,183.56	99.63%	4,776.20	99.97%	3,574.30	100.00%
Türkiye	12.35	0.21%	16.30	0.37%	23.26	0.37%	1.24	0.03%	-	-
Total Certification Revenue	**5,856.58**	**100.00%**	**4,410.59**	**100.00%**	**6,206.82**	**100.00%**	**4,777.44**	**100.00%**	**3,574.30**	**100.00%**

The following table sets forth a breakdown of our total revenue from contracts with customers (comprising of revenue from certification services, educational courses and traded goods) of the Pre-Acquisition Group which is generated from customers located in India and outside of India for the years/periods indicated:

Revenue from contracts with customers	**Nine-months period ended September 30,**				**Calendar Year ended December 31,**					
	2024		**2023**		**2023**		**2022**		**2021**	
Within India	5,825.15	98.57%	4,366.16	97.23%	6,158.08	97.82%	4,523.03	93.44%	3,361.54	92.77%
Outside India	84.52	1.43%	124.18	2.77%	137.38	2.18%	317.38	6.56%	262.16	7.23%
Total Revenue from Contracts with Customers	**5,909.67**	**100.00%**	**4,490.34**	**100.00%**	**6,295.46**	**100.00%**	**4,840.41**	**100.00%**	**3,623.70**	**100.00%**

The following table sets forth details of revenue generated from the top 15 customers of the Pre-Acquisition Group for the years/periods indicated:

₹ in millions, except percentages

Revenue from Top Customers	Nine-months period ended September 30,				Calendar Year ended December 31,					
	2024		2023		2023		2022		2021	
Top 10 customers	2,633.94	44.17%	1,981.89	43.67%	2,597.92	40.69%	1,666.23	33.94%	861.88	23.63%
Top 15 customers	3,068.54	51.45%	2,209.83	48.70%	2,966.52	46.46%	1,914.06	38.98%	1,058.01	29.01%

Contractual Arrangements

Our service contracts with customers are predominantly on a per carat basis and we do not enter into long term contracts with our customers. Our scope of work under such contractual arrangements ranges from providing our standard grading services apart from ancillary service on screening and appraisals. The prices that we charge for our services depend on the nature of services that we provide, which ranges from certifying loose stones, both natural diamonds and laboratory-grown diamonds, studded jewelry and colored stones.

The prices that we charge for our educational courses at our IGI Schools of Gemology is also subject to the nature and scope of the programs.

Suppliers

The primary raw material utilized in our certification business is paper used for the production of our certificates, which includes characteristics that ensure each certificate is long-lasting and also resistant to forgery and tampering. We do not enter into any long-term supply agreements for the supply of paper, and we purchase such paper from various suppliers located in India, Dubai and the United States on an as-need basis.

The following table sets forth details of the expenses of the Pre-Acquisition Group from the purchase of paper, expressed as a percentage of the revenue of the Pre-Acquisition Group for the years/periods indicated:

	Nine-months period ended September 30,		Calendar Year ended December 31,		
	2024	2023	2023	2022	2021
Paper *(₹ in millions)*	251.85	154.10	241.49	176.17	113.00
% of Total Revenue	4.22%	3.40%	3.44%	3.07%	2.52%

Customer Relationships, Brand Building and Marketing

We are committed to maintaining existing customer relationships and sourcing new clients through a multi-faceted approach. We regularly attend trade shows, which provides us with opportunities to present and promote our range of services directly to potential clients. Concurrently, our sales and marketing team located in each geography is responsible for prospecting and engaging with new clients in such countries through personalized meetings, with the business heads of each respective country which IGI serves taking responsibility for managing and nurturing their respective client relationships. For customers with a presence across multiple geographies, we employ a synchronized approach which seeks to provide customers with a consistent and seamless service.

As part of our growth strategies, we aim to invest in building brand salience through content-oriented marketing and marketing events, which are categorized under B2C initiatives and B2B initiatives. We also have a business development team within the sales and marketing team of the Pre-Acquisition Group of 40 employees as of September 30, 2024. Our business development team is responsible for initiating or maintaining relationships with the potential or existing enterprise customers for our B2B certification services and end-customers for our B2C certification services.

The following table sets forth a breakdown of our advertising and exhibition expenses and as a percentage of total revenue of the Pre-Acquisition Group for the years/periods indicated:

	Nine-months period ended September 30,		Calendar Year ended December 31,		
	2024	2023	2023	2022	2021
Advertising and exhibition expenses *(₹ in millions)*	56.08	86.46	123.45	91.52	37.62
% of Total Revenue	0.94%	1.91%	1.93%	1.86%	1.03%

B2C Initiatives

Our B2C initiatives include our in-house IGI Gemblog, which provides readers with access to educational content on diamonds and colored stones, certification or verification services, technologies, and market updates. Digital assets of the Post-Acquisition Group comprise the IGI website and other social media handles. From January 1, 2024 to September 30, 2024, there were

1,464,285 users on the IGI website, and key social media channels, namely IGI Worldwide and IGI MEA on Instagram, reached 2,890,945 and 675,956 users, respectively, inclusive of organic and paid distribution of Instagram content.

B2B Initiatives

Our B2B initiatives include strategic partnerships with leading retailers and stakeholders in the jewelry value chain, including through co-branding certificates. Through our co-branding reports, we are also able to collaborate with our such brands and retailers on their advertising initiatives. See "*–Services – Certification and Accreditation Services – Collaboration and Co-Branding Certificates*" on page 175 for further details.

Marketing Events

Some of the marketing events we undertake are as follows:

- ***Trade Shows:*** We have been participating in various global trade shows in various places namely Munich, New York, Las Vegas, Dubai, Bahrain, Qatar, Hong Kong, Mumbai, including the Jewelers Circular Keystone Show, Vincenzaoro, Istanbul Jewelry Show and the India International Jewelry Show ("**IIJS**") to increase our brand awareness among trade participants, which may eventually aid in strengthening our global footprint.

- ***"D Show"***: We have been hosting the "D Show" regularly since 2011 to provide a platform for manufacturers and retailers in the diamonds, studded jewelry and colored stones value chain to gather and share market insights. The "D Show" has been held in various places in India, including Goa, Delhi, Hyderabad, Chennai and outside of India in Dubai. Having hosted 19 successful editions of the "D Show" since inception, the "D Show" serves as a networking platform for jewelry manufacturers and global retailers and provides opportunities for us to identify new businesses with them. It also provides us with an avenue to stay updated on consumer demands and industry trends.

- ***"IGI Expressions"***: To engage with aspiring designers, IGI hosts jewelry shows such as the "IGI Expressions", which is an annual global online jewelry design contest which saw more than 1,500 entries from 41 countries when it was last held in February 2024. IGI also held our first jewelry design competition in the PRC in 2020 to promote the development of original jewelry design. These jewelry design contests serve as platforms to engage with aspiring designers, fostering brand affinity and positioning the IGI brand as a catalyst for creativity and innovation in the industry.

- ***"IGI Trusted Jeweler" Initiative***: IGI also recently introduced our "IGI Trusted Jeweler" initiative, which is an exclusive network of jewelers who have demonstrated a dedication to quality craftsmanship, ethical business practices and customer service. As of September 30, 2024, we had more than 223 members enrolled in our "IGI Trusted Jeweler" initiative. Our "IGI Trusted Jeweler" initiative is aimed at among other things, promoting the IGI brand and creating a community of trusted jewelers that we can engage in, and offer the potential to introduce co-branded campaigns. Through this platform, members gain access to a range of benefits, including specialized training, marketing support and networking opportunities, thereby contributing to building brand loyalty.

Industry Affiliations

We also seek to establish industry affiliations to reinforce our reputation in the gemological analysis and certification industry. These affiliations provide us with opportunities for collaboration and knowledge sharing, to stay at the forefront of industry trends and developments. Our association with reputable industry bodies also enhances our credibility and visibility within the market, strengthening confidence among our customers, their end-customers, and other stakeholders alike. Additionally, many of these organizations are dedicated to advancing environmental, social and governance ("**ESG**") goals within our industry. By aligning with these bodies, we further demonstrate our commitment to sustainable and ethical practices, reinforcing our role as a responsible and forward-thinking leader in gemology.

The following sets forth details of certain of IGI's industry affiliations, as of September 30, 2024:

Name of Industry Affiliation	Year of Becoming an Affiliate	Description of Industry Affiliation
SCS Global Services	2021	A third-party environmental and sustainability certification organization
Jewelry Confederation		A confederation of national jewelry trade organizations from more than 45 countries around the world
International Colored Gemstone Association		An organization dedicated to promoting the colored gemstone trade and setting consistent business standards for the industry
Responsible Jewelry Council (RJC)	2023	The RJC aims to promote responsible ethical, human rights, social, and environmental practices throughout the jewelry supply chain, from mine to retail.

Name of Industry Affiliation	Year of Becoming an Affiliate	Description of Industry Affiliation
WJI2030 (Watch & Jewelry Initiative 2030)*		WJI2030 was launched by Cartier and Kering in 2022 driven by a conviction that the Sustainable Development Goals and aspirations for a responsible industry can be only achieved through collaborative efforts.
WDC (World Diamond Council)		The World Diamond Council (WDC) is an industry association that works to safeguard the integrity of natural diamonds and their distribution chain
Shanghai Gem And Jade Trade Association (SGJTA)*		An organization dedicated to promoting the gem and jade industry in Shanghai.
Gems & Jewelry Trade Association of China (GAC)*	2024	A national organization focused on advancing the development of the PRC's gem and jewelry industry, regulation of the PRC jewelry industry enhancing international exchange, and promoting industry standards and ethics.

**Paid affiliations.*

Research and Development

Our dedication to research, development and innovation are essential factors which contribute to our growth and success. The Pre-Acquisition Group has a team of 22 employees in the R&D team as of September 30, 2024, who explore new technologies and methodologies to enhance the accuracy and reliability of our gemological evaluations.

Through IGI's R&D efforts, IGI has developed many innovative technological processes. The following table sets forth a summary of certain of R&D developments of IGI:

Year	R&D Development
2010	Developed the DQS (Diamond Qualification System) instrument. This instrument was capable of screening diamonds in parcels as well as those mounted in jewelry for the presence of laboratory-grown diamonds and is capable of screening small diamonds.
2018	Introduced the Dcheck System as a more advanced and upgraded model to the DQS. The Dcheck System has an additional bangle and bracelet attachment. It also has a live screen and a customized software to enable easy marking of laboratory-grown diamonds. The DQS and Dcheck System are based on the principle of photoluminescence and are able to capture the signature fluorescence and phosphorescence exhibited by laboratory-grown diamonds.

Information Technology

We leverage information technology and analytics within our business operations to foster internal collaboration across our operations, enhance operational efficiency, and grow our business. For instance, we have an in-house developed software, "SwiftCert" that enables us to manage the operational activities of IGI across various geographies.

The following table sets forth the Pre-Acquisition Group's computer expenses and as a percentage of total revenue for the years/periods indicated:

	Nine-months period ended September 30,		Calendar Year ended December 31,		
	2024	2023	2023	2022	2021
Computer Expenses (₹ in millions)	4.18	1.53	1.92	0.67	0.77
% of Total Revenue	0.07%	0.03%	0.03%	0.01%	0.02%

Certain information technology systems used in our business include:

SwiftCert

We use our in-house developed SWIFT web-based application, "SwiftCert", for the management and governance controls of our operations to streamline its operational tasks across different geographic locations in a secure, centralized yet distributed environment. It incorporates a range of modules, including a self-service portal and mobile app for customers to access and track the status of their certification requests on our online platform and mobile application, an operational module for staff, online certificate verifications by our customers and end-customers, among others. It also allows us to tailor our web-based application based on the requirements of our customers such as manufacturers and retailers.

This platform allows us to track all diamonds and colored stones that have been submitted across our IGI laboratories globally. It integrates with various devices to import diamond and colored stone data, connects with accounting software for the posting of financial information, interfaces with government websites for compliance with country-specific regulations, and facilitates automated communications such as emails and notifications.

We completed the transition to the "Swiftcert" system completely for IGI India's laboratory operations in 2019. For the rest of the IGI offices, we commenced the transition to the "Swiftcert" system in 2020, which was completed in 2024. As of the date of this Prospectus, the "Swiftcert" system is fully implemented across all IGI offices globally.

ERP and Financial Reporting System

IGI currently operates on decentralized local accounting packages across the various geographies which we operate. We are in the process of transitioning to SAP, which is an enterprise resource planning (ERP) software, that integrates various business functions, such as finance, human resources, and supply chain management, across the different geographies in which we operate, into a unified system and improve operational efficiencies. Such transition is expected to be completed by the end of 2024.

Website

We provide digital solutions through online platforms where our customers and their end-customers can access their grading reports through our website, www.igi.org. Additionally, for our customers, we also provide them with access to their reports through an API, which allows them to track the status of their submissions.

We also leverage analytics to grow our brand online and improve our sales. We analyze our website using certain software which enables us to monitor visitor impressions and block malicious traffic, and we track and refine online engagement via various channels including social media. We also update our internal sales and marketing pipeline on a monthly basis based on our engagement analytics. We recently shifted the operation of our website to an external third party web infrastructure and website security company which provides DDoS mitigation services, and implemented a web application firewall. See "*Risk Factors – We rely significantly on our information technology systems for our business and operations. A failure of our information technology systems, physical or electronic security protections, or an interruption in their operation due to internal or external factors including cyber-attacks or insider threats, could have a material adverse effect on our business, financial condition or results of operations.*" on page 38.

With the exception of IGI USA and IGI Israel, IGI stores data primarily using a Zettabyte File System ("**ZFS**"), which is a file system and logical volume manager, which allows us to conduct periodic snapshots of our file systems. These ZFS snapshots "read-only" and cannot be altered or deleted, which minimizes the risk of them being encrypted or modified by ransomware or virus attacks. To further safeguard our data, we replicate all our data to a server located on-site at our registered office and corporate office of our Company in India. Additionally, as part of our disaster recovery measures, we replicate our data offsite to one of our IGI India offices in Mumbai and our IGI Belgium office in Antwerp. We are in the process of transitioning the data backup procedures for IGI Israel to our data offsite storage at our IGI Belgium office in Antwerp, which is expected to be completed in July 2024. In relation to IGI USA, our data is stored locally and in the cloud, with backups being conducted on a daily basis.

Intellectual Property

We own a combination of trademarks to establish and protect our brands, logos and marketing designs. As of September 30, 2024, we have 72 registered and valid trademarks out of which 9 trademarks are owned by our Company, 14 trademarks are owned by IGI USA and 49 trademarks are owned by IGI Belgium. Further, one copyright is owned by IGI USA. Our Company entered into a trademark license agreement dated July 4, 2024 with IGI Belgium pursuant to which our Company has been granted a worldwide, royalty-free, non-transferable license to use certain licensed marks, including the IGI logo and copyrights vested in the aforementioned licensed marks in connection with the services carried out by our Company in accordance with our MoA and AoA. For details, see *"History and Certain Corporate Matters – Shareholders' agreements and other agreements"* on page 194.

The following table sets out the domain names registered by the Post-Acquisition Group as of September 30, 2024.

Types of Intellectual Property	Description of Intellectual Property	Owned/Licensed	Registered Owner	Registration Number	Territory	Expiry Date
Domain	igichina.net	Owned	IGI Shanghai Consulting	-	-	November 29, 2025
Domain	igichina.cn	Owned	IGI Shanghai Consulting	-	-	November 29, 2025
Domain	igi.org.cn	Owned	IGI Shanghai Consulting	-	-	October 21, 2025
Domain	igiserver.org.cn	Owned	IGI Shanghai Consulting	-	-	February 28, 2025
Domain	igiworldwide.com	Owned	IGI Belgium	-	-	July 1, 2025
Domain	IGI.ORG	Owned	IGI Belgium	-	-	December 9, 2024
Domain	igiworldwide.be	Owned	IGI Belgium	-	-	January 8, 2025

Types of Intellectual Property	Description of Intellectual Property	Owned/Licensed	Registered Owner	Registration Number	Territory	Expiry Date
Domain	igiworldwide.org	Owned	IGI Belgium	-	-	January 13, 2025
Domain	igi-italy.it	Owned	IGI Belgium	-	-	May 24, 2025
Domain	igialumni-italy.org	Owned	IGI Belgium	-	-	June 19, 2025
Domain	igi-italy.com	Owned	IGI Belgium	-	-	October 10, 2025

See *"Risk Factors – We may be unable to sufficiently obtain, maintain, protect, or enforce our intellectual property and other proprietary rights and may experience counterfeit certificates, which could devalue the trust associated with genuine certifications."* on page 44 and *"Government and Other Approvals"* on page 535.

Properties and Facilities

The registered office and corporate office of our Company in India is located in at 702, 7th Floor, The Capital Bandra Kurla Complex, Bandra (E), Mumbai City, Mumbai, Maharashtra, India, 400051 and is owned by our Company.

As of September 30, 2024, IGI has 31 branches which are equipped with our IGI laboratories located across 10 countries, comprising 19 IGI laboratories in India, 3 IGI laboratories in the United States, 2 IGI laboratories in the PRC and 1 IGI laboratory in each of Belgium, Dubai, Egypt, Hong Kong, Israel, Thailand and Türkiye. Our branches which are equipped with our IGI laboratories in India and outside of India are generally on operated a lease or leave and license basis or on the premises owned by us. Our leases and licenses have been entered into with third parties. We currently expect to lease and license the premises for our new laboratories to the extent we are able to expand our network. Our operating performance depends, in part, on our ability to secure leases and licenses for our branches in appropriate locations at rents we believe are cost effective. We typically enter into lease or license arrangements for a term of 12 months to 9 years.

In addition, the land upon which we are constructing our 214,159 square feet "IGI Island" in Surat is leased by our Company under a 99-year lease agreement.

Competition

As per the Redseer Report (see page 143 of "*Industry Overview*"), the diamonds, studded jewelry and colored stones certification market exhibits oligopolistic characteristics and is dominated by a few players, primarily due to the need to build up a strong reputation and credibility, alongside the requirement for specialized expertise and advanced equipment. These players tend to have offices in key diamond-consuming, polishing, and producing nations around the globe. Major global players having a legacy of approximately 50 years or more include IGI, the Gemological Institute of America (GIA), and Hoge Raad Voor Diamant (HRD) Antwerp. More recent global players emerging in the 2000s include Gemological Science International (GSI) and Solitaire Gemmological Laboratories (SGL). All these players have a presence in India along with a global reach in at least 5 countries, according to the Redseer Report (see page 137 of "*Industry Overview*"), and are our competitors. We also compete with a few local and regional players operating on a regional scale in key diamond markets such as the USA, China, and India who have multiple players operating on a regional scale. For details of certain of our competitors, according to the Redseer Report, see "*Industry Overview – Competitive Landscape of the Loose Gemstone & Studded Jewelry Certification Market*" on page 143.

Employees

As of September 30, 2024, the Pre-Acquisition Group had 843 permanent employees with an average age of 33.59 years old.

The following tables sets out a breakdown of our employees by function of the Pre-Acquisition Group as of the years/periods indicated:

	As of September 30,	**As of December 31,**		
Employee	**2024**	**2023**	**2022**	**2021**
Certification	672	570	425	380
Gemologists	316	266	220	167
Education	17	17	16	15
Sales and Marketing	63	58	31	30
Admin	91	82	70	73
Total	**843**	**727**	**542**	**498**

The following table sets forth the total number of employees, the annual attrition rate for our Key Management Personnel, Senior Management Personnel and all other employees of the Pre-Acquisition Group for the years indicated:

Details of Employees and Annual Attrition Rates					
Particulars	**As of and for the nine-months period ended September 30,**		**As of and for the Calendar Year ended December 31,**		
	2024	**2023**	**2023**	**2022**	**2021**
Total number of employees	843	697	727	542	498
Annual attrition rate for employees (excluding Key Management Personnel and Senior Management Personnel) [(1)]	9.49%	7.31%	9.37%	9.69%	10.42%
Total Number of Key Management Personnel and Senior Management Personnel	6	4	5	4	4
Annual attrition rate for Key Management Personnel and Senior Management Personnel[(2)]	0.00%	0.00%	0.00%	0.00%	0.00%

Notes:

(1) Employee attrition rate represents the number of permanent employee(s) (excluding Key Management Personnel and Senior Management Personnel) who left the Pre-Acquisition Group during the year/period divided by the total number of permanent employees (excluding Key Management Personnel and Senior Management Personnel) as at the last day of the relevant year/period.

(2) Key Managerial Personnel and Senior Management Personnel Attrition Rate represents the number of Key Managerial Personnel and Senior Management Personnel who left the Pre-Acquisition Group during the year/period divided by the total number of Key Managerial Personnel and Senior Management Personnel as at the last day of the relevant year/period.

The following table sets forth employee expenses, as a percentage of the revenue of the Pre-Acquisition Group for the years/periods indicated:

	Nine-months period ended September 30,		**Calendar Year ended December 31,**		
	2024	**2023**	**2023**	**2022**	**2021**
Employees benefits *(₹ in millions)*	840.60	708.88	970.91	876.33	735.21
% of Total Revenue	14.10%	15.62%	15.21%	17.85%	20.16%

Learning and Development

We prioritize the skills and abilities of our employees and we have dedicated resources to training and development programs, which include the new joiners program where new joiners in our laboratories are given trainings on Polished Diamond Grading by our in-house instructors.

Insurance

We maintain insurance coverage under various insurance policies for, among other things, our properties, jewelers block insurance, employees, directors' and officers' liability. While we believe that the level of insurance we maintain is appropriate for the risks of our business, please refer to "*Risk Factors –We may be subject to losses arising from the theft, fraud or loss of diamonds, studded jewelry and colored stones during the certification process, and our insurance coverage may be inadequate to protect us against all potential losses, which may have a material adverse effect on our business, financial condition, results of operations and prospects.*" on page 47.

Seasonality

Our business is not subject to seasonality.

Environment, Social and Governance ("ESG")

We are committed to integrate ESG principles into every aspect of our operations and decision-making and fostering a sustainable future.

Environment

Our "IGI Island" to be constructed in Surat, India is intended to be a green building and we intend to seek a certification by the United States Green Building Council (USGBC) under the Leadership in Energy and Environmental Design (LEED) rating system for Building Design and Construction. We plan to achieve this by creating a climate responsive building using low embodied carbon materials, and implement net zero energy initiatives through the use of solar panels to meet 100% of the "IGI Island" building's energy requirements, using sustainable sources of water, net zero carbon initiatives to mitigate or offset embodied and operational carbon, as well as net zero waste initiatives during the construction and post-occupancy phase.

Social

We have adopted a corporate social responsibility ("**CSR**") policy which sets out our targeted sectors for CSR activities, including healthcare, education, vocational skills, entrepreneurship skills and employment opportunities. We constituted a CSR committee which devises an annual CSR plan for the board's review and approval and meets periodically to review our CSR initiatives. Our CSR activities are monitored by the CSR committee comprised of our employees and representatives to ensure effective implementation and monitoring of the approved CSR projects. Our Board also monitors the annual allocation and timeline of our multi-year CSR projects to ensure smooth implementation within the prescribed timeframe.

We also conduct corporate social responsibility activities in India relating to education, hygiene and people with physical challenges. Additionally, we have a Prevention, Care and Support Program in Tiruchirappalli, Tamil Nadu where we provide services such as a mobile medical unit to provide basic medical care, testing and counselling for Human Immunodeficiency Virus and other forms of sexually transmitted infections. We also have a Care and Share Charitable Trust which provides access to free tuition at study centers for children from rural and slum areas, and we also provide them with support through sports activities, arts and crafts as well as nutritional supplements.

We also run our Women Empowerment Program in Surat, India to provide job and sustainable livelihood opportunities to women such as the manufacturing of manufacturing process of aromatic and food products. This initiative targets women from tribal and lower economic backgrounds, particularly those residing in smaller towns of Gujarat, aged between 18 to 44 years. Over the last three Calendar Years and the nine-months period ended September 30, 2024, the Post-Acquisition Group had an aggregate 87 female trainees under the women empowerment recruitment program and 62 women have graduated from this program to become IGI gemologists. We also seek to foster an inclusive and equitable workplace, and as of September 30, 2024, IGI India had a gender diversity ratio of 43.06%.

Governance

We are committed to effective and transparent decision-making at the Board level and throughout IGI. All the branches within IGI are subject to industry-recognized business ethic rules. We have also recently adopted our Code of Business Conduct and Ethics Policy across the various entities within IGI which defines the expected standards of behavior across the organization while also setting out the framework on dealings with customers, vendors and government authorities.

KEY REGULATIONS AND POLICIES

Given below is an indicative summary of certain sector specific and relevant laws and regulations in India, which are applicable to our Company and our business and operations. The information in this chapter is based on the current provisions of applicable law in India and has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, etc. that are available in the public domain and are subject to changes, amendments or modifications by subsequent legislative actions, regulatory, administrative, quasi-judicial or judicial decisions. The description of the applicable regulations as given below is only intended to provide general information to the investors is not exhaustive and is neither designed nor intended to be treated as a substitute for professional legal advice.

Laws in relation to our Company's business

Foreign Trade Policy 2023 and Handbook of Procedures 2023

The Foreign Trade Policy 2023 issued by the Ministry of Commerce and Industry, GoI includes scheme for import of diamonds for certification/ grading and re-export, under which certain agencies ("**Approved Agencies**"), including our Company, are permitted to import diamonds to their laboratories without any import duty, for the purpose of certification/ grading reports, with a condition that the same should be re-exported with the certification/ grading reports. Under Handbook of Procedures 2023, at the time of imports of diamonds, the bill of entry is required to have the detailed description, including the dimensions/ specifications of the diamonds and at the time of re-export after grading/certification, the bill of entry details needs to be endorsed in the shipping bill, in relation to the dimensions and other specifications/ details of the diamonds, in order to establish a clear correlation between the imported diamonds and the diamonds being re- exported. Re-export of the imported diamonds needs to be completed within a maximum time period of three months from the date of import. At the time of import, the Approved Agency is required to give an undertaking to the customs authority in relation to the completion of the re-export within the prescribed time period. The Approved Agency is also required to furnish a quarterly report to the customs authority at the port of import by 25th of the month, succeeding the end of the quarterly period, to ensure that the exports are affected within the stipulated time period.

Consumer Protection Act, 2019 ("Consumer Protection Act") and the rules made thereunder

The Consumer Protection Act, which repeals the Consumer Protection Act, 1986, was designed and enacted to provide for timely and effective administration and settlement of consumer disputes. It seeks, *inter alia* to promote and protects the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of "consumer" has been expanded under the Consumer Protection Act to include persons who buy goods or avail services by offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal commissions for the purposes of redressal of consumer grievances.

The Consumer Protection (E-Commerce) Rules, 2020, issued under the Consumer Protection Act apply to, among other things, goods and services bought or sold over digital or electronic networks, all models of e-commerce and all forms of unfair trade practice across e-commerce models. The rules specify the duties of sellers, duties and liability of e-commerce entities and inventory ecommerce entities.

Legal Metrology Act, 2009 (the "LM Act")

The LM Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure, or number. The LM Act provides for inter alia standard weights and measures and requirements for verification and stamping of weight and measure. The Legal Metrology (General) Rules, 2011, which came into force on April 1, 2011, also provide the detailed specifications of standard weights and measures and the standard equipment.

Intellectual property laws

Certain laws relating to intellectual property rights under the Trade Marks Act, 1999 and the Copyright Act, 1957 are applicable to our Company.

Trade Marks Act, 1999 ("Trade Marks Act")

The Trade Marks Act provides for the application and registration of trademarks in India. The purpose of the Trade Marks Act is to register trademarks applied for in India and to provide for better protection of trademark for goods and services and also to prevent use of fraudulent marks. Application for the registration of trademarks has to be made to Trade Marks registry by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants, and can be made on the basis of either actual use of intention to use a trademark in the future. The Trade Marks Act prohibits any registration of trademarks which are identical/similar to other trademarks or commonly used name of chemical compound among others. It also provides for penalties for falsifying and falsely applying trademarks and using them to cause confusion among the public.

The Trade Marks Act provides for civil remedies in the event of infringement of registered trade marks or for passing off, including injunction, damages, account of profits or delivery-up of infringing labels and marks for destruction or erasure.

In March 2017, the Trade Marks Rules, 2017 ("**Trade Mark Rules**") were notified. The Trade Marks Rules provide that renewal of a trade mark may be made at any time not more than one year before the expiration of the last registration of the trademark. The Trade Mark Rules provide that hearing for any proceeding under the Trade Marks Act may also be held through video- conferencing or through any other audio-visual communication devices.

The Copyright Act, 1957

The Copyright Act, 1957, along with the Copyright Rules, 2013 ("**Copyright Laws**") governs copyright protection in India. The Register of Copyrights under the Copyright Laws acts as prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Copyright Laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions.

Foreign Investment Laws

The Foreign Trade (Development and Regulation) Act, 1992 ("FTA") and the rules framed thereunder

The FTA is the main legislation concerning foreign trade in India. The FTA, read along with the Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. It authorizes the government to formulate as well as announce the foreign trade policy and to keep amending the same on a timely basis. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The FTA read with the Foreign Trade Policy, 2023, prohibits anybody from undertaking any import or export except under an importer-exporter code ("**IEC**") number granted by the Director General of Foreign Trade, Ministry of Commerce. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is suspended or cancelled by the issuing authority. An IEC number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract penalty under the FTA.

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

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the Consolidated FDI Policy. In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval for foreign investment under the Consolidated FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

The FEMA Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except for things done or omitted to be done before such supersession. The total holding by any individual NRI, on a repatriation basis, shall not exceed five percent of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

With effect from April 1, 2020, the aggregate limit for investment by FPIs shall be the sectoral caps applicable to Indian companies as laid out in paragraph 3(b) of Schedule I of FEMA Rules, with respect to paid-up equity capital on fully diluted basis or such same sectoral cap percentage of paid-up value of each series of debentures or preference shares or share warrants provided that such aggregate limit may be decreased by the Indian company concerned to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020. Further, the Indian company which has decreased its aggregate limit to 24% or 49% or 74%, may increase such aggregate limit to 49% or 74% or the sectoral cap or statutory ceiling respectively as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively: However, once the aggregate limit has been increased to a higher threshold, the Indian company cannot reduce the same to a lower threshold. The aggregate limit with respect to an Indian company in a sector where FDI is prohibited shall be 24%.

Tax laws

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

- Income-tax Act 1961, the Income-tax Rules, 1962, as amended by the Finance Act in respective years;

- Central Goods and Services Tax Act, 2017, the Central Goods and Services Tax Rules, 2017, and various state-wise legislations made thereunder;
- The Integrated Goods and Services Tax Act, 2017, and rules thereof;
- Professional tax-related state-wise legislations; and
- Customs Act, 1962.

Labour law legislations

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following in an indicative list of labour laws which may be applicable to our Company due to the nature of our Company's business activities:

- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- The Employees' State Insurance Act, 1948;
- The Maternity Benefit Act, 1961;
- The Minimum Wages Act, 1948;
- The Payment of Bonus Act, 1965;
- The Payment of Gratuity Act, 1972;
- The Payment of Wages Act, 1936;
- The Right of Persons with Disabilities Act, 2016;
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- The Equal Remuneration Act, 1976;
- The Employees' Compensation Act 1923;
- The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986; and
- The Workmen's Compensation Act, 1923.

In order to rationalize and reform labour laws in India, the Government of India has notified four labour codes which are yet to come into force as on the date of this Prospectus, namely, (i) the Code on Wages, 2019, which received the assent of the President of India on August 8, 2019, and will repeal the Payment of Bonus Act, 1965, Minimum Wages Act, 1948, Equal Remuneration Act, 1976, and the Payment of Wages Act, 1936, (ii) the Industrial Relations Code, 2020, which received the assent of the President of India on September 28, 2020, and will repeal certain enactments, (iii) the Code on Social Security, 2020, which received the assent of the President of India on September 28, 2020, and will repeal certain enactments including the Employee's Compensation Act, 1923, the Employees' Provident Funds and Maternity Benefit Act, 1961, and the Payment of Gratuity Act, 1972, and (iv) the Occupational Safety, Health and Working Conditions Code, 2020, which received the assent of the President of India on September 28, 2020 and will repeal certain enactments.

Certain portions of the Code on Wages, 2019 and Code on Social Security, 2020, have come into force upon notification dated December 18, 2020 and May 3, 2023, respectively, by the Ministry of Labour and Employment. The remaining provisions of these codes shall become effective as and when notified by the Government of India.

State specific shops and commercial establishments acts as applicable

Under various state laws dealing with shops and establishments, any shop or commercial establishment has to obtain a certificate of registration from the supervising inspector and has to comply with certain rules laid down therein. These statutes and rules and regulations framed thereunder regulate the opening and closing hours of shops and commercial establishments, daily and weekly work hours, closing dates and holidays, health and safety of persons working in shops and commercial establishments, payment of wages, maintenance of records and registers by the employers, among others.

Competition Act, 2002

The Competition Act, 2002 came into effect on June 1, 2011, and has been enacted to "prohibit anti- competitive agreements, abuse of dominant positions by enterprises" and regulates "combinations" in India. The Competition Act also established the Competition Commission of India (the "**CCI**") as the authority mandated to implement the Competition Act. The Act prohibits Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is likely to have an appreciable adverse effect on competition in India.

Other Indian laws

In addition to the above, our Company is also governed by the provisions of the Companies Act and rules framed thereunder, the Negotiable Instruments Act, 1881, the Contract Act, 1872, and other applicable laws and regulation imposed by the Central Government and State Governments and other authorities for our Company's day to day business.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as '*International Gemmological Institute (India) Private Limited*' at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated February 23, 1999, issued by the RoC. Our Company was subsequently converted into a public limited company and the name of our Company was changed to '*International Gemmological Institute (India) Limited*' and a fresh certificate of incorporation dated July 10, 2024 was issued by the RoC.

Changes in our Registered Office

Except as disclosed below, there has been no change in the registered office of our Company since the date of incorporation:

Date of change	Details of the change in address of registered office	Reason
July 1, 2004	The registered office of our Company was changed from "*113 Mittal Court, C Wing, Nariman Point, Mumbai 400 021, Maharashtra, India*" to "*402, Mani Mahal, 11/21, Mathew Road Opera House, Mumbai 400 004, Maharashtra, India*"	Administrative convenience
May 27, 2005	The registered office of our Company was changed from "*402, Mani Mahal, 11/21, Mathew Road Opera House, Mumbai 400 004, Maharashtra, India*" to "*402/404, Mani Mahal, 11/21, Mathew Road Opera House, Mumbai 400 004, Maharashtra, India*"	Administrative convenience
April 29, 2013	The registered office of our Company was changed from "*402/404, Mani Mahal, 11/21, Mathew Road Opera House, Mumbai 400 004, Maharashtra, India*" to "*702, 7th Floor, The Capital, Bandra Kurla Complex Bandra (E), Mumbai 400 051, Maharashtra, India*"	Administrative convenience

Main objects of our Company

The main object contained in our Memorandum of Association is as follows:

1. *"To establish Gemmological Institute and Scientific Laboratory for identification and grading of Diamonds and Colored Stones and to carry on business of appraising, attesting and certifying the quality of Diamonds, Gems, Precious Stones, Mineral, Jewelry and similar articles of substance and to conduct Gemmological course for Polished Diamonds, Rough Diamonds, Colored Stones, Gem Stones and to undertake educational programs, to impart practical and analytical training, including but not restricted to, related to Crystallographic, optical and physical phenomenon of Diamonds and to render service for improving the clarity, polish and proportions of Diamonds."*

The main object and the matters which are necessary for the furtherance of the main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried on and proposed to be carried on by our Company.

Amendments to our Memorandum of Association

The following table sets forth details of the amendments to our Memorandum of Association in the last 10 years preceding the date of this Prospectus:

Date of Shareholders' resolution/Effective date	Details of the amendments
May 8, 2024	Clause V of our Memorandum of Association was amended to reflect the following: a. Sub-division of equity shares from face value of ₹10 each to face value of ₹2 each; and b. Increase in authorised share capital of our Company from ₹10,000,000 divided into 5,000,000 equity shares of face value ₹2 each to ₹1,000,000,000 divided into 500,000,000 equity shares of face value ₹2 each.
June 19, 2024	Clause I of our Memorandum of Association was amended to reflect the change in the name of our Company from '*International Gemmological Institute (India) Private Limited*' to '*International Gemmological Institute (India) Limited*' due to conversion from a private company to a public company.
November 18, 2024	Clause V of our Memorandum of Association was amended to reflect the following: a. Increase in authorised share capital of our Company from ₹1,000,000,000 divided into 500,000,000 equity shares of face value ₹2 each to ₹1,100,000,000 divided into 550,000,000 equity shares of face value ₹2 each.

Major events and milestones in the history of our Company

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

Calendar Year	Particulars
1999	Incorporation of our Company
2019	Alpha Yu and Lorie Holding acquired our Company from Hattron (India) Limited
2023	BCP TopCo acquired our Company from the Alpha Yu and Lorie Holding

Awards, accreditations and recognitions received by our Company

The following table sets forth awards, accreditations and recognitions received by our Company:

Calendar Year	Particulars
2011*	Receipt of certificate of accreditation for "*General Requirements for the Competence of Testing & Calibration Laboratories*" with accreditation standard ISO/IEC 17025:2005 for loose polished diamonds from National Accreditation Board for Testing and Calibration Laboratories
2017	Awarded '*Certificate of Appreciation*' by Ruban's Healthcare Foundation for Children
2021	Receipt of certificate of accreditation for "*General Requirements for the Competence of Testing & Calibration Laboratories*" with accreditation standard ISO/IEC 17025:2017 for laboratory grown diamonds from National Accreditation Board for Testing and Calibration Laboratories
2022	Awarded for participation in the maiden B2B Expo by Gem and Jewellery Show

** This certification was valid till 2015 and subsequently, our Company, in 2019, received a certificate of accreditation for "General Requirements for the Competence of Testing & Calibration Laboratories" with accreditation standard ISO/IEC 17025:2017 for loose polished diamonds from National Accreditation Board for Testing and Calibration Laboratories.*

Time and cost over-runs

There have been no time and cost overrun in setting up projects of our Company as on the date of this Prospectus.

Defaults or re-scheduling, restructuring of borrowings with financial institutions or banks

As on the date of this Prospectus, there have been no defaults or rescheduling/restructuring of borrowings with financial institutions/banks in respect of our borrowings from lenders.

Significant financial and/or strategic partners

As on the date of this Prospectus, our Company does not have any significant financial and/or strategic partners.

Capacity/ facility creation, location of assets, launch of key products or services, entry into new geographies or exit from existing markets

For details of key services launched by our Company, location and capacity of our assets, entry into new geographies or exit from existing markets to the extent applicable, see "*Our Business*" on page 159.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years

There have been no material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years. For details with respect to the Proposed Acquisitions, see "*Proposed Acquisitions*" on page 147.

Holding company of our Company

BCP TopCo, our Promoter, is the holding company of our Company. Our Promoter, BCP TopCo, is not the original promoter of our Company. In May 2023, Alpha Yu, who was holding 80% of the then outstanding equity share capital of our Company and Lorie Holding, who was holding 20% of the then outstanding equity share capital of our Company, transferred their entire shareholding in our Company to BCP TopCo. For further details, see "*Our Promoter and Promoter Group - Change in our Promoter*" and "C*apital Structure – History of the equity share capital held by our Promoter – Build-up of the shareholding of our Promoter in our Company*" on pages 211 and 83, respectively.

Our Subsidiary, Associate and Joint Venture

As of the date of this Prospectus, our Company has one wholly owned subsidiary, namely, IGI Turkey. Our Company does not have any associates or joint ventures as on the date of this Prospectus.

The details of our Subsidiary are set out below:

Subsidiary

1. International Gemmological Institute Turkey Değerli Taş Sertifikasyon Hizmetleri Anonim Şirketi ("**IGI Turkey**")

Corporate information

IGI Turkey was incorporated as a joint stock company under the laws of Türkiye on May 17, 2022. Its registered office is situated at Molla Fenari Neighbourhood, Şerefefendi Street, No:24 Altun Center, 5th Floor 406, Fatih/İstanbul, Türkiye.

Capital structure

The authorised share capital of IGI Turkey is TRY 8,000,000 comprising 8,000,000 equity shares of face value TRY 1 each and its issued, subscribed and paid up equity capital is TRY 8,000,000 divided into 8,000,000 equity shares of TRY 1 each.

Shareholding pattern

The shareholding pattern of IGI Turkey as on the date of this Prospectus is as follows:

S. No.	Name of the shareholder	No. of shares of face value TRY 1 each	Percentage of total equity share capital (%)
1.	Our Company	8,000,000	100.00

Nature of Business

IGI Turkey is engaged in the business of certification of diamonds, gemstones & jewellery with comprehensive analysis & clear documentation for consumers. as authorized by our charter documents.

Accumulated profits or losses

As on the date of this Prospectus, there are no accumulated profits or losses of IGI Turkey that have not been accounted for by our Company in the Restated Financial Information.

Business interests in our Company

Except in the ordinary course of business and other than the transactions disclosed in "*Restated Financial Information –Notes to the Restated Financial Information – Note 36: Related party disclosures*" on page 258, our Subsidiary has no business interests in our Company.

Common pursuits between our Subsidiary and our Company

Our Subsidiary is engaged in business similar to the business of our Company. However, we do not perceive any conflict of interest with our Subsidiary as our Subsidiary is controlled by us and it operates only in markets which are different from the markets our Company operates in. For details, see "*Our Business*" on page 159.

Shareholders' agreements and other agreements

Except for the Share Purchase Agreement as disclosed in "*Proposed Acquisitions - Description of the Share Purchase Agreement*" on page 154 and except as disclosed below, there are no other arrangements or agreements, deeds of assignment, acquisition agreements, shareholders' agreements, inter-se agreements, any agreements between our Company, our Promoter and/or our Shareholder, agreements of like nature and or agreements comprising of material clauses/covenants which are material to our Company and required to be disclosed in this Prospectus or non-disclosure of which may have a bearing on the investment decision. Further, there are no other clauses/covenants that are adverse or prejudicial to the interest of the minority and public shareholders of our Company.

Trademark license agreement dated July 4, 2024 entered into between our Company and IGI Belgium *("**Trademark Agreement**")*

In terms of the Trademark Agreement, IGI Belgium has granted our Company a worldwide, royalty-free, non-transferable license to use *inter alia* the logo and domain name ("**Licensed Marks**") and copyrights vested in the Licensed Marks and the website (www.igi.org) for carrying out the business as per our MoA and AoA until the termination of the Trademark Agreement or the upon our Company ceasing to be an affiliate/group company of IGI Belgium.

Restrictive covenant agreement dated May 19, 2023 entered into between our Promoter and Roland Lorie ("Restrictive Covenant Agreement")

Pursuant to the Restrictive Covenant Agreement, in consideration of the sale of the shares of our Company, IGI Belgium and IGI Netherlands and associated goodwill of the business of, among other things, the issue of grading and certification reports relating to natural diamonds, lab-grown diamonds, colored stones, and jewelry, Roland Lorie has agreed to not compete with our Company or solicit from the group any client or customer for the following period:

a. With respect to all countries with the European Union, the period commencing from the date of the Restrictive Covenant Agreement until two years from the date Roland Lorie ceases to be employed (or engaged as a consultant or service provider) by a group company. This period shall be extended to three years if Roland Lorie ceases to be employed (or engaged as a consultant or service provider) by a group company before the second year from the closing of the transaction; and

b. with respect to other geographies, the period commencing from the date of the Restrictive Covenant Agreement until the later of (i) two years from the date Roland Lorie ceases to be employed (or engaged as a consultant or service provider) by a group company; and (ii) fifth year from the closing of the transaction.

Details of guarantees given to third parties by our Promoter who is participating in the Offer for Sale

Our Promoter has not given any guarantees on behalf of our Company to any third parties, which are outstanding as on the date of this Prospectus.

Agreements with Key Managerial Personnel or Senior Management Personnel, Director, Promoter, or any other employee

None of our Key Managerial Personnel, Senior Management Personnel, Directors, Promoter, or any other employee have entered into any agreement, either by themselves or on behalf of any other person, with any shareholder or any third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Key terms of other subsisting material agreements

Except as disclosed in "- *Shareholders' agreements and other agreements*" on page 194, our Company has not entered into any other subsisting material agreement, other than in the ordinary course of business.

OUR MANAGEMENT

In terms of the Articles of Association, our Company is required to have a minimum of three Directors and a maximum of 15 (fifteen) Directors. As on the date of this Prospectus, our Board comprises one Executive Director, three Non-Executive (Nominee) Directors and two Independent Directors, including one woman Director.

Our Board

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

S. No.	Name, DIN, designation, date of birth, current term, period of directorship, address, occupation and age	Other Directorships
1.	**Bimal Tanna** **Designation:** Chairman and Independent Director **Current Term:** Five years from August 8, 2024 **Period of Directorship:** Director since August 8, 2024 **Address:** 503 Vikram, 19/29 Janki Kutir, Near Prithvi Theatre Juhu, Mumbai 400 049, Maharashtra, India **Occupation:** Profession **Date of Birth:** April 7, 1962 **DIN:** 06767157 **Age:** 62 years	**Indian Companies:** • Jio Finance Limited • Jio Financial Services Limited • Jio Leasing Services Limited • Jio Payment Solutions Limited • Kalpataru Projects International Limited • Kirloskar Pneumatic Company Limited • Reliance Industrial Investments and Holdings Limited **Foreign Companies:** Nil
2.	**Tehmasp Nariman Printer** **Designation:** Managing Director and Chief Executive Officer **Current Term:** Five years from April 1, 2024 **Period of Directorship:** Director since April 1, 2003 **Address:** 7999, Minoo Mansion CHS, Flat No. 3, Ground Foor Jame Jamshed Road, Dadar (East), Mumbai 400 014, Maharashtra, India **Occupation:** Employment **Date of Birth:** October 28, 1958 **DIN:** 01306226 **Age:** 66 years	**Indian Companies:** • IGI Investments Private Limited **Foreign Companies:** • International Gemmological Institute Turkey Değerli Taş Sertifikasyon Hizmetleri Anonim Şirketi
3.	**Mukesh Mehta*** **Designation:** Non-Executive (Nominee) Director **Current Term:** Liable to retire by rotation **Period of Directorship:** Director since May 19, 2023 **Address:** Flat No. 2601, 26th Floor C-Wing, Lodha Bellissimo CHS Ltd, N. M. Joshi Marg, Mumbai 400 011, Maharashtra, India **Occupation:** Employment **Date of Birth:** November 30, 1980 **DIN:** 08319159 **Age:** 44 years	**Indian Companies:** • Aadhar Housing Finance Limited • PGP Glass Private Limited • R Systems International Limited • Simplilearn Solutions Private Limited **Foreign Companies:** • TU BidCo, Inc. • TU MidCo, Inc. • TU TopCo, Inc. • VFS Global Ag

S. No.	Name, DIN, designation, date of birth, current term, period of directorship, address, occupation and age	Other Directorships
4.	**Prateek Roongta*** **Designation:** Non-Executive (Nominee) Director **Current Term:** Liable to retire by rotation **Period of Directorship:** Director since May 19, 2023 **Address:** A-4901, Omkar 1973, Hanuman Nagar, Off Dr. A.B. Road, Near Neelam Centre, Worli, Mumbai 400 030, Maharashtra, India **Occupation:** Employment **Date of Birth:** May 28, 1977 **DIN:** 00622797 **Age:** 47 years	**Indian Companies:** • Aadhar Housing Finance Limited • ASK Investment Managers Limited • ASK Long-Short Fund Managers Private Limited • ASK Wealth Advisors Private Limited • Fino Payments Bank Limited • Fino Paytech Limited **Foreign Companies:** Nil
5.	**Tejas Naphade*** **Designation:** Non-Executive (Nominee) Director **Current Term:** Liable to retire by rotation **Period of Directorship:** Director since July 26, 2023 **Address:** 502, Satguru Towers Jn, North and Central Avenue, Santacruz (West), Mumbai 400 054, Maharashtra, India **Occupation:** Employment **Date of Birth:** November 24, 1991 **DIN:** 10219144 **Age:** 33 years	**Indian Companies:** • Quality Care India Limited • United Ciigma Institute of Medical Sciences Private Limited **Foreign Companies:** • I.G.I International Gemmological Institutes (Israel) Ltd. • IGI Netherlands B.V. • International Gemmological Identification (Thailand) Limited • International Gemological Institute, Inc. • International Gemological Institute (HK) Limited • International Gemmological Institute BV • International Gemological Institute DMCC • STS Holdings Limited • STS Hospital Chittagong Limited
6.	**Sangeeta Tanwani** **Designation:** Independent Director **Current Term:** Five years from August 8, 2024 **Period of Directorship:** Director since August 8, 2024 **Address:** 2802 Evita, Hiranandani Gardens, Near Powai Plaza, Powai, Mumbai 400 076, Maharashtra India **Occupation:** Service **Date of Birth:** January 24, 1966 **DIN:** 03321646 **Age:** 58 years	**Indian Companies:** • Aditya Birla Digital Fashion Ventures Limited • Aditya Birla Fashion and Retail Limited • Signify Innovations India Limited • Sula Vineyards Limited **Foreign Companies:** Nil

** Nominee Directors of BCP TopCo.*

Brief Biographies of our Directors

Bimal Tanna is the non-executive Chairman and Independent Director of our Company. He holds a bachelor's degree in commerce from University of Bombay. He is a member of The Institute of Chartered Accountants of India ("**ICAI**"). He worked from 2002 till his superannuation in 2023 with PricewaterhouseCoopers Private Limited and other PricewaterhouseCoopers ("**PwC**") entities in India which are member firms of the PwC network; during this period, he was designated as a partner. Prior to that he worked from 1998 with Price Waterhouse & Affiliate Firms which form part of Pricewaterhouse & Affiliates network, registered with ICAI, and was designated as a partner from 2000.

Tehmasp Nariman Printer is the Managing Director and Chief Executive Officer of our Company. He holds a bachelor's degree of science in physics from Guru Nanak Khalsa College of Arts, Science and Commerce, University of Mumbai. He has also been awarded a certificate of completion for '*LEAP: Strategic Management Programme for Senior Professionals*' from the Indian Institute of Management, Kozhikode. He is an associate member of the Gem & Jewellery Export Promotion Council. He has been associated with our Company since July 1, 1999, when he joined as a general manager. He has over 25 years of experience in the diamond industry with our Company. He has been awarded '*Outstanding Zarathushti Professional of the Year - 2023*' by W.Z.C.C and '*GJTCI Excellence Award*' under '*Excellence in Laboratory Services*' by Gem & Jewellery Trade Council of India at GJTCI Excellence Awards, Second Edition, 2014.

Mukesh Mehta is a Non-Executive (Nominee) Director of our Company. He has passed the examination for the bachelor's program in commerce and has a master's degree in commerce from the University of Mumbai. He is a qualified chartered financial analyst (USA) and also a chartered accountant from the Institute of Chartered Accountants of India. He is the senior managing director within the private equity business group of Blackstone Advisors India Private Limited. He has over 18 years of experience in private equity. Previously, he has worked at Carlyle India Investment Advisors Private Limited and Citicorp Finance (India) Limited. He has also worked in the assurance and business advisory group at Price Waterhouse & Co.

Prateek Roongta is a Non-Executive (Nominee) Director of our Company. He holds a bachelor's degree in commerce from the University of Delhi and a post-graduate diploma in management from Indian Institute of Management, Ahmedabad. He is also a qualified chartered accountant and company secretary. He is the managing director within the portfolio operations group at Blackstone Advisors India Private Limited and has more than 23 years of experience in portfolio management. He has previously worked at Boston Consulting Group (India) Private Limited, True North Managers LLP (formerly known as India Value Fund Advisors Private Limited) and A.T. Kearney Consulting (India) Private Limited.

Tejas Naphade is a Non-Executive (Nominee) Director of our Company. He holds a bachelor's and master's degree of technology in electrical engineering from the Indian Institute of Technology, Bombay and was also award '*Institute Silver Medal*' from the Indian Institute of Technology, Bombay. He also holds a master's degree in business administration from the Leland Stanford Junior University. He is currently associated with Blackstone Advisors India Private as a principal within its private equity business group and has around eight years of experience in private equity.

Sangeeta Tanwani is an Independent Director of our Company. She has completed her bachelor's degree in pharmaceuticals from University of Bombay and her master's in business administration from University of Pune. She is currently serving as the chief executive officer of Pantaloons, a division of Aditya Birla Fashion & Retail Limited. She has previously worked across several MNCs in different areas. Her assignment prior to the current role was with Kellogg India Private Limited as its managing director, India, with Hongkong and Shanghai Banking Corporation Limited as its senior manager – marketing and subsequently, as its regional head of marketing for Middle East. She has also worked with Hindustan CIBA-CEIGY Limited (now Novartis India Ltd.).

Relationship between our Directors, Key Managerial Personnel and Senior Management Personnel

None of our Directors, Key Managerial Personnel and Senior Management Personnel are related to each other.

Confirmations

None of our Directors is or was a director of any listed company during the five years immediately preceding the date of this Prospectus, whose shares have been or were suspended from being traded on any of the stock exchange during the term of their directorship in such company.

None of our Directors have been declared as Wilful Defaulters nor as Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines issued by the RBI.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the term of their directorship in such company.

Arrangements or understandings with major shareholders, customers, suppliers or others

Except for the Non-Executive (Nominee) Directors, none of our Directors have been appointed pursuant to any arrangement or understanding with the Shareholders, customers, suppliers or others.

Terms of appointment of our Directors

Terms of appointment of our Executive Director

Tehmasp Nariman Printer

Pursuant to resolutions passed by our Board dated February 29, 2024, June 6, 2024 and August 6, 2024, Tehmasp Nariman Printer has been appointed as Managing Director and Chief Executive Officer of our Company for a period of five years, with effect April 1, 2024.

The details of remuneration of Tehmasp Nariman Printer, as approved by our Board and the Shareholders, in their meetings held on August 6, 2024 and August 10, 2024, respectively and pursuant to the letter of employment dated June 1, 2023 entered into between our Company and him, are stated below:

Particulars	Annual amount
Base salary	₹50 million per annum
Variable pay (Annual performance linked bonus)	₹50 million per annum

Our Managing Director and Chief Executive Officer, Tehmasp Nariman Printer was entitled to a share of our profits until May 30, 2023. This arrangement has been terminated with effect from June 1, 2023. Pursuant to the resolution passed by our Board at its meeting held on February 29, 2024 it has been decided that an aggregate of ₹116.23 million payable to him as profit share up to May, 2023 will be paid over a period of three years, starting from December 2023, with an annual compound interest of 6%. As on September 30, 2024, a sum of ₹120.10 million is payable to Tehmasp Nariman Printer in this regard.

Remuneration paid to our Executive Director during the preceding Calendar Year

Tehmasp Nariman Printer

Tehmasp Nariman Printer has received an aggregate compensation of ₹ 238.68 million from our Company in the Calendar Year 2023.

Remuneration payable to Non-Executive Directors and Independent Directors

Pursuant to the resolution passed by our Board on August 2, 2024, our Independent Directors, with effect from August 8, 2024, are entitled to sitting fees of ₹0.1 million for attending each meeting of the Board of Directors, and each meeting of the committees of the Board of Directors. The Non-Executive (Nominee) Directors are not entitled to receive any sitting fees for attending meetings of the Board and its committees.

Remuneration paid to Non-Executive Directors during the preceding Calendar Year

Our Company has not paid any remuneration to our Non-Executive Directors and Independent Directors in Calendar Year 2023.

Remuneration paid or payable to our Directors by our Subsidiary or associates

None of our Directors have been paid any remuneration by our Subsidiary, including contingent or deferred compensation accrued for the year during Calendar Year 2023.

As on the date of this Prospectus, our Company has no associate company.

Contingent or deferred compensation paid to Directors by our Company

Except as disclosed above under " – *Terms of appointment of our Directors – Terms of appointment of our Executive Director* **-** *Tehmasp Nariman Printer"* on page 199, in respect of the past profit share payable to Tehmasp Nariman Printer, there is no contingent or deferred compensation accrued or payable to any of our Directors for the Calendar Year 2023.

Service Contracts with Directors

None of our Directors have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Bonus or profit-sharing plan of the Directors

Except as disclosed above under " – *Terms of appointment of our Directors – Terms of appointment of our Executive Director* **-** *Tehmasp Nariman Printer"* on page 199, in respect of the past profit share payable to Tehmasp Nariman Printer, none of our

Directors is entitled to any bonus (excluding performance linked incentive which is part of their remuneration) or profit-sharing plans of our Company.

Shareholding of our Directors in our Company

Except as disclosed in *"Capital Structure - Details of Equity Shares held by our Directors, Key Managerial Personnel, Senior Management Personnel and Directors of Promoter"* on page 86, none of our Directors hold any Equity Shares.

Our Articles of Association do not require our Directors to hold any qualification shares.

Interests of Directors

Our Directors may be deemed to be interested to the extent of nominee shareholding, if any, remuneration and reimbursement of expenses, if any, payable to them by our Company as well as sitting fees, if any, payable to them for attending meetings of our Board or committees thereof and any commission payable to them. For further details, see " – *Terms of appointment of our Directors*", on page 199.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which any of our Directors are interested as member, in cash or shares or otherwise, by any person, either to induce them to become, or to qualify them as, as a Director, or otherwise for services rendered by our Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

None of our Directors have any interest in any property acquired or proposed to be acquired by our Company in the three years immediately preceding the date of this Prospectus or by our Company or in any transaction by our Company for acquisition of land, construction of building or supply of machinery. Further, none of our Directors have any interests in the promotion or formation of our Company. Our Non-Executive (Nominee) Directors may be deemed to be interested to the extent of the shareholding in our Company of the entity nominating them.

Except as stated in "*Restated Financial Information –Notes to the Restated Financial Information – Note 36: Related party disclosures*" on page 258, no amount or benefit has been paid or given, and no consideration for payment of giving such benefit has been paid or given in the two years preceding the date of this Prospectus or is intended to be paid or given to any of our Company's officers except remuneration or re-imbursements for services rendered as Directors, officers or employees of our Company.

None of our Directors have any other interest in our Company or in any transaction by our Company including, for acquisition of land, construction of buildings or supply of machinery.

None of our Directors have availed any outstanding loans from our Company.

Changes in our Board in the last three years

Details of the changes in our Board in the three years preceding the date of this Prospectus are set forth below:

Name	Date of Appointment/ Change/ Cessation	Reason
Kun Shi	April 29, 2022	Vacation of office under Section 167 of the Companies Act (for being absent from all the meetings of the Board held during a period of twelve months with or without seeking leave of absence of the Board)
Zhen Huang	April 29, 2022	Vacation of office under Section 167 of the Companies Act (for being absent from all the meetings of the Board held during a period of twelve months with or without seeking leave of absence of the Board)
Prateek Roongta	May 19, 2023	Appointment as additional director*
Mukesh Mehta	May 19, 2023	Appointment as additional director*
Pravesh Kochar	May 19, 2023	Appointment as additional director
Lu Wang	May 19, 2023	Resignation as director
Pravesh Kochar	July 25, 2023	Resignation as additional director
Tejas Naphade	July 26, 2023	Appointment as additional director*
Deborah Piencia	August 2, 2024	Resignation as executive director
Mukesh Mehta	August 6, 2024	Redesignated as Non-Executive (Nominee) Director
Prateek Roongta	August 6, 2024	Redesignated as Non-Executive (Nominee) Director
Tejas Naphade	August 6, 2024	Redesignated as Non-Executive (Nominee) Director
Tehmasp Nariman Printer	August 6, 2024	Redesignated as Managing Director and Chief Executive Officer
Bimal Tanna	August 8, 2024	Appointed as additional independent director#
Sangeeta Tanwani	August 8, 2024	Appointed as additional independent director#

Name	Date of Appointment/ Change/ Cessation	Reason
Bimal Tanna	August 22, 2024	Redesignated as Chairman and Independent Director

**Regularised as non-executive director pursuant to a resolution passed by our Shareholders on May 8, 2024.*
 # Regularised as independent director pursuant to a resolution passed by our Shareholders on August 10, 2024.

Borrowing Powers of Board

In accordance with the provisions of our Articles of Association, our Board may, borrow or raise any monies required for the purpose of our Company upon such terms and in such manner with or without security as it may determine.

Corporate Governance

The provisions of the SEBI Listing Regulations with respect to corporate governance will be applicable to us immediately upon listing of our Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the SEBI Listing Regulations, the Companies Act and other applicable regulations, in respect of corporate governance in respect of the constitution of the Board and committees thereof.

As on the date of this Prospectus, our Board comprises one Executive Director, three Non-Executive (Nominee) Directors and two Independent Directors including one woman Director.

In compliance with Section 152 of the Companies Act, not less than two-thirds of the Directors (excluding Independent Directors) are liable to retire by rotation.

Committees of the Board

Our Company has constituted the following committees of our Board in terms of the SEBI Listing Regulations and the Companies Act:

(a) Audit Committee;

(b) Nomination and Remuneration Committee;

(c) Stakeholders' Relationship Committee;

(d) Risk Management Committee; and

(e) Corporate Social Responsibility Committee.

Details of the Committees are set forth below. In addition to the Committees detailed below, our Board of Directors may, from time to time constitute Committees for various functions.

1. Audit Committee

The members of the Audit Committee are:

Name and designation	Composition of Committee
Bimal Tanna (Chairman and Independent Director)	Chairperson
Sangeeta Tanwani (Independent Director)	Member
Prateek Roongta (Non-Executive (Nominee) Director)	Member

The Audit Committee was constituted with effect from August 8, 2024 pursuant to resolution passed by our Board on August 2, 2024. The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and the SEBI Listing Regulations and its terms of reference as stipulated pursuant to resolution passed by our Board on August 2, 2024 are set forth below:

(a) oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(b) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

(c) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(d) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

i. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

ii. changes, if any, in accounting policies and practices and reasons for the same;

iii. major accounting entries involving estimates based on the exercise of judgment by management;

iv. significant adjustments made in the financial statements arising out of audit findings;

v. compliance with listing and other legal requirements relating to financial statements;

vi. disclosure of any related party transactions; and

vii. modified opinion(s) in the draft audit report.

(e) reviewing, with the management, the quarterly financial statements before submission to the board for approval;

(f) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;

(g) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(h) approval or any subsequent modification of transactions of the Company with related parties;

(i) scrutiny of inter-corporate loans and investments;

(j) valuation of undertakings or assets of the Company, wherever it is necessary;

(k) evaluation of internal financial controls and risk management systems;

(l) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(m) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(n) discussion with internal auditors of any significant findings and follow up there on;

(o) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(p) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(q) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(r) to review the functioning of the whistle blower mechanism;

(s) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(t) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;

(u) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

(v) carrying out any other functions and roles as provided under the Companies Act, the SEBI Listing Regulations, SEBI ICDR Regulations, each as amended and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties; and

(w) to carry out such other functions as may be specifically referred to the Audit Committee by the Board and/or other committees of directors of the Company.

The Audit Committee shall mandatorily review the following information:

(a) management discussion and analysis of financial condition and results of operations;

(b) management letters / letters of internal control weaknesses issued by the statutory auditors;

(c) internal audit reports relating to internal control weaknesses;

(d) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

(e) statement of deviations:

i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations, as amended.

ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations, as amended.

(f) Such information as may be prescribed under the Companies Act, and the rules thereunder, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended.

2. Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

Name and designation	Composition of Committee
Sangeeta Tanwani (Independent Director)	Chairperson
Bimal Tanna (Chairman and Independent Director)	Member
Mukesh Mehta (Non-Executive (Nominee) Director)	Member

The Nomination and Remuneration Committee with effect from August 8, 2024 was constituted pursuant to resolution passed by our Board on August 2, 2024. The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act and the SEBI Listing Regulations and its terms of reference as stipulated pursuant to resolution passed by our Board on August 2, 2024 are set forth below:

(a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees.

(b) formulation of criteria for evaluation of performance of independent directors and the Board;

(c) for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

(i) use the services of an external agencies, if required;

(ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and

(iii) consider the time commitments of the candidates.

(d) devising a policy on Board diversity;

(e) identifying persons who are qualified to become directors of our Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

(f) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(g) recommend to the Board, all remuneration, in whatever form, payable to senior management; and

(h) carrying out any other activities as may be delegated by the Board of Directors and functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

3. Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

Name and designation	Composition of Committee
Prateek Roongta (Non-Executive (Nominee) Director)	Chairperson
Bimal Tanna (Chairman and Independent Director)	Member
Tehmasp Nariman Printer (Managing Director and Chief Executive Officer)	Member

The Stakeholders' Relationship Committee was constituted with effect from August 8, 2024 pursuant to resolution passed by our Board on August 2, 2024. The Stakeholders' Relationship Committee was reconstituted with effect from August 8, 2024 pursuant to resolution passed by our Board on August 6, 2024The scope and functions of the Stakeholder Relationship Committee are in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations and its terms of reference as stipulated pursuant to resolution passed by our Board on August 2, 2024 are set forth below:

(a) resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

(b) review of measures taken for effective exercise of voting rights by shareholders;

(c) review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent;

(d) review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and

(e) carrying out any other functions required to be carried out by the Stakeholders Relationship Committee as contained in the Companies Act, SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

4. Risk Management Committee

The members of the risk management committee are:

Name and designation	Composition of Committee
Bimal Tanna (Chairman and Independent Director)	Chairman
Tehmasp Nariman Printer (Managing Director and Chief Executive Officer)	Member
Tejas Naphade (Non-Executive (Nominee) Director)	Member
Prateek Roongta (Non-Executive (Nominee) Director)	Member
Easwar Subramanian Iyer (Chief Financial Officer)	Member

The Risk Management Committee was constituted with effect from August 8, 2024 pursuant to resolution passed by our Board on August 2, 2024. The scope and functions of the Risk Management Committee are in accordance with the SEBI Listing Regulations and its terms of reference as stipulated pursuant to resolution passed by our Board on August 2, 2024 are set forth below:

(a) to formulate a detailed risk management policy which shall include:

(i) a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;

(ii) measures for risk mitigation including systems and processes for internal control of identified risks; and

(iii) business continuity plan.

(b) to ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(c) to monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(d) to periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(e) to keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;

(f) the appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

(g) any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

5. Corporate Social Responsibility Committee

The members of the corporate social responsibility committee are:

Name and designation	Composition of Committee
Sangeeta Tanwani (Independent Director)	Chairperson
Tehmasp Nariman Printer (Managing Director and Chief Executive Officer)	Member
Prateek Roongta (Non-Executive (Nominee) Director)	Member

The corporate social responsibility committee was last reconstituted with effect from August 8, 2024 pursuant to resolution passed by our Board on August 2, 2024. The scope and functions of the corporate social responsibility committee are in accordance with section 135 of the Companies Act, 2013 and its terms of reference as stipulated pursuant to resolution passed by our Board on September 19, 2015 are set forth below:

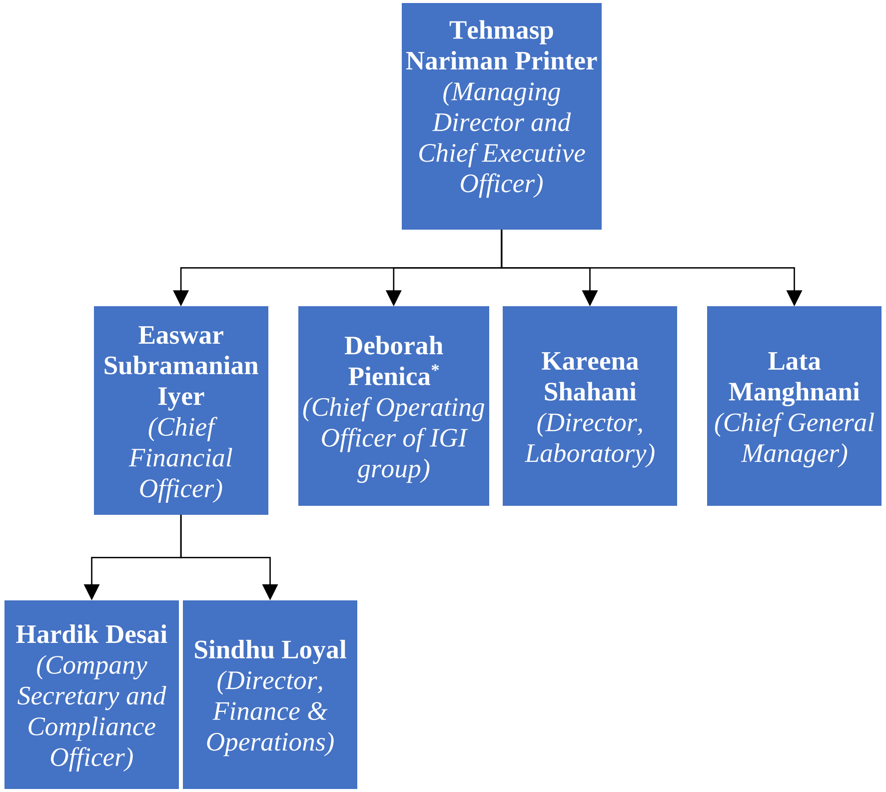
(a) to formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act;

(b) recommend the amount of expenditure to be incurred on the activities referred in clause (a);

(c) monitor the CSR policy of the Company from time to time; and

(d) any other matter as the CSR Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time.

Management Organisation Structure



** Deborah Pienica, the chief operating officer of the IGI group has tendered her resignation on September 9, 2024, which has been accepted by the Company. Based on the discussion between the Company and Deborah, Deborah will serve notice until January 31, 2025.*

Key Managerial Personnel

In addition to Tehmasp Nariman Printer, the Managing Director and Chief Executive Officer of our Company, whose details are provided in "- *Brief Biographies of our Directors*" on page 197, the details of our other Key Managerial Personnel in terms of the SEBI ICDR Regulations, as of the date of this Prospectus are set forth below:

Easwar Subramanian Iyer is the Chief Financial Officer of our Company. He joined our Company on October 26, 2023. He is responsible for *inter alia* deciding investment strategies and evaluating fundraising plans of our Company. He is an associate of the Institute of Chartered Accountants of India. He was previously associated with Hindustan Coca-Cola Beverages Limited as its vice president - supply chain, procurement and infrastructure planning (finance), and Atria Convergence Technologies Limited as its chief financial officer. During the Calendar Year 2023, he received a remuneration of ₹2.66 million.

Hardik Desai is the Assistant General Manager, Company Secretary and Compliance Officer of our Company. He joined our Company on April 10, 2024. He is responsible for *inter alia* legal and regulatory compliance and advising our Board in relation to corporate governance. He holds a bachelor's degree in management studies from University of Mumbai. He is an associate of the Institute of Company Secretaries of India. He was previously associated with Allcargo Terminals Limited as the company secretary and compliance officer, with Tree House Education & Accessories Limited as an assistant company secretary and with BSE as an associate manager. Since he joined our Company on April 10, 2024, he has not been paid any remuneration in Calendar Year 2023.

Senior Management Personnel

In addition to Easwar Subramanian Iyer, the Chief Financial Officer of our Company and Hardik Desai, the Company Secretary and Compliance Officer of our Company, whose details are provided in "- *Key Managerial Personnel*" on page 206, the details of our other Senior Management Personnel in terms of the SEBI ICDR Regulations, as of the date of this Prospectus are set forth below:

Lata Manghnani is the Chief General Manager of our Company. She joined our Company on January 1, 2010. She is responsible for *inter alia* evaluating and improving the operations and financial performance of our Company. She holds a bachelor's degree in commerce and economics from Seth L.U. Jhaveri College of Arts and Sir M.V. College of Science and Commerce, University of Bombay. She has also been awarded a certificate of completion for '*Business Administration Programme*' with specialisation in marketing from Mumbai Educational Trust's Asian Management Development Centre. During the Calendar Year 2023, she received a remuneration of ₹9.16 million.

Kareena Shahani is the Director - Laboratory of our Company. She joined our Company on October 5, 2001. She is responsible for *inter alia* proving reports, information and data on laboratory related matters to the management of our Company. She is an alternate member of the Security Equipment Sectional Committee, Bureau of Indian Standards and a member of the Responsible Jewellery Council. She holds a bachelor's degree in arts from Mithibai College of Arts, Chauhan Institute of Science and A.J. College of Commerce and Economics, University of Bombay. She has also been awarded a certificate of completion for '*Leadership with AI*' from International School of Business and certificate in gemmology from the Gemmological Association of Great Britain. During the Calendar Year 2023, she received a remuneration of ₹9.37 million.

Sindhu Loyal is the Director - Finance and Operations of our Company. She joined our Company on January 2, 2000. She is responsible for *inter alia* audit requirements and maintaining records of the financial transactions of our Company. She holds a bachelor's degree in commerce and economics from Shri Narsee Monjee College of Commerce and Economics, University of Bombay and a diploma in business administration from Narsee Monjee Institute of Management Studies. She was previously associated with Shriram Transport Finance Co. Limited as accounts officer and Tower Capital & Financial Services Private Limited as officer-banking. During the Calendar Year 2023, she received a remuneration of ₹9.30 million.

Deborah Pienica is the global chief operating officer of the IGI group. She has been associated with our Company since 2002. She has completed the '*Executive Programme in Management & Philosophies*' from Solvey Brussels School of Economics & Management, is a member of the International Coaching Council and has received a coaching certificate from INSEAD. She has also been awarded certificates of completion for '*Blue Ocean Strategy Program*', Avira (Awareness, Vision, Imagination, Role, Action) Program and a certificate in global management from INSEAD. Pursuant to offer letter dated July 17, 2023, Deborah Pienica is entitled to remuneration aggregating up to ₹ 65.03 million* annually, from our Company, IGI Netherlands and IGI Belgium. Deborah Pienica received an aggregate compensation of ₹ 34.11 million* from our Company in the Calendar Year 2023 and ₹ 24.16 million* from IGI Belgium for the Calendar Year 2023.

** Calculated basis exchange rate of $1 = ₹82.86, which is the average of the exchange rate for the Calendar Year 2023.*

Status of Key Managerial Personnel and Senior Management Personnel

All of our Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company.

Arrangement or understanding with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel or our Senior Management Personnel have been appointed pursuant to any arrangement or understanding with our shareholders, customers or suppliers of our Company, or others.

Interests of Key Managerial Personnel and Senior Management Personnel

None of the Key Managerial Personnel or Senior Management Personnel of our Company have any interests in our Company other than as disclosed in *"- Interest of Directors"* and to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

No loans have been availed by our Key Management Personnel or Senior Management Personnel from our Company as on the date of this Prospectus.

Contingent or deferred compensation payable to our Key Managerial Personnel and Senior Management Personnel

Except as disclosed below, there is no contingent or deferred compensation accrued or payable to the Key Managerial Personnel or Senior Management Personnel for the Calendar Year 2023, even if the compensation is payable at a later date:

a. Our Managing Director and Chief Executive Officer, Tehmasp Nariman Printer was entitled to a share of our profits until May 30, 2023. This arrangement has been terminated with effect from June 1, 2023. Pursuant to the resolution passed by our Board at its meeting held on February 29, 2024 it has been decided that an aggregate of ₹116.23 million payable to him as profit share up to May, 2023 will be paid over a period of three years, starting from December 2023, with an annual compound interest of 6%. As on September 30, 2024, a sum of ₹120.10 million is payable to Tehmasp Nariman Printer in this regard.

b. Deborah Pienica, the global chief operating officer of the IGI group, is entitled to remuneration aggregating up to ₹65.03 million* annually, from our Company, IGI Netherlands and IGI Belgium. As on September 30, 2024, ₹5.27 # and ₹11.66 million# is payable to Deborah Pienica from our Company and IGI Belgium, respectively.

** Calculated basis exchange rate of $1 = ₹82.86, which is the average of the exchange rate for the Calendar Year 2023.*
 # Subject to change, based on the applicable exchange rate as of the date of payment.

Bonus or profit-sharing plans for our Key Managerial Personnel or Senior Management Personnel

Except as disclosed under "- *Contingent or deferred compensation payable to our Key Managerial Personnel and Senior Management Personnel*" on page 207, none of our Key Managerial Personnel or Senior Management Personnel is entitled to any bonus (excluding performance linked incentive which is part of their remuneration) or profit-sharing plans of our Company.

Shareholding of our Key Managerial Personnel or Senior Management Personnel in our Company

Except as disclosed in *"Capital Structure - Details of Equity Shares held by our Directors, Key Managerial Personnel, Senior Management Personnel and Directors of Promoter"* on page 86, none of our Key Managerial Personnel or Senior Management Personnel hold any Equity Shares as on date of this Prospectus.

Service Contracts with Key Managerial Personnel and Senior Management Personnel

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, no Key Managerial Personnel and Senior Management Personnel has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Changes in our Key Managerial Personnel and Senior Management Personnel in the three immediately preceding years

Except as disclosed under "- *Changes in our Board in the last three years*" on page 200 and as stated below, there have been no changes in our Key Managerial Personnel and Senior Management Personnel in the three years immediately preceding the date of this Prospectus.

Name	Designation	Date of change	Reason for change
Easwar Subramanian Iyer	Chief Financial Officer	October 26, 2023	Appointment of Chief Financial Officer
Tehmasp Nariman Printer	Chief Executive Officer	February 29, 2024	Redesignated as Chief Executive Officer
Hardik Desai	Company Secretary	April 25, 2024	Appointment as Company Secretary

Deborah Pienica, the chief operating officer of the IGI group has tendered her resignation on September 9, 2024, which has been accepted by the Company. Based on the discussion between the Company and Deborah, Deborah will serve notice until January 31, 2025.

Payment or benefit to Key Managerial Personnel and Senior Management Personnel of our Company

Except as disclosed in " – *Interests of Directors*" on page 200 and stated otherwise in this Prospectus and any statutory payments made by our Company, no amount or benefits has been paid or given, in the two years preceding the date of this Prospectus, or is intended to be paid or given to any of our Company's officers including the Key Managerial Personnel and Senior Management Personnel except remuneration and re-imbursements for services rendered as Directors, officers or employees of our Company. For details of the related party transactions, see "*Restated Financial Information –Notes to the Restated Financial Information – Note 36: Related party disclosures*" on page 258.

Except as stated in "*Restated Financial Information –Notes to the Restated Financial Information – Note 36: Related party disclosures*" on page 258, no amount or benefit has been paid or given, and no consideration for payment of giving such benefit has been paid or given in the two years preceding the date of this Prospectus or is intended to be paid or given to any of our Company's officers including the Key Managerial Personnel and Senior Management Personnel except remuneration or re-imbursements for services rendered as Directors, officers or employees of our Company.

Employee stock option schemes

For details of ESOP 2024, see "*Capital Structure – IGI Employee Stock Option Plan – 2024 ("**ESOP 2024**")*" on page 87.

OUR PROMOTER AND PROMOTER GROUP

BCP Asia II TopCo Pte. Ltd. (the "**Promoter**") is the Promoter of our Company as on the date of this Prospectus.

As on the date of this Prospectus, our Promoter holds 396,783,045 equity shares of face value ₹2 each (including six equity shares of face value ₹2 each held by its nominees) equivalent to 100% of the issued, subscribed and paid-up Equity Share capital of our Company. For further details, see "*Capital Structure - Shareholding of our Promoter and Promoter Group*", on page 84.

The details of our Promoter are provided below:

Corporate Information

BCP TopCo, was incorporated on November 2, 2022, as a private limited company, under the laws of Singapore having UEN: 202238858H. Its registered office is located at 77, Robinson Road, #13-00, Robinson 77, Singapore 068 896.

The principal activity of BCP TopCo is to serve as an investment holding company and it has not changed its activities since the date of its incorporation.

Our Promoter is not a special purpose vehicle. It is an investment holding company with a functional board of directors, comprising directors with experience in various aspects of fund management. The board of directors of our Promoter meets at regular intervals and takes all key decisions related to the investment decisions of our Promoter.

Board of Directors

The board of directors of BCP TopCo comprises the following members:

1. Aravind Sreekumar Krishnan;
2. Lixian Wang; and
3. Melanie Mei Lan Ng.

Shareholding Pattern

The shareholding pattern of BCP TopCo is as follows:

Name of the Shareholder	***Shareholding (%)***
BCP Asia II HoldCo III Pte. Ltd.	100.00
Total	**100.00**

Promoter of our Promoter

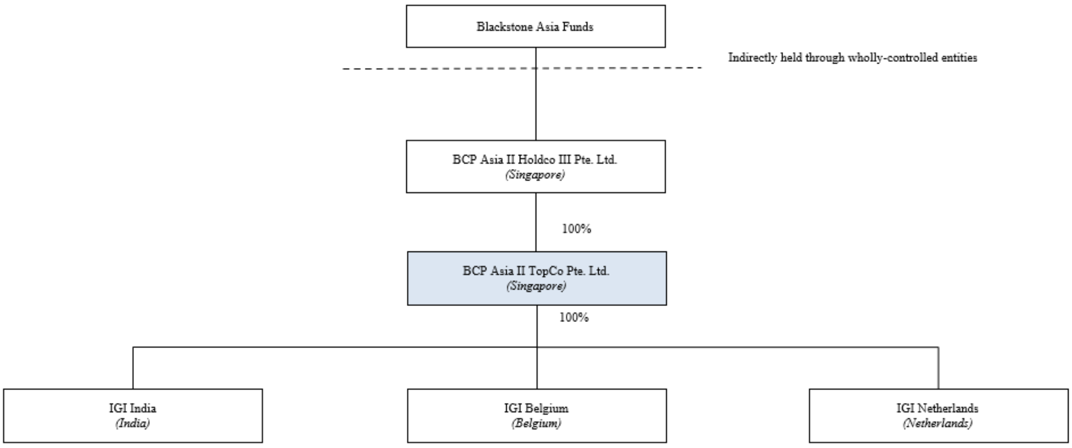
BCP Asia II HoldCo III Pte. Ltd. ("**BCP Asia**") is a private limited company incorporated under the laws of Singapore having UEN: 202140899N and its registered office is located at 77, Robinson Road, #13-00, Robinson 77, Singapore 068 896. BCP Asia is owned by certain private equity funds which are managed and/or advised by the affiliates of Blackstone. Blackstone (NYSE: BX) is the world's largest alternative asset manager. Blackstone's assets under management include global investment strategies focused on real estate, private equity, infrastructure, life sciences, growth equity, credit, real assets, secondaries and hedge funds. Through its different businesses, Blackstone had total assets under management of US $1,107.63 billion as of September 30, 2024.

As on the date of this Prospectus, no natural person holds 15% or more voting rights in BCP Asia on an aggregate basis who can be identified as a promoter. Further, no natural person is the owner of or entitled to more than 10% of shares or capital or profits of our Promoter.

No natural person has been declared/disclosed as a person in control/person having significant beneficial interest or as a promoter of our Promoter (i.e. BCP Asia II TopCo Pte. Ltd) in any jurisdiction.

None of the companies above our Promoter's promoter are listed in any jurisdiction as on the date of this Prospectus.

Please refer to the structure chart below detailing the shareholding above our Promoter's promoter (BCP Asia II HoldCo III Pte. Ltd.).



1) For the purpose of this structure chart, we have excluded certain intermediate wholly owned entities.

2) No natural person owns more than 15% of the capital or interest in BCP Asia II Topco Pte. Ltd. on an aggregate basis. Further, no natural persons is the owner of or entitled to more than 10% of shares or capital or profits of BCP Asia II TopCo Pte Limited.

Board of directors of BCP Asia

The board of directors of BCP Asia comprises the following members:

1. Aravind Sreekumar Krishnan;
2. Lixian Wang; and
3. Melanie Mei Lan Ng.

Change in control of our Promoter

There has been no change in the control of our Promoter since its incorporation on November 2, 2022.

Our Company confirms that the permanent account number, bank account number, company registration number and the details of the registrar of companies or corresponding authorities, where BCP TopCo is registered, have been submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus.

Change in our Promoter

Our Promoter is not the original promoter of our Company and has acquired controlling interest of our Company during the five immediately preceding years. Previously, Alpha Yu and Lorie Holding ("**Erstwhile Shareholders**") held 315,848 equity shares of face value of ₹10 each and 78,961 equity shares of face value of ₹10 each, equivalent to 80% and 20% of the issued, subscribed and paid-up equity share capital of our Company, respectively. The Erstwhile Shareholders entered into two agreements, each dated May 19, 2023 ("**Agreements**"), with (a) our Promoter, and (b) our Promoter and our Company, pursuant to which our Promoter acquired (a) 315,848 equity shares of face value of ₹10 each aggregating 80% of the then equity share capital of our Company at an aggregate consideration of ₹25,824,402,155.00* from Alpha Yu; and (b) 78,961 equity shares of face value of ₹10 each aggregating 20% of the then equity share capital of our Company at an aggregate consideration of ₹6,456,121,049.82* from Lorie Holding. The Agreements include customary representation and warranties provisions in relation to fundamental, business and tax claims. In terms of the Agreements, the liability of the Erstwhile Shareholders is subject to certain limitations. As per the Agreements, the Erstwhile Shareholders shall not be liable for any claim unless the Erstwhile Shareholders receive a written notice as per the manner prescribed in the Agreements, together with supporting evidence (a) before the date that is five years after the closing date, in case of a fundamental warranty claim; (b) before the date that is 36 months after the closing date, in case of a business warranty claim; or (c) before the date that is seven years after the closing date, in case of a tax warranty claim. Further, as per the Agreements, the amount of liability of the Erstwhile Shareholders in respect of (a) the fundamental warranty claims shall not exceed an amount equal to their respective proportion of the final price, as included in the Agreements; (b) certain business warranty claims shall not exceed an amount equal to 10% of their respective proportion of the final price, as included in the Agreements; and (c) all business warranty claims and tax warranty claims, other than those specified at paragraph (b) above, shall not exceed ₹82.05*.

** Calculated basis exchange rate of $1 = ₹82.05, as per Form SH-4.*

For further details, see "*History and Certain Corporate Matters – Holding company of our Company*" and "*Capital Structure – History of the equity share capital held by our Promoter - Build-up of the shareholding of our Promoter in our Company*" on pages 193 and 83, respectively.

Interests of our Promoter

Our Promoter is interested in our Company to the extent that (i) it has promoted our Company; and (ii) to the extent of their shareholding in our Company, directly and indirectly; including the dividend payable, if any, and any other distributions in respect of the Equity Shares held by them in our Company, from time to time. For details of the shareholding of our Promoter in our Company, see "*Capital Structure – History of the equity share capital held by our Promoter - Build-up of the shareholding of our Promoter in our Company*", beginning on page 83.

Our Promoter has no interest in any property acquired by our Company during the three years immediately preceding the date of this Prospectus and except pursuant to the Proposed Acquisitions, our Promoter has no interest in the property proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Our Promoter is interested to the extent of their shareholding in the companies with which we have had or propose to have related party transactions. For details, see "*Restated Financial Information –Notes to the Restated Financial Information – Note 36: Related party disclosures*", "*Proposed Acquisitions*" and "*Objects of the Offer*" on pages 258, 147 and 90, respectively.

No sum has been paid or agreed to be paid to our Promoter or to the firms or companies in which our Promoter is interested as a member in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoter or otherwise for services rendered by such Promoter or by such firms or companies in connection with the promotion or formation of our Company.

Payment or benefits to our Promoter or our Promoter Group

Except in the ordinary course of business and as disclosed in "*Objects for the Offer*", "*Proposed Acquisitions",* "*Other Financial Information – Related Party Transactions*" and "*Restated Financial Information –Notes to the Restated Financial Information – Note 36: Related party disclosures*" on pages 90, 147, 505 and 258, respectively no amount or benefit has been paid or given to our Promoter or Promoter Group during the two years preceding the filing of this Prospectus or is intended to be paid or given to our Promoter.

Material guarantees given by our Promoter to third parties with respect to Equity Shares

Our Promoter has not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Prospectus.

Companies and firms with which our Promoter has disassociated in the last three years

Our Promoter has not disassociated with any company or firm in the three years preceding the date of this Prospectus.

Our Promoter Group

Other than our Promoter, the following entities constitute our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations:

S. No.	Members of the Promoter Group
1.	BCP Asia II HoldCo III Pte. Ltd.
2.	International Gemmological Institute BV*
3.	IGI Netherlands B.V. *
4.	IGI (Shanghai) Business Consulting Company Limited*
5.	IGI (Shanghai) Gemological Training Company Limited*
6.	IGI (Shanghai) Gemological Research and Testing Limited*
7.	IGI (Shenzhen) Jewelry Testing Co., Ltd.*
8.	International Gemological Institute for Jewelry and Precious Stones (IGI)*
9.	International Gemological Institute (HK) Limited*
10.	I.G.I International Gemmological Institutes (Israel) Ltd.*
11.	International Gemmological Identification (Thailand) Limited*
12.	International Gemmological Institute DMCC*
13.	International Gemological Institute, Inc.*

* *Pursuant to the Proposed Acquisitions, these entities will be acquired by our Company and will cease to be members of the Promoter Group. For further details, see "Proposed Acquisitions" on page 147.*

DIVIDEND POLICY

The declaration and payment of dividends on our Company's equity shares, if any, will be recommended by our Board to the Shareholders for their approval, at their discretion, subject to compliance with the provisions of the Companies Act, including the rules made thereunder, SEBI Listing Regulations and other relevant regulations, if any, each as amended. Further the Board shall also have the absolute power to declare interim dividend in compliance with the Act. The dividend distribution policy of our Company which will be effective from the date of listing and trading of the Equity Shares of our Company on the Stock Exchanges, was approved by our Board on August 2, 2024.

The declaration and payment of dividend will depend on a number of internal and external factors. Some of the internal factors on the basis of which our Company may declare dividend shall *inter alia* include our Company's liquidity position including its present and expected obligations, profits of our Company, present and future capital expenditure plans of our Company including organic / inorganic growth opportunities, cost of borrowings and any other relevant or material factor as may be deemed fit by the Board. The external factors on the basis of which our Company may declare the dividend shall *inter alia* include state of economy and capital markets, applicable taxes, regulatory changes and any other relevant or material factor as may be deemed fit by the Board.

There is no guarantee that any dividends will be declared or paid in the future. For details in relation to risks involved in this regard, see "*Risk Factors – Our ability to pay dividends or provide returns to investors in the future will depend upon our future results of operations, financial condition, cash flows, working capital, capital expenditure requirements and solvency ratio, and is subject to restrictions under Indian laws and regulations*." on page 57.

Details of dividends distributed on the equity shares are as follows:

Particulars	As at and for the period/year ended				
	From October 1, 2024 to the date of this certificate till the date of this RHP	Nine-months period ended September 30, 2024	Calendar Year ended December 31, 2023	Calendar Year ended December 31, 2022	Calendar Year ended December 31, 2021
No. of equity shares	-	396,783,045	394,809	394,809	394,809
Face value of equity shares (₹ per equity share)	-	2	10	10	10
Interim dividend (in ₹ million)	-	747.00	1,397.23	1,460.79	1,480.53
Final dividend (in ₹ million)	-	1,150.67	-	-	-
Total dividend (in ₹ million)	-	1,897.67	1,397.23	1,460.79	1,480.53
Dividend per share (in ₹)	-	4.78	3,539.01	3,700.00	3,750.00
Dividend rate (%)	-	239.13%	35,390.06%	37,000.00%	37,500.00%
Mode of payment of dividend	-	Bank Transfer/Remittance	Bank Transfer/Remittance	Bank Transfer/Remittance	Bank Transfer/Remittance
Dividend distribution tax (in ₹ million)	-	-	-	-	-

SECTION V: FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

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Independent Auditor's Examination Report on the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2024, 30 September 2023 December 31, 2023, and December 31, 2022 and the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash Flows along with the Statement of Material Accounting Policies and other explanatory information for the nine-months period ended September 30, 2024 and 30 September 2023 and years ended December 31, 2023 and December 31, 2022; Restated Standalone Statement of Assets and Liabilities as at December 31, 2021 and the Restated Standalone Statement of Profit and Loss (including other comprehensive income), the Restated Standalone Statement of Changes in Equity and the Restated Standalone Statement of Cash Flows along with the Statement of Material Accounting Policies and other explanatory information for the year ended December 31, 2021 of International Gemmological Institute (India) Limited (formerly known as International Gemmological Institute (India) Private Limited) (collectively, the "Restated Financial Information")

The Board of Directors
International Gemmological Institute (India) Limited (formerly known as International Gemmological Institute (India) Private Limited)
702, 7th Floor,
The Capital, Bandra Kurla Complex,
Bandra (E), Mumbai,
Maharashtra, India, 400051

Dear Sirs/ Madams,

1. We have examined the Restated Financial Information of International Gemmological Institute (India) Limited (the "Company" or the "Holding Company" or the "Issuer") and its subsidiary (the Company and its subsidiary together referred to as the "Group") annexed to this report for the purpose of inclusion in the Red Herring Prospectus ("RHP") and Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares of face value of Rs. 2 each ("Offer"). The Restated Financial Information, which have been approved by the Board of Directors of the Company (the "Board of Directors") at their meeting held on November 25, 2024, and have been prepared by the Company in accordance with the requirements of:

    a) the Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

    b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"); and

    c) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2. The Company's Board of Directors is responsible for the preparation of Restated Financial Information for the purpose of inclusion in the RHP and Prospectus to be filed with Securities and Exchange Board of India ("SEBI"), BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE"), and the Registrar of Companies, Maharashtra, situated at Mumbai ("RoC") in connection with the Offer. The Restated Financial Information have been prepared by the management of the Company in accordance with the basis of preparation stated in Note 2.1 to Annexure V of the Restated Financial Information. The Board of Directors of the Company is responsible for designing,

implementing and maintaining adequate internal control relevant to the preparation and presentation of Restated Financial Information. The Board of Directors of the Company is also responsible for identifying and ensuring that the Company complies with the Act, the SEBI ICDR Regulations and the Guidance Note.

3. We have examined the Restated Financial Information taking into consideration:

   a) the terms of reference and our engagement agreed with you vide our engagement letter dated June 17, 2024 and addendum to engagement letter dated October 10, 2024 in connection with the Offer;

   b) the Guidance Note which also requires that we comply with the ethical requirements as stated in the Code of Ethics issued by the ICAI;

   c) the concepts of test check and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

   d) the requirements of Section 26 of the Act and the SEBI ICDR Regulations.

   Our work was performed solely to assist you in meeting your responsibilities in relation to compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the Offer.

4. These Restated Financial Information have been compiled by the management from:

   a) the audited Special Purpose Interim Consolidated Financial Statements of the Group as at and for the nine months period ended September 30, 2024 and September 30, 2023 prepared in accordance with the basis of preparation as described in note 2.1 to the Special Purpose Consolidated Interim Financial Statements (the "September 2024 and September 2023 Special Purpose Interim Consolidated Financial Statements"), which have been approved by the Board of Directors at their meeting held on November 25, 2024.

   b) the audited Consolidated Financial Statements of the Group as at and for the year ended December 31, 2023 prepared in accordance with the Indian Accounting Standards, as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, (the "December 2023 Consolidated Financial Statements") which have been approved by the Board of Directors at their meetings held on June 11, 2024.

   c) the audited Special Purpose Consolidated Financial Statements of the Group as at and for the financial year ended December 31, 2022, prepared by the Management in accordance with Ind AS and other accounting principles generally accepted in India, (the "December 2022 Special Purpose Consolidated Financial Statements"), which have been approved by the Board of Directors at their meeting held on August 6, 2024.

   d) the audited Special Purpose Financial Statements of the Company as at and for the financial year ended December 31, 2021, prepared by the Management in accordance with the Ind AS and other accounting principles generally accepted in India, (the "December 2021 Special

Purpose Consolidated Financial Statements”), which have been approved by the Board of Directors at their meeting held on August 6, 2024.

5. For the purpose of our examination, we have relied on:

   a) Auditors’ reports issued by us dated November 25, 2024 on the Special Purpose Interim Consolidated Financial Statements of the Group as at and for the nine months period ended September 30, 2024, and September 30, 2023, as referred in Paragraph 4(a) above.

   b) Auditors’ reports issued by us dated June 11, 2024, on the Consolidated Financial Statements of the Group as at and for the year ended December 31, 2023, as referred in Paragraph 4(b) above.

   c) Auditor’s report issued by us dated August 6, 2024, on the Special Purpose Consolidated Financial Statements of the Group as at and for the year ended December 31, 2022, as referred in Para 4 (c) above.

   d) Auditor’s report issued by us dated August 6, 2024, on the Special Purpose Financial Statements of the Company as at and for the year ended December 31, 2021, as referred in Para 4 (d) above.

6.

   a) Our audit report referred to in para 5(a) above included Emphasis of Matter paragraph and Other Matter paragraph which is reproduced below: -

   Emphasis of Matter

   Basis of Accounting and Restriction on Distribution and Use

   We draw attention to Note 2.1 to the Special Purpose Interim Consolidated Financial Statements which describes the purpose and basis of preparation of the Special Purpose Interim Consolidated Financial Statements. These Special Purpose Interim Consolidated Financial Statements have been prepared by the management of the Holding Company solely for the purpose of preparation of the Restated Financial Information to be included in the Red Herring Prospectus (“RHP”) and Prospectus of the Holding Company to be filed in connection with its proposed initial public offering of equity shares as required by Section 26 of Part I of Chapter III of the Act and as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time and to comply with the SEBI Communication and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. Accordingly, these Special Purpose Interim Consolidated Financial Statements may not be suitable for any another purpose.

   Our report is addressed to the Board of Directors of the Holding Company solely for the purpose as mentioned above. This should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our opinion is not modified in respect of the above matter.

Other Matter

We did not audit the financial statements of a subsidiary, located outside India, whose financial information reflect total assets of Rs. 44.79 million and Rs 74.15 million as at September 30, 2024 and 30 September 2023 respectively, total revenues of Rs. 12.35 million and Rs 16.38 million and net cash (outflows)/inflows amounting to Rs. (4.56) million and Rs 9.29 million for the nine-month period ended on 30 September 2024 and 30 September 2023 respectively, as considered in the Special Purpose Interim Consolidated Financial Statements. These financial statements are unaudited and have been furnished to us by the Management of the Holding Company and our opinion on the Special Purpose Interim Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary, is based solely on such unaudited financial statement. These financial statements of the said subsidiary have been prepared in accordance with accounting principles generally accepted in that country. The Holding Company's Management has converted these financial statements of the said subsidiary from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have not audited these conversion adjustments made by the Holding Company's Management. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the Special Purpose Interim Consolidated Financial Statements is not modified in respect of the above matter.

b) Our audit report referred to in para 5(b) above included Emphasis of Matter paragraph and Other Matters Paragraph which are reproduced below:

Emphasis of Matter

We draw attention to Note 42 of the consolidated financial statements, which describes the prior period errors identified by the management of the Company, who have accordingly restated the comparative Statement of Profit or Loss for the year ended December 31, 2023 and the comparative Balance Sheet as at that date, and also the opening Balance Sheet as at January 01, 2022, in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

Our opinion is not modified in respect of this matter.

The prior period errors referred to in the above emphasis of matter paragraph have been adjusted in the December 2022 Special Purpose Consolidated Financial Statements and December 2021 Special Purpose Financial Statements and accordingly, do not require further adjustments in the Restated Financial Information.

Other Matters

i) We did not audit the financial statements of a subsidiary, located outside India, whose financial information reflect total assets of Rs. 53.68 million as at December 31, 2023, total revenues of Rs. 23.26 million and net cash outflows amounting to Rs. 20.81 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. These financial statements of the said subsidiary have been prepared in accordance with accounting principles generally accepted in that country. The Holding Company's Management has converted these financial statements of the said subsidiary from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have not audited these conversion adjustments made by the Holding Company's Management. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

ii) The consolidated financial statements of the Company for the year ended December 31, 2022, were audited by another auditor whose report dated May 15, 2023, expressed an unmodified opinion on those statements.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters.

c) Our audit report referred to in para 5(c) above included Emphasis of Matter paragraph and Other Matters Paragraph which are reproduced below:

Emphasis of Matter

Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2.1 to the Special Purpose Consolidated Financial Statements which describes the purpose and basis of preparation of the Special Purpose Consolidated Financial Statements. These Special Purpose Consolidated Financial Statements have been prepared by the management of the Holding Company solely for the purpose of preparation of the Restated Consolidated Financial Information to be included in the Draft Red Herring Prospectus ("DRHP") and Red Herring Prospectus ("RHP") and Prospectus (hereinafter collectively referred as "Offer Documents") of the Holding Company to be filed in connection with its proposed initial public offering of equity shares of the Holding Company as required by Section 26 of Part I of Chapter III of the Act and as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time (the "SEBI ICDR Regulations") and to comply with the SEBI Communication and the Guidance Note on Reports in Company Prospectuses (Revised 2019) ("the Guidance Note") issued by the ICAI. As a result, these Special Purpose Consolidated Financial Statements may not be suitable for any another purpose.

Our report is addressed to the Board of Directors of the Holding Company solely for the purpose as mentioned above. This should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our opinion is not modified in respect of the above matter.

Other Matters

i) The Holding Company has prepared a separate set of general purpose Consolidated Financial Statements for the year ended December 31, 2022, for statutory purposes in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act on which the predecessor auditor had issued a separate auditor's report to the shareholders of the Holding Company dated May 15, 2023 and expressed an unmodified opinion on those statements.

ii) As informed to us by the management of the Company, the predecessor auditor have expressed their inability to issue examination report on the Restated Financial Information for the year ended December 31, 2022 to be included in the RHP. Accordingly, as per requirements of the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, we have audited the Special Purpose Consolidated Financial Statements of the Group for the year ended December 31, 2022, for the purpose of issuing the examination report for the year ended December 31, 2022.

iii) We did not audit the financial statements of a subsidiary, located outside India, whose financial information reflect total assets of Rs. 55.12 million as at December 31, 2022, total revenues of Rs. 1.24 million and net cash inflows amounting to Rs. 9.01 million for the year ended on that date, as considered in the Special Purpose Consolidated Financial Statements. These financial statements are unaudited and have been furnished to us by the Management of the Holding Company and our opinion on the Special Purpose Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary, is based solely on such unaudited financial statement. These financial statements of the said subsidiary have been prepared in accordance with accounting principles generally accepted in that country. The Holding Company's Management has converted these financial statements of the said subsidiary from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have not audited these conversion adjustments made by the Holding Company's Management. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

    Our opinion on the Special Purpose Consolidated Financial Statements is not modified in respect of the above matters.

d) Our audit report referred to in para 5(d) above included Emphasis of Matter paragraph and Other Matters Paragraph which are reproduced below:

Emphasis of Matter

Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2 to the Special Purpose Financial Statements which describes the purpose and basis of preparation of the Special Purpose Financial Statements. These Special Purpose Financial Statements have been prepared by the management of the Company solely for the purpose of preparation of the Restated Financial Information to be included in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") and the Prospectus of the Company to be filed in connection with its proposed initial public offering of equity shares as required by Section 26 of Part I of Chapter III of the Act and as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time and to comply with the SEBI Communication and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. Accordingly, these Special Purpose Financial Statements may not be suitable for any another purpose.

Our report is addressed to the Board of Directors of the Company solely for the purpose as mentioned above. This should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our opinion is not modified in respect of the above matter.

Other Matters

i) The Company has prepared a separate set of general purpose Financial Statements for the year ended December 31, 2021, for statutory purposes in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act on which the predecessor auditor had issued a separate auditor's report to the shareholders of the Company dated April 29, 2022 and expressed an unmodified opinion on those statements.

ii) As informed to us by the management of the Company, the predecessor auditor have expressed their inability to issue examination report on the Restated Financial information for the year ended December 31, 2021 to be included in the RHP. Accordingly, as per requirements of the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, we have audited the Special Purpose Financial Statements of the Company for the year ended December 31, 2021, for the purpose of issuing the examination report for the year ended December 31, 2021.

   Our opinion on the Special Purpose Financial Statements is not modified in respect of the above matter.

7. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information:

   i) have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings/reclassifications retrospectively in the nine months period ended September 20, 2023, and in the financial years ended December 31, 2023, December 31, 2022 and December 31, 2021, to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed in the Special Purpose Interim Consolidated Financial Statements of the Group as at and for the nine months period ended September 30, 2024 as more fully described in Annexure VI to the Restated Financial Information;

ii) there are no qualifications in the auditor's reports on the Special Purpose Interim Consolidated Financial Statements of the Group as at and for the nine months period ended September 30, 2024 and September 30, 2023, Consolidated Financial Statements of the Company as at and for the year ended December 31, 2023, Special Purpose Consolidated Financial Statements of the Company as at and for the year ended December 31, 2022, and Special Purpose Financial Statements of the Company as at and for the year ended December 31, 2021, which require any adjustments to the Restated Financial Information. There are Emphasis of Matter (refer paragraph 6(a), 6(b), 6(c) and 6(d) above), which do not require any adjustment to the Restated Financial Information; and

iii) have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note.

8. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 4 above.

9. This report should not in any way be construed as a reissuance or re-dating of any of the previous auditor's reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

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

11. Our report is intended solely for use of the Board of Directors and for inclusion in the RHP and Prospectus to be filed with the SEBI, BSE, NSE and RoC as applicable in connection with the proposed issue. Our report should not be used, referred to or distributed for any other purpose without prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care towards any other person relying on this examination report.

For **M S K A & Associates**
Chartered Accountants
Firm Registration Number: 105047W

Ankush Agrawal
Partner
Membership No. 159694
UDIN: 24159694BKFHXT9197

Place: Mumbai
Date: November 25, 2024

International Gemmological Institute (India) Limited (formerly known as International Gemmological Institute (India) Private Limited)

Corporate Identity Number (CIN) : U74999MH1999PLC118476

Annexure I - Restated Statement of Assets and Liabilities

(Amount in INR millions, unless otherwise stated)

Particulars	Note	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
		Consolidated	Consolidated	Consolidated	Consolidated	Standalone
ASSETS						
Non-current assets						
Property, plant and equipment	6	767.82	728.56	752.07	714.36	654.25
Right-of-use assets	6.1	369.61	408.60	387.84	354.91	241.49
Capital work-in-progress	7	351.79	159.50	201.58	2.49	-
Other intangible assets	8	25.54	26.87	31.06	31.37	35.22
Intangible assets under development	9	29.14	-	-	-	-
Financial assets						
(a) Other financial assets	10	1,029.42	571.01	796.05	24.74	24.98
Income tax assets (net)	12	2.88	93.75	120.73	-	-
Other non current assets	11	31.70	56.36	134.74	204.88	189.59
Total non-current assets		**2,607.90**	**2,044.65**	**2,424.07**	**1,332.75**	**1,145.53**
Current assets						
Inventories	13	14.47	8.63	7.53	1.43	1.61
Financial assets						
(a) Trade receivables	14	1,305.47	1,159.74	1,077.90	630.54	341.16
(b) Cash and cash equivalents	15	203.01	1,013.92	1,166.80	340.33	364.68
(c) Bank balances other than (b) above	16	3,198.11	1,048.34	1,217.08	1,652.16	1,270.34
(d) Other financial assets	10	174.19	50.81	73.62	55.47	49.72
Other current assets	11	252.84	86.14	65.04	77.66	23.88
Total current assets		**5,148.09**	**3,367.58**	**3,607.97**	**2,757.59**	**2,051.39**
Total assets		**7,755.99**	**5,412.23**	**6,032.04**	**4,090.34**	**3,196.92**
EQUITY AND LIABILITIES						
Equity						
Equity share capital	17	793.57	3.95	3.95	3.95	3.95
Other equity	18	5,640.55	4,495.94	5,086.14	3,386.78	2,421.94
Total equity		**6,434.12**	**4,499.89**	**5,090.09**	**3,390.73**	**2,425.89**
Liabilities						
Non-current liabilities						
Financial liabilities						
(a) Lease liabilities	20	211.24	242.19	227.30	211.00	127.14
Employee benefit obligations	19	111.01	93.84	74.51	43.87	39.54
Deferred tax liabilities (net)	33	1.58	0.21	0.47	58.45	39.77
Total non-current liabilities		**323.83**	**336.24**	**302.28**	**313.32**	**206.45**
Current liabilities						
Financial liabilities						
(a) Lease liabilities	20	79.65	82.52	79.13	56.05	36.09
(b) Trade payables	24					
Total outstanding dues of micro enterprises and small enterprises		26.32	23.29	27.25	21.01	10.88
Total outstanding dues of creditors other than micro enterprises and small enterprises		65.09	32.19	67.40	31.41	134.47
(c) Other financial liabilities	21	521.42	211.31	234.55	21.60	25.21
Other current liabilities	22	201.88	178.68	181.38	200.55	210.04
Employee benefit obligations	19	4.14	48.11	49.96	43.60	29.79
Income tax liabilities (net)	23	99.54	-	-	12.07	118.10
Total current liabilities		**998.04**	**576.10**	**639.67**	**386.29**	**564.58**
Total liabilities		**1,321.87**	**912.34**	**941.95**	**699.61**	**771.03**
Total equity and liabilities		**7,755.99**	**5,412.23**	**6,032.04**	**4,090.34**	**3,196.92**

The above Statement should be read with the Annexure V - Material Accounting Policies and other explanatory Notes to Restated Financial Information, Annexure VI - Statements of Adjustments to Restated Financial Information and Annexure VII - Notes to the Restated Financial Information.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 25 November 2024

For and on behalf of the Board of Directors
International Gemmological Institute (India) Limited

Prateek Roongta
Director
DIN: 00622797
Place: Mumbai
Date: 25 November 2024

Tehmasp Printer
Managing Director & CEO
DIN: 01306226
Place: Mumbai
Date: 25 November 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 25 November 2024

Hardik Desai
Company Secretary
Membership No: A35491

Place: Mumbai
Date: 25 November 2024

International Gemmological Institute (India) Limited (formerly known as International Gemmological Institute (India) Private Limited)
Corporate Identity Number (CIN) : U74999MH1999PLC118476
Annexure II - Restated Statement of Profit and Loss
(Amount in INR millions, unless otherwise stated)

Particulars	Note	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
		Consolidated	**Consolidated**	**Consolidated**	**Consolidated**	**Standalone**
Income						
Revenue from operations	25	5,963.57	4,537.88	6,385.28	4,909.94	3,646.91
Other income	26	231.35	54.37	101.32	83.38	95.97
Total income		**6,194.92**	**4,592.25**	**6,486.60**	**4,993.32**	**3,742.88**
Expenses						
Purchase of stock-in-trade	27	32.86	35.02	39.13	20.18	15.31
Change in inventories of stock-in-trade	28	(6.94)	(7.20)	(6.10)	0.18	2.04
Employee benefits expenses	29	840.60	708.88	970.91	876.33	735.21
Finance costs	30	17.81	18.57	33.08	26.34	17.04
Depreciation and amortization expenses	31	108.64	99.27	131.64	115.25	124.95
Other expenses	32	805.23	588.02	880.16	661.43	487.87
Total expenses		**1,798.20**	**1,442.56**	**2,048.82**	**1,699.71**	**1,382.42**
Restated Profit before tax		**4,396.72**	**3,149.69**	**4,437.78**	**3,293.61**	**2,360.46**
Tax expense:	33					
- Current tax		(1,112.84)	(765.86)	(1,197.00)	(859.31)	(606.94)
- Adjustment of tax relating to earlier periods		(12.36)	-	-	-	-
- Deferred tax		(10.92)	3.11	6.60	(16.72)	(38.22)
Total tax expense		**(1,136.12)**	**(762.75)**	**(1,190.40)**	**(876.03)**	**(645.16)**
Restated Profit for the period / year		**3,260.60**	**2,386.94**	**3,247.38**	**2,417.58**	**1,715.30**
Restated Other comprehensive income:						
Items that will not be reclassified to profit or loss:						
Remeasurement of actuarial (loss)/gain		(38.94)	(219.06)	(204.14)	7.77	6.80
Income tax on above		9.80	55.13	51.38	(1.96)	(1.71)
		(29.14)	**(163.93)**	**(152.76)**	**5.81**	**5.09**
Items that will be reclassified to profit or loss						
Foreign currency translation difference of foreign operations		10.24	9.38	1.97	2.24	-
		10.24	**9.38**	**1.97**	**2.24**	**-**
Restated Other Comprehensive Income / (Loss) for the period / year, net of tax		**(18.90)**	**(154.55)**	**(150.79)**	**8.05**	**5.09**
Restated Total Comprehensive Income for the period / year		**3,241.70**	**2,232.39**	**3,096.59**	**2,425.63**	**1,720.39**
Restated Profit for the period / year attributable to						
Owners of the Company		3,260.60	2,386.94	3,247.38	2,417.58	1,715.30
Non-controlling interests		-	-	-	-	-
		3,260.60	**2,386.94**	**3,247.38**	**2,417.58**	**1,715.30**
Restated Other Comprehensive Income / (Loss) attributable to						
Owners of the Company		(18.90)	(154.55)	(150.79)	8.05	5.09
Non-controlling interests		**-**	**-**	-	-	-
		(18.90)	**(154.55)**	**(150.79)**	**8.05**	**5.09**
Restated Total Comprehensive Income attributable to						
Owners of the Company		3,241.70	2,232.39	3,096.59	2,425.63	1,720.39
Non-controlling interests		-	-	-	-	-
		3,241.70	**2,232.39**	**3,096.59**	**2,425.63**	**1,720.39**
Restated Earnings per share (in INR) of face value of INR 10 each						
Basic	34	**8.22**	**6.02**	**8.18**	**6.09**	**4.32**
Diluted	34	**8.22**	**6.02**	**8.18**	**6.09**	**4.32**

The above Statement should be read with the Annexure V - Material Accounting Policies and other explanatory Notes to Restated Financial Information, Annexure VI - Statements of Adjustments to Restated Financial Information and Annexure VII - Notes to the Restated Financial Information.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 25 November 2024

For and on behalf of the Board of Directors
International Gemmological Institute (India) Limited

Prateek Roongta
Director
DIN: 00622797
Place: Mumbai
Date: 25 November 2024

Tehmasp Printer
Managing Director & CEO
DIN: 01306226
Place: Mumbai
Date: 25 November 2024

Easwar Iyer
Chief Financial Officer
Place: Mumbai
Date: 25 November 2024

Hardik Desai
Company Secretary
Membership No: A35491
Place: Mumbai
Date: 25 November 2024

International Gemmological Institute (India) Limited (formerly known as International Gemmological Institute (India) Private Limited)
Corporate Identity Number (CIN) : U74999MH1999PLC118476
Annexure IV - Restated Statement of Cash Flows
(Amount in INR millions, unless otherwise stated)

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
	Consolidated	Consolidated	Consolidated	Consolidated	Standalone
Cash flow from operating activities					
Profit before tax as per Restated Statements of Profit and Loss	**4,396.72**	**3,149.69**	**4,437.78**	**3,293.61**	**2,360.46**
Adjustments for:					
Depreciation on property, plant and equipment	37.96	30.86	40.44	37.04	60.31
Depreciation on right-of-use assets	62.74	59.55	81.00	65.87	57.47
Amortization on other intangible asset	7.94	8.86	10.20	12.34	7.17
Interest income on fixed deposits	(191.62)	(39.47)	(74.46)	(76.11)	(92.37)
Interest income on income tax refund	(4.92)	-	-	-	-
Interest income on security deposit	(2.47)	(1.91)	(5.51)	(2.31)	(1.92)
Interest on lease liabilities	17.81	17.04	24.61	22.78	17.04
Credit balance written back	(3.77)	-	-	(1.21)	(0.01)
Bad debts and provision for doubtful debts	4.14	22.24	61.24	-	8.07
(Gain)/loss on sale of property, plant & equipment	(1.11)	2.07	1.28	0.02	-
Operating profit before changes in working capital	**4,323.42**	**3,248.93**	**4,576.58**	**3,352.03**	**2,416.22**
Changes in working capital :					
Increase/(decrease) in other financial liabilities	286.87	189.71	211.53	(2.32)	25.42
(Decrease)/increase in trade payables	(3.24)	3.06	42.22	(92.93)	67.29
(Decrease)/increase in employee benefit obligations	(48.26)	(164.57)	(167.13)	25.91	8.06
Increase/(decrease) in other current liabilities	20.50	(21.87)	(19.17)	(9.48)	59.24
Increase in other financial assets	1.49	(6.93)	(5.52)	(12.35)	(15.40)
Decrease/(increase) in other non current assets	24.25	172.42	166.19	(12.04)	-
(Increase)/decrease in other current assets	(187.80)	(8.48)	12.62	(53.78)	(69.85)
(Increase)/decrease in inventories	(6.93)	(7.19)	(6.10)	0.17	2.04
Increase in trade receivables	(228.00)	(551.44)	(508.60)	(288.20)	(76.20)
Cash generated from operating activities before taxes	**4,182.31**	**2,853.64**	**4,302.62**	**2,907.01**	**2,416.82**
Income tax paid (net)	(907.81)	(871.68)	(1,329.81)	(965.33)	(482.95)
Net cash generated from operating activities (A)	**3,274.50**	**1,981.96**	**2,972.81**	**1,941.68**	**1,933.87**
Cash flows from investing activities					
Payment for purchase of property, plant and equipment and items capitalized in CWIP	(132.32)	(234.44)	(379.12)	(102.90)	(39.30)
Payment on acquisition of other intangible asset	(2.42)	(4.35)	(9.89)	(8.49)	(9.99)
Payment for purchase of Intangible assets under development	(29.14)	-			
Proceeds from sale of property, plant and equipments	6.89	2.07	4.54	0.01	9.43
Maturity/(Investment) of fixed deposits	(2,206.03)	71.32	(329.42)	(381.82)	(179.61)
Interest income	87.03	33.23	53.81	62.67	92.37
Net cash (used in)investing activities (B)	**(2,275.99)**	**(132.17)**	**(660.08)**	**(430.53)**	**(127.10)**
Cash flows from financing activities					
Principal payment of lease liabilities	(58.51)	(49.53)	(66.39)	(54.17)	(217.20)
Interest paid on lease liabilities	(17.81)	(17.04)	(24.61)	(22.78)	(17.04)
Dividend paid	(1,897.67)	(1,123.23)	(1,397.23)	(1,460.79)	(1,480.53)
Net cash (used in) financing activities (C)	**(1,973.99)**	**(1,189.80)**	**(1,488.23)**	**(1,537.74)**	**(1,714.77)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(975.48)	659.99	824.50	(26.59)	92.00
Foreign currency translation difference of foreign operations	11.69	13.60	1.97	2.24	-
Cash and cash equivalents at the beginning of the year (Note 15)	1,166.80	340.33	340.33	364.68	272.68
Cash and cash equivalents at the end of the period/year (Note 15)	**203.01**	**1,013.92**	**1,166.80**	**340.33**	**364.68**

The Restated Statement of Cash flows has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash flows'.
Refer Note 6.1 for reconciliation of movements of lease liabilities to cash flows arising from financing activities.

The above Statement should be read with the Annexure V - Material Accounting Policies and other explanatory Notes to Restated Financial Information, Annexure VI - Statements of Adjustments to Restated Financial Information and Annexure VII - Notes to the Restated Financial Information.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 25 November 2024

For and on behalf of the Board of Directors
International Gemmological Institute (India) Limited

Prateek Roongta
Director
DIN: 00622797
Place: Mumbai
Date: 25 November 2024

Tehmasp Printer
Managing Director & CEO
DIN: 01306226
Place: Mumbai
Date: 25 November 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 25 November 2024

Hardik Desai
Company Secretary
Membership No: A35491

Place: Mumbai
Date: 25 November 2024

International Gemmological Institute (India) Limited (formerly known as International Gemmological Institute (India) Private Limited)

Corporate Identity Number (CIN) : U74999MH1999PLC118476

Annexure III - Restated Statement of Changes in Equity

(Amount in INR millions, unless otherwise stated)

A) Equity share capital

Particulars	Number of shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
As at 1 January 2021 (Standalone)	**3,94,809**	**3.95**
Changes during the year	-	-
As at 31 December 2021 (Standalone)	**3,94,809**	**3.95**
As at 1 January 2022 (Consolidated)	**3,94,809**	**3.95**
Changes during the year	-	-
As at 31 December 2022 (Consolidated)	**3,94,809**	**3.95**
As at 1 January 2022 (Consolidated)	**3,94,809**	**3.95**
Changes during the year	-	-
As at 31 December 2023 (Consolidated)	**3,94,809**	**3.95**
As at 1 January 2023 (Consolidated)	**3,94,809**	**3.95**
Changes during the period	-	**-**
As at 30 September 2023 (Consolidated)	**3,94,809**	**3.95**
As at 1 January 2024 (Consolidated)	**3,94,809**	**3.95**
Add: Split of shares from INR 10 each to INR 2 each *	15,79,236	**-**
Add: Bonus shares issued during the period *	39,48,09,000	**789.62**
As at 30 September 2024 (Consolidated)	**39,67,83,045**	**793.57**

* During the period ended 30 September 2024, the Company has subdivided shares in INR 2/- each and bonus shares were issued in the ratio of 200 : 1. Refer Note 17.5

B) Other equity

Particulars	Reserve and Surplus		Other comprehensive income/ (loss) for the year	Total Other Equity
	General Reserve	Retained Earnings	Foreign currency translation reserve	
Balance as at 1 January 2021 (Standalone)	120.00	2,062.08	-	**2,182.08**
Restated Profit for the year	-	1,715.30	-	**1,715.30**
Dividend paid on equity shares	-	(1,480.53)	-	**(1,480.53)**
Restated Other comprehensive (loss)/income for the year	-	5.09	-	**5.09**
Transfer to general reserve	182.00	(182.00)	-	**-**
Balance as at 31 December 2021 (Standalone)	**302.00**	**2,119.94**	**-**	**2,421.94**

Particulars	Reserve and Surplus		Other comprehensive income/ (loss) for the year	Total Other Equity
	General Reserve	Retained Earnings	Foreign currency translation reserve	
Balance as at 1 January 2022 (Standalone)	302.00	2,119.94	-	**2,421.94**
Restated Profit for the year	-	2,417.58	-	**2,417.58**
Dividend paid on equity shares	-	(1,460.79)	-	**(1,460.79)**
Foreign currency translation difference during the year	-	-	2.24	**2.24**
Restated Other comprehensive (loss)/income for the year	-	5.81	-	**5.81**
Transfer to general reserve	245.00	(245.00)	-	**-**
Balance as at 31 December 2022 (Consolidated)	**547.00**	**2,837.54**	**2.24**	**3,386.78**

Particulars	Reserve and Surplus		Other comprehensive income/ (loss) for the year	Total Other Equity
	General Reserve	Retained Earnings	Foreign currency translation reserve	
Balance as at 1 January 2023 (Consolidated)	547.00	2,837.54	2.24	**3,386.78**
Restated Profit for the year	-	3,247.38	-	**3,247.38**
Dividend paid on equity shares	-	(1,397.23)	-	**(1,397.23)**
Foreign currency translation difference during the year	-	-	1.97	**1.97**
Restated Other comprehensive (loss)/income for the year	-	(152.76)	-	**(152.76)**
Transfer to general reserve	245.00	(245.00)	-	**-**
Balance as at 31 December 2023 (Consolidated)	**792.00**	**4,289.93**	**4.21**	**5,086.14**

Particulars	Reserve and Surplus		Other comprehensive income/ (loss) for the period	Total Other Equity
	General Reserve	Retained Earnings	Foreign currency translation reserve	
Balance as at 1 January 2023(Consolidated)	547.00	2,837.54	2.24	**3,386.78**
Restated Profit for the period	-	2,386.94	-	**2,386.94**
Dividend paid on equity shares	-	(1,123.23)	-	**(1,123.23)**
Foreign currency translation difference during the period	-	-	9.38	**9.38**
Restated Other comprehensive (loss)/income for the period	-	(163.93)	-	**(163.93)**
Balance as at 30 September 2023 (Consolidated)	**547.00**	**3,937.32**	**11.62**	**4,495.94**

Particulars	Reserve and Surplus		Other comprehensive income/ (loss) for the period	Total Other Equity
	General Reserve	Retained Earnings	Foreign currency translation reserve	
Balance as at 1 January 2024 (Consolidated)	792.00	4,289.93	4.21	**5,086.14**
Restated Profit for the period	-	3,260.60	-	**3,260.60**
Dividend paid on equity shares	-	(1,897.67)	-	**(1,897.67)**
Bonus issue from general reserve	(789.62)			**(789.62)**
Foreign currency translation difference during the period	-	-	10.24	**10.24**
Restated Other comprehensive (loss)/income for the period	-	(29.14)	-	**(29.14)**
Balance as at 30 September 2024 (Consolidated)	**2.38**	**5,623.72**	**14.45**	**5,640.55**

The above Statement should be read with the Annexure V - Material Accounting Policies and other explanatory Notes to Restated Financial Information, Annexure VI - Statements of Adjustments to Restated Financial Information and Annexure VII - Notes to the Restated Financial Information.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of the Board of Directors
International Gemmological Institute (India) Limited

Ankush Agrawal
Partner
Membership No : 159694

Prateek Roongta
Director
DIN: 00622797
Place: Mumbai
Date: 25 November 2024

Tehmasp Printer
Managing Director & CEO
DIN: 01306226
Place: Mumbai
Date: 25 November 2024

Easwar Iyer
Chief Financial Officer

Hardik Desai
Company Secretary
Membership No: A35491

Place: Mumbai
Date: 25 November 2024

Place: Mumbai
Date: 25 November 2024

Place: Mumbai
Date: 25 November 2024

1 Corporate Information

International Gemmological Institute (India) Limited (the "Company" or the "Holding Company") is a public company domiciled in India and is incorporated under the provisions of The Companies Act, 2013 (the "Act") applicable in India. The registered office of the Company is located at 702, The Capital, G Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra 400051.

The Restated Financial Information include the financial statements of the Holding Company and it's subsidiary, as mentioned below, (collectively referred to as the "Group").

Name of the subsidiary	Country of incorporation	Percentage holding
International Gemmological Institute Turkey Gemoloji Ticaret Anonim Şirketi (the "Subsidiary")	Turkey	100% (Acquired on 16 May 2022)

The Group is primarily engaged in the business of certification of diamonds, gemstones & jewellery with comprehensive analysis and clear documentation for consumers. The Group is also operating laboratories and offices in Mumbai, Kolkata, New Delhi, Thrissur, Jaipur, Surat, Chennai, Ahmedabad, Hyderabad, Coimbatore, Indore, Pune, Chandigarh and Bangalore. The Group is having school of Gemmology at various locations and offers a variety of courses designed for professionals and consumer enthusiasts.

The Company was duly converted to a public limited company i.e., International Gemmological Institute (India) Limited from a private limited company i.e., International Gemmological Institute (India) Private Limited w.e.f. 10 July 2024 and accordingly the corporate identification number (CIN) was changed to U74999MH1999PLC118476.

The Restated Financial Information for the nine months period ended 30 September 2024 and 30 September 2023 and years ended 31 December 2023, 31 December 2022 and 31 December 2021 were approved for issue in accordance with resolution of the Board of Directors on November 25, 2024.

2 Material accounting policies

2.1 Basis of preparation

The Restated Financial Information includes the Restated Consolidated Statement of Assets and Liabilities of the Group as at 30 September 2024, 30 September 2023, 31 December 2023, and 31 December 2022, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Cash Flows, the Restated Consolidated Statement of Changes in Equity for the nine-month period ended 30 September 2024 and 30 September 2023, and for the years ended 31 December 2023 and 31 December 2022, Material Accounting Policies and other explanatory information, and Statement of Restated Adjustments to the Audited Financial Statements as at and for the nine months period 30 September 2024 and 30 September 2023, and years ended 31 December 2023 and 31 December 2022, prepared under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act as amended from time to time ("the Restated Consolidated Financial Information"); the Restated Standalone Statement of Assets and Liabilities of the Company as at 31 December 2021, the Restated Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Restated Standalone Statement of Cash Flows, the Restated Standalone Statement of Changes in Equity for the year ended 31 December 2021, Material Accounting Policies and other explanatory information, and Statement of Restated Adjustments to the Audited Financial Statements as at for the year ended 31 December 2021, prepared under Ind AS notified under Section 133 of the Act and other relevant provisions of the Act as amended from time to time ("the Restated Standalone Financial Information"). Notably, the Company did not have any subsidiaries, associates, or joint ventures for the year ended 31 December 2021.

Restated Consolidated Financial Information and Restated Standalone Financial Information are collectively referred to as the "Restated Financial Information".

These Restated Consolidated Financial Information have been prepared by the management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations, 2018, as amended ("ICDR Regulations") issued by the Securities and Exchange Board of India ('SEBI'), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in the Red Herring Prospectus (the "RHP") and Prospectus to be filed with the Securities and Exchange Board of India ("SEBI"), National Stock Exchange of India Limited ("NSE"), Bombay Stock Exchange Limited ("BSE") and Registrar of Companies, Maharashtra, situated at Mumbai ("RoC") in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

(i) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended ("the Act");
(ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("ICDR Regulations") ; and
(iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) as amended ("the Guidance Note")

All amounts in the Restated Financial Information are presented in Indian rupees (INR million), except for share and per share data, unless otherwise specified. Amounts shown as "0" are non-zero figures rounded off to the nearest INR million. Due to rounding, totals may not add up exactly, and percentages may not match the absolute figures.

These Restated Financial Information have been compiled from:

a) The audited Special Purpose Interim Consolidated Financial Statements of the Group as of and for the nine months period ended September 30, 2024 and September 30, 2023, prepared in accordance with the recognition and measurement principles of the Indian Accounting Standard – 34 "Interim Financial Reporting as prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III to the Companies Act, 2013 ("Special Purpose Interim Consolidated Financial Statements"), which have been approved by the Board of Directors at their meeting held on November 25, 2024

b) The Audited Consolidated Financial Statements of the Group as of and for the year ended December 31, 2023 prepared by the management in accordance with the Indian Accounting Standards (referred to as "Ind AS"), as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, (the "December 2023 Consolidated Financial Statements") which have been approved by the Board of Directors at their meetings held on June 11, 2024.

c) The Audited Special Purpose Consolidated Financial Statements of the Group as at and for the financial year ended December 31, 2022, prepared by the Management in accordance with the Indian Accounting Standards (referred to as "Ind AS"), as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India and which has been approved by the Board of Directors at their meeting held on August 6, 2024.

d) The Audited Special Purpose Standalone Financial Statements of the Company as at and for the financial year ended December 31, 2021, prepared by the Management in accordance with the Indian Accounting Standards (referred to as "Ind AS"), as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India and which has been approved by the Board of Directors at their meeting held on August 6, 2024.

The Restated Financial Information does not reflect events that occurred after the respective dates of the auditor's reports on the above mentioned audited financial statements.

The Restated Financial Information has been prepared in accordance with the ICDR Regulations, incorporating the following adjustments:

(a) Adjustments have been made for changes in accounting policies, material errors (if any), and regrouping/reclassifications. These adjustments have been applied retrospectively to the financial statements for the nine-month period ended 30 September 2023, and financial statements for the years ended 31 December 2023, 31 December 2022, and 31 December 2021. As a result, the accounting treatment now aligns with the policies and classifications followed in the financial statements for the nine-month period ended 30 September 2024.

(b) No adjustments are required for qualifications, as there are no qualifications in the underlying audit reports.

The Group has prepared the Restated Financial Information on the assumption that it will continue to operate as a going concern.

2.2 Principles of Consolidation

The Restated Financial Information comprises of financial information of the Company and its subsidiary for the nine months period ended 30 September 2024 and 30 September 2023, and years ended 31 December 2023 and 31 December 2022. The Company has made investment in the Subsidiary w.e.f. 16 May 2022.

The Restated Financial Information of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended December 31.

Subsidiary

Subsidiary is an entity controlled by the Holding company. Control exists when the Holding company is exposed to or has rights, to variable returns from its involvement with the entity, and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, derecognises any non-controlling interests, derecognizes the cumulative translation difference recorded in equity, recognizes the fair value of the consideration received related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in the Consolidated Statement of Profit and Loss.

Consolidation procedure

The Restated Financial Information of the Group has been combined on a line-by-line basis by adding assets, liabilities, income, expense and cash flows. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing the Restated Financial Information. The carrying amount of the parent's investment in subsidiary and the parent's portion of equity of subsidiary has been eliminated. The accounting policies of subsidiary have been harmonised to ensure consistency with the policies adopted by the Holding Company.

2.3 Current versus non-current classification

The Group presents assets and liabilities based on current/ non-current classification. An asset is treated as current when it is:
• Expected to be realised or intended to be sold or consumed in the normal operating cycle
• Held primarily for the purpose of trading
• Expected to be realised within twelve months after the reporting period Or
• Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
• It is expected to be settled in the normal operating cycle
• It is held primarily for the purpose of trading
• It is due to be settled within twelve months after the reporting period
Or
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.4 Basis of Measurement

The Restated Financial Information have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:--
• Certain Financial assets are measured at fair value (refer accounting policy on financial instruments).
• Employee's Defined Benefit Plan as per actuarial valuation.

2.5 Foreign Currency Transactions

(a) **Functional and presentation currency**

Items included in the Restated Financial Information are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The Restated Financial Information are presented in Indian rupee (INR), which is the Group's functional and presentation currency.

(b) **Transactions and balances**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Restated Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Restated Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3 Significant accounting judgements, estimates and assumptions

The preparation of Restated Financial Information in conformity with Ind AS requires management, where necessary, to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

The key assumptions concerning future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

3.1 *Taxes*

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits, together with future tax planning strategies.

3.2 *Provision for expected credit losses of trade receivables and contract assets*

The Group uses past data and experience based on historical default rates to measure the ECL on trade receivables. Based on evaluation carried out and to the best estimate of management, historical loss sufficiently covers expected loss as well as future contingencies. Adjustment for forward looking factors are not considered significant, hence no adjustment for forward looking factors is made.

3.3 *Defined benefit plans (gratuity benefits)*

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

3.4 *Fair value measurement of financial instruments*

When the fair value of financial assets and financial liabilities recorded, cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

3.5 *Leases - Estimating the incremental borrowing rate and lease term*

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available. The Group estimates the IBR using observable inputs (such as market interest rates).

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

3.6 *Useful lives of property, plant and equipment:*

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

3.7 *Revenue from contract with customers:*

The Group has applied judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers.

3.8 *Contingencies:*

Contingent Liabilities may arise from the ordinary course of business in relation to claims against the group, including legal and other claims. By virtue of their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgements and the use of estimates regarding the outcome of future events.

3.9 *Intangible assets under development*

The Group capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

4 Summary of Material accounting policies

4.1 Property, plant and equipment, CWIP and depreciation

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.
Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Capital work-in progress comprises cost of the property, plant and equipment (including related expenses), that are not yet ready for their intended use at the reporting date.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

The Group depreciates property, plant and equipment over their estimated useful lives as specified in the Schedule II of the Companies Act, 2013 using the straight line method. The estimated useful lives of assets are as follows:

Asset Category	Useful Life (In years)
Buildings	60
Furniture and Fixtures	10
Computer and Peripherals	3
Computer Server	6
Office Equipment	5
Lab Equipment	10
Electric Installation	10
Vehicles	8
Plant & Machinery	15
Leasehold Improvement	10

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

De-recognition: An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

4.2 *Other intangible assets*

Other intangible assets acquired separately are measured on initial recognition at cost. Other intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period for other intangible asset with a finite useful life are reviewed at least at each financial year end.

The principal estimated useful lives of other intangible assets are as follows:

Asset Category	Useful Life (In years)
Computer software	6

Other intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

4.3 Financial Reporting in HyperinflationaryEconomies

Ind AS 29 requires the financial statements of an entity with a functional currency that is hyperinflationary to be restated to reflect changes in the general purchasing power, that is, the financial statements that were at historical values are restated to current values, by applying the corresponding general price index.

The application of Ind AS 29 includes:
(i) restatement of non-monetary assets and liabilities measured at historical cost in the balance sheet and all items of income and expenses in the statement of profit and loss, using the general price index at the balance sheet date, and
(ii) recording gain or loss on net monetary position.

Since 30 June 2022, the Turkish economy has been considered hyperinflationary according to the definition and criteria set out in "Ind AS 29 - Financial Reporting in Hyperinflationary Economies" as inflation in Turkey has risen exponentially, with a cumulative inflation rate over three years exceeding 100%. As a result, application of Ind AS 29 'Financial Reporting in Hyperinflationary Economies' is applicable to Group's subsidiary in Turkey whose functional currency is Turkish lira.

The Impact of redetermination of financial statement values of the Group after giving effect for inflation adjustment as per Ind AS 29 is considered to be negligible, thus no adjustment has been made in these Restated Financial Information.

4.4 Leases

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets for all leases, except for short-term leases and leases of low-value assets.

i) **Right-of-use assets**

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. In such cases, the Group reviews the estimated residual values and expected useful lives of assets at least annually.

The right-of-use assets are also subject to impairment at each reporting period.

ii) **Lease liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) **Short-term leases**

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

Lease payments and receipts under operating leases are recognized as an expense and income respectively, on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

4.5 Security Deposits

Security deposits are initially recognised at fair value and subsequently measured at amortised cost. Any difference between the initial fair value and the nominal amount is included as a component of operating lease income and recognised on a straight-line basis over the lease term.

4.6 Revenue

a) **Revenue from grading and certification services**

The Group recognises revenue from grading and certification of diamonds, coloured stones and jewellery which is measured at a point in time upon satisfaction of the performance obligation, when the report/certificate in relation to completion of such activities is generated and is ready to be issued to the customer. There are no significant activities undertaken between the time that the report is generated and the time that the customer obtains the report. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts or rebates, if any, as specified in the contract with the customer. Revenue is recognised exclusive of taxes.

b) **Revenue from educational courses**

Revenue from providing gemological education on sorting and grading of gems, diamond and jewellery is recognised over a period of time as and when the educational course is completed.

c) **Revenue from sale of traded goods**

Revenue from the sale of traded goods is recognised at the point in time when control of the goods is transferred to the customer.

4.7 Other income

Interest income

Interest income is accounted for on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

4.8 Contract balances

Contract assets and contract liabilities

A contract asset is the right to consideration in exchange for goods or services transferred to the customer when that right is conditioned on something other than the passage of time, for example, billings require certification by the customer. Upon receipt of such certification from a customer, the amount recognised as contract assets is reclassified to trade receivables. Contract assets are subject to impairment assessment on the same basis as financial assets that are within the scope of Ind AS 109.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the group performs under the contract (i.e. transfers control of the related goods or services to the customer).

4.9 Fair Value Measurement

The Group measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability

Or

• In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using asset in its highest and best use or by selling it to another market participant that would use asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities, for which fair value is measured or disclosed in the Restated Financial Information, are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Restated Financial Information at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4.10 Financial instruments – initial recognition and subsequent measurement

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

i) *Financial Assets*

Initial recognition and measurement

Financial assets are classified at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income, or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. As the Group's rent and other trade receivables do not contain a significant financing component or for which the Group has applied the practical expedient, they are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income (OCI), it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Subsequent measurement

Financial assets measured at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:
• The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade receivables, loans to related parties, security deposit and financial assets included in other receivables.

Financial assets designated at fair value through OCI (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled in profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets measured at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the financial statement at fair value with net changes in fair value recognised in profit or loss.

This category includes equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e., removed from the Group's statement of assets and liabilities) when:

• The rights to receive cash flows from the asset have expired

Or

• The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward looking information.

Simplified approach

For trade receivables and contract assets, that do not contain a significant financing component, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date (i.e., a loss allowance for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default). The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

ii) *Financial Liabilities*

The Group recognises a financial liability when it first becomes a party to the contractual rights and obligations in the contract. All financial liabilities are initially recognised at fair value, minus (in the case of a financial liability that is not at FVTPL) transaction costs that are directly attributable to issuing the financial liability. Financial liabilities are measured at amortised cost, using the effective interest method unless the Group opted to measure a liability at FVTPL. A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Financial liabilities included in trade and other payables, borrowings and other financial liabilities. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

iii) Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

iv) ***Offsetting of financial instruments***

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.11 Employee benefits

(i) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

(ii) Long-term employment benefits

(A) Defined contribution plan

The Group's contribution to provident fund and employee state insurance scheme are considered as defined contribution plan and are recognised as an expense in the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The Group has no further obligations under these plans beyond its monthly contributions.

(B) Defined benefit plan

The Group's gratuity benefit scheme is a defined benefit plan and it is non funded. The Group's net obligation in respect of gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation at the balance sheet date by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the balance sheet date. Actuarial gains and losses are recognised immediately in the Statement of profit and loss.

(C) Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognized as a liability at the present value of the other long-term employment benefits which is determined at each balance sheet date based on an actuarial valuation by an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses are recognized immediately in the Restated Statement of profit and loss.

4.12 Taxes

Income tax expenses comprises of current tax expenses and deferred tax charge / credit.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, at the reporting date where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

(i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

(ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

(i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

(ii) In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4.13 Cash and Cash Equivalents

Cash and cash equivalent comprises cash at banks, on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

4.14 Inventories

Inventories are carried at the lower of the cost and net realisable value after providing for obsolescence and other losses where considered necessary. Cost of Inventories comprises all cost of purchase and other cost incurred in bringing inventories to their present location and condition. Cost is determined on first-in-first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

4.15 Provisions and contingencies

Provisions: A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

Contingent Liability: A contingent liability is

(a) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or

(b) a present obligation that arises from past events but is not recognized because;

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
- the amount of the obligation cannot be measured with sufficient reliability.

The Group does not recognize a contingent liability but discloses the same as per the requirements of Ind AS 37.

4.16 Segment reporting

The operating segments have been identified based on the conditions specified in paragraph 5 to Ind AS 108, i.e. an operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available that is evaluated regularly by the CODM, in deciding how to allocate resources and assessing performance.

4.17 Earnings per share (EPS)

Basic earnings per share are calculated by dividing the net profit for the period/year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the profit or loss for the period/year attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

4.18 Cash flow statement

The Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard- 7, "Statement of Cash Flows" whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company and its joint venture are segregated.

4.19 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the Restated Financial Information are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The Restated Financial Information are presented in Indian rupee (INR), which is the Group's functional and presentation currency.

(b) **Transactions and balances**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Restated Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Restated Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

5 Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the nine months period ended 30 September 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

Annexure VI - Statement of Adjustments to Restated Financial Information

(Amount in INR millions, unless otherwise stated)

Part A - Statement of Restatement Adjustments to Audited Financial Statements

There are no restatement adjustments required to be made under the SEBI ICDR Regulations for the nine months period ended 30 September 2024 and 30 September 2023, and years ended 31 December 2023, 31 December 2022 and 31 December 2021. Accordingly, there are no reconciliations between total equity and total comprehensive income as per the Restated Financial Information and as per the audited Financial Statements of the respective period/years.

Part B - Non adjusting events

a) Audit qualifications for the respective period/years, which do not require any adjustments in the Restated Financial Information

There are no qualifications in the auditor's reports on the Special Purpose Standalone Financial Statements of the Company as at and for the year ended 31 December 2021, Special Purpose Consolidated Financial Statements of the Group as at and for the year ended 31 December 2022, Consolidated Financial Statements of the Group as at and for the year ended 31 December 2023, and Special Purpose Interim Consolidated Financial Statements of the Group as at and for the nine months period ended 30 September 2024 and 30 September which require any adjustments to the Restated Financial Information. There are Emphasis of Matter and Other Matters (as explained below), which does not require any adjustment to the Restated Financial Information.

b) Emphasis of matters and other matters not requiring adjustments to Restated Financial Information

Emphasis of matter for the nine month period ended 30 September 2024 and 30 September 2023

We draw attention to Note 2.1 to the Special Purpose Interim Consolidated Financial Statements which describes the purpose and basis of preparation of the Special Purpose Interim Consolidated Financial Statements. These Special Purpose Interim Consolidated Financial Statements have been prepared by the management of the Holding Company solely for the purpose of preparation of the Restated Financial Information to be included in the Red Herring Prospectus ("RHP") and Prospectus of the Holding Company to be filed in connection with its proposed initial public offering of equity shares as required by Section 26 of Part I of Chapter III of the Act and as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time and to comply with the SEBI Communication and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. Accordingly, these Special Purpose Interim Consolidated Financial Statements may not be suitable for any another purpose.

Our report is addressed to the Board of Directors of the Holding Company solely for the purpose as mentioned above. This should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our opinion is not modified in respect of the above matter.

Other matter for the nine month period ended 30 September 2024 and 30 September 2023

We did not audit the financial statements of a subsidiary, located outside India, whose financial information reflect total assets of Rs. 44.80 million and Rs 74.15 million as at September 30, 2024 and 30 September 2023 respectively total revenues of Rs. 14.65 million and Rs 16.48 million and net cash outflows/inflows amounting to Rs. 4.56 million and Rs 9.29 million for the nine-month period ended on 30 September 2024 and 30 September 2023 respectively , as considered in the Special Purpose Interim Consolidated Financial Statements. These financial statements are unaudited and have been furnished to us by the Management of the Holding Company and our opinion on the Special Purpose Interim Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary, is based solely on such unaudited financial statement. These financial statements of the said subsidiary have been prepared in accordance with accounting principles generally accepted in that country. The Holding Company's Management has converted these financial statements of the said subsidiary from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have not audited these conversion adjustments made by the Holding Company's Management. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the Special Purpose Interim Consolidated Financial Statements is not modified in respect of the above matter.

Emphasis of matter for the year ended 31 December 2023:

We draw attention to Note 42 of the consolidated financial statements, which describes the prior period errors identified by the management of the Company, who have accordingly restated the comparative Statement of Profit or Loss for the year ended December 31, 2023 and the comparative Balance Sheet as at that date, and also the opening Balance Sheet as at January 01, 2022, in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

Our opinion is not modified in respect of this matter.
The prior period errors referred to in the above emphasis of matter paragraph have been adjusted in the December 2022 Special Purpose Consolidated Financial Statements and December 2021 Special Purpose Financial Statements and accordingly, do not require further adjustments in the Restated Financial Information.

Other matters for the year ended 31 December 2023:

1) We did not audit the financial statements of a subsidiary, located outside India, whose financial information reflect total assets of Rs. 53.68 million as at December 31, 2023, total revenues of Rs. 23.26 million and net cash outflows amounting to Rs. 20.81 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. These financial statements of the said subsidiary have been prepared in accordance with accounting principles generally accepted in that country. The Holding Company's Management has converted these financial statements of the said subsidiary from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have not audited these conversion adjustments made by the Holding Company's Management. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

2) The consolidated financial statements of the Company for the year ended December 31, 2022 were audited by another auditor whose report dated May 15, 2023, expressed an unmodified opinion on those statements.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters.

For the year ended 31 December 2022
Emphasis of matter: Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2 to the Special Purpose Consolidated Financial Statements which describes the purpose and basis of preparation of the Special Purpose Consolidated Financial Statements. These Special Purpose Consolidated Financial Statements have been prepared by the management of the Holding Company solely for the purpose of preparation of the Restated Consolidated Financial Information to be included in the Red Herring Prospectus ("RHP") and Prospectus (hereinafter collectively referred as "Offer Documents") of the Holding Company to be filed in connection with its proposed initial public offering of equity shares of the Holding Company as required by Section 26 of Part I of Chapter III of the Act and as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time (the "SEBI ICDR Regulations") and to comply with the SEBI Communication and the Guidance Note on Reports in Company Prospectuses (Revised 2019) ("the Guidance Note") issued by the ICAI. As a result, these Special Purpose Consolidated Financial Statements may not be suitable for any another purpose.

Our report is addressed to the Board of Directors of the Holding Company solely for the purpose as mentioned above. This should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our opinion is not modified in respect of the above matter.

Other matters:

1) The Holding Company has prepared a separate set of general purpose Consolidated Financial Statements for the year ended December 31, 2022, for statutory purposes in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act on which the predecessor auditor had issued a separate auditor's report to the shareholders of the Holding Company dated May 15, 2023 and expressed an unmodified opinion on those statements.

2) As informed to us by the management of the Company, the predecessor auditor have expressed their inability to issue examination report on the Restated Financial Information for the year ended December 31, 2022 to be included in RHP . Accordingly, as per requirements of the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, we have audited the Special Purpose Consolidated Financial Statements of the Group for the year ended December 31, 2022, for the purpose of issuing the examination report for the year ended December 31, 2022.

3) We did not audit the financial statements of a subsidiary, located outside India, whose financial information reflect total assets of Rs. 55.12 million as at December 31, 2022, total revenues of Rs. 1.24 million and net cash inflows amounting to Rs. 9.01 million for the year ended on that date, as considered in the Special Purpose Consolidated Financial Statements. These financial statements are unaudited and have been furnished to us by the Management of the Holding Company and our opinion on the Special Purpose Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary, is based solely on such unaudited financial statement. These financial statements of the said subsidiary have been prepared in accordance with accounting principles generally accepted in that country. The Holding Company's Management has converted these financial statements of the said subsidiary from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have not audited these conversion adjustments made by the Holding Company's Management. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the Special Purpose Consolidated Financial Statements is not modified in respect of the above matters.

Emphasis of matter: Basis of Accounting and Restriction on Distribution and Use
We draw attention to Note 2 to the Special Purpose Financial Statements which describes the purpose and basis of preparation of the Special Purpose Financial Statements. These Special Purpose Financial Statements have been prepared by the management of the Company solely for the purpose of preparation of the Restated Financial Information to be included in the Red Herring Prospectus ("RHP"), and the Prospectus of the Company to be filed in connection with its proposed initial public offering of equity shares as required by Section 26 of Part I of Chapter III of the Act and as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time and to comply with the SEBI Communication and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. Accordingly, these Special Purpose Financial Statements may not be suitable for any another purpose.

Our report is addressed to the Board of Directors of the Company solely for the purpose as mentioned above. This should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our opinion is not modified in respect of the above matter.

Other matters

1) The Company has prepared a separate set of general purpose Financial Statements for the year ended December 31, 2021, for statutory purposes in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act on which the predecessor auditor had issued a separate auditor's report to the shareholders of the Company dated April 29, 2022 and expressed an unmodified opinion on those statements.

2) As informed to us by the management of the Company, the predecessor auditor have expressed their inability to issue examination report on the Restated Financial information for the year ended December 31, 2021 to be included in DRHP. Accordingly, as per requirements of the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, we have audited the Special Purpose Consolidated Financial Statements of the Company for the year ended December 31, 2021, for the purpose of issuing the examination report for the year ended December 31, 2021.

Our opinion on the Special Purpose Financial Statements is not modified in respect of the above matter.

Part C - Material regrouping
Appropriate adjustments have been made in the Restated Financial Information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, as applicable, to conform with the requirements of Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

(Amount in INR millions, unless otherwise stated)

6 Property, plant and equipment

Particulars	Leasehold Improvements	Buildings	Furniture and Fixtures	Plant and Machinery	Electrical Equipment	Office Equipment	Computers	Vehicle	Precious Stones & Laboratory Master Sets	Total
Gross carrying amount										
Opening balance as at 1 January 2021	49.87	516.11	123.24	219.06	14.95	32.89	52.81	17.03	71.09	1,097.05
Additions	-	-	0.85	13.13	-	2.45	5.35	8.75	-	30.54
Disposals	-	-	0.00	0.66	-	0.00	-	-	-	0.66
Balance as at 31 December 2021	**49.87**	**516.11**	**124.09**	**231.53**	**14.95**	**35.34**	**58.16**	**25.78**	**71.09**	**1,126.92**
Accumulated Depreciation										
Balance as at 1 January 2021	22.12	57.61	101.68	135.70	8.96	28.00	45.42	12.87	-	412.36
Depreciation charge during the year	2.77	22.33	5.50	18.64	1.55	2.57	4.66	2.29	-	60.31
Disposals	-	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2021	**24.89**	**79.94**	**107.18**	**154.34**	**10.51**	**30.57**	**50.08**	**15.16**	**-**	**472.67**
Net carrying amount as at 31 December 2021	**24.98**	**436.17**	**16.91**	**77.19**	**4.44**	**4.77**	**8.08**	**10.62**	**71.09**	**654.25**
Gross carrying amount										
Opening balance as at 1 January 2022	49.87	516.11	124.09	231.53	14.95	35.34	58.16	25.78	71.09	1,126.92
Additions	0.00	-	15.69	58.57	0.95	3.52	9.96	-	7.99	96.68
Disposals	-	-	0.38	-	0.00	0.00	0.02	-	-	0.40
Translation exchange difference	-	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2022	**49.87**	**516.11**	**139.40**	**290.10**	**15.90**	**38.86**	**68.10**	**25.78**	**79.08**	**1,223.20**
Accumulated Depreciation										
Balance as at 1 January 2022	24.89	79.94	107.18	154.34	10.51	30.57	50.08	15.16	-	472.67
Depreciation charge during the year	7.11	7.28	3.52	11.46	0.73	1.65	3.88	1.41	-	37.04
Disposals	-	-	0.33	-	-	-	0.04	-	-	0.37
Translation exchange difference	-	-	(0.03)	(0.45)	(0.01)	(0.00)	(0.02)	0.01	-	(0.50)
Balance as at 31 December 2022	**32.00**	**87.22**	**110.34**	**165.35**	**11.23**	**32.22**	**53.90**	**16.58**	**-**	**508.84**
Net carrying amount as at 31 December 2022	**17.87**	**428.89**	**29.06**	**124.75**	**4.67**	**6.64**	**14.20**	**9.20**	**79.08**	**714.36**
Gross carrying amount										
Balance as at 1 January 2023	49.87	516.11	139.40	290.10	15.90	38.86	68.10	25.78	79.08	1,223.20
Additions	-	-	40.18	20.13	0.84	4.35	12.65	5.64	5.31	89.10
Disposals	0.95	-	6.70	9.43	0.18	0.18	0.09	-	-	17.53
Translation exchange difference	-	-	(0.43)	(6.41)	(0.35)	(0.00)	(0.20)	-	-	(7.39)
Balance as at 31 December 2023	**48.92**	**516.11**	**172.45**	**294.39**	**16.21**	**43.03**	**80.46**	**31.42**	**84.39**	**1,287.38**
Accumulated Depreciation										
Balance as at 1 January 2023	32.00	87.22	110.34	165.35	11.23	32.22	53.90	16.58	-	508.84
Depreciation charge during the year	5.36	7.28	4.00	14.66	0.79	1.66	4.78	1.91	-	40.44
Disposals	0.38	-	6.83	4.11	0.13	0.02	0.24	-	-	11.71
Translation exchange difference	-	-	(0.19)	(1.93)	(0.07)	(0.02)	(0.05)	-	-	(2.26)
Balance as at 31 December 2023	**36.98**	**94.50**	**107.32**	**173.97**	**11.82**	**33.84**	**58.39**	**18.49**	**-**	**535.31**
Net carrying amount as at 31 December 2023	**11.94**	**421.61**	**65.13**	**120.42**	**4.39**	**9.19**	**22.07**	**12.93**	**84.39**	**752.07**

(Amount in INR millions, unless otherwise stated)

6 Property, plant and equipment

Particulars	Leasehold Improvements	Buildings	Furniture and Fixtures	Plant and Machinery	Electrical Equipment	Office Equipment	Computers	Vehicle	Precious Stones & Laboratory Master Sets	Total
Gross carrying amount										
Balance as at 1 January 2023	49.87	516.11	139.40	290.10	15.90	38.86	68.10	25.78	79.08	1,223.20
Additions	0.29		17.05	15.60	1.16	2.85	6.85	5.64	4.08	53.52
Disposals				6.39	0.15	-	-	-	0.12	6.66
Translation exchange difference			(0.38)	(5.48)	(0.51)	(0.00)	(0.18)	-	-	(6.55)
Balance as at 30 September 2023	**50.16**	**516.11**	**156.07**	**293.83**	**16.40**	**41.71**	**74.77**	**31.42**	**83.04**	**1,263.51**
Accumulated Depreciation										
Balance as at 1 January 2023	32.00	87.22	110.34	165.35	11.23	32.22	53.90	16.58	-	508.84
Depreciation charge during the year	4.48	5.44	3.40	11.06	0.58	1.37	3.13	1.39	-	30.85
Disposals				2.40	0.12				-	2.52
Translation exchange difference			(0.13)	(1.95)	(0.07)	(0.00)	(0.08)		-	(2.23)
Balance as at 30 September 2023	**36.48**	**92.66**	**113.61**	**172.06**	**11.62**	**33.59**	**56.95**	**17.97**	**-**	**534.94**
Net carrying amount as at 30 September 2023	**13.68**	**423.45**	**42.46**	**121.77**	**4.78**	**8.12**	**17.81**	**13.45**	**83.04**	**728.57**
Gross carrying amount										
Balance as at 1 January 2024	48.92	516.11	172.45	294.39	16.21	43.03	80.46	31.42	84.39	1,287.38
Additions	-	-	3.68	33.82	0.11	4.26	9.12	7.27	2.65	60.91
Disposals	-	-	-	7.31	-	-	-	4.30	0.36	11.97
Translation exchange difference	-	-	(0.74)	(0.58)	(0.09)	(0.00)	(0.06)	-		(1.47)
Balance as at 30 September 2024	**48.92**	**516.11**	**175.39**	**320.32**	**16.23**	**47.29**	**89.52**	**34.39**	**86.68**	**1,334.85**
Accumulated Depreciation										
Balance as at 1 January 2024	36.98	94.50	107.32	173.97	11.82	33.84	58.39	18.49	-	535.31
Depreciation charge during the period	2.43	5.46	6.48	12.28	0.58	1.99	6.89	1.84	-	37.95
Disposals	-	-	-	2.10	-	-	-	4.08	-	6.18
Translation exchange difference	-	-	0.07	(0.12)	(0.00)	(0.00)	0.00	-	-	(0.05)
Balance as at 30 September 2024	**39.41**	**99.96**	**113.87**	**184.03**	**12.40**	**35.83**	**65.28**	**16.25**	**-**	**567.03**
Net carrying amount as at 30 September 2024	**9.51**	**416.15**	**61.52**	**136.29**	**3.83**	**11.46**	**24.24**	**18.14**	**86.68**	**767.82**

Note 1: No revaluation of property, plant and equipment were carried out during the year.
Note 2: The title deeds of all the immovable properties (other than properties where the Holding Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Holding Company.

(Amount in INR millions, unless otherwise stated)

6.1 Leases

i. Right-of-use asset

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period/year:

Particulars	Leasehold Land	Leasehold Premises	Total
Gross carrying amount			
Opening balance as at 1 January 2021	-	164.81	164.81
Additions	99.26	117.94	217.20
Disposals	-	-	-
Translation exchange difference	-	-	-
Balance as at 31 December 2021	**99.26**	**282.75**	**382.01**
Accumulated Depreciation			
Balance as at 1 January 2021	-	83.05	83.05
Depreciation charge during the year	-	57.47	57.47
Disposals	-	-	-
Translation exchange difference	-	-	-
Balance as at 31 December 2021	**-**	**140.51**	**140.51**
Net carrying amount as at 31 December 2021	**99.26**	**142.23**	**241.49**
Gross carrying amount			
Opening balance as at 1 January 2022	99.26	282.75	382.01
Additions	16.52	165.67	182.19
Disposals	-	(2.91)	(2.91)
Translation exchange difference	-	-	-
Balance as at 31 December 2022	**115.78**	**445.51**	**561.29**
Accumulated Depreciation			
Balance as at 1 January 2022	-	140.51	140.51
Depreciation charge during the year	1.69	64.18	65.87
Disposals	-	-	-
Translation exchange difference	-	-	-
Balance as at 31 December 2022	**1.69**	**204.69**	**206.38**
Net carrying amount as at 31 December 2022	**114.09**	**240.82**	**354.91**
Gross carrying amount			
Opening balance as at 1 January 2023	115.78	445.51	561.29
Additions	3.27	147.28	150.55
Disposals	-	(36.62)	(36.62)
Translation exchange difference	-	-	-
Balance as at 31 December 2023	**119.05**	**556.16**	**675.21**
Accumulated Depreciation			
Balance as at 1 January 2023	1.69	204.69	206.38
Depreciation charge during the year	2.88	78.12	81.00
Disposals	-	-	-
Translation exchange difference	-	-	-
Balance as at 31 December 2023	**4.57**	**282.81**	**287.38**
Net carrying amount as at 31 December 2023	**114.48**	**273.35**	**387.84**
Gross carrying amount			
Opening balance as at 1 January 2023	115.78	445.51	561.29
Additions	1.58	148.30	149.88
Disposals	-	(36.62)	(36.62)
Translation exchange difference	-	-	-
Balance as at 30 September 2023	**117.36**	**557.18**	**674.54**
Accumulated Depreciation			
Balance as at 1 January 2023	1.69	204.69	206.38
Depreciation charge during the year	0.89	58.67	59.55
Disposals	-	-	-
Translation exchange difference	-	-	-
Balance as at 30 September 2023	**2.58**	**263.36**	**265.94**
Net carrying amount as at 30 September 2023	**114.78**	**293.83**	**408.60**
Gross carrying amount			
Opening balance as at 1 January 2024	119.05	556.16	675.21
Additions	-	58.29	58.29
Disposals	-	(7.63)	(7.63)
Effect of modification to lease terms		(6.15)	(6.15)
Translation exchange difference	-	-	-
Balance as at 30 September 2024	**119.05**	**600.67**	**719.73**
Accumulated Depreciation			
Balance as at 1 January 2024	4.57	282.81	287.38
Depreciation charge during the year	0.89	61.85	62.74
Disposals	-	-	-
Translation exchange difference	-	-	-
Balance as at 30 September 2024	**5.46**	**344.66**	**350.12**
Net carrying amount as at 30 September 2024	**113.59**	**256.02**	**369.61**

ii. **Lease liabilities**

Set out below are the carrying amounts of lease liabilities and the movements during the period/year:

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Balance as at the beginning of the period/year	**306.43**	**267.05**	**267.05**	**163.23**	**101.28**
Additions	56.63	143.88	143.82	159.62	282.82
Accretion of interest	17.81	17.04	24.61	22.78	17.04
Rent Payments	(76.32)	(66.57)	(91.00)	(76.95)	(234.24)
Effect of modification to lease terms	(4.58)	-	-	-	-
Deletions	(9.08)	(36.69)	(38.05)	(1.63)	(3.67)
Balance as at the end of the period/year	**290.89**	**324.71**	**306.43**	**267.05**	**163.23**

The following is the break-up of lease liability as at reporting date:

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Non-current lease liabilities	211.24	242.19	227.30	211.00	127.14
Current lease liabilities	79.65	82.52	79.13	56.05	36.09
Total	**290.89**	**324.71**	**306.43**	**267.05**	**163.23**

The following are the amounts recognized in Restated Statements of Profit and Loss:

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Depreciation expense of right-of-use assets	62.74	59.55	81.00	65.87	57.47
Interest expense on lease liabilities	17.81	17.04	24.61	22.78	17.04
Expense relating to leases of low-value assets	-	-	-	-	-
Expense relating to short-term leases	4.75	5.28	8.18	11.40	4.09
Variable lease payments	-	-	-	-	-

The below table provides the details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Less than 1 year	97.91	96.72	105.13	98.92	81.55
1-5 years	236.61	284.02	279.18	384.77	465.92
More than 5 years	-	-	-	-	17.85
Total	**334.52**	**380.74**	**384.31**	**483.69**	**565.32**

The Group had total cash outflows for leases of INR 76.32 million for the nine months period ended 30 September 2024 and 30 September 2023 : INR 66.57 million and year ended (31 December 2023: INR 91.00 million, 31 December 2022: INR 76.95 million and 31 December 2021: INR 234.24 million).

(Amount in INR millions, unless otherwise stated)

7 Capital work-in-progress

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Opening balance	201.58	2.49	2.49	-	-
Add: Additions during the period/year	150.21	157.01	199.09	2.49	-
Less: Capitalization during the period/year	-	-	-	-	-
Closing balance	**351.79**	**159.50**	**201.58**	**2.49**	**-**

Capital work in progress (CWIP) ageing schedule

As at 30 September 2024

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	192.29	157.01	2.49	-	351.79
Projects temporarily suspended	-	-	-	-	-
Total	**192.29**	**157.01**	**2.49**	**-**	**351.79**

As at 30 September 2023

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	157.01	2.49	-	-	159.50
Projects temporarily suspended	-	-	-	-	-
Total	**157.01**	**2.49**	**-**	**-**	**159.50**

As at 31 December 2023

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	199.09		2.49	-	201.58
Projects temporarily suspended	-	-	-	-	-
Total	**199.09**	**-**	**2.49**	**-**	**201.58**

As at 31 December 2022

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2.49	-	-	-	2.49
Projects temporarily suspended	-	-	-	-	-
Total	**2.49**	**-**	**-**	**-**	**2.49**

There was no capital work in progress as on 31 December 2021.

8 Other intangible assets

Particulars	Computer Software	Total
Gross carrying amount		
Balance as at 1 January 2021	58.68	58.68
Additions	9.99	9.99
Disposals	-	-
Balance as at 31 December 2021	**68.67**	**68.67**
Accumulated amortization		
Balance as at 1 January 2021	26.28	26.28
Amortization charge during the year	7.17	7.17
Disposals	-	-
Balance as at 31 December 2021	**33.45**	**33.45**
Net carrying amount as at 31 December 2021	**35.22**	**35.22**
Gross carrying amount		
Balance as at 1 January 2022	68.23	68.23
Additions	8.93	8.93
Disposals	-	-
Balance as at 31 December 2022	**77.16**	**77.16**
Accumulated amortization		
Balance as at 1 January 2022	33.45	33.45
Amortization charge during the year	12.34	12.34
Disposals	-	-
Balance as at 31 December 2022	**45.79**	**45.79**
Net carrying amount as at 31 December 2022	**31.37**	**31.37**
Gross carrying amount		
Balance as at 1 January 2023	77.16	77.16
Additions	9.89	9.89
Disposals	-	-
Translation exchange difference	-	-
Balance as at 31 December 2023	**87.05**	**87.05**
Accumulated amortization		
Balance as at 1 January 2023	45.79	45.79
Amortization charge during the year	10.20	10.20
Disposals	-	-
Translation exchange difference	-	-
Balance as at 31 December 2023	**55.99**	**55.99**
Net carrying amount as at 31 December 2023	**31.06**	**31.06**
Gross carrying amount		
Balance as at 1 January 2023	77.16	77.16
Additions	4.35	4.35
Disposals	-	-
Translation exchange difference	-	-
Balance as at 30 September 2023	**81.51**	**81.51**
Accumulated amortization		
Balance as at 1 January 2023	45.79	45.79
Amortization charge during the period	8.86	8.86
Disposals	-	-
Balance as at 30 September 2023	**54.65**	**54.65**
Net carrying amount as at 30 September 2023	**26.86**	**26.86**
Gross carrying amount		
Balance as at 1 January 2024	87.05	87.05
Additions	2.42	2.42
Disposals	-	-
Translation exchange difference	-	-
Balance as at 30 September 2024	**89.47**	**89.47**
Accumulated amortization		
Balance as at 1 January 2024	55.99	55.99
Amortization charge during the period	7.94	7.94
Disposals	-	-
Balance as at 30 September 2024	**63.93**	**63.93**
Net carrying amount as at 30 September 2024	**25.54**	**25.54**

(Amount in INR millions, unless otherwise stated)

9 Intangible assets under development

Particulars	Computer Software	Total
Balance as at 1 January 2024	-	-
Additions during the year	29.14	29.14
Disposals during the year	-	-
Balance as at 30 September 2024	**29.14**	**29.14**

Intangible assets under development ageing schedule
As at 30 September 2024

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	29.14	-	-		29.14
Projects temporarily suspended	-	-	-		-
Total	**29.14**	**-**	**-**	**-**	**29.14**

10 Other financial assets

Particulars	Non current					Current				
	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Security deposits (Refer note 36)	39.92	38.51	31.55	24.74	24.98	3.85	4.27	13.39	15.17	13.53
Bank deposits having maturity of more than 12 months	989.50	532.50	764.50	-	-	-	-	-	-	-
Interest accrued on fixed deposits	-	-	-	-	-	169.62	45.70	60.12	39.46	26.02
Other receivables	-	-	-	-	-	0.72	0.84	0.11	0.84	10.17
	1,029.42	**571.01**	**796.05**	**24.74**	**24.98**	**174.19**	**50.81**	**73.62**	**55.47**	**49.72**

11 Other assets

Particulars	Non current					Current				
	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Advances to suppliers	-	-	-	-	-	23.00	23.25	5.87	33.92	13.69
Capital advances	31.70	38.35	110.50	14.44	11.19	-	-	-	-	-
Balance With Government authorities	-	-	-	-	-	46.40	47.40	46.99	38.43	1.23
Prepaid & Others	-	-	-	-	-	183.44	15.49	12.18	5.31	8.96
Net defined benefit asset – gratuity plan (Refer note 35)	-	18.01	24.24	190.44	178.40	-	-	-	-	-
	31.70	**56.36**	**134.74**	**204.88**	**189.59**	**252.84**	**86.14**	**65.04**	**77.66**	**23.88**

12 Income tax assets (net)

Particulars	Non current					Current				
	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Tax receivables (net)	2.88	93.75	120.73	-	-	-	-	-	-	-
	2.88	**93.75**	**120.73**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(Amount in INR millions, unless otherwise stated)

13 Inventories

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Traded goods	14.47	8.63	7.53	1.43	1.61
	14.47	**8.63**	**7.53**	**1.43**	**1.61**

14 Trade receivables

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Trade receivables					
Secured, considered good	-	-	-	-	-
Unsecured, considered good (Refer note 36)	1,384.22	1,201.07	1,156.83	651.45	394.36
Trade Receivables which have significant increase in credit risk	-	-	-	-	-
Trade Receivables - credit impaired	-	-	-	-	-
	1,384.22	**1,201.07**	**1,156.83**	**651.45**	**394.36**
Impairment Allowance (allowance for bad and doubtful debts)					
Unsecured, considered good	(78.75)	(41.33)	(78.93)	(20.91)	(53.20)
Trade Receivables which have significant increase in credit Risk	-	-	-	-	-
Trade Receivables - credit impaired	-	-	-	-	-
	(78.75)	**(41.33)**	**(78.93)**	**(20.91)**	**(53.20)**
	1,305.47	**1,159.74**	**1,077.90**	**630.54**	**341.16**

As at 30 September 2024			Outstanding for following periods from due date of payments				
Particulars	**Current but not due**	**Less than 6 months**	**6 months - 1 year**	**1-2 years years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	-	1,347.18	18.92	11.72	1.54	4.86	**1,384.22**
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
Gross Trade Receivable	**-**	**1,347.18**	**18.92**	**11.72**	**1.54**	**4.86**	**1,384.22**
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)							78.75
Total							**1,305.47**

As at 30 September 2023			Outstanding for following periods from due date of payments				
Particulars	**Current but not due**	**Less than 6 months**	**6 months - 1 year**	**1-2 years years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	-	1,163.84	14.91	6.44	8.42	7.46	**1,201.07**
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
Gross Trade Receivable	**-**	**1,163.84**	**14.91**	**6.44**	**8.42**	**7.46**	**1,201.07**
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)							41.33
Total							**1,159.74**

As at 31 December 2023			Outstanding for following periods from due date of payments				
Particulars	**Current but not due**	**Less than 6 months**	**6 months - 1 year**	**1-2 years years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	-	1,108.61	30.28	6.56	3.10	8.28	**1,156.83**
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
Gross Trade Receivable	**-**	**1,108.61**	**30.28**	**6.56**	**3.10**	**8.28**	**1,156.83**
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)							78.93
Total							**1,077.90**

As at 31 December 2022			Outstanding for following periods from due date of payments				
Particulars	**Current but not due**	**Less than 6 months**	**6 months - 1 year**	**1-2 years years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	-	611.87	20.58	10.19	4.85	3.96	**651.45**
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
Gross Trade Receivable	**-**	**611.87**	**20.58**	**10.19**	**4.85**	**3.96**	**651.45**
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)							20.91
Total							**630.54**

As at 31 December 2021			Outstanding for following periods from due date of payments				
Particulars	**Current but not due**	**Less than 6 months**	**6 months - 1 year**	**1-2 years years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good		339.86	17.95	20.26	6.81	9.48	**394.36**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
Unbilled trade receivable	-	-	-	-	-	-	**-**
Gross Trade Receivable	**-**	**339.86**	**17.95**	**20.26**	**6.81**	**9.48**	**394.36**
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)							53.20
Total							**341.16**

Movement in the allowance for expected credit losses of trade receivables is disclosed under Note 37.

15 Cash and cash equivalents

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Cash on hand	0.73	3.87	4.09	4.54	3.62
Cheques in hand	4.44	8.10	76.61	3.02	8.71
Balances with banks:		-			
In Current accounts	197.84	1,001.95	286.10	332.77	352.35
Deposits with original maturity of less than 3 months	-	-	800.00	-	-
	203.01	**1,013.92**	**1,166.80**	**340.33**	**364.68**

16 Bank balances other than (note 15) above

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Fixed Deposit with Original maturity more than 3 months but less than 12 months	3,198.11	1,048.34	1,217.08	1,652.16	1,270.34
	3,198.11	**1,048.34**	**1,217.08**	**1,652.16**	**1,270.34**

(Amount in INR millions, unless otherwise stated)

17 Equity share capital

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Authorized:					
500,000,000 (30 September 2023 - 1,000,000, 31 December 2023 - 1,000,000, 31 December 2022 - 1,000,000, 31 December 2021 - 1,000,000) equity shares of INR 2 each	1,000.00	10.00	10.00	10.00	10.00
	1,000.00	**10.00**	**10.00**	**10.00**	**10.00**
Issued, subscribed and paid-up capital:					
39,67,83,045 (30 September 2023 - 394,809, 31 December 2023 - 394,809, 31 December 2022 - 394,809, 31 December 2021 - 394,809) equity shares of INR 2 each	793.57	3.95	3.95	3.95	3.95
	793.57	**3.95**	**3.95**	**3.95**	**3.95**

17.1 Reconciliation of shares outstanding at the beginning and at the end of the period/yeaı

Particulars	As at 30 September 2024	
	Number of shares	Amount
Outstanding as at 01 January 2024	3,94,809	3.95
Add: Split of shares from INR 10 each to INR 2 each	15,79,236	-
Add: Bonus shares issued during the period	39,48,09,000	789.62
Outstanding as at the end of the period	**39,67,83,045**	**793.57**

Particulars	As at 30 September 2023	
	Number of shares	Amount
Outstanding as at 01 January 2023	3,94,809	3.95
Issued during the period	-	-
Outstanding as at the end of the period	**3,94,809**	**3.95**

Particulars	As at 31 December 2023	
	Number of shares	Amount
Outstanding as at 01 January 2023	3,94,809	3.95
Issued during the year	-	-
Outstanding as at the end of the year	**3,94,809**	**3.95**

Particulars	As at 31 December 2022	
	Number of shares	Amount
Outstanding as at 01 January 2022	3,94,809	3.95
Issued during the year	-	-
Outstanding as at the end of the year	**3,94,809**	**3.95**

Particulars	As at 31 December 2021	
	Number of shares	Amount
Outstanding as at 01 January 2021	3,94,809	3.95
Issued during the year	-	-
Outstanding as at the end of the year	**3,94,809**	**3.95**

17.2 Rights and restrictions attached to Equity shares:

The Holding Company has only one class of equity shares having a par value of INR 10 per share. Each shareholder is entitled to one vote per equity share. The dividend 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. The shareholders are entitled to dividend declared on proportionate basis.

In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the Holding Company in proportion to the number of equity shares helc

17.3 Details of shareholders holding more than 5% shares in the Group

Name of the Shareholder	As at 30 September 2024	
	No. of Shares	% of holding
BCP Asia II Topco Pte. Ltd	39,67,83,045	100.000000%

Name of the Shareholder	As at 30 September 2023	
	No. of Shares	% of holding
BCP Asia II Topco Pte. Ltd	3,94,808	99.9997%

Name of the Shareholder	As at 31 December 2023	
	No. of Shares	% of holding
BCP Asia II Topco Pte. Ltd	3,94,808	99.9997%

Name of the Shareholder	As at 31 December 2022	
	No. of Shares	% of holding
Alpha Yu B.V.	3,15,848	80%
Lorie Holdings B.V.	78,961	20%

Name of the Shareholder	As at 31 December 2021	
	No. of Shares	% of holding
Alpha Yu B.V.	3,15,848	80%
Lorie Holdings B.V.	78,961	20%

(i) Company has allotted as fully paid up by way of bonus shares in the last five years. (Refer note 17.5 on share split and bonus of shares)
(ii) The Company has not bought back shares during a period of five years immediately preceding the period/year end
(iii) The Company has not allotted as fully paid up pursuant to contracts without payment being received in cash during a period of five years immediately preceding the period/year enc

17.4 Details of shares held by promoters:

As at 30 September 2024

Promoter Name	No. of shares at the beginning of the period	Change during the period	No. of shares at the end of the period	% of Total shares	% change during the period
BCP Asia II Topco Pte. Ltd (including shares held by nominee shareholders)	3,94,808	39,63,88,237	39,67,83,045	100.000000%	0.0003%
BCP Asia II Holdco III Pte. Ltd.	1	(1	-	-0.000253%	-100.00%
Total	**3,94,809**		**39,67,83,045**		
					-

As at 30 September 2023

Promoter Name	No. of shares at the beginning of the year	Change during the period	No. of shares at the end of the year	% of Total shares	% change during the year
Alpha Yu B.V.	3,15,848	(3,15,848	-	-80%	-100.00%
Lorie Holdings B.V.	78,961	(78,961	-	-20%	-100.00%
BCP Asia II Topco Pte. Ltd	-	3,94,808	3,94,808	99.9997%	100.00%
BCP Asia II Holdco III Pte. Ltd.	-	1	1	0.0003%	100.00%
Total	**3,94,809**		**3,94,809**		

As at 31 December 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% change during the year
Alpha Yu B.V.	3,15,848	(3,15,848	-	-80%	-100.00%
Lorie Holdings B.V.	78,961	(78,961	-	-20%	-100.00%
BCP Asia II Topco Pte. Ltd	-	3,94,808	3,94,808	99.9997%	100.00%
BCP Asia II Holdco III Pte. Ltd.	-	1	1	0.0003%	100.00%
Total	**3,94,809**		**3,94,809**		

(Amount in INR millions, unless otherwise stated)

As at 31 December 2022

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% change during the year
Alpha Yu B.V.	3,15,848	-	3,15,848	80.00	0.00%
Lorie Holdings B.V.	78,961	-	78,961	20.00	0.00%
Total	**3,94,809**		**3,94,809**		

As at 31 December 2021

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% change during the year
Alpha Yu B.V.	3,15,848	-	3,15,848	80.00	0.00%
Lorie Holdings B.V.	78,961	-	78,961	20.00	0.00%
Total	**3,94,809**		**3,94,809**		

17.5 1. The Board of Directors passed a resolution at its meeting held on 25 April 2024 approving the sub-division of each equity share of face value of INR 10 each fully paid up into face value of INR 2 each fully paid up. Also, the members in its Extra Ordinary General meeting dated 8 May 2024 have approved increase in the authorised share capital from INR 10 million divided into 5 million equity shares of INR 2 each (post split of shares) to INR 1,000 million divided into 500 million equity shares of INR 2 each. Further, the Board of Directors have also passed a resolution on 25 April 2024 and approved the issue of bonus equity shares in its meeting which was further approved by shareholder in the meeting held on 21 May 2024 in the ratio of 200 equity shares of INR 2 each for every 1 equity share of INR 2 each by capitalization of such sum standing to the credit of free reserves of the Group.

2. Pursuant to the provisions of section 123 of the Companies Act, 2013, provisions of the Income Tax Act, 1961 as well as other applicable provisions, Board of Directors passed a resolution at its meeting held on 7 March 2024 approving payment of interim dividend of INR 1,892 per equity share on 3,94,809 fully paid-up equity shares of the Group aggregating to INR 747.00 million to members of the Group.

3. Pursuant to the provisions of section 123 of the Companies Act, 2013, provisions of the Income Tax Act, 1961 as well as other applicable provisions, Board of Directors passed a resolution at its meeting held on 11 June 2024 approving payment of final dividend of INR 2.90 per equity share on 39,67,83,045 fully paid-up equity shares of the Group aggregating to INR 1,150.67 million for the financial year ended 31 December 2023 to members of the Group.

4. Subsequent to 30 September 2024, the Nomination and Remuneration Committee has approved grant of ESOP to eligible employees in excess of 1% of the issued equity share capital Company which has been approved by the shareholders in their meeting held on 18 November 2024. Further, the shareholders of the Company has also approved to increase the authorised share capital from existing INR 1,000 million divided into 500 million equity shares INR 2 each to INR 1,100 million divided into 550 million equity shares of INR 2 each ranking pari passu in all respect with the existing equity shares of the Company as per the Memorandum and Articles of Association of the Company.

18 Other equity

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Retained earnings	5,623.72	3,937.32	4,289.93	2,837.54	2,119.94
General reserve	2.38	547.00	792.00	547.00	302.00
Foreign currency translation reserve	14.45	11.62	4.21	2.24	-
	5,640.55	**4,495.94**	**5,086.14**	**3,386.78**	**2,421.94**

(A) Retained earnings

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Opening balance	4,289.93	2,837.54	2,837.54	2,119.94	2,062.08
Restated profit for the period/ year	3,260.60	2,386.94	3,247.38	2,417.58	1,715.30
Dividend paid	(1,897.67)	(1,123.23)	(1,397.23	(1,460.79	(1,480.53
Transfer to general reserve	-	-	(245.00	(245.00	(182.00
Other comprehensive income/(loss) for the period/year, net of tax	(29.14)	(163.93)	(152.76)	5.81	5.09
Closing balance	**5,623.72**	**3,937.32**	**4,289.93**	**2,837.54**	**2,119.94**

(B) General Reserve

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Opening balance	792.00	547.00	547.00	302.00	120.00
Transfer from retained earnings	-	-	245.00	245.00	182.00
Bonus issue from general reserve	(789.62)	-	-	-	-
Closing balance	**2.38**	**547.00**	**792.00**	**547.00**	**302.00**

(C) Foreign currency translation reserve

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Opening balance	4.21	2.24	2.24	-	-
Addition/(Deletion)	10.24	9.38	1.97	2.24	-
Closing balance	**14.45**	**11.62**	**4.21**	**2.24**	**-**

Nature & Purpose of Reserves

Retained earnings: Retained earnings are the profits that the Group has earned till date, less any transfers to general reserves, dividends or other distributions paid to shareholders. It also includes re-measurement loss/gain on defined benefit plans, net of taxes that will not be reclassified to Restated Statements of Assets and Liabilities.

General reserve: General reserve is created from time to time by transferring profits from retained earnings and can be utilized for purposes such as dividend payout, bonus issue, etc

Foreign currency translation reserve: Gains/losses arising on translation of foreign operations are recognised in FCTR.

(Amount in INR millions, unless otherwise stated)

19 Employee benefit obligations

	Non Current					Current				
Particulars	**As at 30 September 2024**	**As at 30 September 2023**	**As at 31 December 2023**	**As at 31 December 2022**	**As at 31 December 2021**	**As at 30 September 2024**	**As at 30 September 2023**	**As at 31 December 2023**	**As at 31 December 2022**	**As at 31 December 2021**
Gratuity (Refer note 35)	5.57	-	-	-	-	-	-	-	-	-
Compensated absences, unfunded (Refer note 35)	105.44	93.84	74.51	43.87	39.54	4.14	48.11	49.96	43.60	29.79
	111.01	**93.84**	**74.51**	**43.87**	**39.54**	**4.14**	**48.11**	**49.96**	**43.60**	**29.79**

20 Lease liabilities

	Non Current					Current				
Particulars	**As at 30 September 2024**	**As at 30 September 2023**	**As at 31 December 2023**	**As at 31 December 2022**	**As at 31 December 2021**	**As at 30 September 2024**	**As at 30 September 2023**	**As at 31 December 2023**	**As at 31 December 2022**	**As at 31 December 2021**
Lease liability (Refer note 6.1)	211.24	242.19	227.30	211.00	127.14	79.65	82.52	79.13	56.05	36.09
	211.24	**242.19**	**227.30**	**211.00**	**127.14**	**79.65**	**82.52**	**79.13**	**56.05**	**36.09**

21 Other financial liabilities

	Non Current					Current				
Particulars	**As at 30 September 2024**	**As at 30 September 2023**	**As at 31 December 2023**	**As at 31 December 2022**	**As at 31 December 2021**	**As at 30 September 2024**	**As at 30 September 2023**	**As at 31 December 2023**	**As at 31 December 2022**	**As at 31 December 2021**
Employee related payables*	-	-	-	-	-	359.54	194.26	233.66	21.34	24.76
Capital creditors	-	-	-	-	-	1.21	-	-	-	-
Other payables	-	-	-	-	-	160.67	17.05	0.89	0.26	0.45
	-		**-**	**-**	**-**	**521.42**	**211.31**	**234.55**	**21.60**	**25.21**

* Refer note 36

22 Other current liabilities

	Non Current					Current				
Particulars	**As at 30 September 2024**	**As at 30 September 2023**	**As at 31 December 2023**	**As at 31 December 2022**	**As at 31 December 2021**	**As at 30 September 2024**	**As at 30 September 2023**	**As at 31 December 2023**	**As at 31 December 2022**	**As at 31 December 2021**
Advance from customer	-	-	-	-	-	53.57	64.40	65.28	88.89	107.05
Statutory dues payable	-	-	-	-	-	148.31	114.28	116.10	111.66	102.99
	-	**-**	**-**	**-**	**-**	**201.88**	**178.68**	**181.38**	**200.55**	**210.04**

23 Income tax liabilities (net)

	Non Current					Current				
Particulars	**As at 30 September 2024**	**As at 30 September 2023**	**As at 31 December 2023**	**As at 31 December 2022**	**As at 31 December 2021**	**As at 30 September 2024**	**As at 30 September 2023**	**As at 31 December 2023**	**As at 31 December 2022**	**As at 31 December 2021**
Tax payable	-	-	-	-	-	99.54	-	-	12.07	118.10
	-	**-**	**-**	**-**	**-**	**99.54**	**-**	**-**	**12.07**	**118.10**

(Amount in INR millions, unless otherwise stated)

24 Trade payables

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Total outstanding dues of micro enterprises and small enterprises	26.32	23.29	27.25	21.01	10.88
Total outstanding dues of creditors other than micro enterprises and small enterprises	65.09	32.19	67.40	31.41	134.47
	91.41	**55.48**	**94.65**	**52.42**	**145.35**

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Group:

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
(a) Amount remaining unpaid to any supplier at the end of each accounting year:					
Principal	26.32	23.29	27.25	21.01	10.88
Interest	0.20	0.15	0.06	0.03	0.00
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-	-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-	-	-	-

Trade Payables ageing schedule :

As at 30 September 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	26.31	0.00	0.01	-	**26.32**
(ii) Disputed dues – MSME	-	-	-	-	**-**
(iii) Others	64.66	0.43	-	-	**65.09**
(iv) Disputed dues - Others	-	-	-	-	**-**
	90.97	**0.43**	**0.01**	**-**	**91.41**

As at 30 September 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	23.23	0.01	0.05	-	**23.29**
(ii) Disputed dues – MSME	-	-	-	-	**-**
(iii) Others	32.17	0.02	-	-	**32.19**
(iv) Disputed dues - Others	-	-	-	-	**-**
	55.40	**0.03**	**0.05**	**-**	**55.48**

As at 31 December 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	27.24	0.01	-	-	**27.25**
(ii) Disputed dues – MSME	-	-	-	-	**-**
(iii) Others	67.12	0.27	-	0.01	**67.40**
(iv) Disputed dues - Others	-	-	-	-	**-**
	94.36	**0.28**	**-**	**0.01**	**94.65**

As at 31 December 2022

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	20.95	0.06	-	-	**21.01**
(ii) Disputed dues – MSME	-	-	-	-	**-**
(iii) Others	31.39	0.01	0.01	-	**31.41**
(iv) Disputed dues - Others	-	-	-	-	**-**
	52.34	**0.07**	**0.01**	**-**	**52.42**

As at 31 December 2021

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	10.88	-	-	-	**10.88**
(ii) Disputed dues – MSME	-	-	-	-	**-**
(iii) Others	114.98	0.68	18.81	-	**134.47**
(iv) Disputed dues - Others	-	-	-	-	**-**
	125.86	**0.68**	**18.81**	**-**	**145.35**

(Amount in INR millions, unless otherwise stated)

25 Revenue from operations

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Revenue from contract with customers (Refer note 41)					
Sale of services					
Certification services	5,856.58	4,410.59	6,206.82	4,777.44	3,574.30
Educational courses	36.99	45.42	53.59	38.73	24.71
Sale of products					
Traded goods	16.10	34.33	35.05	24.24	24.69
	5,909.67	**4,490.34**	**6,295.46**	**4,840.41**	**3,623.70**
Other Operating Revenue					
Advertisement and show income	50.03	44.85	85.58	68.99	16.80
Commission income (exports)	3.87	2.69	4.24	0.54	6.41
	53.90	**47.54**	**89.82**	**69.53**	**23.21**
Total Revenue from operations	**5,963.57**	**4,537.88**	**6,385.28**	**4,909.94**	**3,646.91**

26 Other income

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Interest income on fixed deposits	191.62	39.47	74.46	76.11	92.37
Interest income on security deposit	2.47	1.91	5.51	2.31	1.92
Interest income on income tax refund	4.92	-	-	-	-
Foreign exchange gain	4.21	-	-	2.02	-
Gain on Sale of property plant and equipment	1.11	-	-	-	-
Credit balance/ Provision written back	3.77	-	-	1.21	-
Miscellaneous income	23.25	12.99	21.35	1.73	1.68
	231.35	**54.37**	**101.32**	**83.38**	**95.97**

27 Purchase of stock-in-trade

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Purchase of stock-in-trade	32.86	35.02	39.13	20.18	15.31
	32.86	**35.02**	**39.13**	**20.18**	**15.31**

28 Change in inventories of stock-in-trade

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Opening stock	7.53	1.43	1.43	1.61	3.65
Closing stock	14.47	8.63	7.53	1.43	1.61
	(6.94)	**(7.20)**	**(6.10)**	**0.18**	**2.04**

29 Employee benefits expenses

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Salaries, wages & bonus	749.84	639.71	886.05	784.60	658.37
Contribution to provident and other funds (Refer note 35(A))	37.40	34.22	44.77	41.88	35.67
Gratuity expenses (Refer note 35(B))	10.74	(1.43)	(4.19)	(3.36)	(0.84)
Compensated absences expenses	11.97	13.10	12.95	32.36	32.51
Staff welfare	30.65	23.28	31.33	20.85	9.50
	840.60	**708.88**	**970.91**	**876.33**	**735.21**

30 Finance costs

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Interest expenses on financial liabilities measured at amortized cost:					
Interest expense and other finance charges	-	1.53	8.47	3.56	-
Interest on lease liabilities (Refer note 6.1)	17.81	17.04	24.61	22.78	17.04
	17.81	**18.57**	**33.08**	**26.34**	**17.04**

(Amount in INR millions, unless otherwise stated)

31 Depreciation and amortization expenses

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Depreciation on property, plant and equipment	37.96	30.86	40.44	37.04	60.31
Depreciation on right-of-use assets	62.74	59.55	81.00	65.87	57.47
Amortization on other intangible asset	7.94	8.86	10.20	12.34	7.17
	108.64	**99.27**	**131.64**	**115.25**	**124.95**

32 Other expenses

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Auditor's remuneration#	1.30	10.48	12.07	4.35	2.85
Advertising and exhibition expenses	56.08	86.46	123.45	91.52	37.62
Bad debts	4.14	1.82	3.22	-	9.10
Bank charges	0.36	0.28	0.44	1.76	0.04
Business promotion expenses	33.00	8.86	13.01	18.53	6.30
Commission expense	62.60	61.09	81.02	74.20	98.16
Communication fee	19.02	17.58	24.22	21.28	13.96
Computer expenses	4.18	1.53	1.92	0.67	0.77
CSR expense (Refer note 44)	65.70	11.25	41.70	26.90	17.92
Freight and forwarding	2.09	3.32	4.05	10.94	5.02
Foreign exchange loss	-	22.91	19.96	-	0.58
Hallmarking & stamping charges	2.58	28.49	39.43	38.04	33.96
Insurance	10.03	5.00	7.04	6.82	5.26
Legal and professional fees	174.11	47.90	94.04	60.30	33.71
Loss on sale of property, plant and equipment	-	2.07	1.28	0.02	0.03
Office and administrative expenses	7.88	7.58	10.63	9.11	7.96
Printing and stationery	271.26	170.37	241.49	176.17	113.00
Provision for doubtful debts	-	20.42	58.02	-	-
Rates and taxes	3.86	8.33	8.75	28.48	32.81
Rent expense	4.75	5.28	8.18	11.40	4.09
Repairs and maintenance - equipment & tool	-	0.03	0.03	0.03	0.22
Repairs and maintenance - machinery	7.06	4.35	4.80	6.05	8.31
Repairs and maintenance - buildings	5.64	4.89	6.33	7.83	5.42
Repairs and maintenance - others	10.49	6.37	9.07	12.11	27.95
Study material expenses	5.13	5.41	6.63	3.49	1.18
Travelling and conveyance	46.12	38.79	49.87	43.32	14.66
Utilities (electricity, water, gas etc.)	7.06	6.50	8.56	7.15	6.59
Miscellaneous expenses	0.79	0.66	0.95	0.96	0.40
	805.23	**588.02**	**880.16**	**661.43**	**487.87**

#Note : The following is the break-up of auditor's remuneration (exclusive of tax)

Payment to auditors:					
As statutory auditors	-	-	3.32	4.00	2.85
Other audit services#	1.30	10.48	8.75	0.35	-
Total	**1.30**	**10.48**	**12.07**	**4.35**	**2.85**

Includes fees for other audit services of erstwhile auditor INR 1.47 million for year ended December 2023 and this does not include INR 21.85 million for the period ended 30 September 2024 in connection with proposed initial public offer of equity shares of the Company currently shown under "Prepaid & others (Other Current Assets)" . The same will be adjustable against share premium portion of the IPO Proceeds.

(Amount in INR millions, unless otherwise stated)

33 Tax expense

(i) The major components tax expense are:

Restated Statements of Profit and Loss:

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Current income tax:					
Current income tax charge	(1,112.84	(765.86	(1,197.00	(859.31	(606.94
Adjustment of tax relating to earlier periods	(12.36	-	-	-	-
Deferred tax (charge)/credit					
Relating to origination and reversal of temporary differences	(10.92	3.11	6.60	(16.72	(38.22
Income tax expense reported in the Restated Statements of Profit and Loss	**(1,136.12)**	**(762.75)**	**(1,190.40)**	**(876.03)**	**(645.16)**

Restated Comprehensive Income:

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Deferred (charge)/credit related to items recognized in Other comprehensive income	9.80	55.13	51.38	(1.96	(1.71
Deferred income tax (charge)/credit reported in Other comprehensive income/(loss)	**9.80**	**55.13**	**51.38**	**(1.96)**	**(1.71)**

(ii) Reconciliation of tax expense and the accounting profit multiplied by tax rate is, as follows

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Accounting Restated profit/(loss) before income tax	**4,396.72**	**3,149.69**	**4,437.78**	**3,293.61**	**2,360.46**
Computed tax expense					
At statutory income tax rate of 25.17% (30 September 2023: 25.17%, 31 December 2023: 25.17%, 31 December 2022: 25.17% and 31 December 2021: 25.17%)	**1,106.57**	**792.71**	**1,116.90**	**828.94**	**594.08**
Adjustments:					
Disallowance of expenditure towards Corporate social responsibility	16.53	2.83	10.49	6.77	4.51
Adjustment of tax relating to earlier periods	12.36	-	-	-	-
Others	0.66	(32.79	63.01	40.33	46.57
Net tax expense	**1,136.12**	**762.75**	**1,190.40**	**876.03**	**645.16**

(iii) Deferred tax assets/ (deferred tax liabilities) relates to the following:

	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Property Plant and equipment	(30.57)	(20.69)	(25.07)	(15.68)	(6.37)
Net defined benefit asset – gratuity plan	1.39	(4.53)	(6.10)	(47.93)	(44.90)
Provision for expected credit loss	19.82	10.40	19.86	5.26	13.38
Compensated absences	27.58	35.73	31.33	22.01	17.45
Right of use assets	(93.02)	(102.83)	(97.61)	(89.32)	(60.41)
Lease liabilities	73.22	81.71	77.12	67.21	41.08
Deferred tax assets/(Liabilities) net	**(1.58**	**(0.21**	**(0.47**	**(58.45**	**(39.77**

Reflected in the Restated Statements of Assets and Liabilities as follows:

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Deferred tax assets	122.01	127.84	128.31	94.48	71.91
Deferred tax liabilities	123.59	128.05	128.78	152.93	111.68
Deferred tax assets/(Liabilities) net	**(1.58**	**(0.21**	**(0.47**	**(58.45**	**(39.77**

(iv) Movement in deferred tax assets/ (liabilities)

Particulars	As at 1 January 2021	Impact on Profit and loss	Impact on other comprehensive income	As at 31 December 2021
Deferred tax assets in relation to:				
Provision for expected credit loss	6.29	7.09	-	13.38
Compensated absences	15.42	2.03	-	17.45
Lease liabilities	42.62	(1.54)	-	41.08
Total	**64.33**	**7.58**	**-**	**71.91**
Deferred tax liabilities in relation to:				
Property Plant and equipment	1.54	4.83	-	6.37
Net defined benefit asset – gratuity plan	35.42	7.77	1.71	44.90
Right of use assets	27.20	33.21	-	60.41
Total	**64.16**	**45.80**	**1.71**	**111.68**
Deferred tax liability (net)	**0.17**	**(38.22)**	**(1.71)**	**(39.77)**

Particulars	As at 31 December 2021	Impact on Profit and loss	Impact on other comprehensive income	As at 31 December 2022
Deferred tax assets in relation to:				
Provision for expected credit loss	13.38	(8.12)	-	5.26
Compensated absences	17.45	4.57	-	22.02
Lease liabilities	41.08	26.12	-	67.20
Total	**71.91**	**22.57**	**-**	**94.48**
Deferred tax liabilities in relation to:				
Property Plant and equipment	6.37	9.31	-	15.68
Net defined benefit asset – gratuity plan	44.90	1.07	1.96	47.93
Right of use assets	60.41	28.91	-	89.32
Total	**111.68**	**39.29**	**1.96**	**152.93**
Deferred tax liability (net)	**(39.77)**	**(16.72)**	**(1.96)**	**(58.45)**

Particulars	As at 1 January 2023	Impact on Profit and loss	Impact on other comprehensive income	As at 31 December 2023
Deferred tax assets in relation to:				
Provision for expected credit loss	5.26	14.60	-	19.86
Compensated absences	22.02	9.31	-	31.33
Lease liabilities	67.20	9.92	-	77.12
Total	**94.48**	**33.83**	**-**	**128.31**
Deferred tax liabilities in relation to:				
Property Plant and equipment	15.68	9.39	-	25.07
Net defined benefit asset – gratuity plan	47.93	9.55	(51.38)	6.10
Right of use assets	89.32	8.29	-	97.61
Total	**152.93**	**27.23**	**(51.38)**	**128.78**
Deferred tax liability (net)	**(58.45)**	**6.60**	**51.38**	**(0.47)**

(Amount in INR millions, unless otherwise stated)

Particulars	As at 1 January 2023	Impact on Profit and loss	Impact on other comprehensive income	As at 30 September 2023
Deferred tax assets in relation to:				
Provision for expected credit loss	5.26	5.14	-	10.40
Compensated absences	22.02	13.71	-	35.73
Lease liabilities	67.20	14.51	-	81.71
Total	**94.48**	**33.36**	**-**	**127.84**
Deferred tax liabilities in relation to:				
Property Plant and equipment	15.68	5.01	-	20.69
Net defined benefit asset – gratuity plan	47.93	11.74	(55.13)	4.54
Right of use assets	89.32	13.50	-	102.82
Total	**152.93**	**30.25**	**(55.13)**	**128.05**
Deferred tax liability (net)	**(58.45)**	**3.11**	**55.13**	**(0.21)**

Particulars	As at 1 January 2024	Impact on Profit and loss	Impact on other comprehensive income	As at 30 September 2024
Deferred tax assets in relation to:				
Provision for expected credit loss	19.86	(0.04)	-	19.82
Compensated absences	31.33	(3.75)	-	27.58
Lease liabilities	77.12	(3.90)	-	73.22
Net defined benefit asset – gratuity plan	(6.10)	(2.32)	9.80	1.39
Total	**122.21**	**(10.01)**	**9.80**	**122.01**
Deferred tax liabilities in relation to:				
Property Plant and equipment	25.07	5.50	-	30.57
Right of use assets	97.61	(4.59)	-	93.02
Total	**122.68**	**0.91**	**-**	**123.59**
Deferred tax liability (net)	**(0.47)**	**(10.92)**	**9.80**	**(1.58)**

(Amount in INR millions, unless otherwise stated)

34 Earnings per share

Basic EPS amount is calculated by dividing the profit for the period/year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period/year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period/year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table set forth the computation of basic and dilutive earnings per share:

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Restated profit for the period/year attributable to equity shareholders	3,260.60	2,386.94	3,247.38	2,417.58	1,715.30
Weighted average number of shares	39,67,83,045	39,67,83,045	39,67,83,045	39,67,83,045	39,67,83,045
Restated earnings per equity share# [Face value of INR 2 each]	**8.22**	**6.02**	**8.18**	**6.09**	**4.32**

Basic and diluted earnings per share for the period/year are same as the Group has no potentially dilutive equity shares outstanding as at the period/year end. Basic and diluted earnings per share have not been annualized for the nine months period ended 30 September 2024 and 30 September 2023.

Reconciliation of shares used in computing earnings per share

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
No. of equity shares at the beginning of the period/year	3,94,809	3,94,809	3,94,809	3,94,809	3,94,809
Add: Split of shares subsequent to period end considered for calculation of earnings per share for current period and previous years (refer note i below)	15,79,236	15,79,236	15,79,236	15,79,236	15,79,236
Add: Bonus shares issued subsequent to period end considered for calculation of earnings per share for current period and previous years (refer note ii below)	39,48,09,000	39,48,09,000	39,48,09,000	39,48,09,000	39,48,09,000
Weighted average number of equity shares of INR 2 each used for calculation of basic and diluted earnings per share	**39,67,83,045**	**39,67,83,045**	**39,67,83,045**	**39,67,83,045**	**39,67,83,045**

i) The Board of Directors at their meeting held on 25 April 2024 approved the sub-division of each equity share of face value of INR 10 each fully paid up into face value of INR 2 each fully paid up.

ii) Further, the Board of Directors have also approved the issue of bonus equity shares in its meeting held on 21 May 2024 in the ratio of 200 equity shares of INR 2 each for every 1 equity share of INR 2 each by capitalization of such sum standing to the credit of free reserves of the Company.

iii) In line with the requirements of Ind AS 33, the basic and diluted earnings per share for the current period/years and previous periods/years presented have been calculated/ restated after considering the share split and bonus issue.

(Amount in INR millions, unless otherwise stated)

35 Employee benefits

(A) Defined contribution plans

The Group contributes to a defined contribution plan to Employee's Provident Fund which are administered by the Provident Fund authorities and has no further obligation beyond making its contribution which is expensed in the year to which it pertains.

During the period/year, the Group has recognized the following amounts in the Restated Statements of Profit and Loss:

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Employers' Contribution to Provident and other funds	36.48	33.55	43.75	41.36	34.91
Employers' Contribution to Employee state insurance fund	0.92	0.67	1.02	0.52	0.76
	37.40	**34.22**	**44.77**	**41.88**	**35.67**

(B) Defined benefit plans

I. Gratuity

The cost of providing defined benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains/losses are immediately recognized in the other comprehensive income and are not deferred. The plan is a funded scheme.

A. Expense recognized in Restated Statements of Profit and Loss

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
i. Amounts recognized in Restated Statements of Profit and Loss in respect of defined benefit plans:					
Components of employer's expense					
Current service cost	12.09	9.25	10.05	9.16	9.02
Interest cost	12.01	6.08	8.06	7.00	7.09
Interest income on plan assets	(13.36)	(16.76)	(22.30)	(19.52)	(16.60)
Total expense recognized in the Restated Statements of Profit and Loss (A)	**10.74**	**(1.43)**	**(4.19)**	**(3.36)**	**(0.49)**
ii. Remeasurements recognized in other comprehensive income are as follows:					
Actuarial changes arising from changes in financial assumptions	12.09	17.22	19.50	(7.55)	11.59
Actuarial changes arising from changes in demographic assumptions	-	9.00	-	-	-
Actuarial changes arising from changes in experience adjustments	(5.60)	152.75	155.88	0.69	(33.27)
Actuarial (Gain)/ Losses	13.36	(4.21)	(4.08)	(0.91)	14.87
Total (gain)/ loss recognized in other comprehensive income (B)	**19.85**	**174.76**	**171.30**	**(7.77)**	**(6.80)**
Total (A+B)	**30.59**	**173.33**	**167.11**	**(11.13)**	**(7.29)**

B. Amount recognized in the Restated Statements of Assets and Liabilities:

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Present value of defined benefit obligation	170.79	299.32	297.15	112.28	108.62
Current portion	11.67	160.09	163.53	11.44	9.96
Non current portion	159.12	139.23	133.62	100.84	98.66

C. Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components:

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Reconciliation of present value of defined benefit obligation (DBO)					
Opening balance	297.15	112.28	112.28	108.62	119.62
Current service cost	12.09	9.25	10.05	9.16	9.02
Interest cost	12.01	6.08	8.06	7.00	7.09
Actuarial (gains)/ losses recognized in other comprehensive income			-	-	-
Due to Change in Demographic Assumptions	-	9.00	-	-	-
Due to Change in Financial Assumptions	12.09	17.22	19.50	(7.55)	11.59
Due to Experience	(5.60)	152.75	155.86	0.69	(33.27)
Balance	**327.74**	**306.58**	**305.75**	**117.93**	**114.05**
Benefits paid	(156.95)	(7.26)	(8.60)	(5.64)	(5.43)
Closing net defined benefit obligation (DBO)	**170.79**	**299.32**	**297.15**	**112.28**	**108.62**

D. Plan assets

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Opening balance of fair value of plan assets	321.41	302.72	302.72	287.03	260.37
Expected return on plan assets	13.36	16.76	22.30	19.52	16.59
Return on plan assets (excluding amounts included in net interest expense)	(13.36)	4.21	4.08	0.91	(14.87)
Contributions	0.78	0.91	0.91	0.90	30.37
Benefits paid	(156.95)	(7.26)	(8.60)	(5.64)	(5.43)
Closing balance of fair value of plan assets	**165.24**	**317.33**	**321.41**	**302.72**	**287.03**

Changes in fair value of assets and obligation:

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Defined benefit Obligation	170.79	299.32	297.15	112.28	108.62
Fair value of plan assets	165.24	317.33	321.39	302.72	287.02
Funded Status	5.55	(18.01)	(24.24)	(190.44)	(178.40)
Net Defined Benefit Liabilities/(Assets)	5.55	(18.01)	(24.24)	(190.44)	(178.40)

E. Defined benefit obligations

Actuarial assumptions

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Discount rate (per annum)	6.87%	7.46%	7.32%	7.46%	6.62%
Rate of salary increase	15.00%	15.00%	15.00%	12.00%	12.00%
Mortality rate			IALM (2012-14) Ultimate		
Retirement age			60 years (except Mr. Tehmasp Printer - 70 years)		
Attrition rate	10.00%	6.00%	10.00%	10.00%	10.00%

Data

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
No. of employees	834	684	721	535	493
Average Age (yrs)	33	34	33	35	35
Average Past service (yrs)	6	7	7	8	9
Average monthly salary (INR)	38,165	35,804	55,202	52,762	45,658
Future Service (yrs)	27	26	27	25	25
Weighted Average Duration of DBO	9.08	12.97	9.10	8.00	8.00

(Amount in INR millions, unless otherwise stated)

F. Expected Future Cash outflow:

Expected Benefit Payment	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Year 1	12.47	6.01	164.22	9.81	8.37
Year 2	12.10	7.55	11.48	9.85	8.50
Year 3	13.21	7.05	10.83	9.16	8.75
Year 4	13.10	8.33	11.76	9.53	8.19
Year 5	14.82	8.27	11.57	9.21	8.44
Next 5 years	75.66	54.37	65.34	44.73	40.28

The Gratuity scheme is a Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

1. Interest rate risk: A fall in the discount rate which is linked to the government securities rate will increase the present value of the liability requiring higher provision.
2. Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
3. Asset liability matching risk: The plan faces the ALM risk as to the matching cash flow. The entity has to manage pay-out based on pay as you go basis from own funds.
4. Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

i. Sensitivity analysis

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
	Impact on DBO	Impact on DBO	Impact on DBO	Impact on DBO	Impact on DBO
Change in Discount rate (1% movement)					
Delta effect + 1%	156.69	283.71	285.49	103.83	99.80
Delta effect - 1%	187.08	317.93	310.65	122.03	118.88
Change in rate of salary increase (1% movement)					
Delta effect + 1%	185.06	315.95	309.00	117.63	114.29
Delta effect - 1%	158.13	284.96	286.63	106.92	102.97
Change in attrition rate (1% movement)					
Delta effect + 1%	167.70	296.93	294.76	111.36	107.02
Delta effect - 1%	174.11	301.79	299.69	113.25	110.37

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(Amount in INR millions, unless otherwise stated)

36 Related party disclosures

A) Name of related parties & relationship

Relationship	Name of party
Holding Company (From 19 May 2023)	BCP Asia ll Topco Pte. Ltd.
Shareholder (From 19 May 2023 to 22 May 2024)	BCP Asia ll Holdco lll Pte. Ltd.
Holding Company (Until 18 May 2023)	Alpha Yu B.V.
Shareholder (Until 18 May 2023)	Lorie Holdings B.V.
Wholly Owned Subsidiary	International Gemmological Institute Turkey Gemoloji Ticaret Anonim Şirketi
Fellow Subsidiary Companies	I.G.I. International Gemmological Institute (Israel) Ltd.
Fellow Subsidiary Companies	International Gemmological Institute BV
Fellow Subsidiary Companies	International Gemological Institute DMCC
Fellow Subsidiary Companies	International Gemological Institute (HK) Limited
Fellow Subsidiary Companies	International Gemmological Identification (Thailand) Limited
Fellow Subsidiary Companies	International Gemological Institute Inc.
Fellow Subsidiary Companies	IGI (Shanghai) Business Consulting Company Limited
Fellow Subsidiary Companies	IGI (Shenzhen) Jewelry Testing Co., Ltd.
Key Management Personnel	Tehmasp Nariman Printer
Key Management Personnel	Deborah Morgane T Grosman
Key Managerial Personnel and CFO (From 26 October 2023)	Eashwar Iyer
Key Management Personnel - Company Secretary (from 10 April 2024)	Hardik Desai
Key Management Personnel (Until 19 May 2023)	Lu Wang
Enterprise over which key management personnel has control	IGI Investments Private Ltd.
Enterprise over which key management personnel has control (Until 1 March 2024)	Assaying & Authenticity Alliance Private Ltd.
Enterprise over which key management personnel has control (Until 18 May 2023)	Chindex Shanghai International Trading Company Ltd
Enterprise over which key management personnel has control (Until 1 March 2024)	Gajvrat Realty Private Ltd.
Relative of key managerial personnel	Varaz Printer

B) Related party transactions during the period/year

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Director remuneration & director sitting fees					
Tehmasp Nariman Printer	238.72	213.67	238.67	353.37	241.63
Deborah Morgane T Grosman	25.81	25.52	34.11	33.31	28.09
Remuneration					
Eashwar Iyer	12.24	-	2.66	-	-
Varaz Printer	1.63	0.62	1.31	-	-
Hardik Desai	1.33	-	-	-	-
Rent paid (including property tax, maintenance and GST)					
Assaying & Authenticity Alliance Pvt. Ltd.	2.02	12.50	14.26	13.44	13.78
Gajvrat Realty Pvt. Ltd.	1.78	7.88	8.96	8.15	8.92
Payment against various expenses					
International Gemmological Institute BV	1.45	1.05	2.00	0.94	1.01
International Gemological Institute (HK) Limited			-	-	-
International Gemmological Institute Inc.	42.59	32.13	44.91	55.18	60.69
International Gemological Institute DMCC			-	0.24	1.27
Dividend paid to erstwhile shareholders					
Alpha Yu B.V.	-	898.59	898.59	1,168.64	1,184.43
Lorie Holdings B.V.	-	224.64	224.64	292.16	296.10
Dividend paid					
BCP Asia ll Topco Pte. Ltd	1,897.67	-	274.00	-	-
BCP Asia ll Holdco lll Pte. Ltd.	-	-	0.00	-	-
Certification income					
International Gemological Institute Inc.	-	-	-	1.35	-
International Gemological Institute DMCC	-	-	-	0.09	-
International Gemmological Institute BV	-	-	-	0.02	-
Commission income					
International Gemological Institute Inc.	3.92	5.06	2.53	0.54	6.02
International Gemological Institute DMCC	-	-	0.63	-	-
Sale of stationery					
IGI (Shanghai) Business Consulting Company Limited	10.18	5.35	8.58	-	-
International Gemological Institute (HK) Limited	0.58	1.33	2.75	0.10	0.01
International Gemological Institute DMCC	1.32	-	-	0.07	-
International Gemmological Institute BV	0.21	2.74	3.17	0.27	-
IGI (Shenzhen) Jewelry Testing Co., Ltd.			-	-	-
I.G.I. International Gemmological Institute (Israel) Ltd.	0.83	2.74	2.74	1.93	0.07
Sale - Diamonds					
International Gemmological Institute Inc.	0.73	-	-	-	-
International GemmologicalInstitute DMCC	0.23	-	-	-	-
Purchase of Diamond					
International GemmologicalInstitute DMCC- Dubai	0.23	-	-	-	-
Sales - Machine					
I.G.I. International Gemmological Institute (Israel) Ltd.	-	1.72	1.72	-	-
International Gemological Institute (HK) Limited	-	-	1.74	-	-
International Gemological Institute DMCC	-	-	-	1.93	-
IGI (Shanghai) Business Consulting Company Limited	-	-	-	0.97	-
International Gemological Institute Inc.	-	-	-	-	1.17
International Gemmological Institute BV	-	-	-	0.28	2.52
International Gemmological Identification (Thailand) Limited	-	1.30	1.30	-	-
Reimbursement of expenses					
International Gemological Institute Inc.	0.70	1.75	5.40	-	-
International Gemmological Identification (Thailand) Limited	0.05	0.06	0.06	-	-
IGI (Shanghai) Business Consulting Company Limited	0.12	-	-	-	-
I.G.I. International Gemmological Institute (Israel) Ltd.	0.16	-	-	-	-
International Gemmological Institute DMCC	0.16	0.04	-	-	-
International Gemmological Institute BV	0.21	0.06	-	-	-
International Gemological Institute (HK) Limited	0.03	0.13	0.13	-	-

(Amount in INR millions, unless otherwise stated)

C) Outstanding balances as at period/year end

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Deposit Given					
Assaying & Authenticity Alliance Pvt. Ltd.	-	4.14	4.39	4.06	4.62
Gajvrat Realty Pvt. Ltd.	-	3.01	3.19	2.96	3.84
Trade Receivable					
International Gemmological Institute BV	0.43	3.25	0.36	0.45	5.81
International Gemological Institute DMCC	1.94	0.07	0.66	0.02	-
International Gemological Institute Inc.	12.60	6.76	7.96	1.59	9.91
IGI (Shanghai) Business Consulting Company Limited	0.46	7.65	7.49	2.32	1.17
International Gemological Institute (HK) Limited	1.51	2.69	5.87	1.23	1.01
I.G.I. International Gemmological Institute (Israel) Ltd.	0.08	7.12	7.20	2.94	2.62
Chindex Shanghai International Trading Company Ltd	-	-	3.45	3.43	3.08
IGI (Shenzhen) Jewelry Testing Co., Ltd.	-	-	-	-	-
International Gemmological Identification (Thailand) Limited	0.05	1.35			
Other payables					
International Gemmological Institute BV			-	0.03	0.00
International Gemological Institute Inc.	22.99	21.76	23.11	4.22	112.25
International Gemological Institute (HK) Limited	0.32	-	-	-	-
International Gemological Institute DMCC	0.23	0.10	-	0.10	-
Other Receivables					
Deborah Morgane T Grosman	-	-	-	-	1.15
International Gemological Institute DMCC	-	-	-	-	0.14
Director remuneration & Director Sitting Fees Payable					
Deborah Morgane T Grosman	5.27	1.75	3.49	-	-
Tehmasp Nariman Printer	120.10	132.89	142.42	8.45	15.09
Lease liabilities					
Assaying & Authenticity Alliance Pvt. Ltd.	-	23.18	19.25	31.96	22.52
Gajvrat Realty Pvt. Ltd.	-	32.65	30.25	37.24	2.04

D) Intra-group transactions eliminated upon consolidation

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
International Gemmological Institute Turkey Gemoloji Ticaret Anonim Şirketi					
Certification income	-	-	-	3.11	-
Sale of stationery	0.41	0.88	2.39	-	-
Interest on loan from Subsidiary	5.54	5.34	7.13	3.16	-
Investment in Subsidiary	-	32.53	32.53	0.53	-

E) Intra-group balances eliminated upon consolidation

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
International Gemmological Institute Turkey Gemoloji Ticaret Anonim Şirketi					
Trade Receivable	4.12	3.92	5.09	3.13	-
Loan to subsidiary	73.92	66.45	73.35	70.52	-
Interest accrued on Loan to subsidiary	5.58	7.95	9.89	3.16	-
Investment in Subsidiary	33.06	33.06	33.06	0.53	-

(Amount in INR millions, unless otherwise stated)

37 Financial instruments risk management objectives and policies

The Companies principal financial liabilities consists of bank loans. The main purpose of the Company's borrowings is to finance the acquisition and development of its investment property. The Company has rent and other trade receivables, trade and other payables and cash that arise directly from its operations.

The Group is exposed primarily to credit risk and liquidity risk. The management of the Group oversees the management of these risks. The management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The financial risk committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

(i) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to its bank borrowings obtained with floating interest rates.

The Group is not exposed to the interest rate risk as there are no variable interest bearing borrowings/ investments.

(ii) foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's functional currency).

The foreign currency receivables/payables balances are as follows:

	Currency	Amount in foreign				
		As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Trade Receivables	USD	0.70	0.63	0.66	0.40	0.46
Trade Payables	USD	0.29	0.26	0.33	0.52	1.99
Other payables	USD	-	0.00	-	-	-

	Currency	Equivalent amount				
		As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Trade Receivables	INR	58.21	51.85	55.30	33.24	34.11
Trade Payables	INR	24.63	21.97	27.55	43.05	148.11

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate, with all other variables held constant of the Group's profit before tax.

	% Impact	Trade Receivables Effect on profit before tax	Trade Payables Effect on profit before tax
For September 2024			
Strengthening of INR	5.00%	(2.91)	1.23
Weakening of INR		2.91	(1.23)
For September 2023			
Strengthening of INR	5.00%	(2.59)	1.10
Weakening of INR		2.59	(1.10)
For December 2023			
Strengthening of INR	5.00%	(2.77)	1.38
Weakening of INR		2.77	(1.38)
For December 2022			
Strengthening of INR	5.00%	(1.66)	2.15
Weakening of INR		1.66	(2.15)
For December 2021			
Strengthening of INR	5.00%	(1.71)	7.41
Weakening of INR		1.71	(7.41)

(ii) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Group's trade receivables, security deposits, bank balances and other financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The gross carrying amounts of following financial assets represent the maximum credit risk exposure:

	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Bank balances	3,198.11	1,048.34	1,217.08	1,652.16	1,270.34
Cash and cash equivalents	203.01	1,013.92	1,166.80	340.33	364.68
Other financial assets	1,203.61	621.82	869.67	80.21	74.70
	4,604.72	**2,684.08**	**3,253.55**	**2,072.70**	**1,709.72**

Balances with banks as well as cash and cash equivalents are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial institutions as approved by the Board of directors.

Other financial assets mainly includes security deposit given, term deposits, interest accrued on deposits, etc. Based on assessment carried by the Group, entire receivable under this category is classified as "Stage 1". There is no history of loss and credit risk and the amount of provision for expected credit losses on other financial assets is negligible.

Trade receivables:

The Group applies the Ind AS 109 simplified approach for measuring expected credit losses which uses a lifetime expected loss allowance (ECL) for trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Group uses past data and experience based on Group's historical default rates to measure the ECL on trade receivables. Based on evaluation carried out and to the best estimate of management, historical loss sufficiently covers expected loss as well as future contingencies. Adjustment for forward looking factors are not considered significant, hence no adjustment for forward looking factors is made.

Ageing for Trade receivables under simplified approach

As at 30 September 2024	Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
Gross carrying amount	1,347.18	18.92	11.72	1.54	4.86	1,384.22
Provision for expected credit loss						78.75
Expected loss rate						**5.69%**

As at 30 September 2023	Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
Gross carrying amount	1,163.84	14.91	6.44	8.42	7.46	1,201.07
Provision for expected credit loss						41.33
Expected loss rate						**3.44%**

As at 31 December 2023	Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
Gross carrying amount	1,108.61	30.28	6.56	3.10	8.28	1,156.83
Provision for expected credit loss						78.93
Expected loss rate						**6.82%**

(Amount in INR millions, unless otherwise stated)

As at 31 December 2022	Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
Gross carrying amount	611.87	20.58	10.19	4.85	3.96	651.45
Provision for expected credit loss						20.91
Expected loss rate						**3.21%**

As at 31 December 2021	Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
Gross carrying amount	339.86	17.95	20.26	6.81	9.48	394.36
Provision for expected credit loss						53.20
Expected loss rate						**13.49%**

The movement in provision for expected credit loss is as follows:

	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Opening provision	78.93	20.91	20.91	53.20	24.98
Impairment loss recognized	-	20.42	58.02	-	28.22
Impairment loss reversed	(0.18)	-	-	(32.29)	-
Closing provision	**78.75**	**41.33**	**78.93**	**20.91**	**53.20**

(iii) Liquidity risk

Liquidity risk is the current and prospective risk arising out of an inability to meet financial commitments as they fall due, through available cash flows or through the sale of assets at fair market value. Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Group’s treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The management monitors the Group’s net liquidity position through forecasts on the basis of expected cash flows.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	Within 1 year	1 to 3 years	More than 3 years	Total
As at 30 September 2024				
Trade payables	91.41	-	-	91.41
Other financial liabilities	521.42	-	-	521.42
	612.83	**-**	**-**	**612.83**

	Within 1 year	1 to 3 years	More than 3 years	Total
As at 30 September 2023				
Trade payables	55.48	-	-	55.48
Other financial liabilities	211.31	-	-	211.31
	266.79	**-**	**-**	**266.79**

	Within 1 year	1 to 3 years	More than 3 years	Total
As at 31 December 2023				
Trade payables	94.64	-	-	94.64
Other financial liabilities	234.55	-	-	234.55
	329.19	**-**	**-**	**329.19**

	Within 1 year	1 to 3 years	More than 3 years	Total
As at 31 December 2022				
Trade payables	52.42	-	-	52.42
Other financial liabilities	21.60		-	21.60
	74.02	**-**	**-**	**74.02**

	Within 1 year	1 to 3 years	More than 3 years	Total
As at 31 December 2021				
Trade payables	145.35	-	-	145.35
Other financial liabilities	25.21	-	-	25.21
	170.56	**-**	**-**	**170.56**

Maturity profile of lease liabilities based on contractual undiscounted payments has been dislcosed in note 6.1.

(iv) Fair value measurement hierarchy

All assets and liabilities for which fair value is measured or disclosed are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
The fair value of cash and cash equivalents, trade receivables, trade payables, other financial liabilities and other financial assets approximate their carrying amount largely due to short term nature of these instruments. The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security deposits are not significantly different from the carrying amount.

(v) Financial instruments by category

The carrying amounts of each of the categories of financial instruments as at 30 September 2024 are as follows:

	FVTPL	Amortized cost	FVTOCI	Total
Financial assets				
Trade receivables	-	1,305.47	-	1,305.47
Cash and cash equivalents	-	203.01	-	203.01
Other bank balances	-	3,198.11	-	3,198.11
Other financial assets	-	1,203.61	-	1,203.61
	-	**5,910.19**	**-**	**5,910.19**
Financial Liabilities				
Lease liabilities	-	290.89	-	290.89
Trade payables	-	91.41	-	91.41
Other financial liabilities	-	521.42	-	521.42
	-	**903.72**	**-**	**903.72**

The carrying amounts of each of the categories of financial instruments as at 30 September 2023 are as follows:

	FVTPL	Amortized cost	FVTOCI	Total
Financial assets				
Trade receivables	-	1,159.74	-	1,159.74
Cash and cash equivalents	-	1,013.92	-	1,013.92
Other bank balances	-	1,048.34	-	1,048.34
Other financial assets	-	621.82	-	621.82
	-	**3,843.82**	**-**	**3,843.82**
Financial Liabilities				
Lease liabilities	-	324.72	-	324.72
Trade payables	-	55.48	-	55.48
Other financial liabilities	-	211.31	-	211.31
	-	**591.51**	**-**	**591.51**

(Amount in INR millions, unless otherwise stated)

The carrying amounts of each of the categories of financial instruments as at 31 December 2023 are as follows:

	FVTPL	Amortized cost	FVTOCI	Total
Financial assets				
Trade receivables	-	1,077.90	-	1,077.90
Cash and cash equivalents	-	1,166.80	-	1,166.80
Other bank balances	-	1,217.08	-	1,217.08
Other financial assets	-	869.67	-	869.67
	-	**4,331.45**	**-**	**4,331.45**
Financial Liabilities				
Lease liabilities	-	306.43	-	306.43
Trade payables	-	94.64	-	94.64
Other financial liabilities	-	234.55	-	234.55
	-	**635.62**	**-**	**635.62**

The carrying amounts of each of the categories of financial instruments as at 31 December 2022 are as follows:

	FVTPL	Amortized cost	FVTOCI	Total
Financial assets				
Trade receivables	-	630.54	-	630.54
Cash and cash equivalents	-	340.33	-	340.33
Other bank balances	-	1,652.16	-	1,652.16
Other financial assets	-	80.21	-	80.21
	-	**2,703.24**	**-**	**2,703.24**
Financial Liabilities				
Lease liabilities	-	267.05	-	267.05
Trade payables	-	52.42	-	52.42
Other financial liabilities	-	21.60	-	21.60
	-	**341.07**	**-**	**341.07**

The carrying amounts of each of the categories of financial instruments as at 31 December 2021 are as follows:

	FVTPL	Amortized cost	FVTOCI	Total
Financial assets				
Trade receivables	-	341.16	-	341.16
Cash and cash equivalents	-	364.68	-	364.68
Other bank balances	-	1,270.34	-	1,270.34
Other financial assets	-	74.70	-	74.70
	-	**2,050.88**	**-**	**2,050.88**
Financial Liabilities				
Lease liabilities	-	163.23	-	163.23
Trade payables	-	145.35	-	145.35
Other financial liabilities	-	25.21	-	25.21
	-	**333.79**	**-**	**333.79**

(Amount in INR millions, unless otherwise stated)

38 Capital management

The Group's objectives when managing capital are to:
• safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
• Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity'. No changes were made in the objectives, policies or processes for managing capital during the reporting periods. There are no Debts taken by the Group. Therefore, Capital structure comprised of only equity as there are no external debts availed by Group.

Particulars	**As at 30 September 2024**	**As at 30 September 2023**	**As at 31 December 2023**	**As at 31 December 2022**	**As at 31 December 2021**
Interest bearing loans and borrowings	-	-	-	-	-
Less: Cash and Bank balances	(203.01)	(1,013.92)	(1,166.80)	(340.33)	(364.68)
Adjusted net debt	**(203.01)**	**(1,013.92)**	**(1,166.80)**	**(340.33)**	**(364.68)**
Total equity	**6,434.12**	**4,499.89**	**5,090.09**	**3,390.73**	**2,425.89**
Gearing ratio [Net debt/(total equity)]	**-**	**-**	**-**	**-**	**-**

39 Capital commitments and contingent liabilities

Particulars	**As at 30 September 2024**	**As at 30 September 2023**	**As at 31 December 2023**	**As at 31 December 2022**	**As at 31 December 2021**
Claims against Group not acknowledged as debt:					
Income tax	1.48	1.48	1.48	2.03	46.27
ESIC	0.16	0.16	-	5.38	5.38
Professional tax department	-	-	0.16	0.16	-
Estimated amounts of contracts remaining to be executed on the capital account and not provided for in respect of capital assets (net of advances	352.07	303.49	299.76	662.53	701.53

(a) Mr. Rohit Agarwal (ex-employee) had filed a case against the Company with the Labour Court. An order was passed by Labour Court dated 11 February 2011 directing the Company to reinstate Mr. Agarwal as an employee and to pay back wages to him to the extent of 25% along with continuity of service with effect from 9 April 2002. Against the order of Labour court a writ petition was filed before the High court by the Company. By way of Order dated 10 October 2011, the High Court granted a stay on the Labour Court's orders on the condition that Company Deposit back the wages in Court. An order dated 27 January 2012 recorded that Company has deposited INR 0.79 million i.e.100% back wages from 27 February 2009 to 31 October 2011, with the Prothonotary and Senior Master of the High Court. The Writ Petition has been listed from time to time and is pending for final hearing.

(b) KS Trade LLC ("Complainant") has filed a complaint dated December 21, 2017 ("Complaint") against IGI International Gemmological Institute Inc. (IGI USA), International Gemological Institute DMCC (IGI UAE) (Subsidiary company) and International Gemmological Institute (India) Limited (collectively, "IGI Entities") and others (together with IGI Entities, "Defendants"), before the Supreme Court of the State of New York. The Complainant has demanded USD 0.75 million and alleged inter alia that the Defendants conspired to misrepresent the true value of diamonds by intentionally over-grading diamonds in IGI Entities' affiliated laboratories outside of New York, thereby allowing diamond dealers and wholesalers to re-sell diamonds at artificially inflated prices. It has also been alleged that IGI USA's grading standards differs substantially from those of other IGI Entities outside New York and it offers to over-grade diamonds in line with Other IGI Entities' grading standard for an illicit fee. The Group has refuted these allegations and seeked mediation for speedy resolution of the matter. The matter is under mediation and the outcome is indeterminate as of now.

(Amount in INR millions, unless otherwise stated)

40 Ratios

Particulars	Formula	As at 30 September 2024*			As at 30 September 2023*			As at 31 December 2023			As at 31 December 2022			As at 31 December 2021		
		Numerator	Denominator	Ratio	Numerator	Denominator	Ratio	Numerator	Denominator	Ratio	Numerator	Denominator	Ratio	Numerator	Denominator	Ratio
Current ratio	Current assets / Current liabilities	5,148.09	998.04	5.16	3,367.58	576.10	5.85	3,607.97	639.67	5.64	2,757.59	386.29	7.14	2,051.39	564.58	3.63
Debt - equity ratio	Total debt / Shareholder's equity	-	6,434.12	-	-	4,499.89	-	-	5,090.09	-	-	3,390.73	-	-	2,425.89	-
Debt service coverage ratio	Earning available for debt service / Debt service	4,523.16	-	-	3,269.59	-	-	4,603.78	-	-	3,435.23	-	-	1,857.32	-	-
Return on equity ratio	Net profit after tax less preference dividend / Average shareholder's equity	3,260.60	5,762.11	0.57	2,386.94	3,945.31	0.61	3,247.38	4,240.41	0.77	2,417.58	2,908.31	0.83	1,715.30	2,305.97	0.74
Inventory turnover ratio	Cost of goods sold or sales / Average inventory	16.10	11.00	1.46	34.33	5.03	6.82	35.05	4.48	7.82	24.24	1.52	15.92	24.69	2.63	9.37
Trade receivables turnover ratio	Net credit sales / Average trade receivables	5,963.57	1,191.69	5.00	4,537.88	895.14	5.07	6,385.28	854.22	7.47	4,909.94	485.85	10.11	3,646.91	307.08	11.88
Trade payables turnover ratio	Net credit purchases / Average trade payables	32.86	93.03	0.35	35.02	53.95	0.65	39.13	73.53	0.53	20.18	98.88	0.20	15.31	137.06	0.11
Net capital turnover ratio	Net sales / Working capital	5,963.57	4,150.05	1.44	4,537.88	2,791.48	1.63	6,385.28	2,968.30	2.15	4,909.94	2,371.30	2.07	3,646.91	1,486.81	2.45
Net profit ratio	Net profit / Net sales	3,260.60	5,963.57	0.55	2,386.94	4,537.88	0.53	3,247.38	6,385.28	0.51	2,417.58	4,909.94	0.49	1,715.30	3,646.91	0.47
Return on capital employed	EBIT / Capital employed	4,414.52	6,434.12	0.69	3,168.26	4,499.89	0.70	4,470.86	5,090.09	0.88	3,319.95	3,390.73	0.98	2,377.50	2,425.89	0.98
Return on investment	Time weighted rate of return	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Particulars	Formula	% Variance				Reasons for variance - December 2023	Reasons for variance December - 2022
		As at 30 September 2024*	As at 30 September 2023*	As at 31 December 2023	As at 31 December 2022		
Current ratio	Current assets / Current liabilities	NA	NA	-20.99%	96.47%	NA	Significant increase in current assets and decrease in current liabilities
Debt - equity ratio	Total debt / Shareholder's equity	NA	NA	-	-	Ratio is not calculated as there is no debt.	Ratio is not calculated as there is no debt.
Debt service coverage ratio	Earning available for debt service / Debt service	NA	NA	-	-	Ratio is not calculated as there is no debt.	Ratio is not calculated as there is no debt.
Return on equity ratio	Net profit after tax less preference dividend / Average shareholder's equity	NA	NA	-7.87%	11.75%	NA	NA
Inventory turnover ratio	Cost of goods sold or sales / Average inventory	NA	NA	-50.91%	69.88%	Decrease in ratio due to increase in inventory.	Decrease in ratio due to increase in inventory.
Trade receivables turnover ratio	Net credit sales / Average trade receivables	NA	NA	-26.03%	-14.91%	Decline in ratio due to substantial rise in revenue during the last 30 days of 2023 as compared to 2022.	NA
Trade payables turnover ratio	Net credit purchases / Average trade payables	NA	NA	160.76%	82.63%	Rise in ratio due to the regular payments made to creditors to settle outstanding balances.	Increase in trade payables due to increase in purchases.
Net capital turnover ratio	Net sales / Working capital	NA	NA	3.89%	-15.59%	NA	NA
Net profit ratio	Net profit / Net sales	NA	NA	3.29%	4.69%	NA	NA
Return on capital employed	EBIT / Capital employed	NA	NA	-10.29%	-0.09%	NA	NA
Return on investment	Time weighted rate of return	NA	NA	-	-	Ratio is not calculated as there are no	Ratio is not calculated as there are no investments.

***Considered as not applicable since constituting amounts for the nine months ended 30 September 2024 and 30 September 2023 has not been annualized**

(Amount in INR millions, unless otherwise stated)

41 Revenue from customer

41.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Revenue from contract with customers:					
Sale of services					
Certification services	5,856.58	4,410.59	6,206.82	4,777.44	3,574.30
Educational courses	36.99	45.42	53.59	38.73	24.71
Sale of products					
Traded goods	16.10	34.33	35.05	24.24	24.69
Gross revenue from contract with customers	5,909.67	4,490.34	6,295.46	4,840.41	3,623.70
Less: Consideration payable to customers	-	-	-	-	-
Net revenue from contract with customers	**5,909.67**	**4,490.34**	**6,295.46**	**4,840.41**	**3,623.70**
Geographical markets					
India	5,825.15	4,366.16	6,158.08	4,523.03	3,361.54
Outside India	84.52	124.18	137.38	317.38	262.16
Net revenue from contract with customers	**5,909.67**	**4,490.34**	**6,295.46**	**4,840.41**	**3,623.70**
Timing of revenue recognition					
Goods or services transferred at a point in time	5,872.68	4,444.92	6,241.87	4,801.68	3,598.99
Goods or Services transferred over time	36.99	45.42	53.59	38.73	24.71
Net revenue from contract with customers	**5,909.67**	**4,490.34**	**6,295.46**	**4,840.41**	**3,623.70**

41.2 Reconciling the amount of revenue recognised in the Restated Statements of Profit and Loss with the contracted price:

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Revenue as per contracted price	6,163.01	4,623.54	6,460.14	4,977.17	3,698.49
Less: Rebate, discount and other adjustments	(253.34)	(133.20)	(164.68)	(136.76)	(74.79)
Revenue from contract with customers	**5,909.67**	**4,490.34**	**6,295.46**	**4,840.41**	**3,623.70**

41.3 Contract balances

a) The following table provides information about receivables, unbilled revenue and deferred revenue from contracts with customers:

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Trade Receivables	1,305.47	1,159.74	1,077.90	630.54	341.16

For details on Performance obligations (Refer accounting policy note 4.6)

42 Segment reporting

The Group's business activity primarily falls within a single business segment based on the nature of activity involved, which is in line with the business risks attached with the segment having regard to the internal organization and management structure. The CODM reviews the Group's performance as a single business segment and not at any other disaggregated level. Hence, no separate financial disclosures provided in respect of its single business segment.

Operations of the Group are managed from India and Turkey. Each of these locations are aggregated based on exchange control regulations; and the underlying currency risk. Accordingly, the following have been identified as operating and reportable segments: (a) "Within India", and (b) "Outside India". In presenting geographic information, segment revenue has been based on the location of the customer and segment assets are based on geographical location of assets.

(i) Break up of revenue based on geographical segment

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Within India	5,825.15	4,366.16	6,158.08	4,523.03	3,361.54
Outside India	84.52	124.18	137.38	317.38	262.16
Total	**5,909.67**	**4,490.34**	**6,295.46**	**4,840.41**	**3,623.70**

(ii) The carrying amount of non current operating assets by location of assets

Particulars	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Within India	1,560.82	1,461.37	2,401.15	1,311.10	1,145.52
Outside India	17.66	12.26	22.92	21.65	-
Total	**1,578.48**	**1,473.63**	**2,424.07**	**1,332.75**	**1,145.52**

(Amount in INR millions, unless otherwise stated)

43 Summary of Net Assets and Profit and loss

43.1 Information about subsidiary

The Restated Financial Information of the Group includes subsidiary listed in the table below

Name of the entity	Principal activities	Country of incorporation	% equity interest				
			As at 30 September 2024	As at 30 September 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
INTERNATIONAL GEMMOLOGICAL INSTITUTE TURKEY GEMOLOJI TICARET ANONIM ŞIRKETI	Certification of Diamonds, gemstones & jewellery	Turkey	100%	100%	100%	100%	Not in existence

43.2 Additional information required by Schedule III in respect of subsidiary

30 September 2024

Name of the entity in the group	Net assets i.e. total assets minus liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or (loss)	Amount	As % of other consolidated comprehensive income	Amount	As % of total comprehensive income	Amount
Parent International Gemmological Institute (India) Limited	101.17%	6,509.39	100.46%	3,275.62	154.17%	(29.14)	100.15%	3,246.47
Subsidiary International Gemmological Institute Turkey Gemoloji Ticaret Anonim Şirketi	-0.73%	(46.95)	-0.49%	(15.92)	-92.83%	17.55	0.05%	1.63
Consolidation adjustments	-0.44%	(28.32)	0.03%	0.90	38.66%	(7.31)	-0.20%	(6.40)
Total	**100.00%**	**6,434.12**	**100.00%**	**3,260.60**	**100.00%**	**(18.90)**	**100.00%**	**3,241.70**

30 September 2023

Name of the entity in the group	Net assets i.e. total assets minus liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or (loss)	Amount	As % of other consolidated comprehensive income	Amount	As % of total comprehensive income	Amount
Parent International Gemmological Institute (India) Limited	100.95%	4,542.63	101.21%	2,415.82	106.07%	(163.93)	100.87%	2,251.89
Subsidiary International Gemmological Institute Turkey Gemoloji Ticaret Anonim Şirketi	-0.32%	(14.30)	-1.21%	(28.88)	-3.46%	5.35	-1.05%	(23.53)
Consolidation adjustments	-0.63%	(28.44)	-	-	-2.61%	4.03	0.18%	4.03
Total	**100.00%**	**4,499.89**	**100.00%**	**2,386.94**	**100.00%**	**(154.55)**	**100.00%**	**2,232.39**

31 December 2023

Name of the entity in the group	Net assets i.e. total assets minus liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or (loss)	Amount	As % of other consolidated comprehensive income	Amount	As % of total comprehensive income	Amount
Parent International Gemmological Institute (India) Limited	101.38%	5,160.59	101.52%	3,296.60	101.30%	(152.76)	101.53%	3,143.84
Subsidiary International Gemmological Institute Turkey Gemoloji Ticaret Anonim Şirketi	-0.62%	(31.31)	-1.56%	(50.53)	-12.76%	19.23	-1.01%	(31.30)
Consolidation adjustments	-0.76%	(39.19)	0.04%	1.31	11.46%	(17.26)	-0.52%	(15.95)
Total	**100.00%**	**5,090.09**	**100.00%**	**3,247.38**	**100.00%**	**(150.79)**	**100.00%**	**3,096.59**

31 December 2022

Name of the entity in the group	Net assets i.e. total assets minus liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or (loss)	Amount	As % of other consolidated comprehensive income	Amount	As % of total comprehensive income	Amount
Parent International Gemmological Institute (India) Limited	100.69%	3,413.97	101.05%	2,443.03	72.27%	5.82	100.96%	2,448.85
Subsidiary International Gemmological Institute Turkey Gemoloji Ticaret Anonim Şirketi	-0.66%	(22.51)	-1.07%	(25.91)	36.03%	2.90	-0.95%	(23.01)
Consolidation adjustments	-0.03%	(0.73)	0.02%	0.46	-8.30%	(0.67)	-0.01%	(0.21)
Total	**100.00%**	**3,390.73**	**100.00%**	**2,417.58**	**100.00%**	**8.05**	**100.00%**	**2,425.63**

(Amount in INR millions, unless otherwise stated)

44 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Group, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the Group as per the Act. The funds are utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Gross Amount required to be spent as per Section 135 of the Act	65.70	11.25	41.70	26.90	17.92
Add: Amount unspent from previous years	-	-	-	-	-
Total Gross amount required to be spent during the period/year	**65.70**	**11.25**	**41.70**	**26.90**	**17.92**

Particulars	For the nine months period ended 30 September 2024	For the nine months period ended 30 September 2023	For the year ended 31 December 2023	For the year ended 31 December 2022	For the year ended 31 December 2021
Construction acquisition of assets charged to Profit and loss	-	-	-	-	-
For purpose other than above	65.70	11.25	41.70	26.90	17.92

45 Compounding application

Pursuant to the notice received by the Group from the Ministry of Corporate Affairs (MCA) for non compliances under Companies Act, 2013, the Company is in the process of making an application for compunding for the non compliances as per applicable provisions of Companies Act, 2013 and adequate provision has been made in the books in this regard.

46 Additional regulatory information required by Schedule III

i) **Details of benami property held**
No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made there under.

ii) **Borrowing secured against current assets**
No such borrowings have been availed by the Group during the period/year.

iii) **Wilful defaulter**
The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

iv) **Relationship with struck off companies**
The Group has no transactions with companies struck off under Companies Act, 2013 or Companies Act, 1956.

v) **Registration of charges or satisfaction with Registrar of Companies**
There are no charges or satisfaction which are yet to be registered with Registrar of Companies.

vi) **Compliance with number of layers of companies**
The Group has complied with the number of layers prescribed under the Companies Act, 2013.

vii) **Compliance with approved scheme(s) of arrangements**
The Group has not entered into any scheme of arrangement which has an accounting impact on the reporting periods presented.

viii) **Undisclosed Income**
The Group has not surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961, that have not been recorded in the books of account.

ix) **Details of crypto currency or virtual currency**
The Group has not traded or invested in crypto currency or virtual currency during the reported periods.

x) **Valuation of PP&E, intangible asset and investment property**
The Group has not revalued its property, plant and equipment or Investment Properties (including right-of-use assets) or intangible assets.

xi) **Utilization of borrowed funds, equity and share premium**
The Group has not borrowed funds, raised equity or share premium during the reported periods.

47 Subsequent events

The Group evaluated all events or transactions that occurred after the balance sheet date through the date at which the financial statements were available to be issued and determined that there are no other items to disclose except those already disclosed in the Restated Financial Information in earlier notes.

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 25 November 2024

For and on behalf of the Board of Directors
International Gemmological Institute (India) Limited

Prateek Roongta
Director
DIN: 00622797
Place: Mumbai
Date: 25 November 2024

Tehmasp Printer
Managing Director & CEO
DIN: 01306226
Place: Mumbai
Date: 25 November 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 25 November 2024

Hardik Desai
Company Secretary
Membership No: A35491

Place: Mumbai
Date: 25 November 2024

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

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Independent Auditor's Assurance Report on the Compilation of Unaudited Pro Forma Condensed Combined Financial Information included in the Red Herring Prospectus (the "RHP") and Prospectus

The Board of Directors
International Gemmological Institute (India) Limited (formerly known as International Gemmological Institute (India) Private Limited)
702, 7th Floor,
The Capital, Bandra Kurla Complex,
Bandra (E), Mumbai,
Maharashtra, India, 400051

Report on the Compilation of Unaudited Pro Forma Condensed Combined Financial Information included in the RHP and Prospectus

1. This Report is issued in accordance with the terms of our engagement letter dated June 17, 2024 and addendum to engagement letter dated October 10, 2024.

2. We have completed our assurance engagement to report on the compilation of Unaudited Pro Forma Condensed Combined Financial Information of International Gemmological Institute (India) Limited (hereinafter referred to as the "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as the "Group") and, IGI Netherlands B.V. ("IGI Netherlands") and International Gemmological Institute BV ("IGI Belgium") prepared by management of the Holding Company. The Unaudited Condensed Combined Pro Forma Financial Information consists of the Pro Forma Condensed Combined Balance Sheet as at September 30, 2024 and December 31, 2023, Pro Forma Condensed Combined Statement of Profit and Loss for the nine months period ended September 30, 2024 and for the year ended December 31, 2023, and related notes for inclusion in the RHP and Prospectus by the Holding Company (hereinafter referred as the "Unaudited Pro Forma Condensed Combined Financial Information") in connection with proposed initial public offering (the "Offering") of equity shares of the Holding Company as per the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), which includes an offer in jurisdictions outside the United States in "offshore transactions" in reliance on Regulation S under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") and within the United States only to persons reasonably believed to be "qualified institutional buyers" as defined in Rule 144A under the U.S. Securities Act. The applicable criteria based on which the Holding Company has compiled the Unaudited Pro Forma Condensed Combined Financial Information are described in Note 2 of the Unaudited Pro Forma Condensed Combined Financial Information. Because of its nature, the Unaudited Proforma Condensed Combined Financial Information does not represent the actual financial position and financial performance of the Group.

3. The Unaudited Pro Forma Condensed Combined Financial Information has been compiled by the management of the Holding Company to illustrate the impact of the proposed acquisition of IGI Netherlands and IGI Belgium (IGI Netherlands and IGI Belgium together referred to as "Target Entities") from the proceeds of the proposed Offering (the "proposed transaction") as set out in Note 2 to the Unaudited Pro Forma Condensed Combined Financial Information, on the Group's financial position as at September 30, 2024 and December 31, 2023, and its financial performance for the nine months period ended September 30, 2024 and for the year ended December 31, 2023, as if the acquisitions had taken place as at January 1, 2023.

4. As part of this process, information about the Group's financial position and financial performance has been extracted by the management of the Holding Company from the Group's Restated Financial Information as at and for the nine months period ended September 30, 2024 and 30 September 2023 and the years ended December 31, 2023, December 31, 2022 and December 31, 2021 ('Restated Financial Information'), on which we have issued unmodified conclusion vide our Examination Report dated November 25, 2024. The information about the financial position and financial performance of IGI Netherlands and IGI Belgium has been extracted by the management of the Holding Company from the:

    a) audited Special Purpose Interim Consolidated Financial Statements of IGI Netherlands as at and for the nine months period ended September 30, 2024, on which we have issued an unmodified opinion vide our report dated November 25, 2024;

    b) audited Special Purpose Consolidated Financial Statements of IGI Netherlands as at and for the year ended December 31, 2023, on which we have issued an unmodified opinion vide our report dated August 6, 2024;

    c) audited Special Purpose Interim Consolidated Financial Statements of IGI Belgium as at and for the nine months period ended September 30, 2024, on which we have issued an unmodified opinion vide our report dated November 25, 2024; and

    d) audited Special Purpose Consolidated Financial Statements of IGI Belgium as at and for the year ended December 31, 2023, on which we have issued an unmodified opinion vide our report dated August 6, 2024.

5. As indicated in the examination report and audit reports referred to in paragraph 4 above:

    i. Our audit report on the Special Purpose Interim Consolidated Financial Statements of the Group as at and for the nine months period ended September 30, 2024 included an Emphasis of Matter paragraph and Other Matter paragraph which is reproduced below: -

    Emphasis of Matter
    Basis of Accounting and Restriction on Distribution and Use
    We draw attention to Note 2.1 to the Special Purpose Interim Consolidated Financial Statements which describes the purpose and basis of preparation of the Special Purpose Interim Consolidated Financial Statements. These Special Purpose Interim Consolidated Financial Statements have been prepared by the management of the Holding Company solely for the purpose of preparation of the Restated Financial Information to be included in the Red Herring Prospectus ("RHP") and Prospectus of the Holding Company to be filed in connection with its proposed initial public offering of equity shares as required by Section 26 of Part I of Chapter III of the Act and as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time and to comply with the SEBI Communication and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. Accordingly, these Special Purpose Interim Consolidated Financial Statements may not be suitable for any another purpose.

    Our report is addressed to the Board of Directors of the Holding Company solely for the purpose as mentioned above. This should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our opinion is not modified in respect of the above matter.

Other Matter

We did not audit the financial statements of a subsidiary, located outside India, whose financial information reflect total assets of Rs. 44.79 million and Rs 74.15 million as at September 30, 2024 and September 30, 2023 respectively, total revenues of Rs. 12.35 million and Rs 16.30 million and net cash (outflows)/inflows amounting to Rs. (4.56) million and Rs 9.29 for the nine-month period ended on September 30, 2024 and September 30, 2023 respectively, as considered in the Special Purpose Interim Consolidated Financial Statements. These financial statements are unaudited and have been furnished to us by the Management of the Holding Company and our opinion on the Special Purpose Interim Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary, is based solely on such unaudited financial statement. These financial statements of the said subsidiary have been prepared in accordance with accounting principles generally accepted in that country. The Holding Company's Management has converted these financial statements of the said subsidiary from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have not audited these conversion adjustments made by the Holding Company's Management. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the Special Purpose Interim Consolidated Financial Statements is not modified in respect of the above matter.

ii. Our audit report on the Consolidated Financial Statements of the Group as at and for the year ended December 31, 2023 included an Emphasis of Matter paragraph and Other Matters paragraph which are reproduced below:

Emphasis of Matter

We draw attention to Note 42 of the consolidated financial statements, which describes the prior period errors identified by the management of the Company, who have accordingly restated the comparative Statement of Profit or Loss for the year ended December 31, 2023 and the comparative Balance Sheet as at that date, and also the opening Balance Sheet as at January 1, 2022, in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

Other Matters

a. We did not audit the financial statements of a subsidiary, located outside India, whose financial information reflect total assets of Rs. 53.68 million as at December 31, 2023, total revenues of Rs. 23.26 million and net cash outflows amounting to Rs. 20.81 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. These financial statements of the said subsidiary have been prepared in accordance with accounting principles generally accepted in that country. The Holding Company's Management has converted these financial statements of the said subsidiary from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have not audited these conversion adjustments made by the Holding Company's Management. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

b. The consolidated financial statements of the Company for the year ended December 31, 2022, were audited by another auditor whose report dated May 15, 2023, expressed an unmodified opinion on those statements.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters.

iii. Our audit report on the Special Purpose Interim Consolidated Financial Statements of IGI Netherlands as at and for the nine months period ended September 30, 2024 included an Emphasis of Matter paragraph and Other Matter paragraph which is reproduced below:

Emphasis of Matter

Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2.1 to the Special Purpose Interim Consolidated Financial Statements, which describes the purpose and basis of preparation of the Special Purpose Interim Consolidated Financial Statements. These Special Purpose Interim Consolidated Financial Statements have been prepared by the Holding Company to assist International Gemmological Institute (India) Limited ("IGI India") to meet the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the proposed Initial Public Offer of equity shares of IGI India and will be included in the Red Herring Prospectus ("RHP") and Prospectus of IGI India. As a result, these Special Purpose Interim Consolidated Financial Statements may not be suitable for another purpose.

Our report is addressed to the Board of Directors of the Holding Company and of IGI India, solely for the purposes stated above and should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Group or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our Opinion is not modified in respect of the above matter.

Other Matter

We did not audit the financial statements of three subsidiaries whose financial information reflect total assets of Rs. 309.70 million as at September 30, 2024, total revenues of Rs.78.50 million and profit after tax amounting to Rs. 20.89 million for the nine months period ended on that date, as considered in the Special Purpose Interim Consolidated Financial Statements. These financial statements are unaudited and have been furnished to us by the

Management of the Holding Company and our opinion on the Special Purpose Interim Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiaries, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the Special Purpose Interim Consolidated Financial Statements is not modified in respect of the above matter.

iv. Our audit report on the Special Purpose Consolidated Financial Statements of IGI Netherlands as at and for year ended December 31, 2023 included an Emphasis of Matter paragraph and Other Matter paragraph which is reproduced below:

Emphasis of Matter
Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2.1 to the Special Purpose Consolidated Financial Statements, which describes the purpose and basis of preparation of the Special Purpose Consolidated Financial Statements. These Special Purpose Consolidated Financial Statements have been prepared by the Holding Company to assist International Gemmological Institute (India) Limited ("IGI India") to meet the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the proposed Initial Public Offer of equity shares of IGI India and will be included in the Draft Red Herring Prospectus ("DRHP") of IGI India. As a result, these Special Purpose Consolidated Financial Statements may not be suitable for another purpose.

Our report is addressed to the Board of Directors of the Holding Company and of IGI India, solely for the purposes stated above and should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Group or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our Opinion is not modified in respect of the above matter.

Other Matter
We did not audit the financial statements of three subsidiaries whose financial information reflect total assets of Rs. 201.44 million as at December 31, 2023, total revenues of Rs. 168.40 million and loss after tax amounting to Rs. 5.08 million for the year ended on that date, as considered in the Special Purpose Consolidated Financial Statements. These financial statements are unaudited and have been furnished to us by the Management of the Holding Company and our opinion on the Special Purpose Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiaries, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the Special Purpose Consolidated Financial Statements is not modified in respect of the above matter.

v. Our audit report on the Special Purpose Interim Consolidated Financial Statements of IGI Belgium as at and for the nine months period ended September 30, 2024 included an Emphasis of Matter paragraph which is reproduced below:

Emphasis of Matter
Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2.1 to the Special Purpose Interim Consolidated Financial Statements, which describes the purpose and basis of preparation of the Special Purpose Interim Consolidated Financial Statements. These Special Purpose Interim Consolidated Financial Statements have been prepared by the Holding Company to assist International Gemmological Institute (India) Limited ("IGI India") to meet the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the proposed Initial Public Offer of equity shares of IGI India and will be included in the Red Herring Prospectus ("RHP") and Prospectus of IGI India. As a result, these Special Purpose Interim Consolidated Financial Statements may not be suitable for another purpose.

Our report is addressed to the Board of Directors of the Holding Company and of IGI India, solely for the purposes stated above and should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Group or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our Opinion is not modified in respect of the above matter.

vi. Our audit report on the Special Purpose Consolidated Financial Statements of IGI Belgium as at and for year ended December 31, 2023 included an Emphasis of Matter paragraph which is reproduced below: -

Emphasis of Matter
Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2.1 to the Special Purpose Consolidated Financial Statements, which describes the purpose and basis of preparation of the Special Purpose Consolidated Financial Statements. These Special Purpose Consolidated Financial Statements have been prepared by the Holding Company to assist International Gemmological Institute (India) Limited ("IGI India") to meet the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the proposed Initial Public Offer of equity shares of IGI India and will be included in the Draft Red Herring Prospectus ("DRHP") of IGI India. As a result, these Special Purpose Consolidated Financial Statements may not be suitable for another purpose.

Our report is addressed to the Board of Directors of the Holding Company and of IGI India, solely for the purposes stated above and should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Group or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our Opinion is not modified in respect of the above matter.

Management's Responsibility for the Unaudited Pro Forma Condensed Combined Financial Information

6. The management of the Holding Company is responsible for compiling the Unaudited Pro Forma Condensed Combined Financial Information on the basis set out in note 2 to the Unaudited Pro Forma Condensed Combined Financial Information. This responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the Unaudited Pro Forma Condensed Combined Financial Information on the basis set out in note 2 to the Unaudited Pro Forma Condensed Combined Financial Information that is free from material misstatement, whether due to fraud or error. The management of Holding Company is also responsible for identifying and ensuring that the Holding Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of Unaudited Pro Forma Condensed Combined Financial Information. The Unaudited Pro Forma Condensed Combined Financial Information was approved by the Board of Directors of the Holding Company at their meeting held on November 25, 2024 for the purpose of inclusion in the RHP and Prospectus.

Auditor's Responsibilities

7. Our responsibility is to express an opinion, whether the Unaudited Pro Forma Condensed Combined Financial Information has been compiled, in all material respects, by the management of Holding Company on the basis set out in Note 2 to the Unaudited Pro Forma Condensed Combined Financial Information ("applicable criteria").

8. We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus", issued by the Institute of Chartered Accountants of India ('ICAI'). This Standard requires that the Auditors comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the management has compiled, in all material respects, the Unaudited Pro Forma Condensed Combined Financial Information on the basis set out in applicable criteria.

9. For the purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Condensed Combined Financial Information.

10. The purpose of Unaudited Pro Forma Condensed Combined Financial Information included in the RHP and Prospectus is solely to illustrate the impact of the proposed acquisitions as described in Note 2 to the Unaudited Pro Forma Financial Information on unadjusted financial information of the Group as if the acquisitions had been made at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the acquisitions would have been as presented.

11. A reasonable assurance engagement to report on whether the Unaudited Pro Forma Condensed Combined Financial Information has been compiled, in all material respects, on the basis of the

applicable criteria involves performing procedures to assess whether the applicable criteria used by Management in the compilation of the Unaudited Pro Forma Condensed Combined Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the acquisitions, and to obtain sufficient appropriate evidence about whether:

a) The related pro forma adjustments give appropriate effect to those criteria; and

b) The Unaudited Pro Forma Condensed Combined Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

12. The procedures selected depend on the auditor's judgment, having regard to the auditor's understanding of the nature of the Company, the acquisitions in respect of which the Unaudited Pro Forma Condensed Combined Financial Information has been compiled, and other relevant engagement circumstances.

13. The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Condensed Combined Financial Information.

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

15. This report is issued for the sole purpose of the Offering. Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside India, including in the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

16. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports or examination reports issued by us or by other chartered accountants on any financial statements of the Company or any of the components included in the Unaudited Pro Forma Condensed Combined Financial Information (Refer paragraph 4 above).

17. We have no responsibility to update our report or reissue our report for events and circumstances occurring after the date of the report.

Opinion

18. In our opinion, the Unaudited Pro Forma Condensed Combined Financial Information has been compiled, in all material respects, on the basis set out in Note 2 to the Unaudited Pro Forma Condensed Combined Financial Information.

Emphasis of Matter

19. We draw attention to Note 2 to the Unaudited Pro Forma Condensed Combined Financial Information, which states that Unaudited Pro Forma Condensed Combined Financial Information for the nine months period ended September 30, 2024, and year ended December 31, 2023, has been included as additional information in the RHP and Prospectus, considering the proposed acquisition of the Target Entities as a significant acquisition, although these Unaudited Pro Forma Condensed Combined Financial Information are not mandatorily required to be included as per SEBI ICDR Regulations.

Restrictions on use

20. This report is addressed to and is provided to enable the Board of Directors of the Holding Company to include this report in RHP and Prospectus, prepared in connection with the proposed Initial Public Offering of Equity Shares of the Company, to be filed by the Holding Company with the Securities and Exchange Board of India, National Stock Exchange of India Limited and BSE Limited and Registrar of Companies, Maharashtra, situated at Mumbai ("RoC") in connection with the proposed Offering. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. The Unaudited Proforma Condensed Combined Financial Information is not a complete set of financial statements of the Group in accordance with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, ("the Act") as applicable and is not intended to give a true and fair view of the Pro Forma Condensed Combined Balance Sheet and Pro Forma Condensed Combined Statement of profit and loss of the Group for the nine months period ended September 30, 2024 and year ended December 31, 2023, in accordance with the Indian Accounting Standards prescribed under section 133 of the Act, as applicable. As a result, these Unaudited Pro Forma Condensed Combined Financial Information may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **M S K A & Associates**
Chartered Accountants
Firm Registration Number: 105047W

Ankush Agrawal
Partner
Membership No.159694
UDIN: 24159694BKFHXV6982

Place: Mumbai
Date: November 25, 2024

International Gemmological Institute (India) Limited
(formerly known as International Gemmological Institute (India) Private Limited)

Unaudited Proforma Condensed Combined Balance Sheet as at 30 September 2024
(Amount in INR millions, unless otherwise stated)

		As at 30 September 2024					
Particulars	**Note**	**International Gemmological Institute (India) Limited (Restated Financial Information)**	**IGI Netherlands B.V. (Special Purpose Consolidated Financial Statements)**	**International Gemmological Institute BV (Special Purpose Consolidated Financial Statements)**	**Inter Company Eliminations**	**Proforma Adjustments**	**Proforma Consolidated Financial Information**
ASSETS							
Non-current assets							
Property, plant and equipment		767.82	453.79	225.94	-	-	1,447.55
Right-of-use assets		369.61	122.06	717.92	-	-	1,209.59
Capital work-in-progress		351.79	-	-	-	-	351.79
Investment property		-	16.75	-	-	-	16.75
Goodwill		-	481.91	548.39	-		1,030.30
Other Intangible assets		25.54	5.31	-	-	-	30.85
Intangible assets under development		29.14	-	-	-		29.14
Financial assets							
a) Loans		-	-	46.77	(46.77)	-	-
b) Other financial assets		1,029.42	22.84	35.29	(4.87)	-	1,082.68
Income tax assets (net)		2.88	48.37	94.82	-	-	146.07
Deferred tax asset		-	-	73.24	-	-	73.24
Other non current assets		31.70	-	-	-	-	31.70
Total non-current assets		**2,607.90**	**1,151.03**	**1,742.37**	**(51.64)**	**-**	**5,449.66**
Current assets							
Inventories		14.47	-	-	-	-	14.47
Financial assets							
a) Trade receivables		1,305.47	98.69	136.75	(49.49)	-	1,491.42
b) Cash and cash equivalents		203.01	518.08	264.04	-	-	985.13
c) Bank balances other than above		3,198.11	0.39	-	-	-	3,198.50
d) Other financial assets		174.19	14.21	90.59	-	-	278.99
Other current assets		252.84	77.11	18.57	-	-	348.52
Total current assets		**5,148.09**	**708.48**	**509.95**	**(49.49)**	**-**	**6,317.03**
Total assets		**7,755.99**	**1,859.51**	**2,252.32**	**(101.13)**	**-**	**11,766.69**
EQUITY AND LIABILITIES							
Equity							
Equity share capital	4	793.57	0.01	5.01	-	(5.02)	793.57
Other equity	4	5,640.55	1,305.26	987.28	4.90	(13,239.61)	(5,301.62)
Total equity		**6,434.12**	**1,305.27**	**992.29**	**4.90**	**(13,244.63)**	**(4,508.05)**
Liabilities							
Non-current liabilities							
Financial liabilities							
a) Borrowings		-	46.77	-	(46.77)	-	-
b) Lease liabilities		211.24	60.56	915.28	-	-	1,187.08
Employee benefit obligations		111.01	51.88	19.46	-	-	182.35
Deferred tax liabilities (net)		1.58	3.53	-	-	-	5.11
Total non-current liabilities		**323.83**	**162.74**	**934.74**	**(46.77)**	**-**	**1,374.54**
Current liabilities							
Financial liabilities							
a) Borrowings		-	8.37	-	(8.37)	-	-
b) Lease Liabilities		79.65	64.70	76.44	-	-	220.79
c) Trade payables							
Total outstanding dues of micro and small enterprises		26.32	-	-	-	-	26.32
Total outstanding dues other than micro and small enterprises		65.09	57.87	26.56	(45.64)	-	103.88
d) Other financial liabilities		521.42	78.47	201.28	(5.25)	-	795.92
e) Liability towards acquisition	4		-		-	13,244.63	13,244.63
Other current liabilities		201.88	151.84	13.66	-	-	367.38
Employee benefit obligations		4.14	10.79	2.65	-	-	17.58
Income tax liabilities (net)		99.54	19.46	4.70	-	-	123.70
Total current liabilities		**998.04**	**391.50**	**325.29**	**(59.26)**	**13,244.63**	**14,900.20**
Total liabilities		**1,321.87**	**554.24**	**1,260.03**	**(106.03)**	**13,244.63**	**16,274.74**
TOTAL EQUITY AND LIABILITIES		**7,755.99**	**1,859.51**	**2,252.32**	**(101.13)**	**-**	**11,766.69**

The accompanying notes are an integral part of these Unaudited Proforma Condensed Combined Financial Information
As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

Ankush Agrawal
Partner
Membership No: 159694

Place: Mumbai
Date: 25 November 2024

For and on behalf of the Board of Directors
International Gemmological Institute (India) Limited
CIN: U74999MH1999PLC118476

Prateek Roongta
Director
DIN: 00622797
Place: Mumbai
Date: 25 November 2024

Tehmasp Printer
Managing Director & CEO
DIN: 01306226
Place: Mumbai
Date: 25 November 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 25 November 2024

Hardik Desai
Company Secretary
Membership No: A35491

Place: Mumbai
Date: 25 November 2024

International Gemmological Institute (India) Limited
(formerly known as International Gemmological Institute (India) Private Limited)

Unaudited Proforma Condensed Combined Statement of Profit and Loss for the nine months period ended 30 September 2024
(Amount in INR millions, unless otherwise stated)

		For the nine months period ended 30 September 2024					
Particulars	**Note**	**International Gemmological Institute (India) Limited (Restated Financial Information)**	**IGI Netherlands B.V. (Special Purpose Consolidated Financial Statements)**	**International Gemmological Institute BV (Special Purpose Consolidated Financial Statements)**	**Inter Company Eliminations**	**Proforma Adjustments**	**Proforma Consolidated Financial Information**
Income							
Revenue from operations		5,963.57	1,014.26	975.39	(71.62)	-	7,881.60
Other income		231.35	18.68	66.07	(3.00)	-	313.10
Total Income		**6,194.92**	**1,032.94**	**1,041.46**	**(74.62)**	**-**	**8,194.70**
Expenses							
Purchase of stock-in-trade		32.86	-	-		-	32.86
Change in inventories of stock-in-trade		(6.94)	-	-		-	(6.94)
Employee benefits expenses		840.60	438.42	707.09		-	1,986.11
Finance costs		17.81	7.31	50.33	(3.00)	-	72.45
Depreciation and amortization expenses		108.64	116.87	86.05		-	311.56
Other expenses		805.23	309.94	409.25	(71.99)	-	1,452.43
Total expenses		**1,798.20**	**872.54**	**1,252.72**	**(74.99)**	**-**	**3,848.47**
Profit/(Loss) before tax		**4,396.72**	**160.40**	**(211.26)**	**0.37**	**-**	**4,346.23**
Tax expense:							
- Current tax		(1,112.84)	(50.88)	(4.83)		-	(1,168.55)
- Adjustment of tax relating to earlier periods		(12.36)	-	-			
- Deferred tax		(10.92)	(0.19)	1.76		-	(9.35)
Total tax expense		**(1,136.12)**	**(51.07)**	**(3.07)**	**-**	**-**	**(1,177.90)**
Profit/(Loss) for the period		**3,260.60**	**109.33**	**(214.33)**	**0.37**	**-**	**3,168.33**
Other comprehensive income:							
Items that will not be reclassified to profit or loss:					-		
Remeasurement of actuarial gain/(loss)		(38.94)	(2.25)	-	-	-	(41.19)
Income tax on above		9.80	-	-		-	9.80
		(29.14)	(2.25)	-	-	-	**(31.39)**
Items that will be reclassified to profit or loss:							
Foreign currency translation difference of foreign operations		10.24	24.17	17.65	4.53	-	56.59
		10.24	**24.17**	**17.65**	**4.53**	**-**	**56.59**
Other comprehensive income/(loss) for the period, net of tax		**(18.90)**	**21.92**	**17.65**	**4.53**	**-**	**25.20**
Total comprehensive income/(loss) for the period		**3,241.70**	**131.25**	**(196.68)**	**4.90**	**-**	**3,193.53**
Profit/(loss) for the period attributable to							
Owners of the Company		3,260.60	109.33	(214.33)	0.37	-	3,168.33
Non-controlling interests		-	-	-	-	-	-
		3,260.60	**109.33**	**(214.33)**	**0.37**	**-**	**3,168.33**
Other comprehensive income/(loss) for the period attributable to							
Owners of the Company		(18.90)	21.92	17.65	4.53	-	25.20
Non-controlling interests		-	-	-	-	-	-
		(18.90)	**21.92**	**17.65**	**4.53**	**-**	**25.20**
Total comprehensive income/(loss) for the period attributable to							
Owners of the Company		3,241.70	131.25	(196.68)	4.90	-	3,193.53
Non-controlling interests		-	-	-	-	-	-
		3,241.70	**131.25**	**(196.68)**	**4.90**	**-**	**3,193.53**
Earnings per share (in INR)							
Basic		8.22					7.99
Diluted		8.22					7.99

The accompanying notes are an integral part of these Unaudited Proforma Condensed Combined Financial Information
As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

Ankush Agrawal
Partner
Membership No: 159694

Place: Mumbai
Date: 25 November 2024

For and on behalf of the Board of Directors
International Gemmological Institute (India) Limited
CIN: U74999MH1999PLC118476

Prateek Roongta
Director
DIN: 00622797
Place: Mumbai
Date: 25 November 2024

Tehmasp Printer
Managing Director & CEO
DIN: 01306226
Place: Mumbai
Date: 25 November 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 25 November 2024

Hardik Desai
Company Secretary
Membership No: A35491

Place: Mumbai
Date: 25 November 2024

International Gemmological Institute India Limited
(formerly known as International Gemmological Institute (India) Private Limited)

Unaudited Proforma Condensed Combined Balance Sheet as at 31 December 2023
(Amount in INR millions, unless otherwise stated)

		As at 31 December 2023					
Particulars	**Note**	**International Gemmological Institute (India) Limited (Restated Financial Information)**	**IGI Netherlands B.V. (Special Purpose Consolidated Financial Statements)**	**International Gemmological Institute BV (Special Purpose Consolidated Financial Statements)**	**Inter Company Eliminations**	**Proforma Adjustments**	**Proforma Consolidated Financial Information**
ASSETS							
Non-current assets							
Property, plant and equipment		752.07	459.84	224.04	-	-	1,435.95
Right-of-use assets		387.84	166.98	775.05	-	-	1,329.87
Capital work-in-progress		201.58	-	-	-	-	201.58
Investment property		-	18.58	-	-	-	18.58
Goodwill		-	476.35	537.85	-	-	1,014.20
Other Intangible assets		31.06	6.60	-	-	-	37.66
Financial assets							
a) Loans		-	-	66.58	(66.58)	-	-
b) Other financial assets		796.05	42.79	102.48	-	-	941.32
Income tax assets (net)		120.73	48.77	16.63	-	-	186.13
Deferred tax asset		-	-	70.91	-	-	70.91
Other non current assets		134.74	6.12	-	-	-	140.86
Total non-current assets		**2,424.07**	**1,226.03**	**1,793.54**	**(66.58)**	**-**	**5,377.06**
Current assets							
Inventories		7.53	-	-	-	-	7.53
Financial assets							
a) Trade receivables		1,077.90	62.55	179.89	(65.36)	-	1,254.98
b) Cash and cash equivalents		1,166.80	479.90	267.63	-	-	1,914.33
c) Bank balances other than above		1,217.08	82.37	-	-	-	1,299.45
d) Loans		-	3.96	-	(3.96)		-
e) Other financial assets		73.62	19.68	66.10	(2.25)	-	157.15
Income tax assets (net)		-	-	78.87	-		78.87
Other current assets		65.04	134.84	20.08	-	-	219.96
Total current assets		**3,607.97**	**783.30**	**612.57**	**(71.57)**	**-**	**4,932.27**
Total assets		**6,032.04**	**2,009.33**	**2,406.11**	**(138.15)**	**-**	**10,309.33**
EQUITY AND LIABILITIES							
Equity							
Equity share capital	4	3.95	0.01	5.01	-	(5.02)	3.95
Other equity	4	5,086.14	1,174.00	1,183.96	(6.88)	(13,239.61)	(5,802.39)
Total equity		**5,090.09**	**1,174.01**	**1,188.97**	**(6.88)**	**(13,244.63)**	**(5,798.44)**
Liabilities							
Non-current liabilities							
Financial liabilities							
a) Borrowings		-	26.18	-	(26.18)	-	-
b) Lease liabilities		227.30	99.29	961.13	-	-	1,287.72
Employee benefit obligations		74.51	55.06	19.16	-	-	148.73
Deferred tax liabilities (net)		0.47	3.26	-	-	-	3.73
Total non-current liabilities		**302.28**	**183.79**	**980.29**	**(26.18)**	**-**	**1,440.18**
Current liabilities							
Financial liabilities							
a) Borrowings		-	40.60	-	(40.25)	-	0.35
b) Lease Liabilities		79.13	65.25	73.40	-	-	217.78
c) Trade payables							
Total outstanding dues of micro and small enterprises		27.25	-	-	-	-	27.25
Total outstanding dues other than micro and small enterprises		67.40	115.40	37.97	(53.25)	-	167.52
d) Other financial liabilities		234.55	84.31	109.31	(11.59)	-	416.58
e) Liability towards acquisition	4	-	-	-	-	13,244.63	13,244.63
Other current liabilities		181.38	295.28	13.53	-	-	490.19
Employee benefit obligations		49.96	4.91	2.64	-	-	57.50
Income tax liabilities (net)		-	45.79	-	-	-	45.79
Total current liabilities		**639.67**	**651.53**	**236.85**	**(105.09)**	**13,244.63**	**14,667.59**
Total liabilities		**941.95**	**835.32**	**1,217.14**	**(131.27)**	**13,244.63**	**16,107.77**
TOTAL EQUITY AND LIABILITIES		**6,032.04**	**2,009.33**	**2,406.11**	**(138.15)**	**-**	**10,309.33**

The accompanying notes are an integral part of these Unaudited Proforma Condensed Combined Financial Information
As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

Ankush Agrawal
Partner
Membership No: 159694

Place: Mumbai
Date: 25 November 2024

For and on behalf of the Board of Directors
International Gemmological Institute (India) Limited
CIN: U74999MH1999PLC118476

Prateek Roongta
Director
DIN: 00622797
Place: Mumbai
Date: 25 November 2024

Tehmasp Printer
Managing Director & CEO
DIN: 01306226
Place: Mumbai
Date: 25 November 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 25 November 2024

Hardik Desai
Company Secretary
Membership No: A35491

Place: Mumbai
Date: 25 November 2024

International Gemmological Institute (India) Limited
(formerly known as International Gemmological Institute (India) Private Limited)

Unaudited Proforma Condensed Combined Statement of Profit and Loss for the year ended 31 December 2023
(Amount in INR millions, unless otherwise stated)

		For the year ended 31 December 2023					
Particulars	**Note**	**International Gemmological Institute (India) Limited (Restated Financial Information)**	**IGI Netherlands B.V. (Special Purpose Consolidated Financial Statements)**	**International Gemmological Institute BV (Special Purpose Consolidated Financial Statements)**	**Inter Company Eliminations**	**Proforma Adjustments**	**Proforma Consolidated Financial Information**
Income							
Revenue from operations		6,385.28	1,158.92	1,515.84	(79.90)	-	8,980.14
Other income		101.32	5.69	12.44	(2.34)	-	117.11
Total Income		**6,486.60**	**1,164.61**	**1,528.28**	**(82.24)**	**-**	**9,097.25**
Expenses							
Purchase of stock-in-trade		39.13	-	-	-	-	39.13
Change in inventories of stock-in-trade		(6.10)	-	-	-	-	(6.10)
Employee benefits expenses		970.91	521.60	858.09	-	-	2,350.60
Finance costs		33.08	11.57	61.98	(2.40)	-	104.23
Depreciation and amortization expenses		131.64	110.16	176.79	-	-	418.59
Other expenses		880.16	398.88	437.27	(79.82)	-	1,636.49
Total expenses		**2,048.82**	**1,042.21**	**1,534.13**	**(82.22)**	**-**	**4,542.94**
Profit/(Loss) before tax		**4,437.78**	**122.40**	**(5.85)**	**(0.02)**	**-**	**4,554.31**
Tax expense:							
- Current tax		(1,197.00)	(48.39)	(47.30)	-	-	(1,292.69)
- Deferred tax		6.60	1.84	38.42	-	-	46.86
Total tax expense		**(1,190.40)**	**(46.55)**	**(8.88)**	**-**	-	**(1,245.83)**
Profit/(Loss) for the year		**3,247.38**	**75.85**	**(14.73)**	**(0.02)**	**-**	**3,308.48**
Other comprehensive income:							
Items that will not be reclassified to profit or loss:							
Remeasurement of actuarial gain/(loss)		(204.14)	22.00	-	-	-	(182.14)
Income tax on above		51.38	-	-	-	-	51.38
		(152.76)	22.00	-	-	-	**(130.76)**
Items that will be reclassified to profit or loss:							
Foreign currency translation difference of foreign operations		1.97	(14.56)	28.30	(6.86)	-	8.85
		1.97	**(14.56)**	**28.30**	**(6.86)**	**-**	**8.85**
Other comprehensive income/(loss) for the year, net of tax		**(150.79)**	**7.44**	**28.30**	**(6.86)**	**-**	**(121.91)**
Total comprehensive income/(loss) for the year		**3,096.59**	**83.29**	**13.57**	**(6.88)**	**-**	**3,186.57**
Profit/(loss) for the year attributable to							
Owners of the Company		3,247.38	75.85	(14.73)	(0.02)	-	3,308.48
Non-controlling interests		-	-	-	-	-	-
		3,247.38	**75.85**	**(14.73)**	**(0.02)**	**-**	**3,308.48**
Other comprehensive income/(loss) for the year attributable to							
Owners of the Company		(150.79)	7.44	28.30	(6.86)	-	(121.91)
Non-controlling interests		-	-	-	-	-	-
		(150.79)	**7.44**	**28.30**	**(6.86)**	**-**	**(121.91)**
Total comprehensive income/(loss) for the year attributable to							
Owners of the Company		3,096.59	83.29	13.57	(6.88)	-	3,186.57
Non-controlling interests		-	-	-	-	-	-
		3,096.59	**83.29**	**13.57**	**(6.88)**	**-**	**3,186.57**
Earnings per share (in INR)							
Basic		8.18					8.34
Diluted		8.18					8.34

The accompanying notes are an integral part of these Unaudited Proforma Condensed Combined Financial Information
As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

Ankush Agrawal
Partner
Membership No: 159694

Place: Mumbai
Date: 25 November 2024

For and on behalf of the Board of Directors
International Gemmological Institute (India) Limited
CIN: U74999MH1999PLC118476

Prateek Roongta
Director
DIN: 00622797
Place: Mumbai
Date: 25 November 2024

Tehmasp Printer
Managing Director & CEO
DIN: 01306226
Place: Mumbai
Date: 25 November 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 25 November 2024

Hardik Desai
Company Secretary
Membership No: A35491

Place: Mumbai
Date: 25 November 2024

Notes to the Unaudited Proforma Condensed Combined Financial Information

(Amount in INR millions, unless otherwise stated)

1 **Background:**

International Gemmological Institute (India) Limited [formerly known as International Gemmological Institute (India) Private Limited] (the "Holding Company" or "Acquirer" or the "Group") is a public company domiciled in India and is incorporated under the provisions of The Companies Act, 2013 (the "Act") applicable in India. The registered office of the Company is located at 702, The Capital, G Block , Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra 400051 and having corporate identification number (CIN) U74999MH1999PLC118476.

The Holding Company is primarily engaged in the business of certification of diamonds, gemstones and jewellery with comprehensive analysis and clear documentation for consumers. The Holding Company is also operating laboratories and offices in Mumbai, Kolkata, New Delhi, Thrissur, Jaipur, Surat, Chennai, Ahmedabad, Hyderabad, Coimbatore, Indore, Pune, Chandigarh and Bangalore. Also the company is having school of Gemmology at various locations and offers a variety of courses designed for professionals and consumer enthusiasts.

2 **Basis of preparation:**

The Unaudited Proforma Condensed Combined Financial Information comprising of the Proforma Condensed Combined Balance Sheet as at 30 September 2024 and 31 December 2023, and Proforma Condensed Combined Statement of Profit and Loss (including other comprehensive income) for the nine months period ended 30 September 2024 and the year ended 31 December 2023, read with the notes to the Unaudited Proforma Condensed Combined Financial Information (together referred to as "Unaudited Proforma Condensed Combined Financial Information"), has been prepared to illustrate the impact of the proposed acquisition of IGI Netherlands B.V. ("IGI Netherlands") and International Gemmological Institute BV ("IGI Belgium") (IGI Netherlands and IGI Belgium together referred to as "Target Entities") from the proceeds of proposed Initial Public Offer of the Company, on the Holding Company's financial position as at 30 September 2024 and 31 December 2023, and its financial performance for the nine months period ended 30 September 2024 and for the year ended 31 December 2023, as if the acquisitions had taken place as at 1 January 2023.

The Unaudited Proforma Condensed Combined Financial Information is prepared for the purposes of inclusion in the Red Herring Prospectus ('RHP') and Prospectus in connection with the proposed initial public offering (the "Offering") of equity shares of the Holding Company as per the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), which includes an offer in jurisdictions outside the United States in "offshore transactions" in reliance on Regulation S under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") and within the United States only to persons reasonably believed to be "qualified institutional buyers" as defined in Rule 144A under the U.S. Securities Act.

The Unaudited Proforma Condensed Combined Financial Information has been included as additional information in the RHP and Prospectus, considering the proposed acquisition of the Target Entities as a significant acquisition, although these Unaudited Proforma Condensed Combined Financial Information are not mandatorily required to be included as per SEBI ICDR Regulations.

Because of their nature, the Unaudited Proforma Condensed Combined Financial Information addresses a hypothetical situation and, therefore, do not represent Holding Company's actual consolidated financial information. They purport to indicate the results of operations that would have resulted had the acquisition been completed at the beginning of the periods presented (1 January 2023) but are not intended to be indicative of expected results or operations in the future periods of the Group. The proforma adjustments are based upon available information and assumptions that the management of the Holding Company believes to be reasonable. Such proforma condensed financial information has not been prepared in accordance with standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. Accordingly, the degree of reliance placed by investors in other jurisdictions on such proforma information should be limited.

The Proforma Condensed Combined Balance Sheet as at 30 September 2024 and 31 December 2023, and Proforma Condensed Combined Statement of profit and loss (including other comprehensive income) for the nine month period ended 30 September 2024 and the year ended 31 December 2023 is presented for illustrative purposes only and does not reflect the costs of any integration activities or cost savings or synergies that may be achieved as a result of the acquisition. Actual results may differ materially from the results reflected in Unaudited Proforma Condensed Combined Financial Information.

The Unaudited Proforma Condensed Combined Financial Information is not a complete set of financial statements and does not include all disclosures in accordance with the Indian Accounting Standards (referred to as 'Ind AS') prescribed under Section 133 of the Companies Act,2013 (referred to as 'the Act') and Schedule III of the Act, as applicable and is not intended to give true and fair view of the financial position or the financial performance for the period/year, in accordance with Ind AS prescribed under Section 133 of the Act. As a result, these Unaudited Proforma Condensed Combined Financial Information may not be comparable and suitable for any other purpose. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and performance. Hence, these Unaudited Proforma Financial Information have been indicated as Condensed Financial Information.

In addition, the rules and regulations related to the preparation of Proforma Condensed Combined Financial Information in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs below. Accordingly, the degree of reliance placed by investors in other jurisdictions on such proforma information should be limited.

Notes to the Unaudited Proforma Condensed Combined Financial Information
(Amount in INR millions, unless otherwise stated)

The Unaudited Proforma Condensed Combined Financial Information for the period/year presented has been prepared by combining the following financial information prepared as per Ind AS and after making the adjustments as detailed in the following section "Proforma adjustments" –

a. the Group's Restated Financial Information as at and for the nine months period ended 30 September 2024 and 30 September 2023 and the years ended 31 December 2023, 31 December 2022 and 31 December 2021, approved by the Board of Directors of the Holding Company dated November 25, 2024.

b. the audited Special Purpose Interim Consolidated Financial Statements of IGI Netherlands B.V. for the nine months period ended 30 September 2024 approved by the Board of Directors of the IGI Netherlands B.V. dated November 25, 2024.

c. the audited Special Purpose Consolidated Financial Statements of IGI Netherlands B.V. for the year ended 31 December 2023 approved by the Board of Directors of the IGI Netherlands B.V. dated 6 August 2024.

(b and c collectively referred to as IGI Netherlands B.V. Financial Statements).

d. the audited Special Purpose Interim Consolidated Financial Statements of International Gemmological Institute BV (Belgium) for the nine months period ended 30 September 2024 approved by the Board of Directors of the International Gemmological Institute BV (Belgium) dated November 25, 2024.

e. the audited Special Purpose Consolidated Financial Statements of International Gemmological Institute BV (Belgium) for the year ended 31 December 2023 approved by the Board of Directors of the International Gemmological Institute BV (Belgium) dated 6 August 2024.

(d and e collectively referred to as International Gemmological Institute BV (Belgium) Financial Statements)

The above is collectively referred as "Target Entities Financial Statements".

The Group's Restated Financial Information, IGI Netherlands Financial Statements and IGI Belgium Financial Statements have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses.

3 Proforma adjustments relating to accounting policies

The Unaudited Proforma Condensed Combined Financial Information has been compiled to reflect the respective accounting policies adopted by the Company, IGI Netherlands, and IG Belgium and hence there are no adjustments related to uniformity of accounting policies in the Unaudited Proforma Condensed Combined Financial Information.

4 Proforma adjustments

As this point in time, an estimate acquisition price has been ascertained in respect of the proposed acquisition. The following proforma adjustments have been made in the Unaudited Proforma Condensed Combined Financial information:

Particulars	IGI Netherlands B.V.	International Gemmological Institute B.V.	Total
Consideration to be paid	7,404.22	5,840.41	13,244.63
Equity share capital of Target Entities	(0.01)	(5.01)	(5.02)
Capital reserve	**7,404.21**	**5,835.40**	**13,239.61**

Note:

The difference between consideration to be paid and equity share capital of the Target Entities has been transferred to capital reserve as per Appendix C 'Business combinations of entities under common control' of Ind AS 103. The same is reflected under other equity in the Unaudited Proforma Condensed Combined Balance sheet as at 30 September 2024 and 31 December 2023 amounting to INR 13,239.61 million. A liability towards acquisition amounting to INR 13,244.63 million has been recognized in the Unaudited Proforma Condensed Combined Balance sheet as at 30 September 2024 and 31 December 2023. The equity share capital of the Target Entities stands eliminated as at 30 September 2024 and 31 December 2023.

5 Inter Company Eliminations:

These adjustments reflect eliminations on account of intra-group transactions between International Gemmological Institute (India) Limited, IGI Netherlands and IGI Belgium.

6 The aforesaid transaction does not involve issue of equity shares to the acquiree company in lieu of such acquisition. While the amount raised from the proposed IPO would be used to fund the acquisition, the number of shares to be issued under the IPO is currently not ascertainable in absence of finalisation of prices at the current stage. As a result, there is no change in number of shares for the purpose of computation of earnings per equity shares.

Notes to the Unaudited Proforma Condensed Combined Financial Information
(Amount in INR millions, unless otherwise stated)

7 Other than those mentioned above, no additional adjustments have been made to the Unaudited Proforma Condensed Combined Financial Information to reflect any other transactions of the Company or the Target Entities subsequent to 30 September 2024.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

Ankush Agrawal
Partner
Membership No: 159694

Place: Mumbai
Date: 25 November 2024

For and on behalf of the Board of Directors
International Gemmological Institute (India) Limited
CIN: U74999MH1999PLC118476

Prateek Roongta
Director
DIN: 00622797
Place: Mumbai
Date: 25 November 2024

Tehmasp Printer
Managing Director & CEO
DIN: 01306226
Place: Mumbai
Date: 25 November 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 25 November 2024

Hardik Desai
Company Secretary
Membership No: A35491

Place: Mumbai
Date: 25 November 2024

SPECIAL PURPOSE CONSOLIDATED FINANCIAL STATEMENTS FOR IGI BELGIUM GROUP AND IGI NETHERLANDS GROUP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
International Gemological Institute BV and International Gemmological Institute (India) Limited (formerly "International Gemmological Institute (India) Private Limited")

Report on the Audit of the Special Purpose Consolidated Financial Statements

Opinion

We have audited the accompanying Special Purpose Consolidated Financial Statements of International Gemological Institute BV (the "Holding Company") and its subsidiary (together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at December 31, 2022 and December 31, 2021, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the years ended December 31, 2022 and December 31, 2021, and notes to the Special Purpose Consolidated Financial Statements, including significant accounting policies and other explanatory information and disclosure (collectively referred to as the "Special Purpose Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the accompanying Special Purpose Consolidated Financial Statements of the Group as at December 31, 2022 and 31, December 2021 are prepared, in all material respects, in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the Special Purpose Consolidated Financial Statements, 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.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2.1 to the Special Purpose Consolidated Financial Statements, which describes the purpose and basis of preparation of the Special Purpose Consolidated Financial Statements. These Special Purpose Consolidated Financial Statements have been prepared by the Holding Company to assist International Gemmological Institute (India) Limited ("IGI India") to meet the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the proposed Initial Public Offer of equity shares of IGI India and will be included in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") and

Prospectus of IGI India. As a result, these Special Purpose Consolidated Financial Statements may not be suitable for another purpose.

Our report is addressed to the Board of Directors of the Holding Company and of IGI India, solely for the purposes stated above and should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Group or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our Opinion is not modified in respect of the above matter.

Responsibilities of Management and Board of Directors for Special Purpose Consolidated Financial Statements

The Holding Company's Management and Board of Directors is responsible for the preparation and fair presentation of these Special Purpose Consolidated Financial Statements in accordance with the accounting principles generally accepted in India, including the Ind AS; and this includes design, implementation and maintenance of such internal control as management determines is necessary to enable the preparation of Special Purpose Consolidated Financial Statements that are free from material misstatement whether due to fraud or error.

In preparing the Special Purpose Consolidated Financial Statements, the respective Management and Board of Directors of the Companies included in the Group are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the companies included in the Group or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Special Purpose Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose Consolidated 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 Special Purpose Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the special purpose consolidated 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, but not for expressing our opinion on whether the group has internal financial controls with reference to special purpose consolidated financial statements in place and the operating effectiveness of such controls.

- 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 Group'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 special purpose consolidated 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 Group to cease to continue as a going concern.

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

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.

Other Matter

The opening balance sheet as at January 1, 2021 included in these Special Purpose Consolidated Financial Statements is based on the unaudited management accounts, which were adjusted for the GAAP differences in accordance with the accounting principles adopted by the Group in order to align it to the accounting principles under which this report is being issued. All these GAAP adjustments have been audited by us.

Our opinion on the Special Purpose Consolidated Financial Statements is not modified in respect of the above matter.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Ankush Agrawal
Partner
Membership No. 159694
UDIN: 24159694BKFHUM3684

Place: Mumbai
Date: August 06, 2024

International Gemmological Institute BV

Special Purpose Consolidated Balance Sheet as at 31 December 2021 and 31 December 2022

(Amounts in INR millions, unless otherwise stated)

Particulars	Note	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
ASSETS				
Non-current assets				
Property, plant and equipment	7	201.38	158.33	142.57
Right-of-use assets	7.1	140.55	214.05	296.62
Goodwill	8	518.25	494.18	527.29
Financial assets				
(a) Other financial assets	9	158.22	93.57	113.00
Deferred tax asset (net)	29	32.27	14.90	1.94
Total non-current assets		**1,050.67**	**975.03**	**1,081.42**
Current assets				
Financial assets				
(a) Trade receivables	12	150.85	301.71	177.58
(b) Cash and cash equivalents	13	287.95	460.32	195.21
(c) Other financial assets	9	25.64	21.74	19.95
Income tax assets (net)	11	103.84	8.42	6.74
Other current assets	10	26.26	22.86	29.58
Total current assets		**594.54**	**815.05**	**429.06**
TOTAL ASSETS		**1,645.21**	**1,790.08**	**1,510.48**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	14	5.01	5.01	5.01
Other equity	15	1,170.39	1,189.95	912.99
Total equity		**1,175.40**	**1,194.96**	**918.00**
Liabilities				
Non-current liabilities				
Financial liabilities				
(a) Lease liabilities	18	170.89	240.98	317.01
Employee benefit obligations	17	18.93	12.45	-
Total non-current liabilities		**189.82**	**253.43**	**317.01**
Current liabilities				
Financial liabilities				
(a) Borrowings	16	-	-	28.80
(b) Lease liabilities	18	97.20	81.27	76.75
(c) Trade payables	22	55.83	81.41	72.35
(d) Other financial liabilities	19	108.22	96.08	90.96
Other current liabilities	20	8.77	5.74	3.89
Employee benefit obligations	17	2.85	2.24	-
Income tax liabilities (net)	21	7.12	74.95	2.72
Total current liabilities		**279.99**	**341.69**	**275.47**
Total liabilities		**469.81**	**595.12**	**592.48**
TOTAL EQUITY AND LIABILITIES		**1,645.21**	**1,790.08**	**1,510.48**

See accompanying notes to the Special Purpose Consolidated Financial Statements. 1 - 38

* Refer note 6 for first time adoption of IND AS

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of the Board of Directors
International Gemmological Institute BV

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 06 August 2024

Tejas Deepak Naphade
Director
DIN: 10219144

Place: Mumbai
Date: 06 August 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 06 August 2024

International Gemmological Institute BV

Special Purpose Consolidated Statement of Profit and Loss for the years ended 31 December 2021 and 31 December 2022

(Amounts in INR millions, unless otherwise stated)

Particulars	Note	For the year ended 31 December 2022	For the year ended 31 December 2021
Income			
Revenue from operations	23	1,549.26	1,598.89
Other income	24	16.46	12.68
Total income		**1,565.72**	**1,611.57**
Expenses			
Employee benefit expenses	25	841.02	713.06
Finance costs	26	10.66	11.58
Depreciation and amortization expenses	27	113.02	97.29
Other expenses	28	358.83	379.35
Total expenses		**1,323.53**	**1,201.28**
Profit before tax		**242.19**	**410.29**
Tax expense:			
- Current tax	29	(68.10)	(142.07)
- Deferred tax		14.90	12.80
Total tax expense		**(53.20)**	**(129.27)**
Profit for the year		**188.99**	**281.02**
Other comprehensive income:			
Items that will be reclassified to profit or loss			
Foreign currency translation difference of foreign operations		59.85	(4.06)
		59.85	**(4.06)**
Other comprehensive income/(loss) for the year, net of tax		**59.85**	**(4.06)**
Total comprehensive income for the year		**248.84**	**276.95**
Profit for the year attributable to			
Owners of the Holding Company		188.99	281.02
Non-controlling interest		-	-
		188.99	**281.02**
Other comprehensive income/(loss) for the year attributable to			
Owners of the Holding Company		59.85	(4.06)
Non-controlling interest		-	
		59.85	**(4.06)**
Total comprehensive income for the year attributable to			
Owners of the Holding Company		248.84	276.95
Non-controlling interest		-	-
		248.84	**276.95**
Earnings per share (in INR) of face value of Euro 74.40 each			
Basic	30	**2,51,990.66**	**3,74,690.04**
Diluted	30	**2,51,990.66**	**3,74,690.04**
See accompanying notes to the Special Purpose Consolidated Financial Statements.	1 - 38		

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of the Board of Directors
International Gemmological Institute BV

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 06 August 2024

Tejas Deepak Naphade
Director
DIN: 10219144

Place: Mumbai
Date: 06 August 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 06 August 2024

International Gemmological Institute BV

Special Purpose Consolidated Statement of changes in equity for the years ended 31 December 2021 and 31 December 2022
(Amounts in INR millions, unless otherwise stated)

A) Equity share capital

Particulars	Number of shares	Amount
For the year ended 31 December 2021		
Balance as at 1 January 2021	750	5.01
Changes in equity share capital during the year	-	-
Balance as at 31 December 2021	**750**	**5.01**
For the year ended 31 December 2022		
Balance as at 1 January 2022	750	5.01
Changes in equity share capital during the year	-	-
Balance as at 31 December 2022	**750**	**5.01**

B) Other equity

Particulars	Reserves and Surplus					Other Comprehensive	Total
	Retained Earnings	Securities premium	Legal reserve	Investment reserve	Taxed Reserves	Foreign currency translation reserve	
Balance as at 1 January 2021	373.35	534.92	0.50	1.68	2.54	-	**912.99**
Profit for the year	281.02	-	-		-	-	**281.02**
Foreign currency translation difference during the year	-	-	-		-	(4.06)	**(4.06)**
Balance as at 31 December 2021	**654.37**	**534.92**	**0.50**	**1.68**	**2.54**	**(4.06)**	**1,189.95**

Particulars	Reserves and Surplus					Other Comprehensive	Total
	Retained Earnings	Securities premium	Legal reserve	Investment reserve	Taxed Reserves	Foreign currency translation reserve	
Balance as at 1 January 2022	654.37	534.92	0.50	1.68	2.54	(4.06)	**1,189.95**
Profit for the year	188.99	-	-	-	-	-	**188.99**
Dividend paid on equity shares	(268.40)	-	-	-	-	-	**(268.40)**
Foreign currency translation difference during the year	-	-	-	-	-	59.85	**59.85**
Balance as at 31 December 2022	**574.96**	**534.92**	**0.50**	**1.68**	**2.54**	**55.79**	**1,170.39**

See accompanying notes to the Special Purpose Consolidated Financial Statements.
As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of the Board of Directors
International Gemmological Institute BV

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 06 August 2024

Tejas Deepak Naphade
Director
DIN: 10219144

Place: Mumbai
Date: 06 August 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 06 August 2024

International Gemmological Institute BV

Special Purpose Consolidated Statement of Cash Flows for the years ended 31 December 2021 and 31 December 2022

(Amounts in INR millions, unless otherwise stated)

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Cash flow from operating activities		
Profit before tax	**242.19**	**410.29**
Adjustments for:		
Depreciation on property, plant and equipment	20.41	10.64
Depreciation on right-of-use assets	92.61	86.65
Interest income for financial assets measured at amortised cost	(3.95)	(4.40)
Interest expense on lease liabilities	10.66	11.58
Reversal of excess provision/ balance written back	-	-
Bad debts and provision for doubtful debts	24.08	15.23
Gain on sale of property, plant & equipment	(0.41)	-
Operating profit before changes in working capital	**385.59**	**529.99**
Changes in working capital :		
Increase in other financial liabilities	12.14	5.19
(Decrease)/increase in trade payables	(25.57)	9.06
Increase in provisions	7.09	14.70
Increase in other current liabilities	3.03	1.85
Increase in other financial assets	(89.99)	(1.37)
Decrease/(increase) in other current assets	(3.39)	6.72
Decrease/(increase) in trade receivables	126.78	(139.37)
Cash generated from operating activities before taxes	**415.68**	**426.77**
Income tax paid (net)	(231.35)	(71.51)
Net cash generated from operating activities (A)	**184.33**	**355.26**
Cash flows from investing activities		
Payment for property, plant and equipment and items capitalized in CWIP	(63.47)	(26.40)
Sale of property, plant and equipment	0.41	-
Rental income from sub-lease	25.40	23.41
Net cash used in investing activities (B)	**(37.66)**	**(2.99)**
Cash flows from financing activities		
Proceeds/(repayment) of borrowings	-	(28.80)
Principal payment of lease liabilities	(85.81)	(77.29)
Interest payment of lease liabilities	(10.66)	(11.58)
Dividend paid	(268.40)	-
Net cash used in financing activities (C)	**(364.87)**	**(117.67)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(218.20)	234.60
Foreign currency translation difference of foreign operations	45.83	30.51
Cash and cash equivalents at the beginning of the year (Note 13)	460.32	195.21
Cash and cash equivalents at the end of the year (Note 13)	**287.95**	**460.32**

The Statement of Cash flows has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash flows'.
Refer Note 7.1 for reconciliation of movements of lease liabilities to cash flows arising from financing activities.

See accompanying notes to the Special Purpose Consolidated Financial Statements.
As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of the Board of Directors
International Gemmological Institute BV

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 06 August 2024

Tejas Deepak Naphade
Director
DIN: 10219144

Place: Mumbai
Date: 06 August 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 06 August 2024

Special Purpose Consolidated Notes to the financial statements for the years ended 31 December 2021 and 31 December 2022

1 Corporate Information

International Gemmological Institute B.V. (the "Company" or the "Holding Company" or the "Parent Company") is a Besloten Vennootschap company register in Belgium, with its registered office situated at Schupstraat, Postal Number 2018, Gemeente - Antwerpen and having corporate identification number (CIN) 0415.201.273.

The Special Purpose Consolidated Financial Statements include the financial statements of the Holding Company and it's subsidiary, as mentioned below (collectively referred to as the "Group").

Name of the subsidiary	Country of incorporation	Percentage holding
International Gemological Institute Inc.	USA	100%

The Group is primarily engaged in the business of Certification of diamonds, gemstones & jewellery with comprehensive analysis & clear documentation for consumers. Also the Group is having school of Gemmology at various locations and offers a variety of courses designed for professionals and consumer enthusiasts.

The Special Purpose Consolidated Financial Statements of the Group for the year ended 31 December 2022 and 31 December 2021 were authorized for issue in accordance with a resolution of the Board of Directors on 06 August 2024.

2 Significant accounting policies

2.1 Basis of preparation

The Special Purpose Consolidated Financial Statements have been prepared on a going concern basis under the historical cost convention except for certain financial instruments that are measured at fair value as explained in the accounting policies below.

These Special Purpose Consolidated Financial Statements (Financial Statements') of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (‘the Act’) read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This is the first set of the Consolidated Financial Statements prepared by the Group, accordingly, the Special Purpose Consolidated Financial Statements for the year ended 31 December 2021 and the opening Balance Sheet as at 1 January 2021 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP (local GAAP) to Ind AS on the Company’s Balance Sheet and Statement of Profit and Loss (including Other Comprehensive Income) are provided in Note 6.

These Special Purpose Consolidated Financial Statements have been prepared by the Holding Company to assist International Gemmological Institute (India) Limited (“IGI India”) to meet the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the proposed Initial Public Offer of equity shares of IGI India and will be included in the Draft Red Herring Prospectus (“DRHP”) of IGI India.

All amounts included in the Special Purpose Consolidated Financial Statements are reported in Indian rupees in Million (INR) except share and per share data, unless otherwise stated. Amount presented as "0" are non-zero numbers rounded off in INR Million. 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.

2.2 Principles of Consolidation

Subsidiary

Subsidiary is an entity controlled by the Holding company. Control exists when the Holding company is exposed to or has rights, to variable returns from its involvement with the entity, and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, derecognises any noncontrolling interests, derecognizes the cumulative translation difference recorded in equity, recognizes the fair value of the consideration received related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in the Consolidated Statement of Profit and Loss.

Consolidation procedure

The Consolidated Financial Statements of the Group has been combined on a line-by-line basis by adding assets, liabilities, income, expense and cash flows. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing these Consolidated Financial Statements. The carrying amount of the parent’s investment in subsidiary and the parent’s portion of equity of subsidiary has been eliminated. The accounting policies of subsidiary have been harmonised to ensure consistency with the policies adopted by the Holding Company.

Foreign subsidiary

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of the balance sheet
- income and expenses are translated at average exchange rates
- Equity and reserves are translated at historical exchange rates

On Consolidation, exchange differences are recognized as foreign currency translation reserve("FCTR") in Other Comprehensive income and accumulated in equity (as exchange differences on translating the Financial Statements of a foreign operation). The Consolidated Financial Statements have been presented to the extent possible, in the same manner as Holding Company’s Standalone Financial Statements.

3 Significant accounting judgements, estimates and assumptions

The preparation of Special Purpose Consolidated Financial Statements in conformity with Ind AS requires management, where necessary, to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

The key assumptions concerning future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

3.1 Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon likely timing and level of future taxable profits, together with future tax planning strategies.

3.2 Provision for expected credit losses of trade receivables and contract assets

The Group uses past data and experience based on historical default rates to measure the ECL on trade receivables. Based on evaluation carried out and to the best estimate of management, historical loss sufficiently covers expected loss as well as future contingencies. Adjustment for forward looking factors are not considered significant, hence no adjustment for forward looking factors is made.

3.3 Employee retirement plans

The cost of the compensated absences is based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date.

3.4 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded, cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

3.5 Leases - Estimating the incremental borrowing rate and lease term

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available. The Group estimates the IBR using observable inputs (such as market interest rates).

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

3.6 Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less cost of disposal and its value in use. The fair value less costs of disposal calculation is based on observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted cashflow model (DCF model). The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

3.7 Impairment of Goodwill

Goodwill is tested for impairment annually and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

4 Summary of Significant accounting policies

4.1 Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/ non-current classification. An asset is treated as current when it is:

• Expected to be realized or intended to be sold or consumed in the normal operating cycle

• Held primarily for the purpose of trading

• Expected to be realized within twelve months after the reporting period

Or

• Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
• It is expected to be settled in the normal operating cycle
• It is held primarily for the purpose of trading
• It is due to be settled within twelve months after the reporting period
Or
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of activities of the Group and the time between the acquisition of assets for processing and their realization in Cash or cash equivalents, the Group has ascertained its normal operating cycle as 12 months for the purpose of Current / Non-current classification of assets and liabilities.

4.2 Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment if the recognition criteria is met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

The economic useful life is determined by the Management, basis industry trends, nature of asset and past experience.

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

De-recognition: An item of property, plant and equipment including any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognized in profit or loss in the year the asset is derecognized is the difference between the net sales proceeds and the carrying amount of the relevant asset.

4.3 Goodwill and Impairment of Goodwill

The acquisition method of accounting is used to account for all business combinations. The consideration transferred for the acquisition of a subsidiary comprises the
(i) fair values of the assets transferred;
(ii) liabilities incurred to the former owners of the acquired business;
(iii) equity interests issued by the group; and
(iv) fair value of any asset or liability resulting from a contingent consideration arrangement.

The excess of the
(i) consideration transferred;
(ii) amount of any non-controlling interest in the acquired entity, and
(iii) acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired and liabilities assumed is recorded as goodwill.

If those amounts are less than fair value of net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those

4.4 Foreign Currency Transactions

Functional and presentation currency

The functional currency of International Gemological Institute BV is the EURO. Items included in the Special Purpose Consolidated Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Special Purpose Consolidated Financial Statements are presented in Indian rupee (INR).

Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

4.5 Leases

The Group's lease asset classes primarily consist of leases of premises. The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets for all leases, except for short-term leases and leases of low-value assets.

i) Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. In such cases, the Group reviews the estimated residual values and expected useful lives of assets at least annually.

The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

Lease payments and receipts under operating leases are recognized as an expense and income respectively, on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

Group as a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

4.6 Security Deposits

Security deposits are initially recognized at fair value and subsequently measured at amortized cost. Any difference between the initial fair value and the nominal amount is included as a component of operating lease income and recognized on a straight-line basis over the lease term.

4.7 Revenue

i) Revenue from grading and certification services

The Group recognizes revenue from grading and certification of diamonds, colored stones and jewellery which is measured at a point in time upon satisfaction of the performance obligation, when the report/certificate in relation to completion of such activities is generated and is ready to be issued to the customer. There are no significant activities undertaken between the time that the report is generated and the time that the customer obtains the report. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts or rebates, if any, as specified in the contract with the customer. Revenue is recognized exclusive of taxes.

ii) Revenue from educational courses

Revenue from providing gemological education on sorting and grading of gems, diamond and jewellery is recognized over a period of time as and when the educational course is completed.

4.8 Other Income

Interest income

Interest income is accounted for on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

4.9 Contract Balances

Contract assets and contract liabilities

A contract asset is the right to consideration in exchange for goods or services transferred to the customer when that right is conditioned on something other than the passage of time, for example, billings require certification by the customer. Upon receipt of such certification from a customer, the amount recognized as contract assets is reclassified to trade receivables. Contract assets are subject to impairment assessment on the same basis as financial assets that are within the scope of Ind AS 109.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognized as revenue when the Holding company performs under the contract (i.e. transfers control of the related goods or services to the customer).

4.10 Fair Value Measurement

The Group measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability

Or

• In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using asset in its highest and best use or by selling it to another market participant that would use asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities, for which fair value is measured or disclosed in the Special Purpose Consolidated Financial Statements, are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the Special Purpose Consolidated Financial Statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4.11 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash generating unit's (CGU's) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations are recognized in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

4.12 Financial instruments – initial recognition and subsequent measurement

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

i) Financial Assets

Initial recognition and measurement

Financial assets are classified at initial recognition, and subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. As the Group's rent and other trade receivables do not contain a significant financing component or for which the Group has applied the practical expedient, they are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortized cost or fair value through other comprehensive income (OCI), it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Subsequent measurement

Financial assets measured at amortized cost

The Group measures financial assets at amortized cost if both of the following conditions are met:

• The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost includes trade receivables, security deposit and financial assets included in other receivables.

Financial assets designated at fair value through OCI (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled in profit or loss. Dividends are recognized as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets measured at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the financial statement at fair value with net changes in fair value recognized in profit or loss.

This category includes equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value profit or loss are also recognized as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized (i.e., removed from the Group's statement of financial position) when:

• The rights to receive cash flows from the asset have expired
Or
• The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

General approach

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward looking information.

Simplified approach

For trade receivables and contract assets, that do not contain a significant financing component, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date (i.e., a loss allowance for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default). The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

ii) Financial Liabilities

The Group recognizes a financial liability when it first becomes a party to the contractual rights and obligations in the contract. All financial liabilities are initially recognized at fair value, minus (in the case of a financial liability that is not at FVTPL) transaction costs that are directly attributable to issuing the financial liability. Financial liabilities are measured at amortized cost, using the effective interest method unless the Group opted to measure a liability at FVTPL. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires. Financial liabilities included in trade and other payables, borrowings and other financial liabilities. The effective interest rate amortization is included in finance costs in profit or loss.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

iii) Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

4.13 Employee benefits

i) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries, wages and bonus. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

ii) Long-term employment benefits

(A) Defined contribution plan

The Group's contribution to provident fund and employee state insurance scheme are considered as defined contribution plan and are recognized as an expense in the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The Group has no further obligations under these plans beyond its monthly contributions.

(B) Defined benefit plan
The Group's gratuity benefit scheme is a defined benefit plan and it is non funded. The Group's net obligation in respect of gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation at the balance sheet date by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the Statement of profit and loss.

Compensated absences
Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognized as a liability at the present value of the other long-term employment benefits which is determined at each balance sheet date based on an actuarial valuation by an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses are recognized immediately in the Statement of profit and loss.

4.14 Taxes
Income tax expenses comprises of current tax expenses and deferred tax charge / credit.

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, at the reporting date where the Group operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:
(I) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
(ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:
(i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
(ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4.15 Cash and Cash Equivalents
Cash and cash equivalent in the balance sheet comprises cash at bank and on hand subject to an insignificant risk of changes in value.

4.16 Provisions and contingencies

Provisions: A provision is recognized when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

Contingent Liability: A contingent liability is

(a) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or

(b) a present obligation that arises from past events but is not recognized because;
- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
- the amount of the obligation cannot be measured with sufficient reliability.

The Group does not recognize a contingent liability but discloses the same as per the requirements of Ind AS 37.

Contingent Asset: A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The Group does not recognize a contingent assets but discloses the same as per the requirements of Ind AS 37.

4.17 Segment reporting

The operating segments have been identified based on the conditions specified in paragraph 5 to Ind AS 108, i.e. an operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available that is evaluated regularly by the CODM, in deciding how to allocate resources and assessing performance.

5 Recent accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022, hence for the group the same will be applicable from annual period starting 1 January 2023. The Group has evaluated the amendment and the impact is not expected to be material.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022, hence for the group the same will be applicable from annual period starting 1 January 2023. The Group has evaluated the amendment and the impact is not expected to be material.

(Amounts in INR millions, unless otherwise stated)

6 First-time adoption of Ind AS

The Group has adopted Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time with the effective date of such transition is 1 January 2021. Such transition has been carried out from the Local GAAP, read with relevant rules issued thereunder ("Collectively referred to as "the Previous GAAP" or "Local GAAP").

Accordingly, the Group has prepared Special Purpose Consolidated Financial Statements which comply with Ind AS applicable for periods ending on 31 December 2022, together with the comparative period data as at and for the year ended 31 December 2021, as described in the summary of significant accounting policies. In preparing these Special Purpose Consolidated Financial Statements, the Group's opening balance sheet was prepared as at 1 January 2021, the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its Previous GAAP financial statements, including the balance sheet as at 1 January 2021 and the financial statements as at and for the year ended 31 December 2021.

6.1 Exemptions availed on first time adoption of Ind AS

Ind AS 101, First-time Adoption of Indian Accounting Standards, allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions:

(a) Optional exemptions availed

Ind AS 101, First-time Adoption of Indian Accounting Standards, allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions:

(i) Deemed cost – Property, plant & equipment and Intangible assets

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all its property, plant and equipment and intangible assets as recognized in the financial statement as at the date of transition to Ind AS, measured as per the previous GAAP and use the same as its deemed cost as at the date of transition. Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

(b) Mandatory Exceptions

(i) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

'Ind AS estimates as at 1 January 2021 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:
(i) Effective interest rate used in calculation of security deposit.
(ii) Impairment of financial assets based on expected credit loss model.

(ii) Classification and measurement of financial assets
Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of facts and circumstances that exist on the date of transition to Ind AS. Accordingly, the Group has applied the above requirement prospectively.

(iii) Impairment of financial assets
Ind AS 101 requires an entity to assess and determine the impairment allowance on financial assets as per Ind AS 109 using the reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments which were initially recognized and compare that to the credit risk at the date of transition to Ind AS. Group has applied this exception prospectively.

(c) The following Reconciliations provide a quantification of the effect of differences arising from the transition from Previous GAAP to Ind AS as required under Ind AS 101:

- Reconciliation of total equity as at 1 January 2021 and as at 31 December 2021
- Reconciliation of total comprehensive income for the year ended 31 December 2021

(i) Reconciliation of total equity as at 1 January 2021 and 31 December 2021

Particulars	Notes to first-time adoption	As at 31 December 2021	As at 1 January 2021*
Total equity (shareholder's funds) as per Previous GAAP		1,201.18	971.47
Adjustments:			
Impact on account fair valuation of security deposit	d (i)	1.07	-
Impact on account of adoption of Ind AS 116	d (ii)	(9.36)	(53.47)
Deferred Tax on Ind AS Adjustments	d (iii)	2.07	-
Total equity (shareholder's funds) as per Ind AS		**1,194.96**	**918.00**

(Amounts in INR millions, unless otherwise stated)

(ii) Reconciliation of total comprehensive income for the year ended 31 December 2021

Particulars	Notes to first-time adoption	For the year ended 31 December 2021
Profit after tax as per Previous GAAP		**283.17**
Add/(Less): Adjustment		
Impact on account fair valuation of security deposit	d (i)	1.07
Impact on account of adoption of Ind AS 116	d (ii)	(9.36)
Deferred tax impact on Ind AS adjustments	d (iii)	2.07
Total Ind AS adjustments (B)		**(6.22)**
Total comprehensive income as per Ind AS		**276.95**

(d) Notes to first-time adoption:

(i) Security deposits

Under previous GAAP, interest free lease security deposits are recorded at it's transaction value. Under Ind AS 109 "Financial Instruments", all financial assets are required to be initially recognized at fair value. The Group has fair valued the security deposits under Ind AS at its initial recognition. Difference between the fair value and transaction value of the security deposit has been recognized as prepayment lease rental (part of ROU asset) which has been amortized over it's lease term. The discounted value of the security deposits is increased over the period of lease term by recognizing the notional interest income grouped under 'other income'.

(ii) Impact of Leases due to adoption of Ind AS 116

Under previous GAAP, a lease is classified as a finance lease or an operating lease. Operating lease payments are recognised as an operating expense in the statement of profit or loss on a straight-line basis over the lease term. Under Ind AS 116, a lessee applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets and recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. At the date of transition to Ind AS, the Company applied the modified retrospective approach and measured lease liabilities at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS. Right-of-use assets were measured at the amount equal to the lease liabilities.

(iii) Deferred tax on Ind AS adjustments

Retained earnings and statement of profit and loss has been adjusted consequent to the Ind AS transition adjustments with corresponding impact to deferred tax, wherever applicable.

International Gemmological Institute BV

Special Purpose Consolidated Notes to the financial statements for the years ended 31 December 2021 and 31 December 2022

(Amounts in INR millions, unless otherwise stated)

7 Property, plant and equipment

Particulars	Leasehold Improvements	Buildings	Fitment rented buildings	Furniture and Fixtures	Equipment and Tools	Precious Stones & Laboratory Master Sets	Total
Deemed cost as at 1 January 2021	**17.95**	**8.52**	**2.97**	**0.06**	**44.11**	**68.96**	**142.57**
Gross carrying amount							
Opening balance as at 1 January 2021	17.95	8.52	2.97	0.06	44.11	68.96	142.57
Additions	2.53	-	0.08	-	17.46	1.49	21.56
Deductions/ adjustments	-	-	-	-	-	-	-
Translation exchange difference	0.37	(0.50)	(0.18)	(0.00)	6.52	(1.32)	4.89
Balance as at 31 December 2021	**20.85**	**8.02**	**2.87**	**0.06**	**68.09**	**69.13**	**169.02**
Accumulated Depreciation							
Depreciation charge during the year	1.64	0.15	0.65	0.02	8.18	-	10.64
Translation exchange difference	0.02	(0.00)	(0.02)	(0.00)	0.05	-	0.05
Balance as at 31 December 2021	**1.66**	**0.15**	**0.63**	**0.02**	**8.23**	**-**	**10.69**
Net carrying amount as at 31 December 2021	**19.19**	**7.87**	**2.24**	**0.04**	**59.86**	**69.13**	**158.33**
Gross carrying amount							
Opening balance as at 1 January 2022	20.85	8.02	2.87	0.06	68.09	69.13	169.02
Additions	8.82	0.71	1.50	11.31	27.05	0.19	49.58
Deductions/ adjustments	-	-	-	-	-	-	-
Translation exchange difference	2.82	0.41	0.18	0.61	6.04	5.70	15.76
Balance as at 31 December 2022	**32.49**	**9.14**	**4.55**	**11.98**	**101.18**	**75.02**	**234.36**
Accumulated Depreciation							
Balance as at 1 January 2022	1.66	0.15	0.63	0.02	8.23	-	10.69
Depreciation charge during the year	1.99	0.17	0.66	0.62	16.97	-	20.41
Translation exchange difference	0.29	0.01	0.05	0.03	1.50	-	1.88
Balance as at 31 December 2022	**3.94**	**0.33**	**1.34**	**0.67**	**26.70**	**-**	**32.98**
Net carrying amount as at 31 December 2022	**28.55**	**8.81**	**3.21**	**11.31**	**74.48**	**75.02**	**201.38**

The Group has elected to continue with the carrying value of its property, plant and equipment as on the transition date measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Particulars	Leasehold Improvements	Buildings	Fitment rented buildings	Furniture and Fixtures	Equipment and Tools	Precious Stones & Laboratory Master Sets	Total
Gross Block as on 01 January 2021	22.74	34.80	8.64	10.03	147.74	68.96	292.91
Accumulated Depreciation up to 01 January 2021	(4.79)	(26.28)	(5.67)	(9.97)	(103.63)	-	(150.34)
Deemed cost as on 01 January 2021	**17.95**	**8.52**	**2.97**	**0.06**	**44.11**	**68.96**	**142.57**

(Amounts in INR millions, unless otherwise stated)

7.1 Leases

A Leases as lessee

(a) Right-of-use asset

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

Particulars	Leasehold Premises	Total
As at 1 January 2021	**296.62**	**296.62**
Depreciation expense	(86.65)	(86.65)
Translation difference	4.08	4.08
As at 31 December 2021	**214.05**	**214.05**
Depreciation expense	(92.61)	(92.61)
Translation difference	19.11	19.11
As at 31 December 2022	**140.55**	**140.55**

(b) Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Balance as at the beginning of the year	**322.26**	**393.76**	**393.76**
Additions	-	-	-
Accretion of interest	10.66	11.58	-
Rent Payments	(96.47)	(88.87)	-
Deletions	-	-	-
Translation difference	31.64	5.79	-
Balance as at the end of the year	**268.09**	**322.26**	**393.76**

The following is the break-up of lease liability as at reporting date

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Non-current lease liability	170.89	240.98	317.01
Current lease liability	97.20	81.27	76.75
Total	**268.09**	**322.26**	**393.76**

The following are the amounts recognized in profit or loss:

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Depreciation expense of right-of-use assets	92.61	86.65
Interest expense on lease liabilities	10.66	11.58
Expense relating to short-term leases	6.68	9.77

The below table provides the details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Less than 1 year	105.13	91.37	88.02
1-5 years	176.20	252.89	336.14
More than 5 years	-	-	1.62
Total	**281.33**	**344.26**	**425.78**

The Group had total cash outflows for leases of INR 96.47 million for the year ended 31 December 2022 and INR 88.87 million for the year ended 31 December 2021.

B Leases as lessor

The Group has sub-leased a property that has been presented as a right-of-use asset.

During the year ended 31 December 2022, the Group recognised interest income on lease receivables of INR 2.77 Millions (31 December 2021: 3.33 Millions).

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Less than 1 year	27.68	24.05	23.19
1-5 years	45.07	65.40	87.77
More than 5 years	-	-	-
Total	**72.75**	**89.45**	**110.96**

(Amounts in INR millions, unless otherwise stated)

8 Goodwill

Particulars	Goodwill	Total
As at 1 January 2021	**527.28**	**527.28**
Additions during the year	-	-
Translation difference	(33.10)	(33.10)
As at 31 December 2021	**494.18**	**494.18**
Additions during the year	-	-
Translation difference	24.07	24.07
As at 31 December 2022	**518.25**	**518.25**

Goodwill arising on acquisition of International Gemological Institute Inc. The recoverable amount of cash generating units is more than its carrying value, thus there is no impairment of Goodwill.

9 Other financial assets

	Non current			Current		
Particulars	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021**	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021**
Security deposits	114.45	31.18	30.55	-	-	-
Sublease receivable	43.77	62.39	82.45	25.64	21.43	19.95
Other receivables	-	-	-	-	0.31	-
	158.22	**93.57**	**113.00**	**25.64**	**21.74**	**19.95**

10 Other assets

	Non current			Current		
Particulars	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021**	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021**
Advances to suppliers	-	-	-	1.29	2.68	0.27
Advances to employees	-	-	-	1.40	1.12	1.09
Balance with Government authorities	-	-	-	3.48	4.75	1.79
Prepaid expenses	-	-	-	20.09	14.31	26.43
	-	**-**	**-**	**26.26**	**22.86**	**29.58**

11 Income tax assets (net)

	Non current			Current		
Particulars	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021**	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021**
Tax receivables (net)	-	-	-	103.84	8.42	6.74
	-	**-**	**-**	**103.84**	**8.42**	**6.74**

12 Trade receivables

	Non current			Current		
Particulars	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021**	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021**
Trade receivables *						
Secured, considered good	-	-	-	150.85	301.71	177.58
Unsecured, considered good	-	-	-	44.25	17.20	1.86
Trade Receivables - credit impaired	**-**	**-**	**-**	**195.10**	**318.91**	**179.44**
Impairment Allowance (allowance for bad and doubtful debts)						
Unsecured, considered good	-	-	-	(44.25)	(17.20)	(1.86)
Unsecured, considered doubtful	-	-	-	-	-	-
	-	**-**	**-**	**(44.25)**	**(17.20)**	**(1.86)**
	-	**-**	**-**	**150.85**	**301.71**	**177.58**

* Refer note 32

13 Cash and cash equivalents

	Non current			Current		
Particulars	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021**	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021**
Cash on hand	-	-	-	2.62	1.99	3.04
Balances with banks:						
In Current accounts	-	-	-	285.33	458.33	192.17
	-	**-**	**-**	**287.95**	**460.32**	**195.21**

(Amounts in INR millions, unless otherwise stated)

14 Equity share capital

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Authorized:			
750 Equity Shares of Euro 74.40 each	5.01	5.01	5.01
	5.01	**5.01**	**5.01**
Issued, subscribed and paid-up capital:			
750 Equity Shares of Euro 74.40 each Fully paid-up	5.01	5.01	5.01
	5.01	**5.01**	**5.01**

15 Other equity

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Retained earnings	574.96	654.37	373.35
Securities premium	534.92	534.92	534.92
Legal reserve	0.50	0.50	0.50
Investment reserve	1.68	1.68	1.68
Taxed Reserves	2.54	2.54	2.54
Foreign currency translation reserve	55.79	(4.06)	-
	1,170.39	**1,189.95**	**912.99**

(a) Retained earnings

	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Opening balance	654.37	373.35	373.35
Net profit for the year	188.99	281.02	-
Dividend paid during the year	(268.40)	-	-
Closing balance	**574.96**	**654.37**	**373.35**

(b) Securities premium

	As at 31 December 2022	As at 31 December 2021	As at 01 January 2022
Opening balance	534.92	534.92	534.92
Addition/(Deletion)	-	-	-
Closing balance	**534.92**	**534.92**	**534.92**

(c) Legal reserve

	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Opening balance	0.50	0.50	0.50
Addition/(Deletion)	-	-	-
Closing balance	**0.50**	**0.50**	**0.50**

(d) Investment reserve

	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Opening balance	1.68	1.68	1.68
Addition/(Deletion)	-	-	-
Closing balance	**1.68**	**1.68**	**1.68**

(e) Taxed Reserves

	As at 31 December 2022	As at 31 December 2021	As at 01 January 2022
Opening balance	2.54	2.54	2.54
Addition/(Deletion)	-	-	-
Closing balance	**2.54**	**2.54**	**2.54**

(f) Foreign currency translation reserve

	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Opening balance	(4.06)	-	-
Addition/(Deletion)	59.85	(4.06)	-
Closing balance	**55.79**	**(4.06)**	**-**

Nature & Purpose of Reserves

Retained Earnings: Retained earnings are the profits that the Group has earned till date, less any transfers to general reserves, dividends or other distributions
Securities premium: Securities premium is used to record the premium on issue of shares
Legal reserve: This is a legally regulated reserve that must be established in the early years of a Company until it reaches 10% of the capital.
Investment reserve: This reserve is transferred from retained earnings.
Taxed reserve: This reserve is transferred from retained earnings.
Foreign currency translation reserve: Gains/losses arising on translation of foreign operations are recognized in FCTR.

(Amounts in INR millions, unless otherwise stated)

16 Borrowings

Particulars	Non Current			Current		
	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Unsecured:						
Loans from related parties (Refer note 32 C))	-	-	-	-	-	28.80
	-	**-**	**-**	**-**	**-**	**28.80**

Note:
The Group has taken unsecured loan from International Gemmological Institute (Israel) Ltd. at the interest rate of 3% p.a. which is repayable over the period of 5 years.

17 Employee benefit obligations

Particulars	Non Current			Current		
	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Compensated absences, unfunded (Refer note 31)	18.93	12.45	-	2.85	2.24	-
	18.93	**12.45**	**-**	**2.85**	**2.24**	**-**

18 Lease liabilities

Particulars	Non Current			Current		
	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Lease liability (Refer note 7.1)	170.89	240.98	317.01	97.20	81.27	76.75
	170.89	**240.98**	**317.01**	**97.20**	**81.27**	**76.75**

19 Other financial liabilities

Particulars	Non Current			Current		
	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Employee related payables*	-	-	-	56.12	46.59	38.16
Interest accrued on borrowings	-	-	-	-	-	0.46
Other payables	-	-	-	52.10	49.49	52.34
	-	**-**	**-**	**108.22**	**96.08**	**90.96**

* Refer note 32

20 Other liabilities

Particulars	Non Current			Current		
	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Advance from customers	-	-	-	6.18	2.97	1.91
Statutory dues payable	-	-	-	2.59	2.77	1.98
	-	**-**	**-**	**8.77**	**5.74**	**3.89**

21 Income tax liabilities (net)

Particulars	Non Current			Current		
	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Tax payable	-	-	-	7.12	74.95	2.72
	-	**-**	**-**	**7.12**	**74.95**	**2.72**

22 Trade payables

Particulars	Non Current			Current		
	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Trade payables *	-	-	-	55.83	81.41	72.35
	-	**-**	**-**	**55.83**	**81.41**	**72.35**

* Refer note 32

(Amounts in INR millions, unless otherwise stated)

23 Revenue from operations

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Revenue from contract with customers (Refer note 36)		
Sale of services		
Certification services	1,449.50	1,512.49
Educational courses	44.21	26.00
	1,493.71	**1,538.49**
Other Operating Revenue		
Commission income	55.55	60.40
	55.55	**60.40**
Total revenue from operations	**1,549.26**	**1,598.89**

24 Other income

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Interest income for financial assets measured at amortised cost	3.95	4.40
Foreign exchange gain	11.38	4.62
Miscellaneous income	0.72	3.66
Gain on Sale of property plant and equipment	0.41	-
	16.46	**12.68**

25 Employee benefit expenses

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Salaries, wages & bonus	737.52	614.66
Contribution to funds	61.71	49.54
Staff welfare	36.63	34.30
Compensated absences expenses (Refer note 31)	5.16	14.56
	841.02	**713.06**

26 Finance costs

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Interest expenses on financial liabilities measured at amortized cost:		
Interest on lease liabilities	10.66	11.58
	10.66	**11.58**

27 Depreciation and amortization expenses

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Depreciation on right-of-use assets	92.61	86.65
Depreciation on property, plant and equipment	20.41	10.64
	113.02	**97.29**

(Amounts in INR millions, unless otherwise stated)

28 Other expenses

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Stationery and Consumables	86.76	123.12
Legal and professional fees	73.66	59.72
Business promotion expenses	35.10	19.94
Provision For Doubtful Debts	23.88	15.23
Miscellaneous expenses	15.51	11.30
Commission expense	14.04	38.92
Office and administrative expenses	13.32	10.86
Computer expenses	13.25	2.87
Travelling and conveyance	12.76	5.97
Advertising and exhibition expenses	12.18	15.06
Rates and taxes	11.77	12.74
Freight and forwarding expenses	8.99	9.14
Communication fee	7.63	8.48
Repairs and maintenance - buildings	7.18	5.42
Insurance expenses	6.80	7.90
Rent expense	6.68	9.77
Repair and maintenance - others	3.36	13.44
Foreign exchange loss	2.83	3.23
Bank charges	1.92	4.66
Laboratory Expenses	0.78	1.33
Electricity Expenses	0.22	0.25
Bad debts	0.21	-
	358.83	**379.35**

(Amounts in INR millions, unless otherwise stated)

29 Tax expense

(i) The major components tax expense are:

Statement of profit or loss

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Current income tax:		
Current income tax charge	(68.10)	(142.07)
Deferred tax (charge)/credit		
Relating to origination and reversal of temporary differences	14.90	12.80
Income tax expense reported in the statement of profit or loss	**(53.20)**	**(129.27)**

(ii) Reconciliation of tax expense and the accounting profit multiplied by tax rate is, as follows:

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Accounting profit before income tax	**242.19**	**410.29**
Company's domestic tax rate	25.00%	25.00%
Expected Income tax expense	**60.55**	**102.57**
Adjustments:		
Tax impact on permanent differences	1.93	2.73
Tax impact of items charged at different rate	(8.82)	27.11
Others	(0.46)	(3.14)
Net tax expense	**53.20**	**129.27**

(iii) Deferred tax assets/ (deferred tax liabilities) relates to the following:

	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Property Plant and equipment	(4.74)	(14.62)	(5.67)
Provision for Compensated Absences	5.69	5.56	-
Provision for Doubtful Debts	11.33	6.24	0.30
Lease liability	70.06	122.06	108.00
Right to use of asset	(54.87)	(112.83)	(109.44)
Others	4.80	8.49	8.75
Deferred tax assets/(Liabilities) net	**32.27**	**14.90**	**1.94**

Reflected in the statement of financial position as follows:

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Deferred tax assets	32.27	14.90	1.94
Deferred tax liabilities	-	-	-
Deferred tax assets/(Liabilities) net	**32.27**	**14.90**	**1.94**

(iv) Movement in deferred tax assets/ (liabilities)

Particulars	As at 1 January 2021	Impact on Profit and loss	Impact on other comprehensive income	Exchange Difference	As at 31 December 2021
Property Plant and equipment	(5.67)	(8.75)	-	(0.19)	(14.62)
Provision for Compensated Absences	-	5.51	-	0.05	5.56
Provision for Doubtful Debts	0.30	5.88	-	0.06	6.24
Lease liability	108.00	11.87	-	2.19	122.06
Right to use of asset	(109.44)	(1.28)	-	(2.12)	(112.83)
Others	8.75	(0.43)	-	0.17	8.49
Total	**1.94**	**12.80**	**-**	**0.16**	**14.90**

Particulars	As at 1 January 2022	Impact on Profit and loss	Impact on other comprehensive income	Exchange Difference	As at 31 December 2022
Property Plant and equipment	(14.62)	10.93	-	(1.06)	(4.74)
Provision for Compensated Absences	5.56	(0.47)	-	0.60	5.69
Provision for Doubtful Debts	6.24	4.16	-	0.93	11.33
Lease liability	122.06	(62.39)	-	10.38	70.06
Right to use of asset	(112.83)	67.06	-	(9.09)	(54.87)
Others	8.49	(4.39)	-	0.70	4.80
Total	**14.90**	**14.90**	**-**	**2.46**	**32.27**

(Amounts in INR millions, unless otherwise stated)

30 Earnings per share

Basic EPS amount is calculated by dividing the profit for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table set forth the computation of basic and dilutive earnings per share:

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Net profit for the year attributable to equity shareholders	188.99	281.02
Weighted average number of shares	750	750
Earnings per equity share#	**2,51,990.66**	**3,74,690.04**

Basic and diluted earnings per share during the year are same as the Group has no potentially dilutive equity shares outstanding as at the year end.

Reconciliation of shares used in computing earnings per share

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
No. of equity shares at the beginning of the year	750	750
Add: Shares issued during the year	-	-
No. of equity shares at the end of the year	**750**	**750**
Weighted average number of equity shares of EURO 74.40 each used for calculation of basic and diluted earnings per share	**750**	**750**

(Amounts in INR millions, unless otherwise stated)

31 Employee benefits

(A) Defined benefit plans

I. Compensated absences

The cost of providing defined benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. The value of the liabilities equal to the benefits accrued on the valuation date but based on the salaries projected to the assumed date of exit i.e. retirement, death or resignation.

A. Amount recognized in the Special Purpose Consolidated Balance Sheet

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Present value of defined benefit obligation	21.78	14.70	-
Current portion	2.85	2.24	-
Non current portion	18.93	12.45	-

B. Actuarial assumptions

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Discount rate (per annum)	3.99%	1.26%	0.00%
Salary Escalation Rate (p.a.)	8.00%	8.00%	0.00%
Attrition Rate (p.a.)	16.00%	20.00%	0.00%
Mortality Rate	RP-2014		NA
Disability Rate	No explicit provision		NA

C. Data

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Number of Employees	93	95	NA
Normal Retirement Age	67	67	NA
Average Age (in yrs)	46	46	NA
Average Monthly Encashment Salary	5,433	4,865	NA
Total Leave balance (in hrs)	5,702	4,087	NA
Weighted Average duration of DBO	5.65	4.62	NA

(a) One of the principal assumptions is the discount rate, which is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities. The yields are pertaining to the US market as on the date of valuation.

(b) The other principal assumption is the salary escalation assumption. The salary increase should take into account inflation, seniority, promotion and other relevant factors. The salary escalation assumptions for the future are set at levels as advised by the Group.

(c) The estimate of attrition rate to be done by reference to past experience & expected future experience & should take into account the market conditions. This should include all types of exit other than death.

(d) The mortality assumptions are as per the published rates of RP - 2014. This is the standard mortality table used for determining the benefit valuation in the US market.

(Amounts in INR millions, unless otherwise stated)

32 Related party disclosures

A) Relationship & name of related parties

Relationship	Name of parties
Holding Company	Alpha Yu B.V.
Holding Company	Lorie Holdings B.V.
Wholly Owned Subsidiary	International Gemological Institute, Inc.
Entity under common control	International Gemmological Institute (India) Limited
Entity under common control	IGI Gemmological Institute Turkey Precious Stone Certification Services Joint Stock Company
Entity under common control	IGI Netherlands B.V.
Entity under common control	I.G.I. International Gemmological Institute (Israel) Ltd.
Entity under common control	International Gemological Institute for Jewelry and Precious Stones (IGI)
Entity under common control	International Gemological Institute DMCC
Entity under common control	International Gemological Institute (HK) Limited
Entity under common control	International Gemmological Identification (Thailand) Limited
Entity under common control	IGI (Shanghai) Business Consulting Co. Ltd
Entity under common control	IGI (Shanghai) Gemological Research and Testing Ltd.
Entity under common control	IGI (Shanghai) Gemological Training Co. Ltd.
Entity under common control	IGI (Shenzhen) Jewelry Testing Co., Ltd.
Key Management Personnel	Deborah Morgane T Grosman
President	Avi Levy

B) Related party transactions during the year

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Employee benefit expense		
Deborah Morgane T Grosman	24.77	37.29
Avi Levy	35.76	37.86
Purchases of Stationery		
International Gemmological Institute (India) Limited	0.27	-
International Gemological Institute DMCC	3.58	4.19
I.G.I. International Gemmological Institute (Israel) Ltd.	-	0.37
Payment against various expenses		
International Gemmological Institute (India) Limited	1.91	6.02
Sales - commission		
International Gemmological Institute (India) Limited	55.18	60.69
Sales - certification		
International Gemological Institute (HK) Limited	0.01	-
I.G.I. International Gemmological Institute (Israel) Ltd.	-	5.62
International Gemological Institute DMCC	0.84	0.64
International Gemmological Institute (India) Limited	0.94	1.01
International Gemmological Identification (Thailand) Limited	1.79	-
Purchase of D-check machine		
International Gemmological Institute (India) Limited	0.28	3.69
Dividend paid		
Alpha Yu B.V.	53.69	-
Lorie Holdings B.V.	214.71	-
Repayment of loan taken		
I.G.I. International Gemmological Institute (Israel) Ltd.	-	28.80
Repayment of interest on loan taken		
I.G.I. International Gemmological Institute (Israel) Ltd.	-	0.46

C) Outstanding balances as at year end

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Trade Receivable			
International Gemmological Institute (India) Limited	4.25	112.25	51.46
International Gemological Institute DMCC	1.00	0.31	-
International Gemological Institute (HK) Limited	0.02	-	-
I.G.I. International Gemmological Institute (Israel) Ltd.	-	2.23	-
Trade Payable			
International Gemmological Institute (India) Limited	2.04	15.72	36.34
International Gemological Institute DMCC	0.15	0.62	-
I.G.I. International Gemmological Institute (Israel) Ltd.	0.60	0.57	-
Loan payable			
I.G.I. International Gemmological Institute (Israel) Ltd.	-	-	28.80
Interest on loan taken			
I.G.I. International Gemmological Institute (Israel) Ltd.	-	-	0.46
Employee Payables			
Deborah Morgane T Grosman	11.02	12.27	-
Avi Levy	3.72	5.06	-

(Amounts in INR millions, unless otherwise stated)

33 Financial instruments risk management objectives and policies

The Group is exposed primarily to market risk, credit risk and liquidity risk. The management of the Group oversees the management of these risks. The management advises on financial risks and the appropriate financial risk governance framework for the Group and also provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

(a) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Group income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt.

i) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group has taken borrowings from related parties at a fixed interest rate, hence the Group is not exposed to the interest rate risk as there are no variable interest bearing borrowings/ investments.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the financial instruments dominated in foreign currency is very minimal, hence no major foreign currency risk exists.

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Group's trade receivables, security deposits and other financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The gross carrying amounts of following financial assets represent the maximum credit risk exposure:

	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Cash and cash equivalents	287.95	460.32	195.21
Security deposits	114.45	31.18	30.55
Other financial assets	69.40	84.12	102.39
	471.80	**575.62**	**328.15**

Balances with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial institutions as approved by the Board of directors.

Based on assessment carried by the Group, entire receivable under this category is classified as "Stage 1". There is no history of loss and credit risk and the amount of provision for expected credit losses on other financial assets is negligible.

Trade receivables:

The Group applies the Ind AS 109 simplified approach for measuring expected credit losses which uses a lifetime expected loss allowance (ECL) for trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Group uses past data and experience based on Group's historical default rates to measure the ECL on trade receivables. Based on evaluation carried out and to the best estimate of management, historical loss sufficiently covers expected loss as well as future contingencies. Adjustment for forward looking factors are not considered significant, hence no adjustment for forward looking factors is made.

Computation of Allowance for impairment losses:

Specific provision: Entire trade receivables outstanding as at reporting period are assessed for specific provisioning. Items considered when determining allowance amounts include sustainability of the counterparty's business plan, its ability to improve performance once a financial difficulty has arisen, availability of other financial support and realizable value of collateral and timing of expected cash flows. The impairment losses are evaluated at the end of each reporting period, unless unforeseen circumstances require more careful attention. Specific provision may be required due to various reasons such as credit deterioration, etc. Trade receivable under specific provision case, are assessed individually. The impairment allowances is recognized to the extent of trade receivables not covered by fair value of collaterals.

Collective Provisions: ECL is computed based on the trade receivable as at reporting period minus specific provision by applying the bucket wise lifetime loss rate (PDs) determined for each reporting period.

The movement in provision for expected credit loss is as follows:

	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Opening provision	17.20	1.86	1.86
Impairment loss recognized	23.88	15.23	-
Foreign exchange movement	3.17	0.11	-
Closing provision	**44.25**	**17.20**	**1.86**

(Amounts in INR millions, unless otherwise stated)

(c) Liquidity risk

Liquidity risk is the current and prospective risk arising out of an inability to meet financial commitments as they fall due, through available cash flows or through the sale of assets at fair market value. Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The management monitors the Group's net liquidity position through forecasts on the basis of expected cash flows. Group has sufficient working capital to meets its financial commitments shown below.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	Within 1	1 to 3 years	More than 3 years	Total
As at 31 December 2022				
Lease liabilities	105.13	174.36	1.84	281.33
Trade payables	55.83	-	-	55.83
Other financial liabilities	108.22	-	-	108.22
	269.18	**174.36**	**1.84**	**445.38**

	Within 1 year	1 to 3 years	More than 3 years	Total
As at 31 December 2021				
Lease liabilities	91.37	191.06	61.82	344.25
Trade payables	81.41	-	-	81.41
Other financial liabilities	96.08	-	-	96.08
	268.86	**191.06**	**61.82**	**521.74**

	Within 1	1 to 3 years	More than 3 years	Total
As at 1 January 2021				
Borrowings	28.80	-	-	28.80
Lease liabilities	88.02	182.36	155.40	425.78
Trade payables	72.35	-	-	72.35
Other financial liabilities	90.96	-	-	90.96
	280.12	**182.36**	**155.40**	**617.89**

(iv) Fair value measurement hierarchy

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

All below mentioned financial assets and financial liabilities are measured using valuation techniques in accordance with level 3.

The fair value of cash and cash equivalents, trade receivables, trade payables, borrowings(current), other financial liabilities and other financial assets approximate their carrying amount largely due to short term nature of these instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security deposits are not significantly different from the carrying amount.

(v) Financial instruments by category

The carrying amounts of each of the categories of financial instruments as at 31 December 2022 are as follows:

	FVTPL	Amortized cost	FVTOCI	Total
Financial assets				
Non Current				
Other financial assets	-	158.22	-	158.22
Current				
Trade receivables	-	150.85	-	150.85
Cash and cash equivalents	-	287.95	-	287.95
Other financial assets		25.64		25.64
	-	**622.66**	**-**	**622.66**
Financial Liabilities				
Non Current				
Lease liabilities		170.89		170.89
Current				
Lease liabilities	-	97.20	-	97.20
Trade payables	-	55.83	-	55.83
Other financial liabilities	-	108.22	-	108.22
	-	**432.14**	**-**	**432.14**

(Amounts in INR millions, unless otherwise stated)

The carrying amounts of each of the categories of financial instruments as at 31 December 2021 are as follows:

	FVTPL	Amortized cost	FVTOCI	Total
Financial assets				
Non Current				
Other financial assets	-	93.57	-	93.57
Current				
Trade receivables	-	301.71	-	301.71
Cash and cash equivalents	-	460.32	-	460.32
Other financial assets	-	21.74	-	21.74
	-	**877.34**	**-**	**877.34**
Financial Liabilities				
Non Current				
Lease liabilities	-	240.98	-	240.98
Current				
Lease liabilities	-	81.27	-	81.27
Trade payables	-	81.41	-	81.41
Other financial liabilities	-	96.08	-	96.08
	-	**499.75**	**-**	**499.75**

The carrying amounts of each of the categories of financial instruments as at 1 January 2021 are as follows:

	FVTPL	Amortized cost	FVTOCI	Total
Financial assets				
Non Current				
Other financial assets	-	113.00	-	113.00
Current				
Trade receivables	-	177.58	-	177.58
Cash and cash equivalents	-	195.21	-	195.21
Other financial assets	-	19.95	-	19.95
	-	**505.74**	**-**	**505.74**
Financial Liabilities				
Non Current				
Lease liabilities	-	317.01	-	317.01
Current				
Loans and borrowings	-	28.80	-	28.80
Lease liabilities	-	76.75	-	76.75
Trade payables	-	72.35	-	72.35
Other financial liabilities	-	90.96	-	90.96
	-	**585.87**	**-**	**585.87**

(Amounts in INR millions, unless otherwise stated)

34 Capital management

The Group's objectives when managing capital are to:
• safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
• Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return on capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity'. No changes were made in the objectives, policies or processes for managing capital during the reporting periods. There are no Debts taken by the Group. Therefore, Capital structure comprised of only equity as there are no external debts availed by Group.

Particulars	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021**
Interest bearing loans and borrowings	-	-	28.80
Less: Cash and Bank balances	(287.95)	(460.32)	(195.21)
Adjusted net debt	**(287.95)**	**(460.32)**	**(166.41)**
Total equity	**1,175.40**	**1,194.96**	**918.00**
Gearing ratio [Net debt/(total equity)]	**-**	**-**	**-**

35 Contingent liabilities and Commitments

(a) KS Trade LLC ("Complainant") has filed a complaint dated December 21, 2017 ("Complaint") against IGI International Gemmological Institute Inc. (IGI USA), International Gemological Institute DMCC (IGI UAE) (Subsidiary company) and International Gemmological Institute (India) Limited (collectively, "IGI Entities") and others (together with IGI Entities, "Defendants"), before the Supreme Court of the State of New York. The Complainant has demanded USD 0.75 million and alleged inter alia that the Defendants conspired to misrepresent the true value of diamonds by intentionally over-grading diamonds in IGI Entities' affiliated laboratories outside of New York, thereby allowing diamond dealers and wholesalers to re-sell diamonds at artificially inflated prices. It has also been alleged that IGI USA's grading standards differs substantially from those of other IGI Entities outside New York and it offers to over-grade diamonds in line with Other IGI Entities' grading standard for an illicit fee. The Company has refuted these allegations. The matter is currently sub-judice in the court and the outcome is indeterminate as of now.

(Amounts in INR millions, unless otherwise stated)

36 Revenue from customer

36.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Revenue from contract with customers:		
Sale of services		
Certification services	1,449.50	1,512.49
Educational courses	44.21	26.00
Gross revenue from contract with customers	1,493.71	1,538.49
Less: Consideration payable to customers	-	-
Net revenue from contract with customers	**1,493.71**	**1,538.49**
Geographical markets		
Belgium	429.81	375.22
Outside Belgium	1,063.90	1,163.27
Net revenue from contract with customers	**1,493.71**	**1,538.49**
Timing of revenue recognition		
Goods or services transferred at a point in time	1,449.50	1,512.49
Goods or Services transferred over time	44.21	26.00
Net revenue from contract with customers	**1,493.71**	**1,538.49**

36.2 Reconciling the amount of revenue recognized in the Statement of profit and loss with the contracted price:

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Revenue as per contracted price	1,582.15	1,615.05
Less: Rebate, discount and other adjustments	(88.45)	(76.55)
Revenue from contract with customers	**1,493.71**	**1,538.49**

36.3 Contract balances

a) The following table provides information about receivables, unbilled revenue and deferred revenue from contracts with customers:

	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Trade Receivables	150.85	301.71	177.58

For details on Performance obligations (Refer accounting policy note 4.7)

37 Segment reporting

The Group's business activity primarily falls within a single business segment based on the nature of activity involved, which is in line with the business risks attached with the segment having regard to the internal organization and management structure. The CODM reviews the Group's performance as a single business segment and not at any other disaggregated level. Hence, no separate financial disclosures provided in respect of its single business segment.

(i) Break up of revenue based on geographical segment

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Within Belgium	429.81	375.22
Outside Belgium	1,063.90	1,163.27
Total	**1,493.71**	**1,538.49**

(ii) The carrying amount of Non current operating assets by location of assets

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Within Belgium	614.62	614.41	598.40
Outside Belgium	245.56	252.15	368.08
Total	**860.18**	**866.56**	**966.48**

Note - There is no single external customer amount to 10% or more of group's revenues.

38 Subsequent events

There are no subsequent events after the end of reporting period which have impact on the Special Purpose Consolidated Financial Statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of the Board of Directors
International Gemmological Institute BV

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 06 August 2024

Tejas Deepak Naphade
Director
DIN: 10219144

Place: Mumbai
Date: 06 August 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 06 August 2024

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
International Gemological Institute BV and International Gemmological Institute (India) Limited (formerly "International Gemmological Institute (India) Private Limited")

Report on the Audit of the Special Purpose Consolidated Financial Statements

Opinion

We have audited the accompanying Special Purpose Consolidated Financial Statements of International Gemological Institute BV (the "Holding Company") and its subsidiary (together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at December 31, 2023, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year ended December 31, 2023, and notes to the Special Purpose Consolidated Financial Statements, including significant accounting policies and other explanatory information and disclosure (collectively referred to as the "Special Purpose Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the accompanying Special Purpose Consolidated Financial Statements of the Group as at December 31, 2023 are prepared, in all material respects, in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the Special Purpose Consolidated Financial Statements, 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.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2.1 to the Special Purpose Consolidated Financial Statements, which describes the purpose and basis of preparation of the Special Purpose Consolidated Financial Statements. These Special Purpose Consolidated Financial Statements have been prepared by the Holding Company to assist International Gemmological Institute (India) Limited ("IGI India") to meet the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the proposed Initial Public Offer of equity shares of IGI India and will be included in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP"), and Prospectus of IGI India. As a result, these Special Purpose Consolidated Financial Statements may not be suitable for another purpose.

Our report is addressed to the Board of Directors of the Holding Company and of IGI India, solely for the purposes stated above and should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Group or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our Opinion is not modified in respect of the above matter.

Responsibilities of Management and Board of Directors for Special Purpose Consolidated Financial Statements

The Holding Company's Management and Board of Directors is responsible for the preparation and fair presentation of these Special Purpose Consolidated Financial Statements in accordance with the accounting principles generally accepted in India, including the IND AS; and this includes design, implementation and maintenance of such internal control as management determines is necessary to enable the preparation of Special Purpose Consolidated Financial Statements that are free from material misstatement whether due to fraud or error.

In preparing the Special Purpose Consolidated Financial Statements, the respective Management and Board of Directors of the Companies included in the Group are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the companies included in the Group or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Special Purpose Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose Consolidated 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 Special Purpose Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the special purpose consolidated 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, but not for expressing our opinion on whether the group has internal financial controls with reference to special purpose consolidated financial statements in place and the operating effectiveness of such controls.

- 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 Group'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 special purpose consolidated 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 Group to cease to continue as a going concern.

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

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.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Ankush Agrawal
Partner
Membership No. 159694
UDIN: 24159694BKFHUK1754

Place: Mumbai
Date: August 6, 2024

International Gemmological Institute BV

Special Purpose Consolidated Balance Sheet as at 31 December 2023

(Amounts in INR millions, unless otherwise stated)

Particulars	Note	As at 31 December 2023	As at 31 December 2022
ASSETS			
Non-current assets			
Property, plant and equipment	6	224.04	201.38
Right-of-use assets	6.1	775.05	140.55
Goodwill	7	537.85	518.25
Financial assets			
(a) Loans	8	66.58	-
(b) Other financial assets	9	102.48	158.22
Income tax assets (net)	11	16.63	-
Deferred tax asset (net)	28	70.91	32.27
Total non-current assets		**1,793.54**	**1,050.67**
Current assets			
Financial assets			
(a) Trade receivables	12	179.89	150.85
(b) Cash and cash equivalents	13	267.63	287.95
(c) Other financial assets	9	66.10	25.64
Income tax assets (net)	11	78.87	103.84
Other current assets	10	20.08	26.26
Total current assets		**612.57**	**594.54**
TOTAL ASSETS		**2,406.11**	**1,645.21**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	5.01	5.01
Other equity	15	1,183.96	1,170.39
Total equity		**1,188.97**	**1,175.40**
Liabilities			
Non-current liabilities			
Financial liabilities			
(a) Lease liabilities	17	961.13	170.89
Employee benefit obligations	16	19.16	18.93
Total non-current liabilities		**980.29**	**189.82**
Current liabilities			
Financial liabilities			
(a) Lease liabilities	17	73.40	97.20
(b) Trade payables	21	37.96	55.83
(c) Other financial liabilities	18	109.31	108.22
Other current liabilities	19	13.54	8.77
Employee benefit obligations	16	2.64	2.85
Income tax liabilities (net)	20	-	7.12
Total current liabilities		**236.85**	**279.99**
Total liabilities		**1,217.14**	**469.81**
TOTAL EQUITY AND LIABILITIES		**2,406.11**	**1,645.21**

See accompanying notes to the Special Purpose Consolidated Financial Statements. 1 - 37

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of the Board of Directors
International Gemmological Institute BV

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 06 August 2024

Tejas Deepak Naphade
Director
DIN: 10219144

Place: Mumbai
Date: 06 August 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 06 August 2024

International Gemmological Institute BV

Special Purpose Consolidated Statement of Profit and Loss for year ended 31 December 2023

(Amounts in INR millions, unless otherwise stated)

Particulars	Note	For the year ended 31 December 2023	For the year ended 31 December 2022
Income			
Revenue from operations	22	1,515.84	1,549.26
Other income	23	12.44	16.46
Total income		**1,528.28**	**1,565.72**
Expenses			
Employee benefit expenses	24	858.09	841.02
Finance costs	25	61.98	10.66
Depreciation and amortization expenses	26	176.79	113.02
Other expenses	27	437.27	358.83
Total expenses		**1,534.13**	**1,323.53**
Profit/(Loss) before tax		**(5.85)**	**242.19**
Tax expense:	28		
- Current tax		(47.30)	(68.10)
- Deferred tax		38.42	14.90
Total tax expense		**(8.88)**	**(53.20)**
Profit/(loss) for the year		**(14.73)**	**188.99**
Other comprehensive income/(loss):			
Items that will be reclassified to profit or loss			
Foreign currency translation difference of foreign operations		28.30	59.85
Income tax relating to these items		-	-
		28.30	**59.85**
Other comprehensive income for the year, net of tax		**13.58**	**248.84**
Total comprehensive loss for the year		**13.58**	**248.84**
Profit/(loss) for the year attributable to			
Owners of the Holding Company		(14.73)	188.99
Non-controlling interest		-	-
		(14.73)	**189.00**
Other comprehensive income for the year attributable to			
Owners of the Holding Company		13.58	59.85
Non-controlling interest		-	-
		13.58	**59.85**
Total comprehensive income/(loss) for the year attributable to			
Owners of the Holding Company		(1.16)	248.84
Non-controlling interest		-	-
		(1.16)	**248.84**
Profit/(loss) per share (in INR) of face value of Euro 74.40 each			
Basic	29	**(19,633.53)**	**2,52,004.00**
Diluted	29	**(19,633.53)**	**2,52,004.00**

See accompanying notes to the Special Purpose Consolidated Financial Statements. 1 - 37

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of the Board of Directors
International Gemmological Institute BV

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 06 August 2024

Tejas Deepak Naphade
Director
DIN: 10219144

Place: Mumbai
Date: 06 August 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 06 August 2024

International Gemmological Institute BV

Special Purpose Consolidated Statement of changes in equity for year ended 31 December 2023

(Amounts in INR millions, unless otherwise stated)

A) Equity share capital

Particulars	Number of shares	Amount
For the year ended 31 December 2022		
Balance as at 1 January 2022	750	5.01
Changes in equity share capital during the year	-	-
Balance as at 31 December 2022	**750**	**5.01**
For the year ended 31 December 2023		
Balance as at 1 January 2023	750	5.01
Changes in equity share capital during the year	-	-
Balance as at 31 December 2023	**750**	**5.01**

B) Other equity

Particulars	Reserves and Surplus					Other Comprehensive Income	Total
	Retained Earnings	Securities Premium	Legal reserve	Investment reserve	Taxed Reserves	Foreign currency translation reserve	
Balance as at 1 January 2022	654.37	534.92	0.50	1.68	2.54	(4.06)	**1,189.95**
Profit for the year	188.99	-	-	-	-	-	**188.99**
Dividend paid on equity shares	(268.40)	-	-	-	-	-	**(268.40)**
Foreign currency translation difference during the year	-	-	-	-	-	59.85	**59.85**
Balance as at 31 December 2022	**574.96**	**534.92**	**0.50**	**1.68**	**2.54**	**55.79**	**1,170.39**

Particulars	Reserves and Surplus					Other Comprehensive Income	hbo
	Retained Earnings	Securities Premium	Legal reserve	Investment reserve	Taxed Reserves	Foreign currency translation reserve	
Balance as at 1 January 2023	574.96	534.92	0.50	1.68	2.54	55.79	**1,170.39**
Loss for the year	(14.73)	-	-	-	-	-	**(14.73)**
Foreign currency translation difference during the year	-	-	-	-	-	28.30	**28.30**
Balance as at 31 December 2023	**560.23**	**534.92**	**0.50**	**1.68**	**2.54**	**84.09**	**1,183.96**

See accompanying notes to the Special Purpose Consolidated Financial Statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of the Board of Directors
International Gemmological Institute BV

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 06 August 2024

Tejas Deepak Naphade
Director
DIN: 10219144

Place: Mumbai
Date: 06 August 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 06 August 2024

International Gemmological Institute BV

Special Purpose Consolidated Statement of Cash Flows for year ended 31 December 2023

(Amounts in INR millions, unless otherwise stated)

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Cash flow from operating activities		
Profit before tax	**(5.85)**	**242.19**
Adjustments for:		
Depreciation on property, plant and equipment	26.48	20.41
Depreciation on right-of-use assets	150.31	92.61
Interest Income on loan to related party	(2.34)	-
Interest income for financial assets measured at amortised cost	(8.82)	(3.95)
Interest expense on lease liabilities	61.21	10.66
Bad debts and provision for doubtful debts	17.98	24.08
(Gain)/loss on sale of property, plant & equipment	-	(0.41)
Operating profit before changes in working capital	**238.97**	**385.59**
Changes in working capital :		
Increase in other financial liabilities	1.09	12.14
Decrease in trade payables	(17.87)	(25.57)
Increase in provisions	0.02	7.09
Increase in other current liabilities	4.76	3.03
Increase in other financial assets	(5.60)	(89.99)
Decrease in other current assets	6.18	(3.39)
Increase in trade receivables	(47.02)	126.78
Cash generated from operating activities before taxes	**180.53**	**415.68**
Income tax paid (net)	(46.08)	(231.36)
Net cash generated from operating activities (A)	**134.45**	**184.32**
Cash flows from investing activities		
Payment for property, plant and equipment and items capitalized in	(49.13)	(63.47)
Loans given to related parties	(66.58)	-
Rental income from sub-lease	54.62	0.41
Investment in fixed deposits	-	25.40
Interest Income on loan to related party	2.34	-
Net cash used in investing activities (B)	**(58.75)**	**(37.66)**
Cash flows from financing activities		
Principal payment of lease liabilities	(44.08)	(85.81)
Interest payment of lease liabilities	(61.21)	(10.66)
Dividend paid	-	(268.40)
Net cash used in financing activities (C)	**(105.29)**	**(364.87)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(29.59)	(218.21)
Foreign currency translation difference of foreign operations	9.27	45.84
Cash and cash equivalents at the beginning of the period (Note 13)	287.95	460.32
Cash and cash equivalents at the end of the period (Note 13)	**267.63**	**287.95**

The Statement of Cash flows has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash flows'.
Refer Note 6.1 for reconciliation of movements of lease liabilities to cash flows arising from financing activities.

See accompanying notes to the Special Purpose Consolidated Financial Statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of the Board of Directors
International Gemmological Institute BV

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 06 August 2024

Tejas Deepak Naphade
Director
DIN: 10219144

Place: Mumbai
Date: 06 August 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 06 August 2024

International Gemmological Institute BV

Special Purpose Consolidated Notes to the financial statements for year ended 31 December 2023

1 Corporate Information

International Gemmological Institute B.V. (the "Company" or the "Holding Company" or the "Parent Company") is a Besloten Vennootschap company register in Belgium, with its registered office situated at Schupstraat, Postal Number 2018, Gemeente - Antwerpen and having corporate identification number (CIN) 0415.201.273.

The Special Purpose Consolidated Financial Statements include the financial statements of the Holding Company and it's subsidiary, as mentioned below (collectively referred to as the "Group").

Name of the subsidiary	Country of incorporation	Percentage holding
International Gemological Institute Inc.	USA	100%

The Group is primarily engaged in the business of Certification of diamonds, gemstones & jewellery with comprehensive analysis & clear documentation for consumers. Also the Group is having school of Gemmology at various locations and offers a variety of courses designed for professionals and consumer enthusiasts.

The Special Purpose Consolidated Financial Statements of the Group for the period ended 31 December 2023 were authorized for issue in accordance with a resolution of the Board of Directors on 06 August 2024.

2 Material accounting policies

2.1 Basis of preparation

The Special Purpose Consolidated Financial Statements have been prepared on a going concern basis under the historical cost convention except for certain financial instruments that are measured at fair value as explained in the accounting policies below.

The Special Purpose Interim Consolidated Financial Statements that have been prepared in accordance with the Indian Accounting Standard – 34 “Interim Financial Reporting as prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India (Special Purpose Interim Consolidated Financial Statements), except for inclusion of comparative information as those are not being given in the Restated Financial Information as per the option available to the Issuer under Paragraph (A) (i) of Clause 11(I) of Part A of Schedule VI of the SEBI ICDR Regulations, which have been approved by the Board of Directors at their meeting held on August 6, 2024.

These Special Purpose Interim Consolidated Financial Statements have been prepared by the Holding Company to assist International Gemmological Institute (India) Limited (“IGI India”) to meet the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the proposed Initial Public Offer of equity shares of IGI India and will be included in the Draft Red Herring Prospectus (“DRHP”), Red Herring Prospectus (“RHP”), and the prospectus of IGI India.

All amounts included in the Special Purpose Consolidated Financial Statements are reported in Indian rupees in Million (INR) except share and per share data, unless otherwise stated. Amount presented as "0" are non-zero numbers rounded off in INR Million. 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.

2.2 Principles of Consolidation

Subsidiary

Subsidiary is an entity controlled by the Holding company. Control exists when the Holding company is exposed to or has rights, to variable returns from its involvement with the entity, and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, derecognises any non-controlling interests, derecognizes the cumulative translation difference recorded in equity, recognizes the fair value of the consideration received related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in the Consolidated Statement of Profit and Loss.

Consolidation procedure

The Consolidated Financial Statements of the Group has been combined on a line-by-line basis by adding assets, liabilities, income, expense and cash flows. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing these Consolidated Financial Statements. The carrying amount of the parent’s investment in subsidiary and the parent’s portion of equity of subsidiary has been eliminated. The accounting policies of subsidiary have been harmonised to ensure consistency with the policies adopted by the Holding Company.

Foreign subsidiary

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

• assets and liabilities are translated at the closing rate at the date of the balance sheet

• income and expenses are translated at average exchange rates

• Equity and reserves are translated at historical exchange rates

On Consolidation, exchange differences are recognized as foreign currency translation reserve("FCTR") in Other Comprehensive income and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation). The Consolidated Financial Statements have been presented to the extent possible, in the same manner as Holding Company’s Standalone Financial Statements.

3 Significant accounting judgements, estimates and assumptions

The preparation of Special Purpose Consolidated Financial Statements in conformity with Ind AS requires management, where necessary, to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

The key assumptions concerning future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

3.1 Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon likely timing and level of future taxable profits, together with future tax planning strategies.

3.2 Provision for expected credit losses of trade receivables and contract assets

The Group uses past data and experience based on historical default rates to measure the ECL on trade receivables. Based on evaluation carried out and to the best estimate of management, historical loss sufficiently covers expected loss as well as future contingencies. Adjustment for forward looking factors are not considered significant, hence no adjustment for forward looking factors is made.

3.3 Employee retirement plans

The cost of the compensated absences is based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date.

3.4 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded, cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

3.5 Leases - Estimating the incremental borrowing rate and lease term

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available. The Group estimates the IBR using observable inputs (such as market interest rates).

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

3.6 Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less cost of disposal and its value in use. The fair value less costs of disposal calculation is based on observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted cashflow model (DCF model). The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

3.7 Impairment of Goodwill

Goodwill is tested for impairment annually and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

4 Summary of Significant accounting policies

4.1 Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/ non-current classification. An asset is treated as current when it is:
• Expected to be realized or intended to be sold or consumed in the normal operating cycle
• Held primarily for the purpose of trading
• Expected to be realized within twelve months after the reporting period
Or
• Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non-current.

A liability is current when:
• It is expected to be settled in the normal operating cycle
• It is held primarily for the purpose of trading
• It is due to be settled within twelve months after the reporting period
Or
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
The Group classifies all other liabilities as non-current.

Based on the nature of activities of the Group and the time between the acquisition of assets for processing and their realization in Cash or cash equivalents, the Group has ascertained its normal operating cycle as 12 months for the purpose of Current / Non-current classification of assets and liabilities.

4.2 Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment if the recognition criteria is met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

The economic useful life is determined by the Management, basis industry trends, nature of asset and past experience.

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

De-recognition: An item of property, plant and equipment including any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognized in profit or loss in the year the asset is derecognized is the difference between the net sales proceeds and the carrying amount of the relevant asset.

4.3 Goodwill and Impairment of Goodwill

The acquisition method of accounting is used to account for all business combinations. The consideration transferred for the acquisition of a subsidiary comprises the
(i) fair values of the assets transferred;
(ii) liabilities incurred to the former owners of the acquired business;
(iii) equity interests issued by the group; and
(iv) fair value of any asset or liability resulting from a contingent consideration arrangement.

The excess of the
(i) consideration transferred;
(ii) amount of any non-controlling interest in the acquired entity, and
(iii) acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired and liabilities assumed is recorded as goodwill.

4.4 Foreign Currency Transactions

(a) **Functional and presentation currency**

The functional currency of International Gemological Institute BV is the EURO. Items included in the Special Purpose Consolidated Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Special Purpose Consolidated Financial Statements are presented in Indian rupee (INR).

(b) **Transactions and balances**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

4.5 Leases

The Group's lease asset classes primarily consist of leases of premises. The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets for all leases, except for short-term leases and leases of low-value assets.

(a) Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. In such cases, the Group reviews the estimated residual values and expected useful lives of assets at least annually.

The right-of-use assets are also subject to impairment.

(b) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

Lease payments and receipts under operating leases are recognized as an expense and income respectively, on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

Group as a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

4.6 Security Deposits

Security deposits are initially recognized at fair value and subsequently measured at amortized cost. Any difference between the initial fair value and the nominal amount is included as a component of operating lease income and recognized on a straight-line basis over the lease term.

4.7 Revenue

(a) **Revenue from grading and certification services**

The Group recognizes revenue from grading and certification of diamonds, colored stones and jewellery which is measured at a point in time upon satisfaction of the performance obligation, when the report/certificate in relation to completion of such activities is generated and is ready to be issued to the customer. There are no significant activities undertaken between the time that the report is generated and the time that the customer obtains the report. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts or rebates, if any, as specified in the contract with the customer. Revenue is recognized exclusive of taxes.

(b) **Revenue from educational courses**

Revenue from providing gemological education on sorting and grading of gems, diamond and jeweller is recognized over a period of time as and when the educational course is completed.

4.8 Other Income

(a) **Interest income**

Interest income is accounted for on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

4.9 Contract Balances

Contract assets and contract liabilities

A contract asset is the right to consideration in exchange for goods or services transferred to the customer when that right is conditioned on something other than the passage of time, for example, billings require certification by the customer. Upon receipt of such certification from a customer, the amount recognized as contract assets is reclassified to trade receivables. Contract assets are subject to impairment assessment on the same basis as financial assets that are within the scope of Ind AS 109.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognized as revenue when the Holding company performs under the contract (i.e. transfers control of the related goods or services to the customer).

4.10 Fair Value Measurement

The Group measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability

Or

• In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using asset in its highest and best use or by selling it to another market participant that would use asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities, for which fair value is measured or disclosed in the Special Purpose Consolidated Financial Statements, are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the Special Purpose Consolidated Financial Statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4.11 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash generating unit's (CGU's) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.
In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations are recognized in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

4.12 Financial instruments – initial recognition and subsequent measurement

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

(a) Financial Assets

Initial recognition and measurement

Financial assets are classified at initial recognition, and subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. As the Group's rent and other trade receivables do not contain a significant financing component or for which the Group has applied the practical expedient, they are measured at the transaction price determined under Ind AS 115.
In order for a financial asset to be classified and measured at amortized cost or fair value through other comprehensive income (OCI), it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Subsequent measurement

Financial assets measured at amortized cost

The Group measures financial assets at amortized cost if both of the following conditions are met:

• The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost includes trade receivables, security deposit and financial assets included in other receivables.

Financial assets designated at fair value through OCI (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled in profit or loss. Dividends are recognized as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets measured at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the Financial Statement at fair value with net changes in fair value recognized in profit or loss.

This category includes equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value profit or loss are also recognized as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized (i.e., removed from the Group's statement of financial position) when:

• The rights to receive cash flows from the asset have expired

Or

• The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

General approach

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward looking information.

Simplified approach

For trade receivables and contract assets, that do not contain a significant financing component, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date (i.e., a loss allowance for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default). The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(b) Financial Liabilities

The Group recognizes a financial liability when it first becomes a party to the contractual rights and obligations in the contract. All financial liabilities are initially recognized at fair value, minus (in the case of a financial liability that is not at FVTPL) transaction costs that are directly attributable to issuing the financial liability. Financial liabilities are measured at amortized cost, using the effective interest method unless the Group opted to measure a liability at FVTPL. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires. Financial liabilities included in trade and other payables, borrowings and other financial liabilities. The effective interest rate amortization is included in finance costs in profit or loss.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

(c) Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

4.13 Employee benefits

(i) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries, wages and bonus. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

(ii) Long-term employment benefits

(A) Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognized as a liability at the present value of the other long-term employment benefits which is determined at each balance sheet date based on an actuarial valuation by an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses are recognized immediately in the Statement of profit and loss.

4.14 Taxes

Income tax expenses comprises of current tax expenses and deferred tax charge / credit.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, at the reporting date where the Group operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

(I) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

(ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:
(i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
(ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4.15 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprises cash at bank and on hand subject to an insignificant risk of changes in value.

4.16 Provisions and contingencies

Provisions: A provision is recognized when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

Contingent Liability: A contingent liability is

(a) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or

(b) a present obligation that arises from past events but is not recognized because;
- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
- the amount of the obligation cannot be measured with sufficient reliability.

The Group does not recognize a contingent liability but discloses the same as per the requirements of Ind AS 37.

Contingent Asset: A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The Group does not recognize a contingent assets but discloses the same as per the requirements of Ind AS 37.

4.17 Segment reporting

The operating segments have been identified based on the conditions specified in paragraph 5 to Ind AS 108, i.e. an operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available that is evaluated regularly by the CODM, in deciding how to allocate resources and assessing performance.

5 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023, hence for the group the same will be applicable from annual period starting 1 January 2024. The Group has evaluated the amendment and the impact is not expected to be material.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023, hence for the group the same will be applicable from annual period starting 1 January 2024. The Group has evaluated the amendment and the impact is not expected to be material.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023, hence for the group the same will be applicable from annual period starting 1 January 2024. The Group has evaluated the amendment and the impact is not expected to be material.

International Gemmological Institute BV

Special Purpose Consolidated Notes to the financial statements for year ended 31 December 2023

(Amounts in INR millions, unless otherwise stated)

6 Property, plant and equipment

Particulars	Leasehold Improvements	Buildings	Fitment rented buildings	Furniture and Fixtures	Equipment and Tools	Precious Stones & Laboratory Master Sets	Total
Gross carrying amount							
Opening balance as at 1 January 2022	20.85	8.02	2.87	0.06	68.09	69.13	169.02
Additions	8.82	0.71	1.50	11.31	27.05	0.19	49.58
Deductions/ adjustments	-	-	-	-	-	-	-
Translation exchange difference	2.82	0.41	0.18	0.61	6.04	5.70	15.76
Balance as at 31 December 2022	**32.49**	**9.14**	**4.55**	**11.98**	**101.18**	**75.02**	**234.36**
Accumulated Depreciation							
Balance as at 1 January 2022	1.66	0.15	0.63	0.02	8.23	-	10.69
Depreciation charge during the year	1.99	0.17	0.66	0.62	16.97	-	20.41
Impairment	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Translation exchange difference	0.29	0.01	0.05	0.03	1.50	-	1.88
Balance as at 31 December 2022	**3.94**	**0.33**	**1.34**	**0.67**	**26.70**	**-**	**32.98**
Net carrying amount as at 31 December 2022	**28.55**	**8.81**	**3.21**	**11.31**	**74.48**	**75.02**	**201.38**
Gross carrying amount							
Balance as at 1 January 2023	32.49	9.14	4.55	11.98	101.18	75.02	234.36
Additions	13.74	-	3.67	12.28	16.44	0.34	46.47
Deductions/ adjustments	-	-	-	-	(1.96)	-	(1.96)
Translation exchange difference	0.15	0.35	0.24	0.08	2.55	1.46	4.83
Balance as at 31 December 2023	**46.38**	**9.49**	**8.46**	**24.34**	**118.21**	**76.82**	**283.70**
Accumulated Depreciation							
Balance as at 1 January 2023	3.94	0.33	1.34	0.67	26.70	-	32.98
Depreciation charge during the year	3.10	0.18	1.17	2.74	19.29	-	26.48
Translation exchange difference	0.02	0.02	0.07	0.01	0.08	-	0.20
Balance as at 31 December 2023	**7.06**	**0.53**	**2.58**	**3.42**	**46.07**	**-**	**59.66**
Net carrying amount as at 31 December 2023	**39.32**	**8.96**	**5.88**	**20.92**	**72.14**	**76.82**	**224.04**

(Amounts in INR millions, unless otherwise stated)

6.1 Leases

A Leases as lessee

(a) Right-of-use asset

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

Particulars	Leasehold Premises	Total
As at 1 January 2022	**214.05**	**214.05**
Depreciation expense	(92.61)	(92.61)
Translation difference	19.11	19.11
As at 1 January 2023	**140.55**	**140.55**
Additions	861.34	861.34
Derecognition of right-of-use assets*	(78.49)	(78.49)
Depreciation expense	(150.31)	(150.31)
Translation difference	1.96	1.96
As at 31 December 2023	**775.05**	**775.05**

* Derecognition of the right-of-use assets is as a result of entering into a finance sub-lease

(b) Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	As at 31 December 2023	As at 31 December 2022
Balance as at the beginning of the period	**268.09**	**322.26**
Additions	807.78	-
Accretion of interest	61.21	10.66
Rent Payments	(105.29)	(96.47)
Translation Difference	2.74	31.64
Balance as at the end of the period	**1,034.53**	**268.09**

The following is the break-up of lease liability as at reporting date

Particulars	As at 31 December 2023	As at 31 December 2022
Non-current lease liability	961.13	170.89
Current lease liability	73.40	97.20
Total	**1,034.53**	**268.09**

The following are the amounts recognized in profit or loss:

Particulars	As at 31 December 2023	For the year ended 31 December 2022
Depreciation expense of right-of-use assets	150.31	92.61
Interest expense on lease liabilities	61.21	10.66
Expense relating to short-term leases	12.70	6.68

The below table provides the details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 December 2023	As at 31 December 2022
Less than 1 year	139.72	105.13
1-5 years	415.79	176.20
More than 5 years	1,116.53	-
Total	**1,672.04**	**281.33**

The Group had total cash outflows for leases of INR 105.29 million for the year ended 31 December 2023 and INR 96.47 million for the year ended 31 December 2022.

(Amounts in INR millions, unless otherwise stated)

B Leases as lessor

The Group has sub-leased a property that has been presented as a right-of-use asset.

During the year ended 31 December 2023, the Group recognised interest income on lease receivables of INR 5.53 Millions (31 December 2022: 2.77 Millions).

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

Particulars	As at 31 December 2023	As at 31 December 2022
Less than 1 year	64.97	27.68
1-5 years	38.61	45.07
More than 5 years	-	-
Total	**103.58**	**72.75**

(Amounts in INR millions, unless otherwise stated)

7 Goodwill

Particulars	Goodwill	Total
As at 1 January 2022	**494.18**	**494.18**
Additions during the year	-	-
Translation difference	24.07	24.07
As at 31 December 2022	**518.25**	**518.25**
Additions during the year	-	-
Translation difference	19.60	19.60
As at 31 December 2023	**537.85**	**537.85**

The recoverable amount of cash generating units is more than its carrying value, thus there is no impairment of Goodwill.

8 Loans

	Non current		Current	
Particulars	**As at 31 December 2023**	**As at 31 December 2022**	**As at 31 December 2023**	**As at 31 December 2022**
Loans to related parties*	66.58	-	-	-
	66.58	**-**	**-**	**-**

* Refer note 31

9 Other financial assets

	Non current		Current	
Particulars	**As at 31 December 2023**	**As at 31 December 2022**	**As at 31 December 2023**	**As at 31 December 2022**
Security deposits	64.49	114.45	-	-
Interest accrued on loan to related party*	-	-	2.18	-
Sublease receivable	37.99	43.77	61.16	25.64
Other receivables	-	-	2.76	-
	102.48	**158.22**	**66.10**	**25.64**

* Refer note 31

10 Other assets

	Non current		Current	
Particulars	**As at 31 December 2023**	**As at 31 December 2022**	**As at 31 December 2023**	**As at 31 December 2022**
Advances to suppliers	-	-	0.22	1.29
Advances to employees	-	-	-	1.40
Balance With Government authorities	-	-	1.44	3.48
Prepaid expenses	-	-	18.42	20.09
	-	**-**	**20.08**	**26.26**

11 Income tax assets (net)

	Non current		Current	
Particulars	**As at 31 December 2023**	**As at 31 December 2022**	**As at 31 December 2023**	**As at 31 December 2022**
Tax receivables (net)	16.63	-	78.87	103.84
	16.63	**-**	**78.87**	**103.84**

12 Trade receivables

	Non current		Current	
Particulars	**As at 31 December 2023**	**As at 31 December 2022**	**As at 31 December 2023**	**As at 31 December 2022**
Trade receivables*				
Unsecured, considered good	-	-	179.89	150.85
Unsecured, considered doubtful	-	-	58.68	44.25
	-	**-**	**238.57**	**195.10**
Impairment Allowance (allowance for bad and doubtful debts)				
Unsecured, considered good	-	-	(58.68)	(44.25)
	-	**-**	**(58.68)**	**(44.25)**
	-	**-**	**179.89**	**150.85**

* Refer note 31

13 Cash and cash equivalents

	Non current		Current	
Particulars	**As at 31 December 2023**	**As at 31 December 2022**	**As at 31 December 2023**	**As at 31 December 2022**
Cash in hand	-	-	4.47	2.62
Balances with banks:				
In current accounts	-	-	263.16	285.33
	-	**-**	**267.63**	**287.95**

(Amounts in INR millions, unless otherwise stated)

14 Equity share capital

Particulars	As at 31 December 2023	As at 31 December 2022
Authorized:		
750 (31 December 2022: 750) Equity Shares of Euro 74.40 each	5.01	5.01
	5.01	**5.01**
Issued, subscribed and paid-up capital:		
750 (31 December 2022: 750) Equity Shares of Euro 74.40 each fully paid-	5.01	5.01
	5.01	**5.01**

15 Other equity

Particulars	As at 31 December 2023	As at 31 December 2022
Retained earnings	560.23	574.96
Securities premium	534.92	534.92
Legal reserve	0.50	0.50
Investment reserve	1.68	1.68
Taxed Reserves	2.54	2.54
Foreign currency translation reserve	84.09	55.79
	1,183.96	**1,170.39**

(a) Retained earnings

	As at 31 December 2023	As at 31 December 2022
Opening balance	574.96	654.37
Net profit/(loss) for the year	(14.73)	188.99
Dividend paid	-	(268.40)
Closing balance	**560.23**	**574.96**

(b) Securities premium

	As at 31 December 2023	As at 31 December 2022
Opening balance	534.92	534.92
Addition/(Deletion)	-	-
Closing balance	**534.92**	**534.92**

(c) Legal reserve

	As at 31 December 2023	As at 31 December 2022
Opening balance	0.50	0.50
Addition/(Deletion)	-	-
Closing balance	**0.50**	**0.50**

(d) Investment reserve

	As at 31 December 2023	As at 31 December 2022
Opening balance	1.68	1.68
Addition/(Deletion)	-	-
Closing balance	**1.68**	**1.68**

(e) Taxed Reserves

	As at 31 December 2023	As at 31 December 2022
Opening balance	2.54	2.54
Addition/(Deletion)	-	-
Closing balance	**2.54**	**2.54**

(Amounts in INR millions, unless otherwise stated)

(f) Foreign currency translation reserve

	As at 31 December 2023	As at 31 December 2022
Opening balance	55.79	(4.06)
Addition/(Deletion)	28.30	59.85
Closing balance	**84.09**	**55.79**

Nature & Purpose of Reserves

Retained Earnings: Retained earnings are the profits that the Group has earned till date, less any transfers to general reserves, dividends or other distributions paid to shareholders.

Securities premium: Securities premium is used to record the premium on issue of shares.
Legal reserve: This is a legally regulated reserve that must be established in the early years of a Company until it reaches 10% of the capital.
Investment reserve: This reserve is transferred from retained earnings.
Taxed reserve: This reserve is transferred from retained earnings.
Foreign currency translation reserve: Gains/losses arising on translation of foreign operations are recognized in FCTR.

(Amounts in INR millions, unless otherwise stated)

16 Employee benefit obligations

Particulars	Non Current		Current	
	As at 31 December 2023	As at 31 December 2022	As at 31 December 2023	As at 31 December 2022
Compensated absences, unfunded (Refer note 30)	19.16	18.93	2.64	2.85
	19.16	**18.93**	**2.64**	**2.85**

17 Lease liabilities

Particulars	Non Current		Current	
	As at 31 December 2023	As at 31 December 2022	As at 31 December 2023	As at 31 December 2022
Lease liability (Refer note 6.1)	961.13	170.89	73.40	97.20
	961.13	**170.89**	**73.40**	**97.20**

18 Other financial liabilities

Particulars	Non Current		Current	
	As at 31 December 2023	As at 31 December 2022	As at 31 December 2023	As at 31 December 2022
Employee related payables*	-	-	56.90	56.12
Other payables	-	-	52.41	52.10
	-	**-**	**109.31**	**108.22**

* Refer note 31

19 Other liabilities

Particulars	Non Current		Current	
	As at 31 December 2023	As at 31 December 2022	As at 31 December 2023	As at 31 December 2022
Advance from customers	-	-	4.29	6.18
Statutory dues payable	-	-	9.25	2.59
	-	**-**	**13.54**	**8.77**

20 Tax liabilities (net)

Particulars	Non Current		Current	
	As at 31 December 2023	As at 31 December 2022	As at 31 December 2023	As at 31 December 2022
Tax payable	-	-	-	7.11
	-	**-**	**-**	**7.11**

21 Trade payables

Particulars	Non Current		Current	
	As at 31 December 2023	As at 31 December 2022	As at 31 December 2023	As at 31 December 2022
Trade payables*	-	-	37.96	55.83
	-	**-**	**37.96**	**55.83**

* Refer note 31

(Amounts in INR millions, unless otherwise stated)

22 Revenue from operations

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Revenue from contract with customers (Refer note 35)		
Sale of services		
Certification services	1,414.96	1,449.50
Educational courses	55.74	44.21
	1,470.70	**1,493.71**
Other Operating Revenue		
Commission income	45.14	55.55
	45.14	**55.55**
Total revenue from operations	**1,515.84**	**1,549.26**

23 Other income

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Interest Income on loan to related party	2.34	3.95
Interest income for financial assets measured at amortised cost	8.82	-
Miscellaneous income	1.28	11.38
Foreign exchange gain	-	0.72
Gain on Sale of property plant and equipment	-	0.41
	12.44	**16.46**

24 Employee benefit expenses

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Salaries, wages & bonus	761.31	737.52
Contribution to funds	59.98	61.71
Staff welfare	36.86	36.63
Compensated absences expenses (Refer note 30)	(0.06)	5.16
	858.09	**841.02**

25 Finance costs

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Interest expenses on financial liabilities measured at amortized cost:		
Interest on lease liabilities	61.21	10.66
Interest expense and other finance charges	0.77	
	61.98	**10.66**

26 Depreciation and amortization expenses

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Depreciation on right-of-use assets	150.31	92.61
Depreciation on property, plant and equipment	26.48	20.41
	176.79	**113.02**

(Amounts in INR millions, unless otherwise stated)

27 Other expenses

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Stationery and Consumables	111.00	86.76
Legal and professional fees	85.77	73.66
Advertising and exhibition expenses	35.66	12.18
Business promotion expenses	25.94	35.10
Travelling and conveyance	23.46	12.76
Commission expense	19.65	14.04
Miscellaneous expenses	18.00	15.51
Provision For Doubtful Debts	14.21	23.88
Office and administrative expenses	13.65	13.32
Computer expenses	13.13	13.25
Rent expense	12.70	6.68
Freight and forwarding expenses	11.91	8.99
Rates and taxes	8.59	11.77
Repairs and maintenance - buildings	8.36	7.18
Communication fee	8.03	7.63
Insurance expenses	7.52	6.80
Repair and maintenance - others	6.89	3.36
Foreign exchange loss	5.17	2.83
Bad debts	3.77	0.21
Bank charges	2.34	1.92
Electricity Expenses	0.92	0.22
Laboratory Expenses	0.60	0.78
	437.27	**358.83**

(Amounts in INR millions, unless otherwise stated)

28 Tax expense

(i) The major components tax expense are:

Statement of profit or loss

Particulars	**For the year ended 31 December 2023**	**For the year ended 31 December 2022**
Current income tax:		
Current income tax charge	(47.30)	(68.10)
Deferred tax (charge)/credit		
Relating to origination and reversal of temporary differences	38.42	14.90
Income tax expense reported in the statement of profit or loss	**(8.88)**	**(53.20)**

(ii) Reconciliation of tax expense and the accounting profit multiplied by tax rate is, as follows:

Particulars	**For the year ended 31 December 2023**	**For the year ended 31 December 2022**
Accounting profit before income tax	**(5.85)**	**242.19**
Company's domestic tax rate	25.00%	25.00%
Expected Income tax expense	**(1.47)**	**60.55**
Adjustments:		
Tax impact on permanent differences	2.45	1.93
Tax impact of items charged at different rate	7.75	(8.82)
Others	0.15	(0.46)
Net tax expense	**8.88**	**53.20**

(iii) Deferred tax assets/ (deferred tax liabilities) relates to the following:

	As at 31 December 2023	**As at 31 December 2022**
Property plant and equipement	(13.42)	(4.74)
Provision for Compensated Absences	6.31	5.69
Provision for Doubtful Debts	16.83	11.33
Lease liability	300.29	70.06
Right to use of asset	(239.10)	(54.87)
Others	-	4.80
Deferred tax assets/(Liabilities) net	**70.91**	**32.27**

Particulars	**As at 31 December 2023**	**As at 31 December 2022**
Deferred tax assets	70.91	32.27
Deferred tax liabilities	-	-
Deferred tax assets/(Liabilities) net	**70.91**	**32.27**

(iv) Movement in deferred tax assets/ (liabilities)

Particulars	**As at 1 January 2022**	**Impact on Profit and loss**	**Impact on other comprehensive income**	**Impact on other comprehensive income**	**As at 31 December 2022**
Property Plant and equipment	(14.62)	10.93	-	(1.06)	(4.74)
Provision for compensated absences	5.56	(0.47)	-	0.60	5.69
Provision for expected credit loss	6.24	4.16	-	0.93	11.33
Lease liability	122.06	(62.39)	-	10.38	70.06
Right of use assets	(112.83)	67.06	-	(9.09)	(54.87)
Others	8.49	(4.39)	-	0.70	4.80
Total	**14.90**	**14.90**	**-**	**2.46**	**32.27**

Particulars	**As at 1 January 2023**	**Impact on Profit and loss**	**Impact on other comprehensive income**	**Exchange Difference**	**As at 31 December 2023**
Property Plant and equipment	(4.74)	(8.64)	-	(0.04)	(13.42)
Provision for Compensated Absences	5.69	0.61	-	0.02	6.31
Provision for Doubtful Debts	11.33	5.44	-	0.06	16.83
Lease liability	70.06	229.45	-	0.78	300.29
Right to use of asset	(54.87)	(183.63)	-	(0.60)	(239.10)
Others	4.80	(4.81)	-	0.01	-
Total	**32.27**	**38.42**	**-**	**0.23**	**70.91**

(Amounts in INR millions, unless otherwise stated)

29 Earnings per share

Basic EPS amount is calculated by dividing the profit for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table set forth the computation of basic and dilutive earnings per share:

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Net profit/(loss) for the year attributable to equity shareholders	(14.73)	189.00
Weighted average number of shares	750	750
Earnings/(loss) per equity share#	**(19,633.53)**	**2,52,004.00**

Basic and diluted earnings per share during the year are same as the Group has no potentially dilutive equity shares outstanding as at the year end.

Reconciliation of shares used in computing earnings per share

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
No. of equity shares at the beginning of the year	750	750
Add: Shares issued during the year	-	-
No. of equity shares at the end of the year	**750**	**750**
Weighted average number of equity shares of EURO 74.40 each used for calculation of basic and diluted earnings per share	**750**	**750**

(Amounts in INR millions, unless otherwise stated)

30 Employee benefits

(A) Defined benefit plans

I. Compensated absences

The cost of providing defined benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. The value of the liabilities equal to the benefits accrued on the valuation date but based on the salaries projected to the assumed date of exit i.e. retirement, death or resignation.

A. Amount recognized in the Special Purpose Consolidated Balance Sheet

Particulars	As at 31 December 2023	As at 31 December 2022
Present value of defined benefit obligation	21.80	21.78
Current portion	2.64	2.85
Non current portion	19.16	18.93

B. Actuarial assumptions

Particulars	As at 31 December 2023	As at 31 December 2022
Discount rate (per annum)	3.84%	3.99%
Salary Escalation Rate (p.a.)	8.00%	8.00%
Attrition Rate (p.a.)	15.00%	16.00%
Mortality Rate	RP-2014	
Disability Rate	No explicit provision	

(a) One of the principal assumptions is the discount rate, which is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities. The yields are pertaining to the US market as on the date of valuation.

(b) The other principal assumption is the salary escalation assumption. The salary increase should take into account inflation, seniority, promotion and other relevant factors. The salary escalation assumptions for the future are set at levels as advised by the Group.

(c) The estimate of attrition rate to be done by reference to past experience & expected future experience & should take into account the market conditions. This should include all types of exit other than death.

(d) The mortality assumptions are as per the published rates of RP - 2014. This is the standard mortality table used for determining the benefit valuation in the US market.

C. Data

Particulars	As at 31 December 2023	As at 31 December 2022
Number of Employees	86	93
Normal Retirement Age	67	67
Average Age (in yrs)	47	46
Average Monthly Encashment Salary	5,680	5,433
Total Leave balance (in hrs)	5,920	5,702
Weighted Average duration of DBO	5.86	5.65

Special Purpose Consolidated Notes to the financial statements for year ended 31 December 2023

(Amounts in INR millions, unless otherwise stated)

31 Related party disclosures

a) Relationship & Name of related parties

Relationship	Name of parties
Holding Company (Upto 19 May 2023)	Alpha Yu B.V.
Holding Company (Upto 19 May 2023)	Lorie Holdings B.V.
Holding Company (From 19 May 2023)	BCP Asia II Topco Pte. Ltd.
Wholly Owned Subsidiary	International Gemological Institute, Inc.
Entity under common control	International Gemmological Institute (India) Limited
Entity under common control	IGI Gemmological Institute Turkey Precious Stone Certification Services Joint Stock Company
Entity under common control	IGI Netherlands B.V.
Entity under common control	I.G.I. International Gemmological Institute (Israel) Ltd.
Entity under common control	International Gemological Institute for Jewelry and Precious Stones (IGI)
Entity under common control	International Gemological Institute DMCC
Entity under common control	International Gemological Institute (HK) Limited
Entity under common control	International Gemmological Identification (Thailand) Limited
Entity under common control	IGI (Shanghai) Business Consulting Co. Ltd
Entity under common control	IGI (Shanghai) Gemological Research and Testing Ltd.
Entity under common control	IGI (Shanghai) Gemological Training Co. Ltd.
Entity under common control	IGI (Shenzhen) Jewelry Testing Co., Ltd.
Key Management Personnel	Deborah Morgane T Grosman
President	Avi Levy

b) Related party transactions during the year

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Employee Benefit Expenses		
Deborah Morgane T Grosman	24.16	24.77
Avi Levy	38.63	35.76
Purchases of Stationery		
International Gemmological Institute (India) Limited	3.20	0.27
International Gemological Institute DMCC	2.13	3.58
Purchase of D-check machine		
International Gemmological Institute (India) Limited	-	0.28
Sales - commission		
International Gemmological Institute (India) Limited	45.14	55.18
Payment against various expense		
International Gemmological Institute (India) Limited	7.93	1.91
Sales - certification		
I.G.I. International Gemmological Institute (Israel) Ltd.	5.04	-
International Gemmological Institute (India) Limited	1.92	0.94
International Gemological Institute (HK) Limited	-	0.01
International Gemological Institute DMCC	-	0.84
International Gemmological Identification (Thailand) Limited	-	1.79
Dividend paid		
Alpha Yu B.V.	-	53.69
Lorie Holdings B.V.	-	214.71
Interest Income		
I.G.I. International Gemmological Institute (Israel) Ltd.	0.02	-
International Gemmological Institute (India) Limited	2.32	-
Loan to Related Parties		
I.G.I. International Gemmological Institute (Israel) Ltd.	8.30	-
IGI Netherlands B.V.	58.00	-

Special Purpose Consolidated Notes to the financial statements for year ended 31 December 2023
(Amounts in INR millions, unless otherwise stated)

c) Outstanding balances as at year end

Particulars	As at 31 December 2023	As at 31 December 2022
Trade Receivable		
International Gemmological Institute (India) Limited	23.07	4.25
International Gemological Institute DMCC	-	1.00
International Gemological Institute (HK) Limited	-	0.02
I.G.I. International Gemmological Institute (Israel) Ltd.	4.28	-
Trade Payable		
International Gemmological Institute (India) Limited	8.20	2.04
International Gemological Institute DMCC	-	0.15
I.G.I. International Gemmological Institute (Israel) Ltd.	0.56	0.60
Loans given		
I.G.I. International Gemmological Institute (Israel) Ltd.	8.30	-
IGI Netherlands B.V.	58.28	-
Accrued Interest on Loans given		
I.G.I. International Gemmological Institute (Israel) Ltd.	0.02	-
IGI Netherlands B.V.	2.16	-
Employee Payables		
Deborah Morgane T Grosman	7.95	11.02
Avi Levy	2.82	3.72

(Amounts in INR millions, unless otherwise stated)

32 Financial instruments risk management objectives and policies

The Group is exposed primarily to market risk, credit risk and liquidity risk. The management of the Group oversees the management of these risks. The management advises on financial risks and the appropriate financial risk governance framework for the Group and also provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

(a) Market risk
Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Group income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt.

i) Interest rate risk
Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.
The Group has not taken any borrowings, hence not exposed to the interest rate risk as there are no variable interest bearing borrowings/ investments.

ii) Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the financial instruments dominated in foreign currency is very minimal, hence no major foreign currency risk exists.

(b) Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Group's trade receivables, security deposits, loans and other financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The gross carrying amounts of following financial assets represent the maximum credit risk exposure:

	As at 31 December 2023	As at 31 December 2022
Loans	66.58	-
Cash and cash equivalents	267.63	287.95
Security deposits	64.49	114.45
Other financial assets	104.09	69.40
	502.79	**471.80**

Balances with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial institutions as approved by the Board of directors.
Based on assessment carried by the Group, entire receivable under this category is classified as "Stage 1". There is no history of loss and credit risk and the amount of provision for expected credit losses on other financial assets is negligible.
Loans are given to related parties and as per the management same does not have any credit risk, hence provision for expected credit losses is not required.

Trade receivables:
The Group applies the Ind AS 109 simplified approach for measuring expected credit losses which uses a lifetime expected loss allowance (ECL) for trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Group uses past data and experience based on Group's historical default rates to measure the ECL on trade receivables. Based on evaluation carried out and to the best estimate of management, historical loss sufficiently covers expected loss as well as future contingencies. Adjustment for forward looking factors are not considered significant, hence no adjustment for forward looking factors is made.

Computation of Allowance for impairment losses:
Specific provision: Entire trade receivables outstanding as at reporting period are assessed for specific provisioning. Items considered when determining allowance amounts include sustainability of the counterparty's business plan, its ability to improve performance once a financial difficulty has arisen, availability of other financial support and realizable value of collateral and timing of expected cash flows. The impairment losses are evaluated at the end of each reporting period, unless unforeseen circumstances require more careful attention. Specific provision may be required due to various reasons such as credit deterioration, etc. Trade receivable under specific provision case, are assessed individually. The impairment allowances is recognized to the extent of trade receivables not covered by fair value of collaterals.
Collective Provisions: ECL is computed based on the trade receivable as at reporting period minus specific provision by applying the bucket wise lifetime loss rate (PDs) determined for each reporting period.

The movement in provision for expected credit loss is as follows:

	As at 31 December 2023	As at 31 December 2022
Opening provision	44.25	17.20
Impairment loss recognized	14.21	23.88
Foreign exchange movement	0.22	3.17
Closing provision	**58.68**	**44.25**

(Amounts in INR millions, unless otherwise stated)

(c) Liquidity risk

Liquidity risk is the current and prospective risk arising out of an inability to meet financial commitments as they fall due, through available cash flows or through the sale of assets at fair market value. Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The management monitors the Group's net liquidity position through forecasts on the basis of expected cash flows. Group has sufficient working capital to meets its financial commitments shown below.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	Within 1 year	1 to 3 years	More than 3 years	Total
As at 31 December 2023				
Lease liabilities	139.72	224.48	1,307.83	1,672.03
Trade payables	37.96	-	-	37.96
Other financial liabilities	109.31	-	-	109.31
	286.99	**224.48**	**1,307.83**	**1,819.30**
As at 31 December 2022				
Lease liabilities	105.13	174.36	1.84	281.33
Trade payables	55.83	-	-	55.83
Other financial liabilities	108.22	-	-	108.22
	269.18	**174.36**	**1.84**	**445.38**

32.1 Fair value measurement hierarchy

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

All below mentioned financial assets and financial liabilities are measured using valuation techniques in accordance with level 3.

The fair value of cash and cash equivalents, trade receivables, loans, trade payables, other financial liabilities and other financial assets approximate their carrying amount largely due to short term nature of these instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security deposits are not significantly different from the carrying amount.

(a) Financial instruments by category

The carrying amounts of each of the categories of financial instruments as at 31 December 2023 are as follows:

	FVTPL	Amortized cost	FVTOCI	Total
Financial assets				
Non Current				
Other financial assets	-	102.48	-	102.48
Current				
Trade receivables	-	179.89	-	179.89
Cash and cash equivalents	-	267.63	-	267.63
Loans	-	66.58	-	66.58
Other financial assets	-	66.10	-	66.10
	-	**682.68**	**-**	**682.68**
Financial Liabilities				
Non Current				
Lease liabilities	-	961.13	-	961.13
Current				
Lease liabilities	-	73.40	-	73.40
Trade payables	-	37.96	-	37.96
Other financial liabilities	-	109.31	-	109.31
	-	**1,181.80**	**-**	**1,181.80**

(Amounts in INR millions, unless otherwise stated)

The carrying amounts of each of the categories of financial instruments as at 31 December 2022 are as follows:

	FVTPL	Amortized cost	FVTOCI	Total
Financial assets				
Non Current				
Other financial assets	-	158.22	-	158.22
Current				
Trade receivables	-	150.85	-	150.85
Cash and cash equivalents	-	287.95	-	287.95
Other financial assets		25.64		25.64
	-	**622.66**	**-**	**622.66**
Financial Liabilities				
Non Current				
Lease liabilities		170.89		170.89
Current				
Lease liabilities	-	97.20	-	97.20
Trade payables	-	55.83	-	55.83
Other financial liabilities	-	108.22	-	108.22
	-	**432.14**	**-**	**432.14**

(Amounts in INR millions, unless otherwise stated)

33 Capital management

The Group's objectives when managing capital are to:
• safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
• Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity'. No changes were made in the objectives, policies or processes for managing capital during the reporting periods. There are no Debts taken by the Group. Therefore, Capital structure comprised of only equity as there are no external debts availed by Group.

Particulars	As at 31 December 2023	As at 31 December 2022
Interest bearing loans and borrowings	-	-
Less: Cash and Bank balances	(267.63)	(287.95)
Adjusted net debt	**(267.63)**	**(287.95)**
Total equity	**1,188.97**	**1,175.41**
Gearing ratio [Net debt/(total equity]	**-**	**-**

34 Contingent liabilities and Commitments

(a) KS Trade LLC ("Complainant") has filed a complaint dated December 21, 2017 ("Complaint") against IGI International Gemmological Institute Inc. (IGI USA), International Gemological Institute DMCC (IGI UAE) (Subsidiary company) and International Gemmological Institute (India) Limited (collectively, "IGI Entities") and others (together with IGI Entities, "Defendants"), before the Supreme Court of the State of New York. The Complainant has demanded USD 0.75 million and alleged inter alia that the Defendants conspired to misrepresent the true value of diamonds by intentionally over-grading diamonds in IGI Entities' affiliated laboratories outside of New York, thereby allowing diamond dealers and wholesalers to re-sell diamonds at artificially inflated prices. It has also been alleged that IGI USA's grading standards differs substantially from those of other IGI Entities outside New York and it offers to over-grade diamonds in line with Other IGI Entities' grading standard for an illicit fee. The Company has refuted these allegations. The matter is currently sub-judice in the court and the outcome is indeterminate as of now.

(Amounts in INR millions, unless otherwise stated)

35 Revenue from customer

35.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Revenue from contract with customers:		
Sale of services		
Certification services	1,414.96	1,449.50
Educational courses	55.74	44.21
Gross revenue from contract with customers	1,470.70	1,493.71
Less: Consideration payable to customers	-	-
Net revenue from contract with customers	**1,470.70**	**1,493.71**
Geographical markets		
Belgium	440.32	429.81
Outside Belgium	1,030.38	1,063.90
Net revenue from contract with customers	**1,470.70**	**1,493.71**
Timing of revenue recognition		
Goods or services transferred at a point in time	1,414.96	1,449.50
Goods or Services transferred over time	55.74	44.21
Net revenue from contract with customers	**1,470.70**	**1,493.71**

35.2 Reconciling the amount of revenue recognised in the Statement of profit and loss with the contracted price:

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Revenue as per contracted price	1,573.72	1,582.16
Less: Rebate, discount and other adjustments	(103.02)	(88.45)
Revenue from contract with customers	**1,470.70**	**1,493.71**

35.3 Contract balances

a) The following table provides information about receivables, unbilled revenue and deferred revenue from contracts with customers:

	As at 31 December 2023	As at 31 December 2022
Trade Receivables	179.89	150.85

For details on Performance obligations (Refer accounting policy note 4.6)

(Amounts in INR millions, unless otherwise stated)

36 Segment reporting

The Group's business activity primarily falls within a single business segment based on the nature of activity involved, which is in line with the business risks attached with the segment having regard to the internal organization and management structure. The CODM reviews the Group's performance as a single business segment and not at any other disaggregated level. Hence, no separate financial disclosures provided in respect of its single business segment.

36.1 Break up of revenue based on geographical segment

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Belgium	440.32	429.81
Outside Belgium	1,030.38	1,063.90
Total	**1,470.70**	**1,493.71**

36.2 The carrying amount of Non current operating assets by location of assets

Particulars	As at 31 December 2023	As at 31 December 2022
Belgium	635.34	614.62
Outside Belgium	901.62	245.56
Total	**1,536.96**	**860.18**

Note - There is no single external customer amount to 10% or more of group's revenues.

37 Subsequent events

There are no subsequent events after the end of reporting period which have impact on the Special Purpose Consolidated Financial Statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of the Board of Directors
International Gemmological Institute BV

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 06 August 2024

Tejas Deepak Naphade
Director
DIN: 10219144

Place: Mumbai
Date: 06 August 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 06 August 2024

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of

International Gemmological Institute BV and International Gemmological Institute (India) Limited (formerly "International Gemmological Institute (India) Private Limited")

Report on the Audit of the Special Purpose Interim Consolidated Financial Statements

Opinion

We have audited the accompanying Special Purpose Interim Consolidated Financial Statements of International Gemmological Institute BV (the "Holding Company") and its subsidiary (together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at September 30, 2024, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for nine months period ended September 30, 2024, and notes to the Special Purpose Interim Consolidated Financial Statements, including material accounting policy information and other explanatory information and disclosure (collectively referred to as the "Special Purpose Interim Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the accompanying Special Purpose Interim Consolidated Financial Statements of the Group for nine months period ended September 30, 2024 are prepared, in all material respects, in accordance with basis of preparation set out in Note 2.1 of the Special Purpose Interim Consolidated Financial Statements.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Interim Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Special Purpose Interim Consolidated Financial Statements, 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.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2.1 to the Special Purpose Interim Consolidated Financial Statements, which describes the purpose and basis of preparation of the Special Purpose Interim Consolidated Financial Statements. These Special Purpose Interim Consolidated Financial have been prepared by the Holding Company to assist International Gemmological Institute (India) Limited ("IGI India") to meet the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the proposed Initial Public Offer of equity shares of IGI India and will be included in the Red Herring Prospectus ("RHP") and Prospectus of IGI India. As a result, these Special Purpose Interim Consolidated Financial Statements may not be suitable for another purpose.

Our report is addressed to the Board of Directors of the Holding Company and of IGI India, solely for the purposes stated above and should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Group or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our Opinion is not modified in respect of the above matter.

Responsibilities of Management and Board of Directors for Special Purpose Interim Consolidated Financial Statements

The Holding Company's Management and Board of Directors is responsible for the preparation and fair presentation of these Special Purpose Interim Consolidated Financial Statements in accordance with recognition and measurement principles of Indian Accounting Standard 34 'Interim Financial Reporting'; and this includes design, implementation and maintenance of such internal control as management determines is necessary to enable the preparation of Special Purpose Interim Consolidated Financial Statements that are free from material misstatement whether due to fraud or error.

In preparing the Special Purpose Interim Consolidated Financial Statements, the respective Management and Board of Directors of the Companies included in the Group are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the companies included in the Group or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Special Purpose Interim Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose Interim Consolidated 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 Special Purpose Interim Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the special purpose interim consolidated 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, but not for expressing our opinion on whether the group has internal financial controls with reference to special purpose interim consolidated financial statements in place and the operating effectiveness of such controls.

- 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 Group'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 special purpose interim consolidated 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 Group to cease to continue as a going concern.

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

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.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Ankush Agrawal
Partner
Membership No. 159694
UDIN: 24159694BKFHXX6631

Place: Mumbai
Date: November 25, 2024

International Gemmological Institute BV

Special Purpose Interim Consolidated Balance Sheet as at 30 September 2024

(Amounts in INR millions, unless otherwise stated)

Particulars	Note	As at 30 September 2024
ASSETS		
Non-current assets		
Property, plant and equipment	6	225.94
Right-of-use assets	6.1	717.92
Goodwill	7	548.39
Financial assets		
(a) Loans	8	46.77
(b) Other financial assets	9	35.29
Income tax assets (net)	11	94.82
Deferred tax asset (net)	28	73.24
Total non-current assets		**1,742.37**
Current assets		
Financial assets		
(a) Trade receivables	12	136.75
(b) Cash and cash equivalents	13	264.04
(c) Other financial assets	9	90.59
Other current assets	10	18.57
Total current assets		**509.95**
TOTAL ASSETS		**2,252.32**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	14	5.01
Other equity	15	987.28
Total equity		**992.29**
Liabilities		
Non-current liabilities		
Financial liabilities		
(a) Lease liabilities	17	915.28
Employee benefit obligations	16	19.46
Total non-current liabilities		**934.74**
Current liabilities		
Financial liabilities		
(a) Lease liabilities	17	76.44
(b) Trade payables	21	26.56
(c) Other financial liabilities	18	201.28
Other current liabilities	19	13.66
Employee benefit obligations	16	2.65
Income tax liabilities (net)	20	4.70
Total current liabilities		**325.29**
Total liabilities		**1,260.03**
TOTAL EQUITY AND LIABILITIES		**2,252.32**

See accompanying notes to the Special Purpose Interim Consolidated Financial Statements. 1 - 37

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 25 November 2024

For and on behalf of
International Gemmological Institute BV

Tejas Deepak Naphade
Director
DIN: 10219144

Place: Mumbai
Date: 25 November 2024

Deborah Grosman
Director

Place: Antwerp, Belgium
Date: 25 November 2024

International Gemmological Institute BV

Special Purpose Interim Consolidated Statement of Profit and Loss for nine months period ended 30 September 2024
(Amounts in INR millions, unless otherwise stated)

Particulars	Note	For the nine months period ended 30 September 2024
Income		
Revenue from operations	22	975.39
Other income	23	66.07
Total income		**1,041.46**
Expenses		
Employee benefit expenses	24	707.09
Finance costs	25	50.33
Depreciation and amortization expenses	26	86.05
Other expenses	27	409.25
Total expenses		**1,252.72**
Loss before tax		**(211.26)**
Tax expense:		
- Current tax	28	(4.83)
- Deferred tax		1.76
Total tax expense		**(3.07)**
Loss for the period		**(214.33)**
Items that will be reclassified to profit or loss		
Foreign currency translation difference of foreign operations		17.65
Income tax relating to these items		-
		17.65
Other comprehensive loss for the period, net of tax		**17.65**
Total comprehensive loss for the period		**(196.68)**
Loss for the period attributable to		
Owners of the Holding Company		(214.33)
Non-controlling interest		-
		(214.33)
Other comprehensive Income for the period attributable to		
Owners of the Holding Company		17.65
Non-controlling interest		-
		17.65
Total comprehensive loss for the period attributable to		
Owners of the Holding Company		(196.68)
Non-controlling interest		-
		(196.68)
Loss per share (in INR) of face value of 74.40 each		
Basic	29	**(2,85,772.99)**
Diluted	29	**(2,85,772.99)**
See accompanying notes to the Special Purpose Interim Consolidated Financial Statements.	1 - 37	

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of
International Gemmological Institute BV

Ankush Agrawal
Partner
Membership No : 159694

Tejas Deepak Naphade
Director
DIN: 10219144

Deborah Grosman
Director
-

Place: Mumbai
Date: 25 November 2024

Place: Mumbai
Date: 25 November 2024

Place: Antwerp, Belgium
Date: 25 November 2024

International Gemmological Institute BV

Special Purpose Interim Consolidated Statement of changes in equity for nine months period ended 30 September 2024

(Amounts in INR millions, unless otherwise stated)

A) Equity share capital

Particulars	Number of shares	Amount
For the period ended 30 September 2024		
Balance as at 1 January 2024	750.00	5.01
Changes in equity share capital during the period	-	-
Balance as at 30 September 2024	**750.00**	**5.01**

Particulars	Reserves and Surplus					Other Comprehensive Income	
	Retained Earnings	Securities Premium	Legal reserve	Investment reserve	Taxed Reserves	Foreign currency translation reserve	Total
Balance as at 1 January 2024	560.23	534.92	0.50	1.68	2.54	84.09	**1,183.96**
Loss for the period	(214.33)	-	-	-	-	-	**(214.33)**
Foreign currency translation difference during the period	-	-	-	-	-	17.65	**17.65**
Balance as at 30 September 2024	**345.90**	**534.92**	**0.50**	**1.68**	**2.54**	**101.74**	**987.28**

See accompanying notes to the Special Purpose Interim Consolidated Financial Statements.
As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of
International Gemmological Institute BV

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 25 November 2024

Tejas Deepak Naphade
Director
DIN: 10219144

Place: Mumbai
Date: 25 November 2024

Deborah Grosman
Director

Place: Antwerp, Belgium
Date: 25 November 2024

International Gemmological Institute BV

Special Purpose Interim Consolidated Statement of Cash Flows for nine months period ended 30 September 2024

(Amounts in INR millions, unless otherwise stated)

Particulars	For the nine months period ended 30 September 2024
Cash flow from operating activities	
Profit before tax	**(211.26)**
Adjustments for:	
Depreciation on property, plant and equipment	22.94
Depreciation on right-of-use assets	63.11
Interest Income on loan to related parties	(3.00)
Interest income on security deposit	(2.74)
Interest Income on Sub leases	(2.47)
Interest expense on lease liabilities	50.22
Reversal of excess provision/ balance written back	(51.68)
Bad debts and provision for doubtful debts	37.89
Foreign exchange loss	4.03
Operating profit before changes in working capital	**(92.96)**
Changes in working capital :	
Increase in other financial liabilities	91.97
Decrease in trade payables	(11.40)
Decrease in employee benefit obligations	0.30
Increase in other current liabilities	0.12
Decrease in other financial assets	(0.46)
Decrease in other current assets	1.51
Increase in trade receivables	52.90
Cash generated from operating activities before taxes	**41.98**
Income tax paid (net)	0.55
Net cash generated from operating activities (A)	**42.53**
Cash flows from investing activities	
Payment for Property, plant and equipment	(24.84)
Proceeds from loans given to related parties	22.28
Rental income from sub-lease	48.90
Net cash generated from investing activities (B)	**46.34**
Cash flows from financing activities	
Repayment of lease liabilities	(50.94)
Interest on lease liabilities	(50.22)
Net cash (used) in financing activities (C)	**(101.16)**
Net (decrease) in cash and cash equivalents (A+B+C)	(12.29)
Foreign currency translation difference of foreign operations	8.70
Cash and cash equivalents at the beginning of the period (Note 13)	267.63
Cash and cash equivalents at the end of the year (Note 13)	**264.04**

The Statement of Cash flows has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash flows'.

See accompanying notes to the Special Purpose Interim Consolidated Financial Statements.
As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of
International Gemmological Institute BV

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 25 November 2024

Tejas Deepak Naphade
Director
DIN: 10219144

Place: Mumbai
Date: 25 November 2024

Deborah Grosman
Director

Place: Antwerp, Belgium
Date: 25 November 2024

International Gemmological Institute BV

Special Purpose Interim Consolidated Notes to the financial statements for nine months period ended 30

1 Corporate Information

International Gemmological Institute B.V. (the "Company" or the "Holding Company" or the "Parent Company") is a Besloten Vennootschap company register in Belgium, with its registered office situated at Schupstraat, Postal Number 2018, Gemeente - Antwerpen and having corporate identification number (CIN) 0415.201.273.

The Special Purpose Interim Consolidated Financial Statements include the financial statements of the Holding Company and it's subsidiary, as mentioned below (collectively referred to as the "Group").

Name of the subsidiary	Country of incorporation	Percentage holding
International Gemological Institute Inc.	USA	100%

The Group is primarily engaged in the business of Certification of diamonds, gemstones & jewellery with comprehensive analysis & clear documentation for consumers. Also the Group is having school of Gemmology at various locations and offers a variety of courses designed for professionals and consumer enthusiasts.

The Special Purpose Interim Consolidated Financial Statements of the Group for the period ended 30 September 2024 were authorized for issue in accordance with a resolution of the Board of Directors on 25 November 2024.

2 Material accounting policies

2.1 Basis of preparation and statement of compliance:

The Audited Special Purpose Interim Consolidated Financial Statements have been prepared on a going Concern basis under the historical cost convention Except for certain financial instruments that are measured at fair value as explained in the Accounting policies below.

These Audited Special Purpose Interim Consolidated Financial Statements of the Group have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard – 34 “Interim Financial Reporting” as prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. The Special Purpose Interim Consolidated Financial Statements do not include comparative financial information as required by Ind AS 34, Interim Financial Reporting and Ind AS 1, Presentation of Financial Statements.

These Audited Special Purpose Interim Consolidated Financial Statements have been prepared by the Holding Company to assist International Gemmological Institute (India) Limited (“IGI India”) to meet the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the proposed Initial Public Offer of equity shares of IGI India and will be included in the Red Herring Prospectus (“RHP”) and Prospectus of IGI India.

All amounts in the Audited Special Purpose Interim Consolidated Financial Statements are presented in Indian rupees (INR million), except for share and per share data, unless otherwise specified. Amounts shown as "0" are non-zero figures rounded off to the nearest INR million. Due to rounding, totals may not add up exactly, and percentages may not match the absolute figures.

2.2 Principles of Consolidation

Subsidiary

Subsidiary is an entity controlled by the Holding company. Control exists when the Holding company is exposed to or has rights, to variable returns from its involvement with the entity, and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. Upon loss of control, the Group derecognizes the assets and liabilities of the subsidiary, derecognizes any non-controlling interests, derecognizes the cumulative translation difference recorded in equity, recognizes the fair value of the consideration received related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in the Special Purpose Interim Consolidated Statement of Profit and

Consolidation procedure

The Interim Consolidated Financial Statements of the Group has been combined on a line-by-line basis by adding assets, liabilities, income, expense and cash flows. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing these Interim Consolidated financial statements. The carrying amount of the parent’s investment in subsidiary and the parent’s portion of equity of subsidiary has been eliminated. The accounting policies of subsidiary have been harmonised to ensure consistency with the policies adopted by the Holding Company.

Foreign subsidiary

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

• assets and liabilities are translated at the closing rate at the date of the balance sheet
• income and expenses are translated at average exchange rates
• Equity and reserves are translated at historical exchange rates

On Consolidation, exchange differences are recognized as foreign currency translation reserve("FCTR") in Other Comprehensive income and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation).

3 Significant accounting judgements, estimates and assumptions

The preparation of Special Purpose Interim Consolidated Financial Statements in conformity with Ind AS requires management, where necessary, to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

The key assumptions concerning future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

3.1 Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon likely timing and level of future taxable profits, together with future tax planning strategies.

3.2 Provision for expected credit losses of trade receivables and contract assets

The Group uses past data and experience based on historical default rates to measure the ECL on trade receivables. Based on evaluation carried out and to the best estimate of management, historical loss sufficiently covers expected loss as well as future contingencies. Adjustment for forward looking factors are not considered significant, hence no adjustment for forward looking factors is made.

3.3 Employee retirement plans

The cost of the compensated absences is based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date.

3.4 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded, cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

3.5 Leases - Estimating the incremental borrowing rate and lease term

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available. The Group estimates the IBR using observable inputs (such as market interest rates).

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

3.6 Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less cost of disposal and its value in use. The fair value less costs of disposal calculation is based on observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted cashflow model (DCF model). The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

3.7 Impairment of Goodwill

Goodwill is tested for impairment annually and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

4 Summary of Material accounting policies

4.1 Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/ non-current classification. An asset is treated as current when it is:
• Expected to be realized or intended to be sold or consumed in the normal operating cycle
• Held primarily for the purpose of trading
• Expected to be realized within twelve months after the reporting period
Or
• Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non-current.

A liability is current when:
• It is expected to be settled in the normal operating cycle
• It is held primarily for the purpose of trading
• It is due to be settled within twelve months after the reporting period
Or
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of activities of the Group and the time between the acquisition of assets for processing and their realization in Cash or cash equivalents, the Group has ascertained its normal operating cycle as 12 months for the purpose of Current / Non-current classification of assets and liabilities.

4.2 Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment if the recognition criteria is met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit and loss during the year in which they are incurred.

The economic useful life is determined by the Management, basis industry trends, nature of asset and past experience.

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

De-recognition: An item of property, plant and equipment including any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognized in profit or loss in the year the asset is derecognized is the difference between the net sales proceeds and the carrying amount of the relevant asset.

4.3 Goodwill and Impairment of Goodwill

The acquisition method of accounting is used to account for all business combinations. The consideration transferred for the acquisition of a subsidiary comprises the
(i) fair values of the assets transferred;
(ii) liabilities incurred to the former owners of the acquired business;
(iii) equity interests issued by the group; and
(iv) fair value of any asset or liability resulting from a contingent consideration arrangement.

The excess of the
(i) consideration transferred;
(ii) amount of any non-controlling interest in the acquired entity, and
(iii) acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired and liabilities assumed is recorded as goodwill.

If those amounts are less than fair value of net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

4.4 Foreign Currency Transactions

(a) Functional and presentation currency

The functional currency of International Gemological Institute BV is the EURO. Items included in the Special Purpose Interim Consolidated Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Special Purpose Interim Consolidated Financial Statements are presented in Indian rupee (INR).

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the period end at the exchange rate prevailing at the period end and the exchange differences are recognised in the Statement of Profit and Loss.
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

4.5 Leases

The Group's lease asset classes primarily consist of leases of premises. The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets for all leases, except for short-term leases and leases of low-value assets.

(a) Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. In such cases, the Group reviews the estimated residual values and expected useful lives of assets at least annually.

The right-of-use assets are also subject to impairment at each reporting period.

(b) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

Lease payments and receipts under operating leases are recognized as an expense and income respectively, on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

Group as a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.
To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

4.6 Security Deposits

Security deposits are initially recognized at fair value and subsequently measured at amortized cost. Any difference between the initial fair value and the nominal amount is included as a component of operating lease income and recognized on a straight-line basis over the lease term.

4.7 Revenue

a) Revenue from grading and certification services

The Group recognizes revenue from grading and certification of diamonds, colored stones and jewellery which is measured at a point in time upon satisfaction of the performance obligation, when the report/certificate in relation to completion of such activities is generated and is ready to be issued to the customer. There are no significant activities undertaken between the time that the report is generated and the time that the customer obtains the report. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts or rebates, if any, as specified in the contract with the customer. Revenue is recognized exclusive of taxes.

b) Revenue from educational courses

Revenue from providing gemological education on sorting and grading of gems, diamond and jewellery is recognized over a period of time as and when the educational course is completed.

4.8 Other Income

a) Interest income

Interest income is accounted for on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

4.9 Contract Balances

Contract assets and contract liabilities

A contract asset is the right to consideration in exchange for goods or services transferred to the customer when that right is conditioned on something other than the passage of time, for example, billings require certification by the customer. Upon receipt of such certification from a customer, the amount recognized as contract assets is reclassified to trade receivables. Contract assets are subject to impairment assessment on the same basis as financial assets that are within the scope of Ind AS 109.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognized as revenue when the Holding company performs under the contract (i.e. transfers control of the related goods or services to the customer).

4.10 Fair Value Measurement

The Group measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability

Or

• In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using asset in its highest and best use or by selling it to another market participant that would use asset in its highest and best use.

'The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities, for which fair value is measured or disclosed in the Special Purpose Interim Consolidated Financial Statements, are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the Special Purpose Interim Consolidated Financial Statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4.11 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash generating unit's (CGU's) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations are recognized in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

4.12 Financial instruments – initial recognition and subsequent measurement

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

(a) Financial Assets

Initial recognition and measurement

Financial assets are classified at initial recognition, and subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. As the Group's rent and other trade receivables do not contain a significant financing component or for which the Group has applied the practical expedient, they are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortized cost or fair value through other comprehensive income (OCI), it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Subsequent measurement

Financial assets measured at amortized cost

The Group measures financial assets at amortized cost if both of the following conditions are met:
• The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost includes trade receivables, security deposit and financial assets included in other receivables.

Financial assets designated at fair value through OCI (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled in profit or loss. Dividends are recognized as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets measured at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the Financial Statement at fair value with net changes in fair value recognized in profit or loss.

This category includes equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value profit or loss are also recognized as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized (i.e., removed from the Group's statement of financial position) when:

• The rights to receive cash flows from the asset have expired

Or

• The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

General approach

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward looking information.

Simplified approach

For trade receivables and contract assets, that do not contain a significant financing component, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date (i.e., a loss allowance for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default). The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(b) Financial Liabilities

The Group recognizes a financial liability when it first becomes a party to the contractual rights and obligations in the contract. All financial liabilities are initially recognized at fair value, minus (in the case of a financial liability that is not at FVTPL) transaction costs that are directly attributable to issuing the financial liability. Financial liabilities are measured at amortized cost, using the effective interest method unless the Group opted to measure a liability at FVTPL. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires. Financial liabilities included in trade and other payables, borrowings and other financial liabilities. The effective interest rate amortization is included in finance costs in profit or loss.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

(c) Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

4.13 Employee benefits

(i) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries, wages and bonus. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

(ii) Long-term employment benefits

(A) Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognized as a liability at the present value of the other long-term employment benefits which is determined at each balance sheet date based on an actuarial valuation by an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses are recognized immediately in the Statement of profit and loss.

4.14 Taxes

Income tax expenses comprises of current tax expenses and deferred tax charge / credit.

(a) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, at the reporting date where the Group operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:
(i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
(ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:
(i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
(ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4.15 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprises cash at bank and on hand subject to an insignificant risk of changes in value.

4.16 Provisions and contingencies

Provisions: A provision is recognized when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

Contingent Liability: A contingent liability is

(a) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or

(b) a present obligation that arises from past events but is not recognized because;
- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
- the amount of the obligation cannot be measured with sufficient reliability.

The Group does not recognize a contingent liability but discloses the same as per the requirements of Ind AS 37.

Contingent Asset: A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The Group does not recognize a contingent assets but discloses the same as per the requirements of Ind AS 37.

4.17 Segment reporting

The operating segments have been identified based on the conditions specified in paragraph 5 to Ind AS 108, i.e. an operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available that is evaluated regularly by the CODM, in deciding how to allocate resources and assessing performance.

5 Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the nine months period ended 30 September 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

Special Purpose Interim Consolidated Notes to the financial statements for nine months period ended 30 September 2024

(Amounts in INR millions, unless otherwise stated)

6 Property, plant and equipment

Particulars	Leasehold Improvements	Buildings	Fitment rented buildings	Furniture and Fixtures	Equipment and Tools	Precious Stones & Laboratory Master Sets	Total
Gross carrying amount							
Balance as at 1 January 2024	46.38	9.49	8.46	24.34	118.21	76.82	283.70
Additions	0.31	0.32	0.43	-	19.80	0.15	21.01
Deductions/ adjustments	-	-	-	-	-	-	-
Translation exchange difference	0.81	0.19	0.17	0.20	2.14	1.04	4.55
Balance as at 30 September 2024	**47.50**	**10.00**	**9.06**	**24.54**	**140.15**	**78.01**	**309.26**
Accumulated Depreciation							
Balance as at 1 January 2024	7.06	0.53	2.58	3.42	46.07	-	59.66
Depreciation charge during the period	2.60	0.11	0.85	2.60	16.78	-	22.94
Disposals	-	-	-	-	-	-	-
Translation exchange difference	0.07	0.01	0.06	0.04	0.54	-	0.72
Balance as at 30 September 2024	**9.73**	**0.65**	**3.49**	**6.06**	**63.39**	**-**	**83.32**
Net carrying amount as at 30 September 2024	**37.77**	**9.35**	**5.57**	**18.48**	**76.76**	**78.01**	**225.94**

Special Purpose Interim Consolidated Notes to the financial statements for nine months period ended 30 September 2024
(Amounts in INR millions, unless otherwise stated)

6.1 Leases
A Leases as lessee

(a) Right-of-use asset

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

Particulars	Leasehold Premises	Total
Gross carrying amount		
Balance as at 1 January 2024	1,121.34	**1,121.34**
Additions during the period	-	**-**
Translation exchange difference	9.02	**9.02**
Balance as at 30 September 2024	**1,130.36**	**1,130.36**
Accumulated Depreciation		
Balance as at 1 January 2024	346.29	**346.29**
Depreciation charge during the period	63.11	**63.11**
Translation exchange difference	3.04	**3.04**
Balance as at 30 September 2024	**412.44**	**412.44**
Net carrying amount as at 30 September 2024	**717.92**	**717.92**

(b) Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	As at 30 September 2024
Balance as at the beginning of the period	**1,034.53**
Accretion of interest	50.22
Rent Payments	(101.16)
Translation difference	8.13
Balance as at the end of the period	**991.72**

The following is the break-up of lease liability as at reporting date

Particulars	As at 30 September 2024
Non-current lease liabilities	915.28
Current lease liabilities	76.44
Total	**991.72**

The following are the amounts recognized in profit or loss:

Particulars	For the nine months period ended 30 September 2024
Depreciation expense of right-of-use assets	63.11
Interest expense on lease liabilities	50.22
Expense relating to short-term leases	31.78

The below table provides the details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	For the nine months period ended 30 September 2024
Less than 1 year	141.31
1-5 years	498.04
More than 5 years	944.58
Total	**1,583.93**

The Group had total cash outflows for leases of INR 101.16 million for nine months period ended 30 September 2024.

B Leases as lessor

During the period ended 30 September 2024, the Group has sub-leased a property that has been presented as a right-of-use asset.

During the period ended 30 September 2024, the Group recognised interest income on lease receivables of INR 2.87 million.

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

Particulars	As at 30 September 2024
Less than 1 year	55.33
1-5 years	-
More than 5 years	-
Total	**55.33**

7 Goodwill

Particulars	Goodwill	Total
As at 1 January 2024	**537.85**	**537.85**
Additions during the period	**-**	-
Translation difference	10.54	10.54
As at 30 September 2024	**548.39**	**548.39**

The recoverable amount of cash generating units is more than its carrying value, accordingly there is no impairment of Goodwill as at 30 September 2024.

International Gemmological Institute BV

Special Purpose Interim Consolidated Notes to the financial statements for nine months period ended 30 September 2024
(Amounts in INR millions, unless otherwise stated)

8 Loans

Particulars	Non current As at 30 September 2024	Current As at 30 September 2024
Loans to related parties *	46.77	8.37
Less: Loss allowance	-	(8.37)
	46.77	**-**

* Refer note 31

9 Other financial assets

Particulars	Non current As at 30 September 2024	Current As at 30 September 2024
Security deposits	30.42	36.89
Sublease receivable	-	53.70
Interest accrued on loan to related parties*	4.87	0.38
Less: Loss allowance	-	(0.38)
	35.29	**90.59**

* Refer note 31

10 Other current assets

Particulars	Non current As at 30 September 2024	Current As at 30 September 2024
Advances to suppliers	-	0.03
Prepaid & Others	-	18.54
	-	**18.57**

11 Income tax assets (net)

Particulars	Non current As at 30 September 2024	Current As at 30 September 2024
Tax receivables (net)	94.82	-
	94.82	**-**

12 Trade receivables

Particulars	Non current As at 30 September 2024	Current As at 30 September 2024
Trade receivables*		
Unsecured, considered good	-	136.75
Unsecured, considered doubtful	-	40.73
	-	**177.48**
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	(40.73)
	-	**(40.73)**
	-	**136.75**

* Refer note 31

13 Cash and cash equivalents

Particulars	Non current As at 30 September 2024	Current As at 30 September 2024
Cash on hand	-	4.41
Balances with banks:		
In Current accounts	-	259.63
	-	**264.04**

(Amounts in INR millions, unless otherwise stated)

14 Equity share capital

Particulars	As at 30 September 2024
Authorized:	
750 Equity Shares of Euro 74.40 each	5.01
	5.01
Issued, subscribed and paid-up capital:	
750 Equity Shares of Euro 74.40 each Fully paid-up	5.01
	5.01

15 Other equity

Particulars	As at 30 September 2024
Retained earnings	345.90
Securities premium	534.92
Foreign currency translation reserve	101.74
Legal reserve	0.50
Investment reserve	1.68
Taxed Reserves	2.54
	987.28

(a) Retained earnings

	As at 30 September 2024
Opening balance	560.23
Loss for the period	(214.33)
Closing balance	**345.90**

(b) Securities premium

	As at 30 September 2024
Balance at the beginning and end of period	534.92
Closing balance	**534.92**

(c) Legal reserve

	As at 30 September 2024
Balance at the beginning and end of period	0.50
Closing balance	**0.50**

(d) Investment reserve

	As at 30 September 2024
Balance at the beginning and end of period	1.68
Closing balance	**1.68**

(e) Taxed Reserves

	As at 30 September 2024
Balance at the beginning and end of period	2.54
Closing balance	**2.54**

(f) Foreign currency translation reserve

	As at 30 September 2024
Opening balance	84.09
Addition during the year	17.65
Closing balance	**101.74**

Nature & Purpose of Reserves*

Retained Earnings: Retained earnings are the profits that the Group has earned till date, less any transfers to general reserves, dividends or other distributions paid to shareholders.
Securities premium: Securities premium is used to record the premium on issue of shares
Legal reserve: This is a legally regulated reserve that must be established in the early years of the Company until it reaches 10% of the capital.

Investment reserve: This reserve is transferred from retained earnings.
Taxed reserve: This reserve is transferred from retained earnings.
Foreign currency translation reserve: Gains/losses arising on translation of foreign operations are recognized in FCTR.

*Legal reserve, Investment reserve and Taxed reserve are pertaining to the Holding Company.

Special Purpose Interim Consolidated Notes to the financial statements for nine months period ended 30 September 2024
(Amounts in INR millions, unless otherwise stated)

16 Employee benefit obligations

Particulars	Non Current As at 30 September 2024	Current As at 30 September 2024
Compensated absences, unfunded (Refer note 30)	19.46	2.65
	19.46	**2.65**

17 Lease liabilities

Particulars	Non Current As at 30 September 2024	Current As at 30 September 2024
Lease liability (Refer note 6.1)	915.28	76.44
	915.28	**76.44**

18 Other financial liabilities

Particulars	Non Current As at 30 September 2024	Current As at 30 September 2024
Employee related payables*	-	139.95
Other payables	-	61.33
	-	**201.28**

* Refer note 31

19 Other liabilities

Particulars	Non Current As at 30 September 2024	Current As at 30 September 2024
Advance from customers	-	12.87
Statutory dues payable	-	0.79
	-	**13.66**

20 Income tax liabilities (net)

Particulars	Non Current As at 30 September 2024	Current As at 30 September 2024
Tax payable	-	4.70
	-	**4.70**

21 Trade payables

Particulars	Non Current As at 30 September 2024	Current As at 30 September 2024
Trade payables*	-	26.56
	-	**26.56**

* Refer note 31

22 Revenue from operations

Particulars	For the nine months period ended 30 September 2024
Revenue from contract with customers (Refer note 35)	
Sale of services	
Certification services	896.63
Educational courses	36.17
	932.80
Other Operating Revenue (Refer note 31)	
Commission income	42.59
	42.59
Total revenue from operations	**975.39**

23 Other income

Particulars	For the nine months period ended 30 September 2024
Interest income for financial assets measured at amortised cost	2.74
Rental income	1.20
Interest income on sub leases receivables	2.47
Reversal of excess provision/ balance written back	51.68
Interest Income on loan to related parties (Refer note 31)	3.00
Miscellaneous income	4.98
	66.07

Special Purpose Interim Consolidated Notes to the financial statements for nine months period ended 30 September 2024
(Amounts in INR millions, unless otherwise stated)

24 Employee benefit expenses

Particulars	For the nine months period ended 30 September 2024
Salaries, wages & bonus	646.47
Social security contribution	35.13
Compensated Absences (Refer note 30)	0.13
Staff welfare	25.36
	707.09

25 Finance costs

Particulars	For the nine months period ended 30 September 2024
Interest Expenses on financial liabilities measured at amortized cost:	
Interest expense and other finance charges	0.11
Interest on Lease liabilities	50.22
	50.33

26 Depreciation and amortization expenses

Particulars	For the nine months period ended 30 September 2024
Depreciation on right-of-use assets	63.11
Depreciation on property, plant and equipment	22.94
	86.05

27 Other expenses

Particulars	For the nine months period ended 30 September 2024
Legal And Professional Expenses	98.66
Stationery and Consumables	58.29
Provision For Doubtful Debts	16.63
Provision For Doubtful Loans	8.29
Business Promotion Expenses	40.61
Rent Expense	31.78
Advertising and Exhibition expenses	28.30
Travelling And Conveyance	15.94
Miscellaneous Expenses	14.93
Commission Expense	9.68
Office And Administrative Expenses	12.04
Computer Expenses	8.50
Rates And Taxes	9.63
Freight And Forwarding expenses	9.41
Insurance expenses	8.37
Bad debts	21.26
Communication Fee	4.88
Foreign exchange loss	4.03
Repairs And Maintenance - Buildings	3.48
Bank Charges	1.84
Repair & Maintenance - Other	1.82
Laboratory Expenses	0.87
Electricity Expenses	0.01
	409.25

(Amounts in INR millions, unless otherwise stated)

28 Tax expense

(i) The major components tax expense are:

Statement of profit or loss

Particulars	For the nine months period ended 30 September 2024
Current income tax:	
Current income tax charge	(4.83)
Deferred tax (charge)/credit	
Relating to origination and reversal of temporary differences	1.76
Income tax expense reported in the statement of profit or loss	**(3.07)**

(ii) Deferred tax assets/ (deferred tax liabilities) relates to the following:

Particulars	As at 30 September 2024
Property Plant and equipment	(17.12)
Provision for Compensated Absences	6.42
Provision for Doubtful Debts	8.72
Lease liabilities	287.87
Right to use of asset	(197.06)
Sublease receivable	(15.59)
Deferred tax assets/(Liabilities) net	**73.24**

Reflected in the statement of financial position as follows:

Particulars	As at 30 September 2024
Deferred tax assets	73.24
Deferred tax assets/(Liabilities) net	**73.24**

(iii) Movement in deferred tax assets/ (liabilities)

Particulars	As at 1 January 2024	Impact on Profit and loss	Impact on other comprehensive income	Exchange Difference	As at 30 September 2024
Property Plant and equipment	(13.42)	(3.57)	-	(0.13)	(17.12)
Provision for Compensated Absences	6.31	0.06	-	0.05	6.42
Provision for Doubtful Debts	16.83	(8.18)	-	0.07	8.72
Lease liabilities	300.29	(14.69)	-	2.27	287.87
Right to use of asset	(239.10)	43.61	-	(1.57)	(197.06)
Sublease receivable	-	(15.47)	-	(0.12)	(15.59)
Total	**70.91**	**1.76**	**-**	**0.57**	**73.24**

29 Earnings/(loss) per share

Basic EPS amount is calculated by dividing the profit/loss for the period attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table set forth the computation of basic and dilutive earnings per share:

Particulars	For the nine months period ended 30 September 2024
Net loss for the period attributable to equity shareholders	(214.33)
Weighted average number of shares	750
Loss per equity share#	**(2,85,772.99)**

Basic and diluted earnings per share during the period are same as the Group has no potentially dilutive equity shares outstanding as at the period end.

Reconciliation of shares used in computing earnings per share

Particulars	For the nine months period ended 30 September 2024
No. of equity shares at the beginning of the period	750
Add: Shares issued during the period	-
No. of equity shares at the end of the period	**750**

Weighted average number of equity shares of Euro 74.40 each used for calculation of basic and diluted earnings per share **750**

(Amounts in INR millions, unless otherwise stated)

30 Employee benefits

(A) Defined benefit plans

I. Compensated absences

The cost of providing defined benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. The value of the liabilities equal to the benefits accrued on the valuation date but based on the salaries projected to the assumed date of exit i.e. retirement, death or resignation.

A. Amount recognized in the Special Purpose Consolidated Balance Sheet

Particulars	As at 30 September 2024
Present value of defined benefit obligation	22.11
Current portion	2.65
Non current portion	19.46

B. Actuarial assumptions

Particulars	As at 30 September 2024
Discount rate (per annum)	3.58%
Salary Escalation Rate (p.a.)	8.00%
Attrition Rate (p.a.)	15.00%
Mortality Rate	RP-2014
Disability Rate	No explicit provision

(a) One of the principal assumptions is the discount rate, which is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities. The yields are pertaining to the US market as on the date of valuation.

(b) The other principal assumption is the salary escalation assumption. The salary increase should take into account inflation, seniority, promotion and other relevant factors. The salary escalation assumptions for the future are set at levels as advised by the Group.

(c) The estimate of attrition rate to be done by reference to past experience & expected future experience & should take into account the market conditions. This should include all types of exit other than death.

(d) The mortality assumptions are as per the published rates of RP - 2014. This is the standard mortality table used for determining the benefit valuation in the US market.

C. Data

Particulars	As at 30 September 2024
Number of Employees	67
Normal Retirement Age	67
Average Age (in yrs)	47
Average Monthly Encashment Salary (in USD)	6,521
Total Leave balance (in hrs)	6,860
Weighted Average duration of DBO	5.94

Special Purpose Interim Consolidated Notes to the financial statements for nine months period ended 30 September 2024
(Amounts in INR millions, unless otherwise stated)

31 Related party disclosures

a) Name of related parties & relationship

Relationship	Name of party
Holding Company	BCP Asia II Topco Pte. Ltd.
Wholly Owned Subsidiary	International Gemological Institute, Inc.
Entity under common control	International Gemmological Institute (India)
Entity under common control	International Gemmological Institute Turkey Gemoloji Ticaret Anonim Sirketi
Entity under common control	IGI Netherlands B.V.
Entity under common control	I.G.I. International Gemmological Institute (Israel) Ltd.
Entity under common control	International Gemological Institute for Jewelry and Precious Stones (IGI)
Entity under common control	International Gemological Institute DMCC
Entity under common control	International Gemological Institute (HK) Limited
Entity under common control	International Gemmological Identification (Thailand) Limited
Entity under common control	IGI (Shanghai) Business Consulting Company Limited
Entity under common control	IGI (Shanghai) Gemological Research and Testing Limited
Entity under common control	IGI (Shanghai) Gemological Training Company Limited
Entity under common control	IGI (Shenzhen) Jewelry Testing Co., Ltd.
Key Management Personnel	Deborah Morgane T Grosman
President	Stevens Tiffany (w.e.f. 08 July 2024)
President	Avi Levy (Untill 15 July 2024)
Key Management Personnel	Easwar Iyer

b) Related party transactions during the period

Particulars	For the nine months period ended 30 September 2024
Employee Benefit Expenses	
Deborah Morgane T Grosman	5.62
Avi Levy	64.42
Stevens Tiffany	8.34
Purchases	
International Gemmological Institute (India) Limited	0.96
International Gemological Institute DMCC	0.25
Sales - certification	
I.G.I. International Gemmological Institute (Israel) Ltd.	3.16
International Gemmological Institute (India) Limited	1.53
International Gemological Institute DMCC	0.12
International Gemological Institute (HK) Limited	0.02
International Gemmological Identification (Thailand) Limited	0.46
Sales - Commission	
International Gemmological Institute (India) Limited	42.59
Payment against various expense	
International Gemmological Institute (India) Limited	4.21
International Gemological Institute (HK) Limited	0.00
IGI (Shanghai) Gemological Research and Testing Limited	0.02
International Gemological Institute DMCC	0.00
Provision for doubtful loans & interest	
I.G.I. International Gemmological Institute (Israel) Ltd.	8.75
Provision for doubtful debts	
I.G.I. International Gemmological Institute (Israel) Ltd.	8.44
Loan to Related party	
IGI Netherlands B.V.	17.36
Repayment of loan	
IGI Netherlands B.V.	29.18
Interest Income from related party	
IGI Netherlands B.V.	2.48
I.G.I. International Gemmological Institute (Israel) Ltd.	0.52

Special Purpose Interim Consolidated Notes to the financial statements for nine months period ended 30 September 2024
(Amounts in INR millions, unless otherwise stated)

c) Outstanding balances as at period end

Particulars	As at 30 September 2024
Trade Receivable	
International Gemmological Institute (India) Limited	23.00
IGI (Shanghai) Gemological Research and Testing Limited	0.02
I.G.I. International Gemmological Institute (Israel) Ltd.	8.44
Trade payable	
International Gemmological Institute (India) Limited	13.04
I.G.I. International Gemmological Institute (Israel) Ltd.	0.63
International Gemological Institute DMCC	0.21
Loans Receivable	
IGI Netherlands B.V.	46.77
I.G.I. International Gemmological Institute (Israel) Ltd.	8.37
Accrued interest on loan to related party	
I.G.I. International Gemmological Institute (Israel) Ltd.	0.38
IGI Netherlands B.V.	4.87
Provision for doubtful loans & interest	
I.G.I. International Gemmological Institute (Israel) Ltd.	8.75
Provision for doubtful debts	
I.G.I. International Gemmological Institute (Israel) Ltd.	8.44
Employee Payables	
Deborah Morgane T Grosman	11.66
Avi Levy	33.42
Stevens Tiffany	1.93

(Amounts in INR millions, unless otherwise stated)

32 Financial instruments risk management objectives and policies

The Group is exposed primarily to market risk, credit risk and liquidity risk. The management of the Group oversees the management of these risks. The management advises on financial risks and the appropriate financial risk governance framework for the Group and also provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

(a) Market risk
Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Group income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt.

i) Interest rate risk
Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group has not taken any borrowings, hence not exposed to the interest rate risk as there are no variable interest bearing borrowings/ investments.

ii) Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the financial instruments dominated in foreign currency is very minimal, hence no major foreign currency risk exists.

(b) Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Group's trade receivables, security deposits and other financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The gross carrying amounts of following financial assets represent the maximum credit risk exposure

	As at 30 September 2024
Loans	46.77
Cash and cash equivalents	264.04
Security deposits	67.31
Other financial assets	58.57
	436.69

Balances with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial institutions as approved by the Board of
Based on assessment carried by the Group, entire receivable under this category is classified as "Stage 1". There is no history of loss and credit risk and the amount of provision for expected credit losses on other financial assets is negligible.

Trade receivables:
The Group applies the Ind AS 109 simplified approach for measuring expected credit losses which uses a lifetime expected loss allowance (ECL) for trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.
The Group uses past data and experience based on Group's historical default rates to measure the ECL on trade receivables. Based on evaluation carried out and to the best estimate of management, historical loss sufficiently covers expected loss as well as future contingencies. Adjustment for forward looking factors are not considered significant, hence no adjustment for forward looking factors is made.

Computation of Allowance for impairment losses:
Specific provision: Entire trade receivables outstanding as at reporting period are assessed for specific provisioning. Items considered when determining allowance amounts include sustainability of the counterparty's business plan, its ability to improve performance once a financial difficulty has arisen, availability of other financial support and realizable value of collateral and timing of expected cash flows. The impairment losses are evaluated at the end of each reporting period, unless unforeseen circumstances require more careful attention. Specific provision may be required due to various reasons such as credit deterioration, etc. Trade receivable under specific provision case, are assessed individually. The impairment allowances is recognized to the extent of trade receivables not covered by fair value of collaterals.

Collective Provisions: ECL is computed based on the trade receivable as at reporting period minus specific provision by applying the bucket wise lifetime loss rate (PDs) determined for each reporting period.

The movement in provision for expected credit loss is as follows:

	As at 30 September 2024
Opening provision	58.68
Impairment loss recognized	16.63
Amounts written off	(34.68)
Foreign exchange movement	0.10
Closing provision	**40.73**

(c) Liquidity risk
Liquidity risk is the current and prospective risk arising out of an inability to meet financial commitments as they fall due, through available cash flows or through the sale of assets at fair market value. Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.
The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The management monitors the Group's net liquidity position through forecasts on the basis of expected cash flows. Group has sufficient working
The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	Within 1 year	1 to 3 years	More than 3 years	Total
As at 30 September 2024				
Lease liabilities	141.31	293.00	1,149.62	1,583.93
Trade payables	26.56	-	-	26.56
Other financial liabilities	201.28	-	-	201.28
	369.15	**293.00**	**1,149.62**	**1,811.77**

(Amounts in INR millions, unless otherwise stated)

32.1 Fair value measurement hierarchy

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

All below mentioned financial assets and financial liabilities are measured using valuation techniques in accordance with level 3.
The fair value of cash and cash equivalents, trade receivables, loans, trade payables, other financial liabilities and other financial assets approximate their carrying amount largely due to short term nature of these instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security deposits are not significantly different from the carrying amount.

(a) Financial instruments by category

The carrying amounts of each of the categories of financial instruments as at 30 September 2024 are as follows:

	FVTPL	Amortized cost	FVTOCI	Total
Financial assets				
Non Current				
Loans	-	46.77	-	46.77
Other financial assets	-	35.29	-	35.29
Current				
Trade receivables	-	136.75	-	136.75
Cash and cash equivalents	-	264.04	-	264.04
Other financial assets	-	90.59	-	90.59
	-	**573.44**	**-**	**573.44**
Financial Liabilities				
Non Current				
Lease liabilities	-	915.28	-	915.28
Current				
Lease liabilities	-	76.44	-	76.44
Trade payables	-	26.56	-	26.56
Other financial liabilities	-	201.28	-	201.28
	-	**1,219.56**	**-**	**1,219.56**

(Amounts in INR millions, unless otherwise stated)

33 Capital management

The Group's objectives when managing capital are to:
• safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
• Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity'. No changes were made in the objectives, policies or processes for managing capital during the reporting periods. There are no Debts taken by the Group. Therefore, Capital structure comprised of only equity as there are no external debts availed by Group.

Particulars	As at 30 September 2024
Interest bearing loans and borrowings	-
Less: Cash and Bank balances	(264.04)
Adjusted net debt	**(264.04)**
Total equity	**992.29**
Gearing ratio [Net debt/(total equity]	**-**

34 Contingent liabilities and Commitments

(a) KS Trade LLC ("Complainant") has filed a complaint dated December 21, 2017 ("Complaint") against IGI International Gemmological Institute Inc. (IGI USA), International Gemological Institute DMCC (IGI UAE) (Subsidiary company) and International Gemmological Institute (India) Limited (collectively, "IGI Entities") and others (together with IGI Entities, "Defendants"), before the Supreme Court of the State of New York. The Complainant has demanded USD 0.75 million and alleged inter alia that the Defendants conspired to misrepresent the true value of diamonds by intentionally over-grading diamonds in IGI Entities' affiliated laboratories outside of New York, thereby allowing diamond dealers and wholesalers to re-sell diamonds at artificially inflated prices. It has also been alleged that IGI USA's grading standards differs substantially from those of other IGI Entities outside New York and it offers to over-grade diamonds in line with Other IGI Entities' grading standard for an illicit fee. The Group has refuted these allegations and seeked mediation for speedy resolution of the matter. The matter is under mediation and the outcome is indeterminate as of now.

Special Purpose Interim Consolidated Notes to the financial statements for nine months period ended 30 September 2024
(Amounts in INR millions, unless otherwise stated)

35 Revenue from customer

35.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Particulars	For the nine months period ended 30 September 2024
Revenue from contract with customers:	
Sale of services	
Certification services	896.63
Educational courses	36.17
Gross revenue from contract with customers	932.80
Less: Consideration payable to customers	-
Net revenue from contract with customers	**932.80**
Geographical markets	
Belgium	303.00
Outside Belgium	629.80
Net revenue from contract with customers	**932.80**
Timing of revenue recognition	
Goods or services transferred at a point in time	896.63
Goods or Services transferred over time	36.17
Net revenue from contract with customers	**932.80**

35.2 Reconciling the amount of revenue recognized in the Statement of profit and loss with the contracted price:

Particulars	As at 30 September 2024
Revenue as per contracted price	958.59
Less: Rebate, discount and other adjustments	(25.79)
Revenue from contract with customers	**932.80**

35.3 Contract balances

a) The following table provides information about receivables, unbilled revenue and deferred revenue from contracts with customers:

	As at 30 September 2024
Trade Receivables	136.75

For details on Performance obligations (Refer accounting policy note a))

36 Segment reporting

The Group's business activity primarily falls within a single business segment based on the nature of activity involved, which is in line with the business risks attached with the segment having regard to the internal organization and management structure. The CODM reviews the Group's performance as a single business segment and not at any other disaggregated level. Hence, no separate financial disclosures provided in respect of its single business segment.

36.1 Break up of revenue based on geographical segment

Particulars	For the nine months period ended 30 September 2024
Within Belgium	303.00
Outside Belgium	629.80
Total	**932.80**

36.2 The carrying amount of Non current operating assets by location of assets

Particulars	As at 30 September 2024
Within Belgium	109.11
Outside Belgium	795.71
Total	**904.82**

Note - There is no single external customer amount to 10% or more of group's revenues.

International Gemmological Institute BV

Special Purpose Interim Consolidated Notes to the financial statements for nine months period ended 30 September 2024

(Amounts in INR millions, unless otherwise stated)

37 Subsequent events

There are no subsequent events after the end of reporting period which have impact on the Special Purpose Interim Consolidated Financial Statements.

As per our report of even date attached

For M S K A & Associates Chartered Accountants Firm's Registration No : 105047W	**For and on behalf of** International Gemmological Institute BV	
Ankush Agrawal Partner Membership No : 159694	**Tejas Deepak Naphade** Director DIN: 10219144	**Deborah Grosman** Director
Place: Mumbai Date: 25 November 2024	Place: Mumbai Date: 25 November 2024	Place: Antwerp, Belgium Date: 25 November 2024

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
IGI Netherlands B.V. and International Gemmological Institute (India) Limited (formerly "International Gemmological Institute (India) Private Limited")

Report on the Audit of the Special Purpose Consolidated Financial Statements

Opinion

We have audited the accompanying Special Purpose Consolidated Financial Statements of IGI Netherlands B.V. (the "Holding Company") and its subsidiaries (together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at December 31, 2022 and December 31, 2021, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the years ended December 31, 2022 and December 31, 2021, and notes to the Special Purpose Consolidated Financial Statements, including significant accounting policies and other explanatory information and disclosure (all collectively referred to as the "Special Purpose Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors of the subsidiaries, the accompanying Special Purpose Consolidated Financial Statements of the Group as at December 31, 2022 and December 31, 2021 are prepared, in all material respects, in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the Special Purpose Consolidated Financial Statements, 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

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2.1 to the Special Purpose Consolidated Financial Statements, which describes the purpose and basis of preparation of the Special Purpose Consolidated Financial Statements. These Special Purpose Consolidated Financial Statements have been prepared by the Holding Company to assist International Gemmological Institute (India) Limited ("IGI India") to meet the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the proposed Initial Public Offer of equity shares of IGI India and will be included in the Draft Red Herring Prospectus ("DRHP"), and Red Herring Prospectus ("RHP"), and the Prospectus of IGI India. As a result, these Special Purpose Consolidated Financial Statements may not be suitable for another purpose.

Our report is addressed to the Board of Directors of the Holding Company and of IGI India, solely for the purposes stated above and should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Group or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our Opinion is not modified in respect of the above matter.

Responsibilities of Management and Board of Directors for Special Purpose Consolidated Financial Statements

The Holding Company's Management and Board of Directors is responsible for the preparation and fair presentation of these Special Purpose Consolidated Financial Statements in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards; and this includes design, implementation and maintenance of such internal control as management determines is necessary to enable the preparation of Special Purpose Consolidated Financial Statements that are free from material misstatement whether due to fraud or error.

In preparing the Special Purpose Consolidated Financial Statements, the respective Management and Board of Directors of the Companies included in the Group are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the companies included in the Group or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Special Purpose Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose Consolidated 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 Special Purpose Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Special Purpose Consolidated 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, but not for expressing our opinion on whether the group has internal financial controls with reference to Special Purpose Consolidated Financial Statements in place and the operating effectiveness of such controls.

- 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 Group'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 Special Purpose Consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Special Purpose Consolidated Financial Statements, including the disclosures, and whether the Special Purpose Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Other Matters

a) We did not audit the financial statements of two subsidiaries whose financial information reflect total assets of Rs. 38.01 million as at December 31, 2022, total revenues of Rs. 34.91 million and profit after tax amounting to Rs. 4.27 million for the year ended on that date and a subsidiary whose financial information reflect total assets of Rs. 18.07 million as at December 31, 2021, total revenues of Rs. 25.94 million and profit after tax amounting to Rs. 0.17 million for the year ended on that date, as considered in the Special Purpose Consolidated Financial Statements. These financial statements are unaudited and have been furnished to us by the Management of the Holding Company and our opinion on the Special Purpose Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiaries, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

b) We did not audit the financial statements of four subsidiaries whose financial information reflect total assets of Rs. 584.11 million as at December 31, 2022, total revenues of Rs. 371.33 million and loss after tax amounting to Rs. 9.84 million for the year ended on that date and total assets of Rs. 530.42 million as at December 31, 2021, total revenues of Rs. 230.78 million and loss after tax amounting to Rs. 56.71 million for the year ended on that date, as considered in the Special Purpose Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

   The financial statements of these subsidiaries have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of these subsidiaries from accounting principles generally accepted in their respective countries to Ind AS. Our opinion in so far as it relates to the balances and affairs of such subsidiaries is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company.

c) The opening balance sheet as at January 1, 2021 included in these Special Purpose Consolidated Financial Statements is based on the unaudited management accounts, which were adjusted for the GAAP differences in accordance with the accounting principles adopted by the Group in order to align it to the accounting principles under which this report is being issued. All these GAAP adjustments have been audited by us.

Our opinion on the Special Purpose Consolidated Financial Statements is not modified in respect of the above matters.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Ankush Agrawal
Partner
Membership No. 159694
UDIN: 24159694BKFHUH9153

Place: Mumbai
Date: August 6, 2024

IGI Netherlands B.V.

Special Purpose Consolidated Balance Sheet as at 31 December 2022 and 31 December 2021

(Amounts in INR millions, unless otherwise stated)

Particulars	Note	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
ASSETS				
Non-current assets				
Property, plant and equipment	7	418.05	367.42	362.39
Right-of-use assets	7.1	63.28	78.93	98.37
Capital work-in-progress		-	-	0.18
Investment property		21.13	21.34	23.30
Goodwill	8	478.30	442.44	431.50
Other intangible assets	9	2.04	7.46	15.61
Financial assets				
(a) Other non-current financial assets	11	12.99	12.02	6.52
Income tax assets (net)	13	44.70	23.28	25.74
Total non-current assets		**1,040.49**	**952.89**	**963.61**
Current assets				
Financial assets				
(a) Trade receivables	14	137.76	98.23	97.55
(b) Cash and cash equivalents	15	732.94	602.54	373.96
(c) Bank balances other than (b) above	16	1.00	1.51	1.24
(d) Loans	10	0.86	0.50	30.09
(e) Other financial assets	11	23.50	0.38	5.64
Other current assets	12	86.84	38.66	34.92
Total current assets		**982.90**	**741.82**	**543.40**
TOTAL ASSETS		**2,023.39**	**1,694.71**	**1,507.01**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	17	0.01	0.01	0.01
Other equity	18	1,090.09	934.23	930.22
Total equity		**1,090.10**	**934.24**	**930.23**
Liabilities				
Non-current liabilities				
Financial liabilities				
(a) Borrowings	19	317.67	285.55	292.61
(b) Lease liabilities	21	26.69	41.97	65.56
Employee benefit obligations	20	82.52	60.67	42.86
Deferred tax liabilities (net)		3.35	3.30	0.94
Total non-current liabilities		**430.23**	**391.49**	**401.97**
Current liabilities				
Financial liabilities				
(a) Borrowings	19	54.78	18.25	9.10
(b) Lease liabilities	21	23.62	26.35	31.54
(c) Trade payables	25	132.78	149.90	47.90
(d) Other financial liabilities	22	91.83	82.01	53.46
Other current liabilities	23	140.84	67.75	32.81
Employee benefit obligations	20	1.67	1.18	-
Income tax liabilities (net)	24	57.54	23.54	-
Total current liabilities		**503.06**	**368.98**	**174.81**
Total liabilities		**933.29**	**760.47**	**576.78**
TOTAL EQUITY AND LIABILITIES		**2,023.39**	**1,694.71**	**1,507.01**
See accompanying notes to the Special Purpose Consolidated Financial Statements	1 - 41			

As per our report of even date attached

*Refer note 6 for First-time adoption of Ind AS

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of the Board of Directors
IGI Netherlands B.V.

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 06 August 2024

Tejas Deepak Naphade
Director
DIN: 10219144

Place: Mumbai
Date: 06 August 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 06 August 2024

IGI Netherlands B.V.

Special Purpose Consolidated Statement of Profit and Loss for the years ended 31 December 2022 and 31 December 2021

(Amounts in INR millions, unless otherwise stated)

Particulars	Note	For the year ended 31 December 2022	For the year ended 31 December 2021
Income			
Revenue from operations	26	1,082.11	864.49
Other income	27	9.59	8.49
Total income		**1,091.70**	**872.98**
Expenses			
Employee benefit expenses	28	461.90	380.95
Finance costs	29	11.17	11.38
Depreciation and amortization expense	30	81.28	65.56
Other expenses	31	423.98	385.81
Total expenses		**978.33**	**843.70**
Profit before tax		**113.37**	**29.28**
Tax expense:	32		
- Current tax		(48.16)	(44.71)
- Deferred tax		0.66	(2.34)
Total tax expense		**(47.50)**	**(47.05)**
Profit/(Loss) for the year		**65.87**	**(17.77)**
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurement of actuarial gain/(loss)		(1.63)	-
Income tax on above		-	-
		(1.63)	**-**
Items that will be reclassified to profit or loss			
Foreign currency translation difference of foreign operations		91.62	21.78
		91.62	**21.78**
Other comprehensive income for the year, net of tax		**89.99**	**21.78**
Total comprehensive income for the year		**155.86**	**4.01**
Profit/(Loss) for the year attributable to			
Owners of the Holding Company		65.87	(17.77)
Non-controlling interests		-	-
		65.87	**(17.77)**
Other comprehensive income for the year attributable to			
Owners of the Holding Company		89.99	21.78
Non-controlling interests		-	
		89.99	**21.78**
Total comprehensive income for the year attributable to			
Owners of the Holding Company		155.86	4.01
Non-controlling interests		-	-
		155.86	**4.01**
Earnings/(Loss) per share (in INR) of face value of Euro 0.10 each			
Basic	33	**65,867.11**	**(17,765.89)**
Diluted	33	**65,867.11**	**(17,765.89)**
See accompanying notes to the Special Purpose Consolidated Financial Statements	1 - 41		

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 06 August 2024

For and on behalf of the Board of Directors
IGI Netherlands B.V.

Tejas Deepak Naphade
Director
DIN: 10219144

Place: Mumbai
Date: 06 August 2024

Eashwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 06 August 2024

IGI Netherlands B.V.

Special Purpose Consolidated Statement of changes in equity for the years ended 31 December 2022 and 31 December 2021

(Amounts in INR millions, unless otherwise stated)

A) Equity share capital

Particulars	Number of shares	Amount
For the year ended 31 December 2021		
Balance as at 1 January 2021	1,000	0.01
Changes in equity share capital during the year	-	-
Balance as at 31 December 2021	**1,000**	**0.01**
For the year ended 31 December 2022		
Balance as at 1 January 2022	1,000	0.01
Changes in equity share capital during the year	-	-
Balance as at 31 December 2022	**1,000**	**0.01**

B) Other equity

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	General Reserve	Retained Earnings	Securities premium	Legal Reserve	Foreign currency translation reserve	
Balance as at 1 January 2021	210.18	302.38	417.17	0.49	-	**930.22**
Loss for the year	-	(17.77)	-	-	-	**(17.77)**
Foreign currency translation difference during the year	-	-	-	-	21.78	**21.78**
Balance as at 31 December 2021	**210.18**	**284.61**	**417.17**	**0.49**	**21.78**	**934.23**

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	General Reserve	Retained Earnings	Securities premium	Legal Reserve	Foreign currency translation reserve	
Balance as at 1 January 2022	210.18	284.61	417.17	0.49	21.78	**934.23**
Profit for the year	-	65.87	-	-	-	**65.87**
Foreign currency translation difference during the year	-	-	-	-	91.62	**91.62**
Other comprehensive income	-	(1.63)	-	-	-	**(1.63)**
Balance as at 31 December 2022	**210.18**	**348.85**	**417.17**	**0.49**	**113.40**	**1,090.09**

See accompanying notes to the Special Purpose Consolidated Financial Statements
As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of the Board of Directors
IGI Netherlands B.V.

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 06 August 2024

Tejas Deepak Naphade
Director
DIN: 10219144

Place: Mumbai
Date: 06 August 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 06 August 2024

IGI Netherlands B.V.

Special Purpose Consolidated Statement of Cash Flows for the years ended 31 December 2022 and 31 December 2021

(Amounts in INR millions, unless otherwise stated)

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Cash flows from operating activities		
Profit before tax	**113.37**	**29.28**
Adjustments for:		
Depreciation on property, plant and equipment	53.35	42.02
Depreciation on right-of-use assets	26.31	22.96
Amortization of intangible assets	1.62	0.58
Interest income on fixed deposits	(1.13)	(1.09)
Notional interest income on security deposit	(0.28)	(0.26)
Interest expense on lease liabilities	2.00	2.46
Bad debts and provision for doubtful debts	7.71	3.95
Gain on sale of property, plant & equipment	(1.20)	-
Operating profit before changes in working capital	**201.75**	**99.90**
Changes in working capital :		
Increase in other financial liabilities	9.82	28.55
(Decrease)/increase in trade payables	(17.13)	101.99
Increase in provisions	20.72	18.98
Increase in other current liabilities	73.09	34.94
Increase in other financial assets	(23.81)	0.03
Increase in other current assets	(48.18)	(3.74)
Decrease/(increase) in loans	(0.35)	29.59
Increase in trade receivables	(47.24)	(4.63)
Cash generated from operating activities before taxes	**168.67**	**305.61**
Income tax paid (net)	(35.58)	(18.72)
Net cash generated from operating activities (A)	**133.09**	**286.89**
Cash flows from investing activities		
Payment for property, plant and equipment, investment property and items capitalized in CWIP	(98.77)	(44.91)
Payment for acquisition of other intangible asset	-	7.57
(Investment)/maturity of fixed deposits	0.50	(0.27)
Interest income on fixed deposits	1.13	1.09
Net cash used in investing activities (B)	**(97.14)**	**(36.52)**
Cash flows from financing activities		
Proceeds from borrowings	68.65	2.10
Principal payment of lease liabilities	(28.41)	(32.06)
Interest paid	(2.00)	(2.46)
Net cash generated from/(used in) financing activities (C)	**38.25**	**(32.42)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	74.20	217.95
Foreign currency translation difference of foreign operations	56.20	10.63
Cash and cash equivalents at the beginning of the year (Note 15)	602.54	373.96
Cash and cash equivalents at the end of the year (Note 15)	**732.94**	**602.54**

The Statement of Cash flow has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash flows'.
Refer Note 7.1 for reconciliation of movements of lease liabilities to Cash flows arising from financing activities.

See accompanying notes to the Special Purpose Consolidated Financial Statements

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of the Board of Directors
IGI Netherlands B.V.

Ankush Agrawal
Partner
Membership No : 159694

Tejas Deepak Naphade
Director
DIN: 10219144

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 06 August 2024

Place: Mumbai
Date: 06 August 2024

Place: Mumbai
Date: 06 August 2024

IGI Netherlands B.V.

Special Purpose Consolidated Notes to the financial statements for the years ended 31 December 2022 and 31 December 2021

1 Corporate Information

IGI Netherlands B.V. (the "Company" or the "Holding Company" or the "Parent Company") is a Company registered in Netherlands, with its registered office situated at Basisweg 10, 1043AP Amsterdam.

The Special Purpose Consolidated Financial Statements include the financial statements of the Holding Company and it's subsidiaries, as mentioned below (collectively referred to as the "Group").

Name of the Subsidiaries	Country of incorporation	Percentage holding
International Gemological Institute DMCC	UAE	100%
I.G.I. International Gemmological Institute (Israel) Ltd.	Israel	100%
International Gemmological Identification (Thailand) Limited	Thailand	100%
International Gemological Institute (HK) Limited	Hong Kong	100%
International Gemological Institute for Jewelry and Precious Stones (IGI)	Egypt	100%
IGI (Shanghai) Business Consulting Co. Ltd	China	100%
IGI (Shanghai) Gemological Training Co. Ltd.	China	100%
IGI (Shanghai) Gemological Research and Testing Ltd.	China	100%
IGI (Shenzhen) Jewelry Testing Co., Ltd.	China	100%

The Group is primarily engaged in the business of Certification of diamonds, gemstones & jewellery with comprehensive analysis & clear documentation for consumers. Also the Group is having school of Gemmology at various locations and offers a variety of courses designed for professionals and consumer enthusiasts.

The Special Purpose Consolidated Financial Statements of the Group for the year ended 31 December 2021 & 31 December 2022 were authorized for issue in accordance with a resolution of the Board of Directors on 06 August, 2024.

2 Significant accounting policies

2.1 Basis of preparation

The Special Purpose Consolidated Financial Statements have been prepared on a going concern basis under the historical cost convention except for certain financial instruments that are measured at fair value as explained in the accounting policies below.

These Special Purpose Consolidated Financial Statements (Financial Statements') of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (‘the Act’) read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This is the first set of the Consolidated Financial Statements prepared by the Group, accordingly, the Special Purpose Consolidated Financial Statements for the year ended 31 December 2021 and the opening Balance Sheet as at 1 January 2021 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP (local GAAP) to Ind AS on the Company’s Balance Sheet and Statement of Profit and Loss (including Other Comprehensive Income) are provided in Note 6.

These Special Purpose Consolidated Financial Statements have been prepared by the Holding Company to assist International Gemmological Institute (India) Limited (“IGI India”) to meet the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the proposed Initial Public Offer of equity shares of IGI India and will be included in the Draft Red Herring Prospectus (“DRHP”) Red Herring Prospectus (“RHP”) and the prospectus of IGI India.

All amounts included in the Special Purpose Consolidated Financial Statements are reported in Indian Rupees in millions (INR million) except share and per share data, unless otherwise stated. Amount presented as "0" are non-zero numbers rounded off in INR million. 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.

2.2 Principles of Consolidation

Subsidiaries

Subsidiaries is an entity controlled by the Holding company. Control exists when the Holding company is exposed to or has rights, to variable returns from its involvement with the entity, and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. Upon loss of control, the Group derecognises the assets and liabilities of the Subsidiaries, derecognises any noncontrolling interests, derecognizes the cumulative translation difference recorded in equity, recognizes the fair value of the consideration received related to the Subsidiaries. Any surplus or deficit arising on the loss of control is recognized in the Consolidated Statement of Profit and Loss.

Consolidation procedure

The Consolidated Financial Statements of the Group has been combined on a line-by-line basis by adding assets, liabilities, income, expense and cash flows. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing these Consolidated Financial Statements. The carrying amount of the parent's investment in subsidiaries and the parent's portion of equity of subsidiaries has been eliminated. The accounting policies of subsidiaries have been harmonised to ensure consistency with the policies adopted by the Holding Company.

Foreign subsidiaries

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

• assets and liabilities are translated at the closing rate at the date of the balance sheet
• income and expenses are translated at average exchange rates
• Equity and reserves are translated at historical exchange rates

On Consolidation, exchange differences are recognized as foreign currency translation reserve (FCTR) in Other Comprehensive income and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation). The Consolidated Financial Statements have been presented to the extent possible, in the same manner as Holding Company's Standalone financial statements.

3 Significant accounting judgements, estimates and assumptions

The preparation of Special Purpose Consolidated financial statements in conformity with Ind AS requires management, where necessary, to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

The key assumptions concerning future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

3.1 Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon likely timing and level of future taxable profits, together with future tax planning strategies.

3.2 Provision for expected credit losses (ECL) of trade receivables and contract assets

The Group uses past data and experience based on historical default rates to measure the ECL on trade receivables. Based on evaluation carried out and to the best estimate of management, historical loss sufficiently covers expected loss as well as future contingencies. Adjustment for forward looking factors are not considered significant, hence no adjustment for forward looking factors is made.

3.3 Employee retirement plans

The cost of the end of service benefit (EOSB) and severance benefit expense are based on actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date.

3.4 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded, cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

3.5 Leases - Estimating the incremental borrowing rate and lease term

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use assets in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available. The Group estimates the IBR using observable inputs (such as market interest rates).

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

3.6 Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less cost of disposal and its value in use. The fair value less costs of disposal calculation is based on observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted cashflow model (DCF model). The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

3.7 Impairment of Goodwill

Goodwill is tested for impairment annually and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

4 Summary of Significant accounting policies

4.1 Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/ non-current classification. An asset is treated as current when it is:
• Expected to be realized or intended to be sold or consumed in the normal operating cycle
• Held primarily for the purpose of trading
• Expected to be realized within twelve months after the reporting period
Or
• Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non-current.

A liability is current when:
• It is expected to be settled in the normal operating cycle
• It is held primarily for the purpose of trading
• It is due to be settled within twelve months after the reporting period
Or
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of activities of the Group and the time between the acquisition of assets for processing and their realization in Cash or cash equivalents, the Group has ascertained its normal operating cycle as 12 months for the purpose of Current / Non-current classification of assets and liabilities.

4.2 Property, plant and equipment, capital work in progress (CWIP) and depreciation

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment if the recognition criteria is met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

The useful life is taken by management based on industry trends, nature of asset and past experience.

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

De-recognition: An item of property, plant and equipment including any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognized in profit or loss in the year the asset is derecognized is the difference between the net sales proceeds and the carrying amount of the relevant asset.

4.3 Goodwill and Impairment of Goodwill

The acquisition method of accounting is used to account for all business combinations. The consideration transferred for the acquisition of a subsidiary comprises the
(i) fair values of the assets transferred;
(ii) liabilities incurred to the former owners of the acquired business;
(iii) equity interests issued by the group; and
(iv) fair value of any asset or liability resulting from a contingent consideration arrangement.

The excess of the
(i) consideration transferred;
(ii) amount of any non-controlling interest in the acquired entity, and
(iii) acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired and liabilities assumed is recorded as goodwill.

If those amounts are less than fair value of net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

4.4 Other intangible assets

Other intangible assets acquired separately are measured on initial recognition at cost. Other intangible assets with finite lives are subsequently amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period for other intangible asset with a finite useful life are reviewed at least at each financial year end.

The economic useful life is estimated by the Management basis industry trends and nature of intangible asset.

Other intangible assets are derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Special Purpose Consolidated statement of profit and loss when the asset is derecognized.

4.5 Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs if the recognition criteria are met. When significant parts of the investment properties are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred. The management believes that the estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

4.6 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalized as part of the cost of those assets. The capitalization of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.7 Foreign Currency Transactions

(a) **Functional and presentation currency**

The functional currency of IGI Netherlands B.V. is USD. Items included in the Special Purpose Consolidated Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Special Purpose Consolidated Financial Statements are presented in Indian rupee (INR).

(b) **Transactions and balances**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/(losses) arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

4.8 Leases

The Group's lease asset classes primarily consist of leases of premises. The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets for all leases, except for short-term leases and leases of low-value assets.

(a) **Right-of-use assets**

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. In such cases, the Group reviews the estimated residual values and expected useful lives of assets at least annually.

The right-of-use assets are also subject to impairment.

(b) **Lease liabilities**

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(c) **Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

Lease payments and receipts under operating leases are recognized as an expense and income respectively, on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

4.9 Security Deposits

Security deposits are initially recognized at fair value and subsequently measured at amortized cost. Any difference between the initial fair value and the nominal amount is included as a component of operating lease income and recognized on a straight-line basis over the lease term.

4.10 Revenue

(a) **Revenue from grading and certification services**

The Group recognizes revenue from grading and certification of diamonds, colored stones and jewellery which is measured at a point in time upon satisfaction of the performance obligation, when the report/certificate in relation to completion of such activities is generated and is ready to be issued to the customer. There are no significant activities undertaken between the time that the report is generated and the time that the customer obtains the report. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts or rebates, if any, as specified in the contract with the customer. Revenue is recognized exclusive of taxes.

(b) **Revenue from educational courses**

Revenue from providing gemological education on sorting and grading of gems, diamonds and jewellery is recognized over a period of time as and when the educational course is completed.

4.11 Other Income

(a) **Interest income**

Interest income is accounted for on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial assets.

4.12 Contract Balances

Contract assets and contract liabilities

A contract asset is the right to consideration in exchange for goods or services transferred to the customer when that right is conditioned on something other than the passage of time, for example, billings require certification by the customer. Upon receipt of such certification from a customer, the amount recognized as contract assets is reclassified to trade receivables. Contract assets are subject to impairment assessment on the same basis as financial assets that are within the scope of Ind AS 109.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognized as revenue when the Holding company performs under the contract (i.e. transfers control of the related goods or services to the customer).

4.13 Fair Value Measurement

The Group measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability

Or

• In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using asset in its highest and best use or by selling it to another market participant that would use asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities, for which fair value is measured or disclosed in the Special Purpose Consolidated Financial Statements, are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the Special Purpose Consolidated Financial Statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4.14 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Company estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or Cash generating unit's (CGU's) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations are recognized in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset’s or CGU’s recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset’s recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

4.15 Financial instruments – initial recognition and subsequent measurement

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

(a) **Financial Assets**

Initial recognition and measurement

Financial assets are classified at initial recognition, and subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. As the Group's rent and other trade receivables do not contain a significant financing component or for which the Group has applied the practical expedient, they are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortized cost or fair value through other comprehensive income (OCI), it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Subsequent measurement

Financial assets measured at amortized cost

The Group measures financial assets at amortized cost if both of the following conditions are met:

• The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost includes trade receivables, loans to related parties, security deposit and financial assets included in other receivables.

Financial assets designated at fair value through OCI (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled in profit or loss. Dividends are recognized as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets measured at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the financial statement at fair value with net changes in fair value recognized in profit or loss.

This category includes equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value profit or loss are also recognized as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized (i.e., removed from the Group's statement of financial position) when:

• The rights to receive cash flows from the asset have expired
Or
• The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

General approach

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward looking information.

Simplified approach

For trade receivables and contract assets, that do not contain a significant financing component, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date (i.e., a loss allowance for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default). The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(b) **Financial Liabilities**

The Group recognizes a financial liability when it first becomes a party to the contractual rights and obligations in the contract. All financial liabilities are initially recognized at fair value, minus (in the case of a financial liability that is not at FVTPL) transaction costs that are directly attributable to issuing the financial liability. Financial liabilities are measured at amortized cost, using the effective interest method unless the Group opted to measure a liability at FVTPL. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires. Financial liabilities included in trade and other payables, borrowings and other financial liabilities. The effective interest rate amortization is included in finance costs in profit or loss.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

(c) **Classification as debt or equity**

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(d) **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

4.16 Government Grants

Government grants are initially recognized at fair value if there is reasonable assurance that grant will be received and the Group will comply with the conditions associated with the grant;

- In case of capital grants, they are then recognized in Financial Statement of Profit and Loss as other income on a systematic basis over the useful life of the asset.
- In case of grants that compensate the Group for expenses incurred are recognized in Financial Statement of Profit and Loss on a systematic basis in the periods in which the expenses are recognized.

4.17 Employee benefits

(a) **Short-term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries, wages and bonus. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

(b) **Long term employee benefits**

(i) Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognized as a liability at the present value of the other long-term employment benefits which is determined at each balance sheet date based on an actuarial valuation by an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses are recognized immediately in the Statement of profit and loss.

ii) Defined benefit - End of service benefit (EOSB) & severance benefit

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation at the balance sheet date by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

4.18 Taxes

Income tax expenses comprises of current tax expenses and deferred tax charge / credit.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, at the reporting date where the Group operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:
(i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
(ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

(i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
(ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4.19 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprises cash at bank and on hand subject to an insignificant risk of changes in value.

4.20 Provisions and contingencies

Provisions: A provision is recognized when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

Contingent Liability: A contingent liability is

(a) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or

(b) a present obligation that arises from past events but is not recognized because;

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
- the amount of the obligation cannot be measured with sufficient reliability.

The Group does not recognize a contingent liability but discloses the same as per the requirements of Ind AS 37.

4.21 Segment reporting

The operating segments have been identified based on the conditions specified in paragraph 5 to Ind AS 108, i.e. an operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available that is evaluated regularly by the CODM, in deciding how to allocate resources and assessing performance.

5 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022, hence for the group the same will be applicable from annual period starting 1 January 2023. The Group has evaluated the amendment and the impact is not expected to be material.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022, hence for the group the same will be applicable from annual period starting 1 January 2023. The Group has evaluated the amendment and the impact is not expected to be material.

6 First-time adoption of Ind AS

The Group has adopted Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time with the effective date of such transition is 1 January 2021. Such transition has been carried out from the Local GAAP, read with relevant rules issued thereunder ("Collectively referred to as "the Previous GAAP" or "Local GAAP").

Accordingly, the Group has prepared Special Purpose Consolidated Financial Statements which comply with Ind AS applicable for periods ending on 31 December 2022, together with the comparative period data as at and for the year ended 31 December 2021, as described in the summary of significant accounting policies. In preparing these special purpose consolidated financial statements, the Group's opening balance sheet was prepared as at 1 January 2021, the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its Previous GAAP financial statements, including the balance sheet as at 1 January 2021 and the financial statements as at and for the year ended 31 December 2021.

6.1 Exemptions availed on first time adoption of Ind AS

Ind AS 101, First-time Adoption of Indian Accounting Standards, allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions:

(a) Optional exemptions availed

Ind AS 101, First-time Adoption of Indian Accounting Standards, allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions:

i) Deemed cost – Property, plant & equipment and Intangible assets

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all its property, plant and equipment and intangible assets as recognized in the financial statement as at the date of transition to Ind AS, measured as per the previous GAAP and use the same as its deemed cost as at the date of transition. Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

(b) Mandatory exceptions

i) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 January 2021 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:
- Effective interest rate used in calculation of security deposit.
- Impairment of financial assets based on expected credit loss model.

ii) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of facts and circumstances that exist on the date of transition to Ind AS. Accordingly, the Group has applied the above requirement prospectively.

iii) Impairment of financial assets

Ind AS 101 requires an entity to assess and determine the impairment allowance on financial assets as per Ind AS 109 using the reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments which were initially recognized and compare that to the credit risk at the date of transition to Ind AS. Group has applied this exception prospectively.

(c) The following Reconciliations provide a quantification of the effect of differences arising from the transition from Previous GAAP to Ind AS as required under Ind AS 101:

- Reconciliation of total equity as at 1 January 2021 and as at 31 December 2021
- Reconciliation of total comprehensive income for the year ended 31 December 2021

(Amounts in INR millions, unless otherwise stated)

i) Reconciliation of total equity as at 1 January 2021 and 31 December 2021

Particulars	Notes to first-time adoption	As at 31 December 2021	As at 1 January 2021*
Total equity (shareholder's funds) as per Previous GAAP		907.73	932.52
Adjustments:			
Impact on account fair valuation of security deposit	d (i)	0.26	-
Impact on account of adoption of Ind AS 116	d (ii)	6.81	(2.29)
Deferred Tax on Ind AS Adjustments	d (iii)	(2.34)	-
Foreign currency translation differences		21.78	-
Total equity (shareholder's funds) as per Ind AS		**934.24**	**930.23**

ii) Reconciliation of total comprehensive income for the year ended 31 December 2021

Particulars	Notes to first-time adoption	For the year ended 31 December 2021
Profit after tax as per Previous GAAP		**(3.01)**
Add/(Less): Adjustment		
Impact on account of adoption of Ind AS 116	d (i)	9.10
Impact on account fair valuation of security deposit	d (ii)	0.26
Deferred Tax on Ind AS Adjustments	d (iii)	(2.34)
Total Ind AS adjustments		**7.02**
Total comprehensive income as per Ind AS		**4.01**

(d) Notes To First-Time Adoption:

i) Security deposits

Under previous GAAP, interest free lease security deposits were recorded at it's transaction value. Under Ind AS 109 "Financial Instruments", all financial assets are required to be initially recognized at fair value. The Group has fair valued the security deposits under Ind AS at its initial recognition. Difference between the fair value and transaction value of the security deposits has been recognized as prepayment lease rental (part of Right-of-use assets) which has been amortized over it's lease term. The discounted value of the security deposits is increased over the period of lease term by recognizing the notional interest income grouped under 'other income'.

ii) Impact of Leases due to adoption of Ind AS 116

Under previous GAAP, a lease is classified as a finance lease or an operating lease. Operating lease payments are recognised as an operating expense in the statement of profit or loss on a straight-line basis over the lease term. Under Ind AS 116, a lessee applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets and recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. At the date of transition to Ind AS, the Company applied the modified retrospective approach and measured lease liabilities at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS. Right-of-use assets were measured at the amount equal to the lease liabilities.

iii) Deferred tax on Ind AS adjustments

Retained earnings and statement of profit and loss has been adjusted consequent to the Ind AS transition adjustments with corresponding impact to deferred tax, wherever applicable.

(Amounts in INR millions, unless otherwise stated)

7 Property, plant and equipment

Particulars	Leasehold Improvements	Buildings	Furniture and Fixtures	Plant and Machinery	Electrical Equipment	Office Equipment	Computers	Precious Stones & Laboratory Master Sets	Total
Deemed cost as at 1 January 2021	**19.74**	**246.86**	**15.50**	**54.44**	**14.74**	**2.81**	**2.23**	**6.07**	**362.39**
Gross carrying amount									
Opening balance as at 1 January 2021	19.74	246.86	15.50	54.44	14.74	2.81	2.23	6.07	362.39
Additions	6.89	0.12	8.95	21.70	3.21	0.03	4.57	0.55	46.02
Deductions/ adjustments	-	-	-	-	-	-	-	-	-
Translation exchange difference	0.45	4.75	0.71	(6.64)	0.24	0.01	0.07	0.09	(0.32)
Balance as at 31 December 2021	**27.08**	**251.73**	**25.16**	**69.50**	**18.19**	**2.85**	**6.87**	**6.71**	**408.09**
Accumulated Depreciation									
Balance as at 1 January 2021	-	-	-	-	-	-	-	-	-
Depreciation charge during the year	4.65	13.88	5.43	9.98	3.37	0.59	1.63	0.17	39.70
Impairment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Translation exchange difference	0.04	0.13	0.18	0.55	0.06	(0.00)	0.01	0.00	0.97
Balance as at 31 December 2021	**4.69**	**14.01**	**5.61**	**10.53**	**3.43**	**0.59**	**1.64**	**0.17**	**40.67**
Net carrying amount as at 31 December 2021	**22.39**	**237.72**	**19.55**	**58.97**	**14.76**	**2.26**	**5.23**	**6.54**	**367.42**
Gross carrying amount									
Balance as at 1 January 2022	27.08	251.73	25.16	69.50	18.19	2.85	6.87	6.71	408.09
Additions	1.12	0.33	9.56	24.57	24.36	0.15	0.32	5.41	65.82
Deductions/ adjustments	-	-	-			-	-	-	-
Translation exchange difference	3.10	29.03	2.37	4.45	1.56	0.31	(0.04)	0.92	41.70
Balance as at 31 December 2022	**31.30**	**281.09**	**37.09**	**98.52**	**44.11**	**3.31**	**7.15**	**13.04**	**515.61**
Accumulated Depreciation									
Balance as at 1 January 2022	4.69	14.01	5.61	10.53	3.43	0.59	1.64	0.17	40.67
Depreciation charge during the year	5.35	13.84	7.39	15.93	5.21	0.59	1.98	0.58	50.87
Impairment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Translation exchange difference	0.81	2.32	0.81	1.29	0.36	0.09	0.29	0.05	6.02
Balance as at 31 December 2022	**10.85**	**30.17**	**13.81**	**27.75**	**9.00**	**1.27**	**3.91**	**0.80**	**97.56**
Net carrying amount as at 31 December 2022	**20.45**	**250.92**	**23.28**	**70.77**	**35.11**	**2.04**	**3.24**	**12.24**	**418.05**

The Group has elected to continue with the carrying value of its Property, plant and equipment recognized as on 1 January 2021 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101 'First –time Adoption of Indian Accounting Standards'.

Particulars	Leasehold Improvements	Buildings	Furniture and Fixtures	Plant and Machinery	Electrical Equipment	Office Equipment	Computers	Precious Stones & Laboratory Master Sets	Total
Gross Block as on 1 January 2021	34.28	375.57	115.06	84.30	49.38	11.44	13.33	7.78	692.43
Less : Accumulated depreciation	(14.54)	(128.71)	(99.56)	(29.86)	(34.64)	(8.63)	(11.10)	(1.71)	(330.04)
Deemed cost as on 1 January 2021	**19.74**	**246.86**	**15.50**	**54.44**	**14.74**	**2.81**	**2.23**	**6.07**	**362.39**

(Amounts in INR millions, unless otherwise stated)

7.1 Leases

i. Right-of-use assets

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

Particulars	Leasehold Premises	Total
As at 1 January 2021	**98.37**	**98.37**
Additions	-	-
Deletions	-	-
Depreciation expense	(22.96)	(22.96)
Translation exchange difference	3.52	3.52
As at 31 December 2021	**78.93**	**78.93**
Additions	8.71	8.71
Deletions	-	-
Depreciation expense	(26.31)	(26.31)
Translation exchange difference	1.95	1.95
As at 31 December 2022	**63.28**	**63.28**

ii. Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Balance as at the beginning of the period	**68.32**	**97.10**	**97.10**
Additions	8.71	-	-
Accretion of interest	2.00	2.46	-
Rent Payments	(30.41)	(34.52)	-
Deletions	-	-	-
Translation exchange difference	1.69	3.28	-
Balance as at the end of the period	**50.31**	**68.32**	**97.10**

Refer note in cash flow for reco with cash flow of lease payment

The following is the break-up of lease liability as at reporting date:

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Non-current lease liability	26.69	41.97	65.56
Current lease liability	23.62	26.35	31.54
Total	**50.31**	**68.32**	**97.10**

The following are the amounts recognized in profit or loss:

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Depreciation expense of right-of-use assets	26.31	22.96
Interest expense on lease liabilities	2.00	2.46
Expense relating to short-term leases	17.61	2.75

The below table provides the details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Less than 1 year	24.96	28.20
1-5 years	27.35	43.82
More than 5 years	-	-
Total	**52.31**	**72.02**

The Group had total cash outflows for leases of INR 30.41 million for the year ended 31 December 2022 and INR 34.52 million for the year ended 31 December 2021.

(Amounts in INR millions, unless otherwise stated)

8 Goodwill

Particulars	Goodwill	Total
As at 1 January 2021	**431.50**	**431.50**
Additions during the year	-	-
Foreign currency translation reserve	10.94	10.94
As at 31 December 2021	**442.44**	**442.44**
Additions during the year	-	-
Foreign currency translation reserve	35.86	35.86
As at 31 December 2022	**478.30**	**478.30**

Goodwill is arising on account of acquisition of International Gemological Institute DMCC, I.G.I. International Gemmological Institute (Israel) Ltd, International Gemmological Identification (Thailand) Limited, IGI (Shanghai) Business Consulting Co. Ltd., IGI (Shanghai) Gemological Research and Testing Ltd., IGI (Shanghai) Gemological Research and Testing Ltd., IGI (Shenzhen) Jewelry Testing Co., Ltd..
The recoverable amount of cash generating units is more than its carrying value, thus there is no impairment of Goodwill.

9 Other intangible assets

Particulars	Computer Software	Other Intangible Assets	Total
Deemed cost as at 1 January 2021	**0.01**	**15.60**	**15.61**
Gross carrying amount			
Balance as at 1 January 2021	0.01	15.60	**15.61**
Additions	-	-	**-**
Disposals	-	(7.89)	**(7.89)**
Translation exchange difference	(0.00)	0.33	**0.33**
Balance as at 31 December 2021	**0.01**	**8.04**	**8.05**
Accumulated amortization			
Balance as at 1 January 2021	-	-	-
Amortization charge during the year	0.01	0.57	0.58
Impairment	-	-	-
Deductions/ adjustments	-	-	-
Translation exchange difference	(0.00)	0.01	0.01
Balance as at 31 December 2021	**0.01**	**0.58**	**0.59**
Net carrying amount as at 31 December 2021	**0.00**	**7.46**	**7.46**
Gross carrying amount			
Balance as at 1 January 2022	0.01	8.04	8.05
Additions		0.55	0.55
Disposals	-	(4.46)	(4.46)
Translation exchange difference	-	0.18	0.18
Balance as at 31 December 2022	**0.01**	**4.31**	**4.32**
Accumulated amortization			
Balance as at 1 January 2022	0.01	0.58	0.59
Amortization charge during the year	0.00	1.62	1.62
Impairment	-	-	-
Deductions/ adjustments	-	-	-
Translation exchange difference	(0.00)	0.07	0.07
Balance as at 31 December 2022	**0.01**	**2.27**	**2.28**
Net carrying amount as at 31 December 2022	**-**	**2.04**	**2.04**

(Amounts in INR millions, unless otherwise stated)

10 Loans

	Non current			Current		
Particulars	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021***	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021***
Loans to related parties (Refer note 35)	-	-	-	0.86	0.50	30.09
	-	**-**	**-**	**0.86**	**0.50**	**30.09**

11 Other financial assets

	Non current			Current		
Particulars	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021***	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021***
Security deposits	12.99	12.02	6.52	0.40	0.38	0.41
Other receivables	-	-	-	23.10	-	5.23
	12.99	**12.02**	**6.52**	**23.50**	**0.38**	**5.64**

12 Other assets

	Non current			Current		
Particulars	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021***	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021***
Advances to suppliers	-	-	-	25.01	16.95	-
Balance with Government authorities	-	-	-	40.82	9.80	3.71
Other receivables	-	-	-	3.08	-	19.42
Prepaid expenses	-	-	-	17.93	11.91	11.79
	-	**-**	**-**	**86.84**	**38.66**	**34.92**

13 Income tax assets (net)

	Non current			Current		
Particulars	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021***	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021***
Tax receivables (net)	44.70	23.28	25.74	-	-	-
	44.70	**23.28**	**25.74**	**-**	**-**	**-**

14 Trade receivables

	Non current			Current		
Particulars	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021***	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021***
Trade receivables *						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	-	-	-	151.74	104.16	99.42
Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
Trade Receivables - credit impaired	-	-	-	-	-	-
	-	**-**	**-**	**151.74**	**104.16**	**99.42**
Impairment Allowance (allowance for bad and doubtful debts)						
Unsecured, considered good	-	-	-	(13.98)	(5.93)	(1.87)
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	**-**	**-**	**(13.98)**	**(5.93)**	**(1.87)**
	-	**-**	**-**	**137.76**	**98.23**	**97.55**

** Refer note 35*

15 Cash and cash equivalents

	Non current			Current		
Particulars	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021***	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021***
Cash on hand	-	-	-	4.65	3.20	2.56
Cheques in hand	-	-	-	-	-	-
Balances with banks:						
In current accounts	-	-	-	728.29	599.34	371.40
	-	**-**	**-**	**732.94**	**602.54**	**373.96**

16 Bank balances other than (note 15) above

	Non current			Current		
Particulars	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021***	**As at 31 December 2022**	**As at 31 December 2021**	**As at 1 January 2021***
Fixed deposits with original maturity of more than 3 months but less than 12 months.				1.00	1.51	1.24
	-	**-**	**-**	**1.00**	**1.51**	**1.24**

(Amounts in INR millions, unless otherwise stated)

17 Equity share capital

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Authorized:			
1000 (31 December 2021: 1,000 & 1 January 2021: 1,000) Equity Shares of Euro 0.10 each	0.01	0.01	0.01
	0.01	**0.01**	**0.01**
Issued, subscribed and paid-up capital:			
1000 (31 December 2021: 1000 & 1 January 2021: 1000) Equity Shares of Euro 0.10 each fully paid-up	0.01	0.01	0.01
	0.01	**0.01**	**0.01**

18 Other equity

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Retained earnings	348.85	284.61	302.38
Securities premium	417.17	417.17	417.17
General reserve	210.18	210.18	210.18
Legal Reserve	0.49	0.49	0.49
Foreign currency translation reserve	113.40	21.78	-
	1,090.09	**934.23**	**930.22**

(a) Retained earnings

	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Opening balance	284.61	302.38	302.38
Net profit/(loss) for the year	65.87	(17.77)	-
Other comprehensive income for the year, net of tax	(1.63)	-	
Closing balance	**348.85**	**284.61**	**302.38**

(b) Securities premium

	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Opening balance	417.17	417.17	417.17
Addition/(Deletion)	-	-	-
Closing balance	**417.17**	**417.17**	**417.17**

(c) General Reserve

	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Opening balance	210.18	210.18	210.18
Transfer (to)/ from Retained Earnings	-	-	-
Closing balance	**210.18**	**210.18**	**210.18**

(d) Legal Reserve

	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Opening balance	0.49	0.49	0.49
Addition/(Deletion)	-	-	-
Closing balance	**0.49**	**0.49**	**0.49**

(e) Foreign currency translation reserve

	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Opening balance	21.78	-	-
Addition/(Deletion)	91.62	21.78	-
Closing balance	**113.40**	**21.78**	**-**

Nature & Purpose of Reserves

General Reserve: General reserve is created from time to time by transferring profits from retained earnings and can be utilized for purposes such as dividend payout, bonus issue, etc.

Retained Earnings: Retained earnings are the profits that the Group has earned till date, less any transfers to general reserves, dividends or other distributions paid to shareholders.

Legal reserve: The legal reserve is part of a Company's equity that cannot be distributed to shareholders. According to the Thai Civil and Commercial Code : Section 1202 Reserve Fund. The Company must also appropriate a reserve fund (called "Legal Reserve"), at each distribution of dividend, being at least one-twentieth (5%) of the net profit after tax (Retained earnings and annual net profit) or more until such appropriation reaches one-tenth (10%) of the registered capital of the Company. This requirement is included in the law for protection to creditors who will have the right to receive payment before shareholders when dissolution of company.

Securities premium: Securities premium account comprises of premium on issue of shares.

Foreign currency translation reserve: Gains/(losses) arising on translation of foreign operations are recognized in FCTR.

(Amounts in INR millions, unless otherwise stated)

19 Borrowings

Particulars	Non Current			Current		
	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Loans from related parties, Unsecured (Refer note 35)	317.67	285.55	292.61	54.78	18.25	9.10
	317.67	**285.55**	**292.61**	**54.78**	**18.25**	**9.10**

a) The unsecured loan was taken from related party in order to apply proceeds of the loan towards general and administrative expenses and investment activities. The interest rate is 3% p.a. This loan is repayable in a single instalment when there is sufficient liquidity available with the borrower.

b) The unsecured loan was taken from related party to apply proceeds of the loan for the purpose of operational activities. The loan is repayable on demand.

c) The unsecured loan was availed from related party to finance the expansion of the Certification Lab and the business, carrying an interest rate of 12 month EURIBOR + 3% p.a. This loan is repayable in 5 years from date of agreement.

20 Employee benefit obligations

Particulars	Non Current			Current		
	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
End of service and severance benefit (Refer Note 34)	82.52	60.67	42.86	1.67	1.18	-
	82.52	**60.67**	**42.86**	**1.67**	**1.18**	**-**

21 Lease liabilities

Particulars	Non Current			Current		
	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Lease liabilities (Refer note 7.1)	26.69	41.97	65.56	23.62	26.35	31.54
	26.69	**41.97**	**65.56**	**23.62**	**26.35**	**31.54**

22 Other financial liabilities

Particulars	Non Current			Current		
	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Employee related payables	-	-	-	26.69	29.54	11.86
Other payables	-	-	-	63.01	48.64	36.17
Payable to related parties (Refer note 35)	-	-	-	2.13	3.83	5.43
	-	**-**	**-**	**91.83**	**82.01**	**53.46**

23 Other liabilities

Particulars	Non Current			Current		
	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Advance from customers	-	-	-	103.55	62.21	30.70
Statutory dues payable	-	-	-	37.29	5.54	2.11
	-	**-**	**-**	**140.84**	**67.75**	**32.81**

24 Income tax liabilities (net)

Particulars	Non Current			Current		
	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Tax payable	-	-	-	57.54	23.54	-
	-	**-**	**-**	**57.54**	**23.54**	**-**

25 Trade payables

Particulars	Non Current			Current		
	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Trade payables *	-	-	-	132.78	149.90	47.90
	-	**-**	**-**	**132.78**	**149.90**	**47.90**

** Refer note 35*

(Amounts in INR millions, unless otherwise stated)

26 Revenue from operations

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Revenue from contract with customers (Refer note 39)		
Sale of services		
Certification services	953.77	729.48
Educational courses	128.34	135.01
Total Revenue from operations	**1,082.11**	**864.49**

27 Other income

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Government grant	5.12	-
Rental income	1.83	1.54
Gain on sale of property, plant and equipment	1.20	-
Interest income on fixed deposits	1.13	1.09
Interest income on security deposits	0.28	0.26
Foreign exchange gain	-	0.12
Miscellaneous income	0.03	5.48
Total Other income	**9.59**	**8.49**

28 Employee benefit expenses

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Salaries, wages & bonus	407.02	321.55
Staff welfare	44.37	8.75
End of service and severance benefit (Refer Note 34)	10.51	50.65
Total Employee benefit expense	**461.90**	**380.95**

29 Finance costs

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Interest expenses on financial liabilities measured at amortized cost:		
Interest expense and other finance charges	9.17	8.92
Interest on lease liabilities	2.00	2.46
Total Finance costs	**11.17**	**11.38**

30 Depreciation and amortization expense

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Depreciation on property, plant and equipment	53.35	42.02
Depreciation on right-of-use assets	26.31	22.96
Amortization on other intangible asset	1.62	0.58
Total Depreciation and amortization expense	**81.28**	**65.56**

(Amounts in INR millions, unless otherwise stated)

31 Other expenses

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Legal and professional fees	176.17	151.79
Stationery and consumables	105.83	66.30
Advertising and exhibition expenses	26.86	13.43
Rent expense	17.61	2.75
Rates and taxes	10.07	7.45
Computer expenses	15.41	19.97
Travelling and conveyance	11.45	29.43
Provision for doubtful debts	7.70	3.95
Sales and marketing expenses	6.39	6.19
Repair and maintenance - others	6.24	13.72
Electricity expenses	4.75	3.98
Freight and forwarding expenses	4.66	4.51
Business promotion expenses	4.50	16.17
Communication fee	4.48	4.51
Insurance expense	3.56	6.43
Laboratory expenses	3.38	1.97
Foreign exchange losses	2.97	-
Office and administrative expenses	2.61	22.36
Bank charges	2.30	2.64
Commission expenses	0.13	0.67
Bad debts	0.01	0.00
Miscellaneous expenses	6.90	7.59
Total Other expenses	**423.98**	**385.81**

(Amounts in INR millions, unless otherwise stated)

32 Tax expense

(i) The major components tax expense are:

Statement of profit or loss

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Current income tax:		
Current income tax charge	(48.16)	(44.71)
Deferred tax (charge)/credit		
Relating to origination and reversal of temporary differences	0.66	(2.34)
Income tax expense reported in the statement of profit or loss	**(47.50)**	**(47.05)**

(ii) Reconciliation of tax expense and the accounting profit multiplied by tax rate is, as follows:

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Accounting profit before income tax	**111.75**	**29.28**
Computed tax expense		
At statutory income tax rate of 25%	**27.94**	**7.32**
Adjustments:		
Tax on income at different rates	(14.09)	(2.64)
Tax on exempt income	(17.81)	(5.27)
Tax on losses pertaining to subsidiaries	51.45	47.63
Others (net)	0.01	-
Net tax expense	**47.50**	**47.04**

(iii) Deferred tax assets/ (deferred tax liabilities) relates to the following:

	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Property Plant and equipment	(0.67)	(0.91)	(0.94)
Net defined benefit asset – gratuity plan	-	-	-
Provision for expected credit loss	-	-	-
Provision for compensated absences	-	-	-
Right of use assets	6.01	5.87	-
Lease liability	(8.46)	(8.26)	-
Others	(0.23)	-	-
Deferred tax assets/(Liabilities) net	**(3.35)**	**(3.30)**	**(0.94)**

Reflected in the statement of financial position as follows:

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Deferred tax assets	6.01	5.87	-
Deferred tax liabilities	(9.36)	(9.17)	(0.94)
Deferred tax assets/(Liabilities) net	**(3.35)**	**(3.30)**	**(0.94)**

(iv) Movement in deferred tax assets/ (liabilities)

Particulars	As at 1 January 2021	Impact on Profit and loss	Impact on other comprehensive income	Exchange Difference	As at 31 December 2021
Property Plant and equipment	(0.94)	(0.04)	-	0.07	(0.91)
Net defined benefit asset – gratuity plan	-	-	-	-	-
Provision for expected credit loss	-	-	-	-	-
Provision for compensated absences	-	-	-	-	-
Right of use assets	-	5.78	-	0.09	5.87
Lease liability	-	(8.08)	-	(0.18)	(8.26)
Others	-	-	-	-	-
Total	**(0.94)**	**(2.34)**	**-**	**(0.02)**	**(3.30)**

Particulars	As at 1 January 2022	Impact on Profit and loss	Impact on other comprehensive income	Exchange Difference	As at 31 December 2022
Property Plant and equipment	(0.91)	0.11	-	0.13	(0.67)
Net defined benefit asset – gratuity plan	-	-	-	-	-
Provision for expected credit loss	-	-	-	-	-
Provision for compensated absences	-	-	-	-	-
Right of use assets	5.87	-	-	0.14	6.01
Lease liability	(8.26)	-	-	(0.20)	(8.46)
Others	-	0.55	-	(0.78)	(0.23)
Total	**(3.30)**	**0.66**	**-**	**(0.71)**	**(3.35)**

(Amounts in INR millions, unless otherwise stated)

33 Earnings per share

Basic EPS amount is calculated by dividing the profit for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table set forth the computation of basic and dilutive earnings per share:

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Net profit for the year attributable to equity shareholders	65.87	(17.77)
Weighted average number of shares	1,000	1,000
Earnings/(loss) per equity share# [Face value of Euro 0.10 each]	**65,867.11**	**(17,765.89)**

Basic and diluted earnings/(loss) per share during the year are same as the Group has no potentially dilutive equity shares outstanding as at the year end.

Reconciliation of shares used in computing earnings per share

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
No. of equity shares at the beginning of the year	1,000	1,000
Add: Shares issued during the year	-	-
Less: Shares bought back during the year	-	-
No. of equity shares at the end of the year	**1,000**	**1,000**
Weighted average number of equity shares of Euro 0.10 each used for calculation of basic and diluted earnings per share.	**1,000**	**1,000**

(Amounts in INR millions, unless otherwise stated)

34 Employee benefits

(a) Defined benefit plans

i. End of service and severance benefit

The cost of providing defined benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains/losses are immediately recognized in the other comprehensive income and are not deferred. The plan is a funded scheme.

A. Expense recognized in Special Purpose Consolidated Statement of profit and loss

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
i. Amounts recognized in Consolidated Statement of profit and loss in respect of defined benefit plans:		
Components of employer's expense		
Current service cost	9.66	7.67
Past service cost	-	43.39
Interest cost	1.16	-
Benefit payment from employer	(0.30)	(0.41)
Total expense recognized in the Consolidated Statement of Profit and Loss (A)	**10.52**	**50.65**
ii. Remeasurements recognized in other comprehensive income are as follows:		
Actuarial (Gain)/ Losses	1.63	-
Total (gain)/ loss recognized in other comprehensive income (B)	**1.63**	**-**
Total (A+B)	**12.15**	**50.65**

B. Amount recognized in the Special Purpose Consolidated balance sheet

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Present value of defined benefit obligation recognized in the Consolidated balance sheet	71.97	61.85	42.86
Current portion	1.67	1.18	-
Non current portion	70.30	60.67	42.86

C. Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components:

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Reconciliation of present value of defined benefit obligation (DBO)			
Opening balance	61.84	42.86	42.86
Benefits paid	(0.30)	(0.41)	-
Current service cost	9.66	7.67	-
Past service cost	-	43.39	-
Interest cost	1.16	-	-
Others	10.21	(31.67)	
Actuarial (gains)/ losses recognized in other comprehensive income			
Due to Change in Financial Assumptions	1.63	-	-
Balance	**84.20**	**61.84**	**42.86**
Plan assets	-	-	-
Closing net defined benefit obligation (DBO)	**84.20**	**61.84**	**42.86**

(Amounts in INR millions, unless otherwise stated)

D. Plan assets

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Opening balance of fair value of plan assets	-	-	-
Contributions	0.30	0.41	-
Benefits paid	(0.30)	(0.41)	-
Closing balance of fair value of plan assets	**-**	**-**	**-**

Changes in fair value of assets and obligation:

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Defined benefit Obligation	71.97	61.85	42.86
Fair value of plan assets	-	-	-
Funded Status	71.97	61.85	-
Net Defined Benefit Liability	(71.97)	(61.85)	-

E. Defined benefit obligations
Actuarial assumptions

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Discount rate (per annum)	2.15%	2.15%	-
Rate of salary increase	6.00%	6.00%	-
Mortality rate	100% IALM - 12-14	100% IALM - 12-14	-
Expected Return on Plan Assets	0.00%	0.00%	-
Retirement age	65.00	65.00	
Attrition rate	5.00%	5.00%	-

Data

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
No.	54	52	-
Average Age (yrs)	35.39	34.62	-
Average Past service (yrs)	4.85	4.29	-
Average sal Mly (INR)	87,303.00	81,704.00	-
Future Service (yrs)	29.61	30.38	-
Weighted Average Duration of DBO	15.00	15.16	-

F. Expected Future Cash outflow:

Expected Benefit Payment	For the year ended 31 December 2022	For the year ended 31 December 2021
Year 1	1.71	1.20
Year 2	1.95	1.34
Year 3	2.01	1.50
Year 4	2.16	1.56
Year 5	2.25	1.63
Next 5 years	11.81	8.48

The Gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

1. Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

2. Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

3. Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. The entity has to manage pay-out based on pay as you go basis from own funds.

4. Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

ii. Sensitivity analysis

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
	Impact on DBO	Impact on DBO	Impact on DBO
Change in Discount rate (1% movement)			
Delta effect + 1%	59.56	43.61	-
Delta effect - 1%	82.33	60.56	-
Change in rate of salary increase (1% movement)			
Delta effect + 1%	81.46	59.91	-
Delta effect - 1%	59.99	43.93	-
Change in attrition rate (1% movement)			
Delta effect + 1%	65.99	48.35	-
Delta effect - 1%	74.05	54.43	-

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(Amounts in INR millions, unless otherwise stated)

35 Related Parties Disclosures

A) Relationship & Name of related parties

Relationship	Name of parties
Holding Company	Alpha Yu B.V.
Holding Company	Lorie Holdings BV
Entity under common control	International Gemmological Institute (India) Limited
Entity under common control	International Gemmological Institute BV
Entity under common control	International Gemological Institute, Inc.
Entity under common control	International Gemmological Institute Turkey Precious Stone Certification Services Joint Stock Company
Key Management Personnel (President)	Alwina Wang
Key Management Personnel (President)	Yao Yuan
Key Management Personnel (Managing Director))	Robert Martha L Van Es
Key Management Personnel	Shaunak Shastree
Key Management Personnel	Yongwoon Sim
Key Management Personnel	Arnaud Lorie

B) Related party transactions during the year

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Director remuneration		
Robert Martha L Van Es	13.47	9.93
Arnaud Lorie	23.35	19.87
Yao Yuan	-	1.58
Alwina Wang	14.50	3.11
Yong Sim woon	9.93	-
Shaunak Shastree	12.83	10.23
Purchase of Fixed Asset		
International Gemmological Institute (India) Limited	2.89	-
Purchases		
International Gemmological Institute (India) Limited	0.09	0.08
International Gemmological Institute BV	2.64	6.27
Sales - Stationery		
International Gemological Institute, Inc.	-	0.13
International Gemmological Institute BV	3.58	4.56
Sales - Certification		
International Gemmological Institute (India) Limited	0.24	1.27
Repayment of loan given		
International Gemmological Institute BV	-	28.80
Repayment of Interest on loan given		
International Gemmological Institute BV	-	0.46

C) Outstanding balances as at year end

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Employee related payables			
Robert Martha L Van Es	2.07	2.18	1.02
Loans from related parties			
Alpha Yu BV	251.49	226.06	234.09
Lorie Holdings BV	66.18	59.49	58.52
Interest Payable			
Alpha Yu B.V.	24.01	14.71	7.39
Lorie Holdings BV	5.95	3.54	1.70
Loans to related parties			
International Gemmological Institute BV	-	-	29.72
Interest on loan given			
International Gemmological Institute BV	-	-	0.46
Payable to related party			
Lorie Holdings BV	0.14	0.13	0.14
International Gemmological Institute (India) Limited	-	-	2.70
International Gemmological Institute BV	-	-	1.99
Other Receivable			
International Gemmological Institute (India) Limited	0.10	-	-
Other Payable			
International Gemmological Institute (India) Limited	-	0.14	2.76
Trade Receivable			
International Gemmological Institute BV	0.60	1.19	-
International Gemological Institute, Inc.	0.15	-	-
Trade Payable			
International Gemmological Institute (India) Limited	3.57	4.80	6.13
International Gemmological Institute BV	1.02	2.54	-

(Amounts in INR millions, unless otherwise stated)

36 Financial instruments risk management objectives and policies

The Group is exposed primarily to market risk, credit risk and liquidity risk. The management of the Group oversees the management of these risks. The management advises on financial risks and the appropriate financial risk governance framework for the Group and also provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

(a) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Group income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt.

i) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group has taken borrowings from related parties at a fixed interest rate, hence the Group is not exposed to the interest rate risk as there are no variable interest bearing borrowings/ investments.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group’s exposure to the financial instruments dominated in foreign currency is very minimal, hence no major foreign currency risk exists.

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Group’s trade receivables, security deposits, bank balances, loans and other financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The gross carrying amounts of following financial assets represent the maximum credit risk exposure:

	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Bank balances	1.00	1.51	1.24
Cash and cash equivalents	732.94	602.54	373.96
Loans	0.86	0.50	30.09
Security deposits	13.39	12.39	6.93
Other financial assets	23.09	-	5.23
	771.28	**616.94**	**417.45**

Balances with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial institutions as approved by the Board of directors.

Based on assessment carried by the Group, entire receivable under this category is classified as "Stage 1". There is no history of loss and credit risk and the amount of provision for expected credit losses on other financial assets is negligible.

Loans are given to related parties and as per the management same does not have any credit risk, hence provision for expected credit losses is not required.

Trade receivables:

The Group applies the Ind AS 109 simplified approach for measuring expected credit losses which uses a lifetime expected loss allowance (ECL) for trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Group uses past data and experience based on Group's historical default rates to measure the ECL on trade receivables. Based on evaluation carried out and to the best estimate of management, historical loss sufficiently covers expected loss as well as future contingencies. Adjustment for forward looking factors are not considered significant, hence no adjustment for forward looking factors is made.

Computation of Allowance for impairment losses:

Specific provision: Entire trade receivables outstanding as at reporting period are assessed for specific provisioning. Items considered when determining allowance amounts include sustainability of the counterparty's business plan, its ability to improve performance once a financial difficulty has arisen, availability of other financial support and realizable value of collateral and timing of expected cash flows. The impairment losses are evaluated at the end of each reporting period, unless unforeseen circumstances require more careful attention. Specific provision may be required due to various reasons such as credit deterioration, etc. Trade receivable under specific provision case, are assessed individually. The impairment allowances is recognized to the extent of trade receivables not covered by fair value of collaterals.

Collective Provisions: ECL is computed based on the trade receivable as at reporting period minus specific provision by applying the bucket wise lifetime loss rate (PDs) determined for each reporting period.

The movement in provision for expected credit loss is as follows:

	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Opening provision	5.93	1.87	1.87
Impairment loss recognized	7.70	3.95	-
Foreign exchange movement	0.35	0.11	-
Closing provision	**13.98**	**5.93**	**1.87**

(Amounts in INR millions, unless otherwise stated)

(c) Liquidity risk

Liquidity risk is the current and prospective risk arising out of an inability to meet financial commitments as they fall due, through available cash flows or through the sale of assets at fair market value. Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The management monitors the Group's net liquidity position through forecasts on the basis of expected cash flows. Group has sufficient working capital to meets its financial commitments shown below.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	Within 1 year	1 to 3 years	More than 3 years	Total
As at 31 December 2022				
Trade payables	132.78	-	-	132.78
Lease liabilities	24.96	27.35		52.31
Borrowings	54.78	317.67	-	372.45
Other financial liabilities	91.83	-	-	91.83
	304.36	**345.02**	**-**	**649.38**

	Within 1 year	1 to 3 years	More than 3 years	Total
As at 31 December 2021				
Trade payables	149.90	-	-	149.90
Lease liabilities	28.20	37.53	6.29	72.02
Borrowings	18.25	285.55	-	303.80
Other financial liabilities	82.01	-	-	82.01
	278.35	**323.08**	**6.29**	**607.72**

	Within 1 year	1 to 3 years	More than 3 years	Total
As at 1 January 2021*				
Trade payables	47.90	-	-	47.90
Lease liabilities	27.75	33.90	17.99	79.63
Borrowings	9.10	292.61	-	301.71
Other financial liabilities	53.46	-	-	53.46
	138.21	**326.51**	**17.99**	**482.70**

(iv) Fair value measurement hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

All below mentioned Financial assets and Financial liabilities are measured using valuation techniques in accordance with Level 3.

The fair value of cash and cash equivalents, trade receivables, trade payables, loan, borrowings (current), other financial liabilities and other financial assets approximate their carrying amount largely due to short term nature of these instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security deposits and Borrowings (Non-current) are not significantly different from the carrying amount.

(v) Financial instruments by category

The carrying amounts of each of the categories of financial instruments as at 31 December 2022 are as follows:

	FVTPL	Amortized cost	FVTOCI	Total
Financial assets				
Non Current				
Other financial assets	-	12.99	-	12.99
Current				
Trade receivables	-	137.76	-	137.76
Cash and cash equivalents	-	732.94	-	732.94
Other bank balances	-	1.00	-	1.00
Loans	-	0.86	-	0.86
Other financial assets	-	23.50	-	23.50
	-	**909.05**	**-**	**909.05**
Financial Liabilities				
Non Current				
Borrowings	-	317.67	-	317.67
Lease liabilities	-	26.69	-	26.69
Current				
Borrowings	-	54.78	-	54.78
Lease liabilities	-	23.62	-	23.62
Trade payables	-	132.78	-	132.78
Other financial liabilities	-	91.83	-	91.83
	-	**647.37**	**-**	**647.37**

IGI Netherlands B.V.

Special Purpose Consolidated Notes to the financial statements for the years ended 31 December 2022 and 31 December 2021

(Amounts in INR millions, unless otherwise stated)

The carrying amounts of each of the categories of financial instruments as at 31 December 2021 are as follows:

	FVTPL	Amortized cost	FVTOCI	Total
Financial assets				
Non Current				
Other financial assets	-	12.02	-	12.02
Current				
Trade receivables	-	98.23	-	98.23
Cash and cash equivalents	-	602.54	-	602.54
Other bank balances	-	1.51	-	1.51
Loans	-	0.50	-	0.50
Other financial assets	-	0.38	-	0.38
	-	**715.18**	**-**	**715.18**
Financial Liabilities				
Non Current				
Borrowings	-	285.55	-	285.55
Lease liabilities	-	41.97	-	41.97
Current				
Borrowings		18.25		18.25
Lease liabilities		26.35		26.35
Trade payables	-	149.90	-	149.90
Other financial liabilities	-	82.01	-	82.01
	-	**604.03**	**-**	**604.03**

The carrying amounts of each of the categories of financial instruments as at 1st January 2021 are as follows:

	FVTPL	Amortized cost	FVTOCI	Total
Financial assets				
Non Current				
Other financial assets	-	6.52	-	6.52
Current				
Trade receivables	-	97.55	-	97.55
Cash and cash equivalents	-	373.96	-	373.96
Other bank balances	-	1.24	-	1.24
Loans	-	30.09	-	30.09
Other financial assets	-	5.64	-	5.64
	-	**515.00**	**-**	**515.00**
Financial Liabilities				
Non Current				
Borrowings	-	292.61	-	292.61
Lease liabilities	-	65.56	-	65.56
Current				
Borrowings	-	9.10	-	9.10
Lease liabilities	-	31.54	-	31.54
Trade payables	-	47.90	-	47.90
Other financial liabilities	-	53.46	-	53.46
	-	**500.17**	**-**	**500.17**

(Amounts in INR millions, unless otherwise stated)

37 Capital management

The Group's objectives when managing capital are to:
• safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
• Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return on capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity'. No changes were made in the objectives, policies or processes for managing capital during the reporting periods.

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Interest bearing loans and borrowings	372.45	303.80	301.71
Less: Cash and Bank balances	(732.94)	(602.54)	(373.96)
Adjusted net debt	**(360.49)**	**(298.74)**	**(72.25)**
Total equity	**1,090.10**	**934.24**	**930.23**
Gearing ratio [Net debt/(total equity)]	-	-	-

38 Contingent liabilities

KS Trade LLC ("Complainant") has filed a complaint dated December 21, 2017 ("Complaint") against IGI International Gemological Institute Inc. (IGI USA), International Gemological Institute DMCC (IGI UAE) (Subsidiary company) and International Gemmological Institute (India) Limited (collectively, "IGI Entities") and others (together with IGI Entities, "Defendants"), before the Supreme Court of the State of New York. The Complainant has demanded USD 0.75 million and alleged inter alia that the Defendants conspired to misrepresent the true value of diamonds by intentionally over-grading diamonds in IGI Entities' affiliated laboratories outside of New York, thereby allowing diamond dealers and wholesalers to re-sell diamonds at artificially inflated prices. It has also been alleged that IGI USA's grading standards differs substantially from those of other IGI Entities outside New York and it offers to over-grade diamonds in line with Other IGI Entities' grading standard for an illicit fee. The Company has refuted these allegations. The matter is currently sub-judice in the court and the outcome is indeterminate as of now.

(Amounts in INR millions, unless otherwise stated)

39 Revenue from customers

(i) Disaggregated revenue information
Set out below is the disaggregation of the Group's revenue from contracts with customers:

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Revenue from contract with customers:		
Sale of services		
Certification services	953.77	729.48
Educational courses	128.34	135.01
Gross revenue from contract with customers	1,082.11	864.49
Less: Consideration payable to customers	-	-
Net revenue from contract with customers	**1,082.11**	**864.49**
Geographical markets		
Netherlands	-	-
Outside Netherlands	1,082.11	864.49
Net revenue from contract with customers	**1,082.11**	**864.49**
Timing of revenue recognition		
Goods or services transferred at a point in time	953.77	729.48
Goods or Services transferred over time	128.34	135.01
Net revenue from contract with customers	**1,082.11**	**864.49**

(ii) Reconciling the amount of revenue recognized in the Statement of profit and loss with the contracted price:

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Revenue as per contracted price	1,082.88	864.77
Less: Rebate, discount and other adjustments	(0.77)	(0.28)
Revenue from contract with customers	**1,082.11**	**864.49**

(iii) Contract balances

a) The following table provides information about receivables, unbilled revenue and deferred revenue from contracts with customers:

	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Trade Receivables	137.76	98.23	97.55

For details on Performance obligations (Refer accounting policy note 4.10)

40 Segment reporting
The Group's business activity primarily falls within a single business segment based on the nature of activity involved, which is in line with the business risks attached with the segment having regard to the internal organization and management structure. The CODM reviews the Group's performance as a single business segment and not at any other disaggregated level. Hence, no separate financial disclosures provided in respect of its single business segment.

(i) Break up of revenue based on geographical segment

Particulars	For the year ended 31 December 2022	For the year ended 31 December 2021
Within Netherlands	-	-
Outside Netherlands	1,082.11	864.49
Total	**1,082.11**	**864.49**

(ii) The carrying amount of Non current operating assets by location of assets

Particulars	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021*
Within Netherlands	-	-	-
Outside Netherlands	1,027.50	940.88	957.09
Total	**1,027.50**	**940.88**	**957.09**

41 Subsequent events
There are no subsequent events after the end of reporting period which have impact on the Special Purpose Consolidated Financial Statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 06 August 2024

For and on behalf of the Board of Directors
IGI Netherlands B.V.

Tejas Deepak Naphade
Director
DIN: 10219144

Place: Mumbai
Date: 06 August 2024

Eashwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 06 August 2024

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
IGI Netherlands B.V. and International Gemmological Institute (India) Limited (formerly "International Gemmological Institute (India) Private Limited")

Report on the Audit of the Special Purpose Consolidated Financial Statements

Opinion

We have audited the accompanying Special Purpose Consolidated Financial Statements of IGI Netherlands B.V. (the "Holding Company") and its subsidiaries (together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at December 31, 2023, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year ended December 31, 2023, and notes to the Special Purpose Consolidated Financial Statements, including significant accounting policies and other explanatory information and disclosure (collectively referred to as the "Special Purpose Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the accompanying Special Purpose Consolidated Financial Statements of the Group as at December 31, 2023 are prepared, in all material respects, in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Special Purpose Consolidated Financial Statements, 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.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2.1 to the Special Purpose Consolidated Financial Statements, which describes the purpose and basis of preparation of the Special Purpose Consolidated Financial Statements. These Special Purpose Consolidated Financial Statements have been prepared by the Holding Company to assist International Gemmological Institute (India) Limited ("IGI India") to meet the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the proposed Initial Public Offer of equity shares of IGI India and will be included in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP"), and the Prospectus of IGI India. As a result, these Special Purpose Consolidated Financial Statements may not be suitable for another purpose.

Our report is addressed to the Board of Directors of the Holding Company and of IGI India, solely for the purposes stated above and should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Group or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our Opinion is not modified in respect of the above matter.

Responsibilities of Management and Board of Directors for Special Purpose Consolidated Financial Statements

The Holding Company's Management and Board of Directors is responsible for the preparation and fair presentation of these Special Purpose Consolidated Financial Statements in accordance with the accounting principles generally accepted in India, including the Ind AS; and this includes design, implementation and maintenance of such internal control as management determines is necessary to enable the preparation of Special Purpose Consolidated Financial Statements that are free from material misstatement whether due to fraud or error.

In preparing the Special Purpose Consolidated Financial Statements, the respective Management and Board of Directors of the Companies included in the Group are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the companies included in the Group or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Special Purpose Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose Consolidated 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 Special Purpose Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Special Purpose Consolidated 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, but not for expressing our opinion on whether the group has internal financial controls with reference to Special Purpose Consolidated Financial Statements in place and the operating effectiveness of such controls.

- 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 Group'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 Special Purpose Consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Special Purpose Consolidated Financial Statements, including the disclosures, and whether the Special Purpose Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Other Matter

We did not audit the financial statements of three subsidiaries whose financial information reflect total assets of Rs. 201.44 million as at December 31, 2023, total revenues of Rs. 168.40 million and loss after tax amounting to Rs. 5.08 million for the year ended on that date, as considered in the Special Purpose Consolidated Financial Statements. These financial statements are unaudited and have been furnished to us by the Management of the Holding Company and our opinion on the Special Purpose Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiaries, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the Special Purpose Consolidated Financial Statements is not modified in respect of the above matter.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Ankush Agrawal
Partner
Membership No. 159694
UDIN: 24159694BKFHUI5671

Place: Mumbai
Date: August 6, 2024

IGI Netherlands B.V.

Special Purpose Consolidated Balance Sheet as at 31 December 2023

(Amounts in INR millions, unless otherwise stated)

Particulars	Note	As at 31 December 2023	As at 31 December 2022
ASSETS			
Non-current assets			
Property, plant and equipment	6	459.84	418.05
Right-of-use assets	6.1	166.98	63.28
Investment Property		18.58	21.13
Goodwill	7	476.35	478.30
Other intangible assets	8	6.60	2.04
Financial assets			
(a) Other non-current financial assets	10	42.79	12.99
Income tax assets (net)	12	48.77	44.70
Other non current assets	11	6.12	-
Total non-current assets		**1,226.03**	**1,040.49**
Current assets			
Financial assets			
(a) Trade receivables	13	62.55	137.76
(b) Cash and cash equivalents	14	479.90	732.94
(c) Bank balances other than (b) above	15	82.37	1.00
(d) Loans	9	3.96	0.86
(e) Other financial assets	10	19.68	23.50
Other current assets	11	134.84	86.84
Total current assets		**783.30**	**982.90**
TOTAL ASSETS		**2,009.33**	**2,023.39**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	0.01	0.01
Other equity	17	1,174.01	1,090.09
Total equity		**1,174.02**	**1,090.10**
Liabilities			
Non-current liabilities			
Financial liabilities			
(a) Borrowings	18	26.18	317.67
(b) Lease liabilities	19	99.29	26.69
Employee benefit obligations	20	55.06	82.52
Deferred tax liabilities (net)		3.26	3.35
Total non-current liabilities		**183.79**	**430.23**
Current liabilities			
Financial liabilities			
(a) Borrowings	18	40.60	54.78
(b) Lease liabilities	19	65.25	23.62
(c) Trade payables	24	115.40	132.78
(d) Other financial liabilities	21	84.31	91.83
Other current liabilities	22	295.26	140.84
Employee benefit obligations	20	4.91	1.67
Income tax liabilities (net)	23	45.79	57.54
Total current liabilities		**651.52**	**503.06**
Total liabilities		**835.31**	**933.29**
TOTAL EQUITY AND LIABILITIES		**2,009.33**	**2,023.39**
See accompanying notes to the Special Purpose Consolidated Financial Statements	1 - 40		

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 06 August 2024

For and on behalf of the Board of Directors
IGI Netherlands B.V.

Tejas Deepak Naphade
Director
DIN: 10219144

Place: Mumbai
Date: 06 August 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 06 August 2024

IGI Netherlands B.V.

Special Purpose Consolidated Statement of Profit and Loss for the year ended 31 December 2023

(Amounts in INR millions, unless otherwise stated)

Particulars	Note	For the year ended 31 December 2023	For the year ended 31 December 2022
Income			
Revenue from operations	25	1,158.92	1,082.11
Other income	26	5.69	9.59
Total income		**1,164.61**	**1,091.70**
Expenses			
Employee benefit expenses	27	521.60	461.90
Finance costs	28	11.57	11.17
Depreciation and amortization expense	29	110.16	81.28
Other expenses	30	398.88	423.98
Total expenses		**1,042.21**	**978.33**
Profit before tax		**122.40**	**113.37**
Tax expense:	31		
- Current tax		(48.39)	(48.16)
- Deferred tax		1.84	0.66
Total tax expense		**(46.55)**	**(47.50)**
Profit for the year		**75.85**	**65.87**
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurement of actuarial gain/(loss)		22.00	(1.63)
Income tax on above		-	-
		22.00	**(1.63)**
Items that will be reclassified to profit or loss			
Foreign currency translation difference of foreign operations		(14.56)	91.62
		(14.56)	**91.62**
Other comprehensive (loss) for the year, net of tax		**7.44**	**89.99**
Total comprehensive income for the year		**83.29**	**155.86**
Profit for the period attributable to			
Owners of the Holding Company		75.85	65.87
Non-controlling interests		-	-
		75.85	**65.87**
Other comprehensive income/(loss) for the year attributable to			
Owners of the Holding Company		7.44	89.99
Non-controlling interests		-	
		7.44	**89.99**
Total comprehensive income for the year attributable to			
Owners of the Holding Company		83.29	155.86
Non-controlling interests		-	-
		83.29	**155.86**
Earnings per share (in INR) of face value of Euro 0.10 each			
Basic	32	**75,854.75**	**65,867.11**
Diluted	32	**75,854.75**	**65,867.11**

See accompanying notes to the Special Purpose Consolidated Financial Statements 1 - 40

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of the Board of Directors
IGI Netherlands B.V.

Ankush Agrawal

Partner
Membership No : 159694

Place: Mumbai
Date: 06 August 2024

Tejas Deepak Naphade

Director
DIN: 10219144

Place: Mumbai
Date: 06 August 2024

Easwar Iyer

Chief Financial Officer

Place: Mumbai
Date: 06 August 2024

IGI Netherlands B.V.

Special Purpose Consolidated Statement of changes in equity for the year ended 31 December 2023

(Amounts in INR millions, unless otherwise stated)

A) Equity share capital

Particulars	Number of shares	Amount
For the year ended 31 December 2022		
Balance as at 1 January 2022	1,000	0.01
Changes in equity share capital during the year		-
Balance as at 31 December 2022	**1,000**	**0.01**
		-
For the year ended 31 December 2023		-
Balance as at 1 January 2023	1,000	0.01
Changes in equity share capital during the year	-	-
Balance as at 31 December 2023	**1,000**	**0.01**

B) Other equity

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	General Reserve	Retained Earnings	Securities premium	Legal Reserve	Foreign currency translation reserve	
Balance as at 1 January 2022	210.18	284.61	417.17	0.49	21.78	**934.23**
Profit for the year	-	65.87	-	-	-	**65.87**
Foreign currency translation difference during the year	-	-	-	-	91.62	**91.62**
Other comprehensive income	-	(1.63)	-	-	-	**(1.63)**
Balance as at 31 December 2022	**210.18**	**348.85**	**417.17**	**0.49**	**113.40**	**1,090.09**
Balance as at 1 January 2023	210.18	348.85	417.17	0.49	113.40	**1,090.09**
Profit for the year	-	75.85	-	-	-	**75.85**
Addition during the year	-	-	-	0.63	-	**0.63**
Foreign currency translation difference during the year	-	-	-	-	(14.56)	**(14.56)**
Other comprehensive income	-	22.00	-	-	-	**22.00**
Balance as at 31 December 2023	**210.18**	**446.70**	**417.17**	**1.12**	**98.84**	**1,174.01**

See accompanying notes to the Special Purpose Consolidated Financial Statements
As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 06 August 2024

For and on behalf of the Board of Directors
IGI Netherlands B.V.

Tejas Deepak Naphade -
Director
DIN: 10219144

Place: Mumbai
Date: 06 August 2024

Easwar Iyer
Chief Financial Officer

Place: Mumbai
Date: 06 August 2024

IGI Netherlands B.V.

Special Purpose Consolidated Statement of Cash Flows for the year ended 31 December 2023

(Amounts in INR millions, unless otherwise stated)

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Cash flow from operating activities		
Profit before tax	**122.40**	**113.37**
Adjustments for:		
Depreciation on property, plant and equipment	67.74	53.35
Depreciation on right-of-use assets	41.33	26.31
Amortisation of intangible assets	1.09	1.62
Interest income on fixed deposits	(1.37)	(1.13)
Notional interest income on security deposit	(0.44)	(0.28)
Interest expense on lease liabilities	2.16	2.00
Bad debts and provision for doubtful debts	4.23	7.71
Gain on sale of property, plant & equipment	(0.12)	(1.20)
Operating profit before changes in working capital	**237.02**	**201.75**
Changes in working capital :		
Increase/Decrease in other financial liabilities	(7.52)	9.82
Decrease in trade payables	(17.40)	(17.13)
Increase/Decrease in provisions	(2.22)	20.72
Increase/Decrease in other current liabilties	154.42	73.09
Increase/Decrease in other financial assets	(25.55)	(23.81)
Increase/Decrease in other non current assets	(6.12)	-
Increase in other current assets	(48.00)	(48.18)
Increase in loans	(3.11)	(0.35)
Increase/Decrease in trade receivables	70.98	(47.24)
Cash generated from operating activities before taxes	**352.50**	**168.67**
Income tax paid (net)	(64.22)	(35.58)
Net cash generated from operating activities (A)	**288.28**	**133.09**
Cash flows from investing activities		
Payment for property, plant and equipment	(106.35)	(98.77)
Payment for acquisition of other intangible asset	(5.65)	-
Sale of property, plant and equipment	0.12	-
Investment in fixed deposits	(81.37)	0.50
Interest income on fixed deposits	1.37	1.13
Net cash used in investing activities (B)	**(191.88)**	**(97.14)**
Cash flows from financing activities		
Repayment of borrowings	(305.68)	68.65
Principal payment of lease liabilities	(29.13)	(28.41)
Interest paid	(2.16)	(2.00)
Net cash used in financing activities (C)	**(336.96)**	**38.25**
Net (decrease) in cash and cash equivalents (A+B+C)	(240.56)	74.20
Foreign currency translation difference of foreign operations	(12.48)	56.20
Cash and cash equivalents at the beginning of the period (Note 14)	732.94	602.54
Cash and cash equivalents at the end of the period (Note 14)	**479.90**	**732.94**

The Statement of Cash flow has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash flows'.
Refer Note 6.1 for reconciliation of movements of lease liabilities to cash flows arising from financing activities.

See accompanying notes to the Special Purpose Consolidated Financial Statements

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of the Board of Directors
IGI Netherlands B.V.

Ankush Agrawal
Partner
Membership No : 159694
Place: Mumbai
Date: 06 August 2024

Tejas Deepak Naphade
Director
DIN: 10219144
Place: Mumbai
Date: 06 August 2024

Easwar Iyer
Chief Financial Officer
DIN: 07514017
Place: Mumbai
Date: 06 August 2024

1 Corporate Information

IGI Netherlands B.V. (the "Company" or the "Holding Company" or the "Parent Company") is a Company registered in Netherlands, with its registered office situated at Basisweg 10, 1043AP Amsterdam.

The Special Purpose Consolidated Financial Statements include the Financial Statements of the Holding Company and it's Subsidiaries, as mentioned below, (collectively referred to as the "Group").

Name of the Subsidiaries	Country of incorporation	Percentage holding
International Gemological Institute DMCC	UAE	100%
I.G.I. International Gemmological Institute (Israel) Ltd	Israel	100%
International Gemmological Identification (Thailand) Limited	Thailand	100%
International Gemological Institute (HK) Limited	Hong Kong	100%
International Gemological Institute for Jewelry and Precious Stones (IGI)	Egypt	100%
IGI (Shanghai) Business Consulting Co. Ltd.	China	100%
IGI (Shanghai) Gemological Training Co. Ltd.	China	100%
IGI (Shanghai) Gemological Research and Testing Ltd.	China	100%
IGI (Shenzhen) Jewelry Testing Co., Ltd.	China	100%

The Group is primarily engaged in the business of Certification of diamonds, gemstones & jewellery with comprehensive analysis & clear documentation for consumers. Also the Group is having school of Gemmology at various locations and offers a variety of courses designed for professionals and consumer enthusiasts.

The Special Purpose Consolidated Financial Statements of the Group for the year ended 31 December 2023 were authorized for issue in accordance with a resolution of the Board of Directors on 06 August 2024.

2 Significant accounting policies

2.1 Basis of preparation

The Special Purpose Consolidated Financial Statements have been prepared on a going concern basis under the historical cost convention except for certain financial instruments that are measured at fair value as explained in the accounting policies below.

. These Special Purpose Consolidated Financial Statements (Financial Statements') of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (‘the Act’) read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

These Special Purpose Consolidated Financial Statements have been prepared by the Holding Company to assist International Gemmological Institute (India) Limited (“IGI India”) to meet the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the proposed Initial Public Offer of equity shares of IGI India and will be included in the Draft Red Herring Prospectus (“DRHP”), Red Herring Prospectus (“RHP”) and the prospectus of IGI India.

All amounts included in the Special Purpose Consolidated Financial Statements are reported in Indian Rupees in millions (INR million) except share and per share data, unless otherwise stated. Amount presented as "0" are non-zero numbers rounded off in INR million. 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.

2.2 Principles of Consolidation

Subsidiaries

Subsidiaries is an entity controlled by the Holding company. Control exists when the Holding company is exposed to or has rights, to variable returns from its involvement with the entity, and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. Upon loss of control, the Group derecognizes the assets and liabilities of the Subsidiaries, derecognizes any non-controlling interests, derecognizes the cumulative translation difference recorded in equity, recognizes the fair value of the consideration received related to the Subsidiaries. Any surplus or deficit arising on the loss of control is recognized in the Special Purpose Consolidated Statement of Profit and Loss.

Consolidation procedure

The Consolidated Financial Statements of the Group has been combined on a line-by-line basis by adding assets, liabilities, income, expense and cash flows. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing these Consolidated Financial Statements. The carrying amount of the parent's investment in subsidiaries and the parent's portion of equity of Subsidiaries has been eliminated. The accounting policies of Subsidiaries have been harmonised to ensure consistency with the policies adopted by the Holding Company.

Foreign Subsidiaries

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

• assets and liabilities are translated at the closing rate at the date of the balance sheet
• income and expenses are translated at average exchange rates
• Equity and reserves are translated at historical exchange rates

On Consolidation, exchange differences are recognized as foreign currency translation reserve (FCTR) in Other Comprehensive income and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation). The Consolidated Financial Statements have been presented to the extent possible, in the same manner as Holding Company's Standalone financial statements.

3 Significant accounting judgements, estimates and assumptions

The preparation of Special Purpose Consolidated Financial Statements in conformity with Ind AS requires management, where necessary, to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

The key assumptions concerning future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

3.1 Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits, together with future tax planning strategies.

3.2 Provision for expected credit losses (ECL) of trade receivables and contract assets

The Group uses past data and experience based on historical default rates to measure the ECL on trade receivables. Based on evaluation carried out and to the best estimate of management, historical loss sufficiently covers expected loss as well as future contingencies. Adjustment for forward looking factors are not considered significant, hence no adjustment for forward looking factors is made.

3.3 Employee retirement plans

The cost of the end of service benefit (EOSB) and severance benefit expense are based on actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date.

3.4 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded, cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

3.5 Leases - Estimating the incremental borrowing rate and lease term

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use assets in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available. The Group estimates the IBR using observable inputs (such as market interest rates).

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

3.6 Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less cost of disposal and its value in use. The fair value less costs of disposal calculation is based on observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted cashflow model (DCF model). The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

3.7 Impairment of Goodwill

Goodwill is tested for impairment annually and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

4 Summary of Significant accounting policies

4.1 Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/ non-current classification. An asset is treated as current when it is:

• Expected to be realised or intended to be sold or consumed in the normal operating cycle
• Held primarily for the purpose of trading
• Expected to be realised within twelve months after the reporting period
Or
• Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non-current.

A liability is current when:
• It is expected to be settled in the normal operating cycle
• It is held primarily for the purpose of trading
• It is due to be settled within twelve months after the reporting period
Or
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of activities of the Group and the time between the acquisition of assets for processing and their realisation in Cash or cash equivalents, the Group has ascertained its normal operating cycle as 12 months for the purpose of Current / Non-current classification of assets and liabilities.

4.2 Property, plant and equipment, capital work in progress (CWIP) and depreciation

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment if the recognition criteria is met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

The useful life is taken by management based on industry trends, nature of asset and past experience.

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

De-recognition: An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

4.3 Goodwill and Impairment of Goodwill

The acquisition method of accounting is used to account for all business combinations. The consideration transferred for the acquisition of a subsidiary comprises the
(i) fair values of the assets transferred;
(ii) liabilities incurred to the former owners of the acquired business;
(iii) equity interests issued by the group; and
(iv) fair value of any asset or liability resulting from a contingent consideration arrangement.

The excess of the
(i) consideration transferred;
(ii) amount of any non-controlling interest in the acquired entity, and
(iii) acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired and liabilities assumed is recorded as goodwill.

If those amounts are less than fair value of net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

4.4 Other intangible assets

Other intangible assets acquired separately are measured on initial recognition at cost. Other intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period for other intangible asset with a finite useful life are reviewed at least at each financial year end.

The economic useful life is estimated by the Management basis industry trends and nature of intangible asset.

Other intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Special Purpose Consolidated statement of profit and loss when the asset is derecognised.

4.5 Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs if the recognition criteria are met. When significant parts of the investment properties are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred. The management believes that the estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

4.6 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalized as part of the cost of those assets. The capitalization of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.7 Foreign Currency Transactions

(a) Functional and presentation currency

The functional currency of IGI Netherlands B.V. is USD. Items included in the Special Purpose Consolidated Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR).

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/(losses) arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

4.8 Leases

The Group's lease asset classes primarily consist of leases of premises. The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets for all leases, except for short-term leases and leases of low-value assets.

(a) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. In such cases, the Group reviews the estimated residual values and expected useful lives of assets at least annually.

The right-of-use assets are also subject to impairment.

(b) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

Lease payments and receipts under operating leases are recognized as an expense and income respectively, on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

4.9 Security Deposits

Security deposits are initially recognised at fair value and subsequently measured at amortised cost. Any difference between the initial fair value and the nominal amount is included as a component of operating lease income and recognised on a straight-line basis over the lease term.

4.10 Revenue

(a) Revenue from grading and certification services

The Group recognizes revenue from grading and certification of diamonds, coloured stones and jewellery which is measured at a point in time upon satisfaction of the performance obligation, when the report/certificate in relation to completion of such activities is generated and is ready to be issued to the customer. There are no significant activities undertaken between the time that the report is generated and the time that the customer obtains the report. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts or rebates, if any, as specified in the contract with the customer. Revenue is recognized exclusive of taxes.

(b) Revenue from educational courses

Revenue from providing gemological education on sorting and grading of gems, diamonds and jewellery is recognised over a period of time as and when the educational course is completed.

4.11 Other Income

(a) Interest income

Interest income is accounted for on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial assets.

4.12 Contract Balances

Contract assets and contract liabilities

A contract asset is the right to consideration in exchange for goods or services transferred to the customer when that right is conditioned on something other than the passage of time, for example, billings require certification by the customer. Upon receipt of such certification from a customer, the amount recognised as contract assets is reclassified to trade receivables. Contract assets are subject to impairment assessment on the same basis as financial assets that are within the scope of Ind AS 109.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Holding company performs under the contract (i.e. transfers control of the related goods or services to the customer).

4.13 Fair Value Measurement

The Group measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability

Or

• In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using asset in its highest and best use or by selling it to another market participant that would use asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities, for which fair value is measured or disclosed in the Special Purpose Consolidated Financial Statements, are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Special Purpose Consolidated Financial Statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4.14 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash generating unit's (CGU's) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations are recognized in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

4.15 Financial instruments – initial recognition and subsequent measurement

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

(a) Financial Assets

Initial recognition and measurement

Financial assets are classified at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income, or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. As the Group's rent and other trade receivables do not contain a significant financing component or for which the Group has applied the practical expedient, they are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income (OCI), it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Subsequent measurement

Financial assets measured at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:
- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade receivables, loans to related parties, security deposit and financial assets included in other receivables.

Financial assets designated at fair value through OCI (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled in profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets measured at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the financial statement at fair value with net changes in fair value recognised in profit or loss.

This category includes equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value profit or loss are also recognised as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e., removed from the Group's statement of financial position) when:

• The rights to receive cash flows from the asset have expired

Or

• The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward looking information.

Simplified approach

For trade receivables and contract assets, that do not contain a significant financing component, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date (i.e., a loss allowance for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default). The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(b) Financial Liabilities

The Group recognises a financial liability when it first becomes a party to the contractual rights and obligations in the contract. All financial liabilities are initially recognised at fair value, minus (in the case of a financial liability that is not at FVTPL) transaction costs that are directly attributable to issuing the financial liability. Financial liabilities are measured at amortised cost, using the effective interest method unless the Group opted to measure a liability at FVTPL. A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Financial liabilities included in trade and other payables, borrowings and other financial liabilities. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

(c) Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.16 Government Grants

Government grants are initially recognized at fair value if there is reasonable assurance that grant will be received and the Group will comply with the conditions associated with the grant;

- In case of capital grants, they are then recognized in Financial Statement of Profit and Loss as other income on a systematic basis over the useful life of the asset.
- In case of grants that compensate the Group for expenses incurred are recognized in Financial Statement of Profit and Loss on a systematic basis in the periods in which the expenses are recognized.

4.17 Employee benefits

(a) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

(b) Long-term employment benefits

i) Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognized as a liability at the present value of the other long-term employment benefits which is determined at each balance sheet date based on an actuarial valuation by an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses are recognized immediately in the Statement of profit and loss.

ii) Defined benefit - End of service benefit (EOSB) & severance benefit

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation at the balance sheet date by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

4.18 Taxes

Income tax expenses comprises of current tax expenses and deferred tax charge / credit.

(a) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, at the reporting date where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

(i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

(ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

(i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

(ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4.19 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprises cash at bank and on hand subject to an insignificant risk of changes in value.

4.20 Provisions and contingencies

Provisions: A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

Contingent Liability: A contingent liability is

(a) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or

(b) a present obligation that arises from past events but is not recognized because;

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
- the amount of the obligation cannot be measured with sufficient reliability.

The Group does not recognize a contingent liability but discloses the same as per the requirements of Ind AS 37.

4.21 Segment reporting

The operating segments have been identified based on the conditions specified in paragraph 5 to Ind AS 108, i.e. an operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available that is evaluated regularly by the CODM, in deciding how to allocate resources and assessing performance.

5 Recent accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023, hence for the group the same will be applicable from annual period starting 1 January 2024. The Group has evaluated the amendment and the impact is not expected to be material.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023, hence for the group the same will be applicable from annual period starting 1 January 2024. The Group has evaluated the amendment and the impact is not expected to be material.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023, hence for the group the same will be applicable from annual period starting 1 January 2024. The Group has evaluated the amendment and the impact is not expected to be material.

(Amounts in INR millions, unless otherwise stated)

6 Property, plant and equipment

Particulars	Leasehold Improvements	Buildings	Furniture and Fixtures	Plant and Machinery	Equipment and Tools	Electrical Equipment	Office Equipment	Computers	Vehicle	Precious Stones & Laboratory Master Sets	Total
Gross carrying amount											
Balance as at 1 January 2022	27.08	251.73	25.16	69.50	-	18.19	2.85	6.87	-	6.71	408.09
Additions	1.12	0.33	9.56	24.57	-	24.36	0.15	0.32	-	5.41	65.82
Deductions/ adjustments	-	-	-				-	-	-	-	-
Translation exchange difference	3.10	29.03	2.37	4.45	-	1.56	0.31	(0.04)	-	0.92	41.70
Balance as at 31 December 2022	**31.30**	**281.09**	**37.09**	**98.52**	**-**	**44.11**	**3.31**	**7.15**	**-**	**13.04**	**515.61**
Accumulated Depreciation											
Balance as at 1 January 2022	4.69	14.01	5.61	10.53	-	3.43	0.59	1.64	-	0.17	40.67
Depreciation charge during the year	5.35	13.84	7.39	15.93	-	5.21	0.59	1.98	-	0.58	50.87
Impairment	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Translation exchange difference	0.81	2.32	0.81	1.29	-	0.36	0.09	0.29	-	0.05	6.02
Balance as at 31 December 2022	**10.85**	**30.17**	**13.81**	**27.75**	**-**	**9.00**	**1.27**	**3.91**	**-**	**0.80**	**97.56**
Net carrying amount as at 31 December 2022	**20.45**	**250.92**	**23.28**	**70.77**		**35.11**	**2.04**	**3.24**	**-**	**12.24**	**418.05**
Gross carrying amount											
Balance as at 1 January 2023	31.30	281.09	37.09	98.52	-	44.11	3.31	7.15	-	13.04	515.61
Additions	9.73	28.41	9.09	26.21	-	25.78	6.19	0.65	2.73	10.09	118.88
Deductions/ adjustments	-	-	(1.19)	(8.11)	-	0.04	-	-	-	-	(9.26)
Translation exchange difference	0.13	(0.50)	(0.26)	(2.44)	-	0.20	(0.55)	0.02	0.01	(0.09)	(3.48)
Balance as at 31 December 2023	**41.16**	**309.00**	**44.73**	**114.18**	**-**	**70.13**	**8.95**	**7.82**	**2.74**	**23.04**	**621.75**
Accumulated Depreciation											
Balance as at 1 January 2023	10.85	30.17	13.81	27.75	-	9.00	1.27	3.91	-	0.80	97.56
Depreciation charge during the year	8.56	16.01	9.00	18.06	-	9.75	1.32	1.34	0.40	0.69	65.13
Impairment	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Translation exchange difference	0.06	0.07	(0.11)	(0.63)	-	(0.13)	(0.06)	0.02	0.00	(0.00)	(0.78)
Balance as at 31 December 2023	**19.47**	**46.25**	**22.70**	**45.18**	**-**	**18.62**	**2.53**	**5.27**	**0.40**	**1.49**	**161.91**
Net carrying amount as at 31 December 2023	**21.69**	**262.75**	**22.03**	**69.00**		**51.51**	**6.42**	**2.55**	**2.34**	**21.55**	**459.84**

(Amounts in INR millions, unless otherwise stated)

6.1 Leases

i. Right-of-use asset

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

Particulars	Leasehold Premises	Total
As at 1 January 2022	**78.93**	**78.93**
Additions	8.71	8.71
Deletions	-	-
Depreciation expense	(26.31)	(26.31)
Translation exchange difference	1.95	1.95
As at 31 December 2022	**63.28**	**63.28**
Additions	147.36	147.36
Deletions	-	-
Depreciation expense	(41.33)	(41.33)
Translation exchange difference	(2.33)	(2.33)
As at 31 December 2023	**166.98**	**166.98**

ii. Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	As at 31 December 2023	As at 31 December 2022
Balance as at the beginning of the year	**50.31**	**68.32**
Additions	145.56	8.71
Accretion of interest	2.16	2.00
Rent Payments	(31.28)	(30.41)
Deletions	-	-
Translation exchange difference	(2.21)	1.69
Balance as at the end of the year	**164.54**	**50.31**

Refer note in cash flow for reco with cash flow of lease payment

The following is the break-up of lease liability as at reporting date

Particulars	As at 31 December 2023	As at 31 December 2022
Non-current lease liability	99.29	26.69
Current lease liability	65.25	23.62
Total	**164.54**	**50.31**

The following are the amounts recognized in profit or loss:

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Depreciation expense of right-of-use assets	41.33	26.31
Interest expense on lease liabilities	2.16	2.00
Expense relating to short-term leases	30.35	17.61

The below table provides the details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Less than 1 year	69.91	24.96
1-5 years	102.55	27.35
More than 5 years	-	-
Total	**172.46**	**52.31**

The Group had total cash outflows for leases of INR 31.28 million for the year ended 31 December 2023 and INR 30.41 million for the year ended 31 December 2022.

(Amounts in INR millions, unless otherwise stated)

7 Goodwill

Particulars	Goodwill	Total
As at 1 January 2022	**442.44**	**442.44**
Additions during the year	-	-
Foreign currency translation reserve	35.86	35.86
As at 31 December 2022	**478.30**	**478.30**
Additions during the year	-	-
Foreign currency translation reserve	(1.95)	**(1.95)**
As at 31 December 2023	**476.35**	**476.35**

Goodwill is arising on account of acquisition of International Gemological Institute DMCC, I.G.I. International Gemmological Institute (Israel) Ltd, International Gemmological Identification (Thailand) Limited, IGI (Shanghai) Business Consulting Co. Ltd., IGI (Shanghai) Gemological Research and Testing Ltd., IGI (Shanghai) Gemological Research and Testing Ltd., IGI (Shenzhen) Jewelry Testing Co., Ltd..
The recoverable amount of cash generating units is more than its carrying value, thus there is no impairment of Goodwill.

8 Other intangible assets

Particulars	Computer Software	Other Intangible Assets	Total
Gross carrying amount			
Balance as at 1 January 2022	0.01	8.04	8.05
Additions		0.55	0.55
Disposals	-	(4.46)	(4.46)
Translation exchange difference	-	0.18	0.18
Balance as at 31 December 2022	**0.01**	**4.31**	**4.32**
Accumulated amortization			
Balance as at 1 January 2022	0.01	0.58	0.59
Amortization charge during the year	0.00	1.62	1.62
Impairment	-	-	-
Deductions/ adjustments	-	-	-
Translation exchange difference	(0.00)	0.07	0.07
Balance as at 31 December 2022	**0.01**	**2.27**	**2.28**
Net carrying amount as at 31 December 2022	**-**	**2.04**	**2.04**
Gross carrying amount			
Balance as at 1 January 2023	0.01	4.31	4.32
Additions	0.25	4.58	4.83
Disposals	-	(0.11)	(0.11)
Translation exchange difference	0.00	0.90	0.90
Balance as at 31 December 2023	**0.26**	**9.68**	**9.95**
Accumulated amortization			
Balance as at 1 January 2023	0.01	2.27	2.28
Amortization charge during the year	0.03	1.06	1.09
Impairment	-	-	-
Deductions/ adjustments	-	-	-
Translation exchange difference	0.00	(0.03)	(0.03)
Balance as at 31 December 2023	**0.05**	**3.30**	**3.35**
Net carrying amount as at 31 December 2023	**0.21**	**6.38**	**6.60**

(Amounts in INR millions, unless otherwise stated)

9 Loans

Particulars	Non current		Current	
	As at 31 December 2023	As at 31 December 2022	As at 31 December 2023	As at 31 December 2022
Loans to related party*	-	-	3.96	0.86
	-	**-**	**3.96**	**0.86**

** Refer note 34*

10 Other financial assets

Particulars	Non current		Current	
	As at 31 December 2023	As at 31 December 2022	As at 31 December 2023	As at 31 December 2022
Security deposits	42.79	12.99	1.30	0.40
Interest accrued on fixed deposits	-	-	0.02	-
Other receivables	-	-	18.36	23.10
	42.79	**12.99**	**19.68**	**23.50**

11 Other assets

Particulars	Non current		Current	
	As at 31 December 2023	As at 31 December 2022	As at 31 December 2023	As at 31 December 2022
Advances to suppliers	-	-	15.18	25.01
Capital advances	6.12	-	-	-
Balance With Government authorities	-	-	112.58	40.82
Advances to employees	-	-	1.01	3.08
Other Receivables	-	-	-	17.93
Prepaid expenses	-	-	6.07	-
	6.12	**-**	**134.84**	**86.84**

12 Income tax assets (net)

Particulars	Non current		Current	
	As at 31 December 2023	As at 31 December 2022	As at 31 December 2023	As at 31 December 2022
Tax receivables (net)	48.77	44.70	-	-
	48.77	**44.70**	**-**	**-**

13 Trade receivables

Particulars	Non current		Current	
	As at 31 December 2023	As at 31 December 2022	As at 31 December 2023	As at 31 December 2022
Trade receivables*				
Unsecured, considered good	-	-	78.58	151.74
	-	**-**	**78.58**	**151.74**
Impairment Allowance (allowance for bad and doubtful debts)				
Unsecured, considered good	-	-	(16.03)	(13.98)
	-	**-**	**(16.03)**	**(13.98)**
	-	**-**	**62.55**	**137.76**

** Refer note 34*

14 Cash and cash equivalents

Particulars	Non current		Current	
	As at 31 December 2023	As at 31 December 2022	As at 31 December 2023	As at 31 December 2022
Cash on hand	-	-	11.32	4.65
Balances with banks:				
In Current accounts	-	-	415.87	728.29
Deposits with original maturity of less than 3 months	-	-	52.71	-
	-	**-**	**479.90**	**732.94**

15 Bank balances other than (note 14) above

Particulars	Non current		Current	
	As at 31 December 2023	As at 31 December 2022	As at 31 December 2023	As at 31 December 2022
Fixed Deposit with Original maturity more than 3 months but less than 12 months	-	-	82.37	1.00
	-	**-**	**82.37**	**1.00**

(Amounts in INR millions, unless otherwise stated)

16 Equity share capital

Particulars	As at 31 December 2023	As at 31 December 2022
Authorized:		
1000 (31 December 2022: 1,000) Equity Shares of Euro 0.10 each	0.01	0.01
	0.01	**0.01**
Issued, subscribed and paid-up capital:		
1000 (31 December 2022: 1000) Equity Shares of Euro 0.10 each fully paid-up	0.01	0.01
	0.01	**0.01**

17 Other equity

Particulars	As at 31 December 2023	As at 31 December 2022
Retained earnings	446.70	348.85
Securities premium	417.17	417.17
General reserve	210.18	210.18
Legal Reserve	1.12	0.49
Foreign currency translation reserve	98.84	113.40
	1,174.01	**1,090.09**

(a) Retained earnings

	As at 31 December 2023	As at 31 December 2022
Opening balance	348.85	284.61
Net profit for the year	75.85	65.87
Other comprehensive income for the year, net of tax	22.00	(1.63)
Closing balance	**446.70**	**348.85**

(b) Share premium

	As at 31 December 2023	As at 31 December 2022
Opening balance	417.17	417.17
Addition/(Deletion)	-	-
Closing balance	**417.17**	**417.17**

(c) General Reserve

	As at 31 December 2023	As at 31 December 2022
Opening balance	210.18	210.18
Transfer (to)/ from Retained Earnings	-	-
Closing balance	**210.18**	**210.18**

(d) Legal Reserve

	As at 31 December 2023	As at 31 December 2022
Opening balance	0.49	0.49
Addition/(Deletion)	0.63	-
Closing balance	**1.12**	**0.49**

(e) Foreign currency translation reserve

	As at 31 December 2023	As at 31 December 2022
Opening balance	113.40	21.78
Addition/(Deletion)	(14.56)	91.62
Closing balance	**98.84**	**113.40**

Nature & Purpose of Reserves

General Reserve: General reserve is created from time to time by transferring profits from retained earnings and can be utilized for purposes such as dividend payout, bonus issue, etc.

Retained Earnings: Retained earnings are the profits that the Group has earned till date, less any transfers to general reserves, dividends or other distributions paid to shareholders.

Legal reserve: The legal reserve is part of a Company's equity that cannot be distributed to shareholders. According to the Thai Civil and Commercial Code : Section 1202 Reserve Fund. The Company must also appropriate a reserve fund (called "Legal Reserve"), at each distribution of dividend, being at least one-twentieth (5%) of the net profit after tax (Retained earnings and annual net profit) or more until such appropriation reaches one-tenth (10%) of the registered capital of the Company. This requirement is included in the law for protection to creditors who will have the right to receive payment before shareholders when dissolution of company.

Share Premium: Share premium account comprises of premium on issue of shares

Foreign currency translation reserve: Gains/losses arising on translation of foreign operations are recognised in FCTR.

(Amounts in INR millions, unless otherwise stated)

18 Borrowings

Particulars	Non Current As at 31 December 2023	Non Current As at 31 December 2022	Current As at 31 December 2023	Current As at 31 December 2022
Unsecured:				
Loans from related parties*	25.84	317.67	40.60	54.78
Cash credit	0.34	-	-	-
	26.18	**317.67**	**40.60**	**54.78**

Notes:

a) The unsecured loan was taken from a related party carrying interest rate of 6.35% p.a. This loan is repayable in 36 equal monthly instalments commencing 9 June 2023 till 9 June 2026.

b) The short term loan was availed from a related party carrying interest rate of 5.50% p.a. This loan is repayable in 6 equal monthly instalments commencing 15 January 2024 till 15 June 2024.

c) The unsecured loan was taken from related party in order to apply proceeds of the loan towards general and administrative expenses and investment activities. The interest rate is 3% p.a. This loan is repayable in a single instalment when there is sufficient liquidity available with the borrower.

d) The unsecured loan was taken from related party to apply proceeds of the loan for the purpose of operational activities. The loan is repayable on demand.

e) The unsecured loan was availed from related party to finance the expansion of the Certification Lab and the business, carrying an interest rate of 12 month EURIBOR + 3% p.a. This loan is repayable in 5 years from date of agreement.

** Refer note 34*

19 Lease liabilities

Particulars	Non Current As at 31 December 2023	Non Current As at 31 December 2022	Current As at 31 December 2023	Current As at 31 December 2022
Lease liabilities (Refer note 6.1)	99.29	26.69	65.25	23.62
	99.29	**26.69**	**65.25**	**23.62**

20 Employee benefit obligations

Particulars	Non Current As at 31 December 2023	Non Current As at 31 December 2022	Current As at 31 December 2023	Current As at 31 December 2022
End of service and severance benefit	55.06	82.52	4.91	1.67
	55.06	**82.52**	**4.91**	**1.67**

21 Other financial liabilities

Particulars	Non Current As at 31 December 2023	Non Current As at 31 December 2022	Current As at 31 December 2023	Current As at 31 December 2022
Employee related payables*	-	-	30.75	26.69
Payable to related parties	-	-	11.59	2.13
Other payables	-	-	41.97	63.01
	-	**-**	**84.31**	**91.83**

** Refer note 34*

22 Other current liabilities

Particulars	Non Current As at 31 December 2023	Non Current As at 31 December 2022	Current As at 31 December 2023	Current As at 31 December 2022
Advance from customers	-	-	205.00	103.55
Statutory dues payable	-	-	90.26	37.29
	-	**-**	**295.26**	**140.84**

23 Income Tax liabilities (net)

Particulars	Non Current As at 31 December 2023	Non Current As at 31 December 2022	Current As at 31 December 2023	Current As at 31 December 2022
Tax payable	-	-	45.79	57.54
	-	**-**	**45.79**	**57.54**

24 Trade payables

Particulars	Non Current As at 31 December 2023	Non Current As at 31 December 2022	Current As at 31 December 2023	Current As at 31 December 2022
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
Trade payables *	-	-	115.40	132.78
	-	**-**	**115.40**	**132.78**

** Refer note 34*

(Amounts in INR millions, unless otherwise stated)

25 Revenue from operations

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Revenue from contract with customers (refer note 38)		
Sale of services		
Certification services	1,011.71	953.77
Educational courses	147.21	128.34
Total Revenue from operations	**1,158.92**	**1,082.11**

26 Other income

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Rental income	1.88	1.83
Interest income on fixed deposits	1.37	1.13
Interest income on security deposit	0.44	0.28
Gain on Sale of property plant and equipment	0.12	1.20
Government grant	0.05	5.12
Miscellaneous income	1.83	0.03
Total Other income	**5.69**	**9.59**

27 Employee benefit expenses

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Salaries, wages & bonus	460.28	407.02
Staff welfare	49.69	44.37
Contribution to provident and other funds		
Compensated absences expenses	-	
End of service and severance benefit	11.63	10.51
Total Employee benefit expenses	**521.60**	**461.90**

28 Finance costs

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Interest expenses on financial liabilities measured at amortized cost:		
Interest expense and other finance charges	9.41	9.17
Interest on lease liabilities	2.16	2.00
	11.57	**11.17**
Total Finance costs	**11.57**	**11.17**

29 Depreciation and amortization expense

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Depreciation on property, plant and equipment	67.74	53.35
Depreciation on right-of-use assets	41.33	26.31
Amortization on other intangible asset	1.09	1.62
Total Depreciation and amortization expense	**110.16**	**81.28**

(Amounts in INR millions, unless otherwise stated)

30 Other expenses

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Legal and professional fees	111.63	176.17
Stationery and consumables	94.90	105.83
Advertising and exhibition expenses	52.47	26.86
Rent expense	30.35	17.61
Travelling and conveyance	23.83	11.45
Office and administrative expenses	14.89	2.61
Computer expenses	13.28	15.41
Business promotion expenses	6.98	4.50
Repair and maintenance - others	5.74	6.24
Communication fee	5.71	4.48
Freight and forwarding expenses	5.59	4.66
Electricity Expenses	5.24	4.75
Sales and Marketing expenses	4.98	6.39
Insurance expense	4.80	3.56
Rates and taxes	4.01	10.07
Bad debts	2.89	0.01
Bank charges	2.52	2.30
Foreign exchange losses	2.13	2.97
Laboratory Expenses	1.43	3.38
Provision for doubtful debts	1.34	7.70
Commission expense	1.20	0.13
Miscellaneous expenses	2.97	6.90
Total Other expenses	**398.88**	**423.98**

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Special Purpose Consolidated Notes to the financial statements for the year ended 31 December 2023
(Amounts in INR millions, unless otherwise stated)

31 Tax expense

(i) The major components tax expense are:

Statement of profit or loss

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Current income tax:		
Current income tax charge	(48.39)	(48.16)
Deferred tax (charge)/credit		
Relating to origination and reversal of temporary differences	1.84	0.66
Income tax expense reported in the statement of profit or loss	**(46.55)**	**(47.50)**

(ii) Reconciliation of tax expense and the accounting profit multiplied by tax rate is, as follows:

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Accounting profit before income tax	**144.40**	**111.75**
Computed tax expense		
At statutory income tax rate of 25%	**36.10**	**27.94**
Adjustments:		
Tax on income at different rates	(16.65)	(14.09)
Tax on exempt income	(4.97)	(17.81)
Tax on losses pertaining to subsidiaries	31.28	51.45
Others (net)	0.79	0.01
Net tax expense	**46.55**	**47.50**

(iii) Deferred tax assets/ (deferred tax liabilities) relates to the following:

	As at 31 December 2023	As at 31 December 2022
Property Plant and equipment	(0.52)	(0.67)
Net defined benefit asset – gratuity plan	-	-
Provision for expected credit loss	-	-
Provision for compensated absences	-	-
Right of use assets	5.89	6.01
Lease liability	(8.40)	(8.46)
Others	(0.23)	(0.23)
Deferred tax assets/(Liabilities) net	**(3.26)**	**(3.35)**

Reflected in the statement of financial position as follows:

Particulars	As at 31 December 2023	As at 31 December 2022
Deferred tax assets	5.75	6.01
Deferred tax liabilities	(9.01)	(9.36)
Deferred tax assets/(Liabilities) net	**(3.26)**	**(3.35)**

(iv) Movement in deferred tax assets/ (liabilities)

Particulars	As at 1 January 2022	Impact on Profit and loss	Impact on other comprehensive income	Exchange Difference	As at 31 December 2022
Property Plant and equipment	(0.91)	0.11	-	0.13	(0.67)
Right of use assets	5.87	-	-	0.14	6.01
Lease liability	(8.26)	-	-	(0.20)	(8.46)
Others	-	0.55	-	(0.78)	(0.23)
Total	**(3.30)**	**0.66**	**-**	**(0.71)**	**(3.35)**

Particulars	As at 1 January 2023	Impact on Profit and loss	Impact on other comprehensive income	Exchange Difference	As at 31 December 2023
Property Plant and equipment	(0.67)	1.84	-	(1.69)	(0.52)
Right of use assets	6.01	-	-	(0.12)	5.89
Lease liability	(8.46)	-	-	0.06	(8.40)
Others	(0.23)	-	-	-	(0.23)
	(3.35)	**1.84**	**-**	**(1.75)**	**(3.26)**

(Amounts in INR millions, unless otherwise stated)

32 Earnings per share

Basic EPS amount is calculated by dividing the profit for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table set forth the computation of basic and dilutive earnings per share:

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Net profit for the year attributable to equity shareholders	75.85	65.87
Weighted average number of shares	1,000	1,000
Earnings per equity share# [Face value of Euro 0.10 each]	**75,854.75**	**65,867.11**

Basic and diluted earnings per share during the year are same as the Group has no potentially dilutive equity shares outstanding as at the year end.

Reconciliation of shares used in computing earnings per share

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
No. of equity shares at the beginning of the year	1,000	1,000
Add: Shares issued during the year	-	-
No. of equity shares at the end of the year	**1,000**	**1,000**
Weighted average number of equity shares of Euro 0.10 each used for calculation of basic and diluted earnings per share.	**1,000**	**1,000**

(Amount in INR millions, unless otherwise stated)

33 Employee benefits

(a) Defined benefit plans

A. EOSB and severance benefit

The cost of providing defined benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains/losses are immediately recognized in the other comprehensive income and are not deferred. The plan is a funded scheme.

Expense recognized in Special Purpose Consolidated Statement of profit and loss

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
i. Amounts recognized in Consolidated Statement of profit and loss in respect of defined benefit plans:		
Components of employer's expense		
Current service cost	7.92	9.66
Past service cost	14.10	-
Interest cost	1.41	1.16
Benefits Paid	(11.80)	(0.30)
Total expense recognized in the Consolidated Statement of Profit and Loss (A)	**11.63**	**10.52**
ii. Remeasurements recognized in other comprehensive income are as follows:		
Actuarial (Gain)/ Losses	(22.00)	1.63
Total (gain)/ loss recognized in other comprehensive income (B)	**(22.00)**	**1.63**
Total (A+B)	**(10.37)**	**12.15**

B. Amount recognized in the Special Purpose Consolidated balance sheet

Particulars	As at 31 December 2023	As at 31 December 2022
Present value of defined benefit obligation recognized in the Consolidated balance sheet	59.97	71.97
Current portion	4.91	1.67
Non current portion	55.06	70.30

C. Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components:

Particulars	As at 31 December 2023	As at 31 December 2022
Reconciliation of present value of defined benefit obligation (DBO)		
Opening balance	84.19	61.84
Benefits paid	(11.80)	(0.30)
Current service cost	7.92	9.66
Past Service cost	14.10	-
Interest cost	1.41	1.16
Others	(13.85)	10.21
Actuarial (gains)/ losses recognized in other comprehensive income	-	
Due to Change in Financial Assumptions	(22.00)	1.63
Balance	**59.97**	**84.20**
Plan assets	-	-
Closing net defined benefit obligation (DBO)	**-**	**84.20**

D. Plan assets

Particulars	As at 31 December 2023	As at 31 December 2022
Contributions	11.80	0.30
Benefits paid	(11.80)	(0.30)
Closing balance of fair value of plan assets	**-**	**-**

Changes in fair value of assets and obligation:

Particulars	As at 31 December 2023	As at 31 December 2022
Defined benefit Obligation	59.97	71.97
Fair value of plan assets	-	-
Funded Status	59.97	71.97
Net Defined Benefit Liability	(59.97)	(71.97)

(Amount in INR millions, unless otherwise stated)

E. Defined benefit obligations

Actuarial assumptions

Particulars	As at 31 December 2023		As at 31 December 2022
	International Gemmological Identification (Thailand) Limited	International Gemological Institute DMCC	International Gemological Institute DMCC
Discount rate (per annum)	2.74%	2.15%	2.15%
Expected Return on Plan Assets	0.00%	0.00%	6.00%
Rate of salary increase	6.00%	6.00%	100% IALM - 12-14
Mortality rate	100% IALM - 12 - 14	100% IALM - 12 - 14	0.00%
Retirement age		65	65.00
Attrition rate	5.00%	5.00%	5.00%

Data

Particulars	As at 31 December 2023		As at 31 December 2022
	International Gemmological Identification (Thailand) Limited	International Gemological Institute DMCC	International Gemological Institute DMCC
No.	10	41	54
Average Age (yrs)	45.71	35.80	35.39
Average Past service (yrs)	11.3	5.54	4.85
Average sal Mly (INR)	45500	69,541.00	87,303.00
Future Service (yrs)	14.29	29.20	29.61
Weighted Average Duration of DBO	10.06	14.91	15.00

F. Expected Future Cash outflow:

Expected Benefit Payment	For the year ended 31 December 2023	For the year ended 31 December 2022
Year 1	2.13	1.71
Year 2	1.80	1.95
Year 3	1.87	2.01
Year 4	3.94	2.16
Year 5	1.84	2.25
Next 5 years	11.85	11.81

The Gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

1. Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

2. Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

3. Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. The entity has to manage pay-out based on pay as you go basis from own funds.

4. Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

ii. Sensitivity analysis

Particulars	As at 31 December 2023	As at 31 December 2022
	Impact on DBO	Impact on DBO
Change in Discount rate (1% movement)		
Delta effect + 1%	52.26	59.56
Delta effect - 1%	68.69	82.33
Change in rate of salary increase (1% movement)		
Delta effect + 1%	68.06	81.46
Delta effect - 1%	52.57	59.99
Change in attrition rate (1% movement)		
Delta effect + 1%	57.09	65.99
Delta effect - 1%	62.57	74.05

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(Amounts in INR millions, unless otherwise stated)

34 Related Parties Disclosures

A) Relationship & Name of related parties

Relationship	Name of parties
Holding Company (From 19th May 2023)	BCP Asia II Topco Pte. Ltd.
Entity under common control	International Gemmological Institute BV
Entity under common control	International Gemological Institute Inc.
Entity under common control	International Gemmological Institute (India) Limited
Entity under common control	IGI Gemmological Institute Turkey Precious Stone Certification Services Joint Stock Company
Erstwhile Shareholders (Until 18th May 2023)	Alpha Yu B.v.
Erstwhile Shareholders (Until 18th May 2023)	Lorie Holdings B.V.
Key Management Personnel (President) (Until 30th Aprill 2023)	Alwina Wang
Key Management Personnel (President)	Yao Yuan
Key Management Personnel (MD)	Robert Martha L Van Es
Key Managerial Personnel - CFO (From 26th October 2023)	Eashwar Iyer
Key Management Personnel	Tehmasp Nariman Printer
Key Management Personnel	Shaunak Shastree
Key Management Personnel	Yongwoon Sim
Key Management Personnel (Until 19th May 2023)	Arnaud Lorie

B) Related party transactions during the year

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Director remuneration & Director Sitting Fees		
Robert Martha L Van Es	16.33	13.47
Arnaud Lorie	20.84	23.35
Alwina Wang	4.11	14.50
Yong Sim woon	16.69	9.93
Shaunak Shashtree	16.82	12.83
Purchase of Fixed Assets		
International Gemmological Institute (India) Limited	1.73	2.89
Sales - certification		
International Gemmological Institute (India) Limited	-	0.24
Sales - stationery		
International Gemmological Institute BV	2.14	3.58
Purchases		
International Gemmological Institute (India) Limited	10.39	0.09
International Gemmological Institute BV	5.04	2.64
Interest Expense		
International Gemmological Institute BV	2.34	-
Loan from Related Parties		
International Gemmological Institute BV	66.28	-

C) Outstanding balances as at year end

Particulars	As at 31 December 2023	As at 31 December 2022
Employee related payables		
Robert Martha L Van Es	3.24	2.07
Loans from related parties		
Alpha Yu BV	-	251.49
Lorie Holdings BV	-	66.18
International Gemmological Institute BV	66.43	-
Interest Payable		
International Gemmological Institute BV	2.41	-
Alpha Yu B.V.	-	24.01
Lorie Holdings BV	-	5.95
Loan to related parties		
International Gemmological Institute (India) Limited	3.96	-
Payable to related parties		
International Gemmological Institute (India) Limited	7.18	-
International Gemmological Institute BV	4.41	-
Lorie Holdings BV	-	0.14
Other Receivable		
International Gemmological Institute (India) Limited	-	0.10
Trade Receivable		
International Gemmological Institute BV	0.56	0.60
International Gemological Institute Inc.	-	0.15
Trade Payable		
International Gemmological Institute (India) Limited	15.02	3.57
International Gemmological Institute BV	4.41	1.02

(Amounts in INR millions, unless otherwise stated)

35 Financial instruments risk management objectives and policies

The Group is exposed primarily to market risk, credit risk and liquidity risk. The management of the Group oversees the management of these risks. The management advises on financial risks and the appropriate financial risk governance framework for the Group and also provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

(a) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Group income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt.

i) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group has taken borrowings from related parties at a fixed interest rate, hence the Group is not exposed to the interest rate risk as there are no variable interest bearing borrowings/ investments.

ii) foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group’s exposure to the financial instruments dominated in foreign currency is very minimal, hence no major foreign currency risk exists.

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Group’s trade receivables, security deposits, bank balances and other financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The gross carrying amounts of following financial assets represent the maximum credit risk exposure:

	As at 31 December 2023	As at 31 December 2022
Bank balances	82.37	1.00
Cash and cash equivalents	479.90	732.94
Loans	-	0.86
Security deposits	44.09	13.39
Other financial assets	18.38	23.09
	624.74	**771.28**

Balances with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial institutions as approved by the Board of directors.

Based on assessment carried by the Group, entire receivable under this category is classified as "Stage 1". There is no history of loss and credit risk and the amount of provision for expected credit losses on other financial assets is negligible.

Trade receivables:

The Group applies the Ind AS 109 simplified approach for measuring expected credit losses which uses a lifetime expected loss allowance (ECL) for trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The Company's trade receivable are generally having credit period from 30 to 60 days and historically, majority of trade receivables are recovered subsequently.

The Group uses past data and experience based on Group's historical default rates to measure the ECL on trade receivables. Based on evaluation carried out and to the best estimate of management, historical loss sufficiently covers expected loss as well as future contingencies. Adjustment for forward looking factors are not considered significant, hence no adjustment for forward looking factors is made.

Computation of Allowance for impairment losses:

Specific provision: Entire trade receivables outstanding as at reporting period are assessed for specific provisioning. Items considered when determining allowance amounts include sustainability of the counterparty's business plan, its ability to improve performance once a financial difficulty has arisen, availability of other financial support and realizable value of collateral and timing of expected cash flows. The impairment losses are evaluated at the end of each reporting period, unless unforeseen circumstances require more careful attention. Specific provision may be required due to various reasons such as credit deterioration, etc. Trade receivable under specific provision case, are assessed individually. The impairment allowances is recognized to the extent of trade receivables not covered by fair value of collaterals.

Collective Provisions: ECL is computed based on the trade receivable as at reporting period minus specific provision by applying the bucket wise lifetime loss rate (PDs) determined for each reporting period.

The movement in provision for expected credit loss is as follows:

	As at 31 December 2023	As at 31 December 2022
Opening provision	13.98	5.93
Impairment loss recognized	1.34	7.70
Foreign exchange movement	0.71	0.35
Closing provision	**16.03**	**13.98**

(c) Liquidity risk

Liquidity risk is the current and prospective risk arising out of an inability to meet financial commitments as they fall due, through available cash flows or through the sale of assets at fair market value. Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Group’s treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The management monitors the Group’s net liquidity position through forecasts on the basis of expected cash flows. Group has sufficient working capital to meets its financial commitments shown below.

(Amounts in INR millions, unless otherwise stated)

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	Within 1 year	1 to 3 years	More than 3 years	Total
As at 31 December 2022				
Trade payables	132.78	-	-	132.78
Lease liabilities	24.96	27.35		50.31
Borrowings	54.78	317.67	-	372.45
Other financial liabilities	91.83	-	-	91.83
	303.01	**344.36**	**-**	**647.37**
As at 31 December 2023				
Trade payables	115.40	-	-	115.40
Lease liabilities	69.91	102.55	-	172.46
Borrowings	40.60	26.18	-	66.78
Other financial liabilities	84.31	-	-	84.31
	310.22	**128.73**	**-**	**438.94**

(iv) Fair value measurement hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

All below mentioned Financial assets and Financial liabilities are measured using valuation techniques in accordance with Level 3.
The fair value of cash and cash equivalents, trade receivables, trade payables, borrowings (current), other financial liabilities and other financial assets approximate their carrying amount largely due to short term nature of these instruments.
The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security deposits and Borrowings (Non-current) are not significantly different from the carrying amount.

(v) Financial instruments by category

The carrying amounts of each of the categories of financial instruments as at 31 December 2022 are as follows:

	FVTPL	Amortized cost	FVTOCI	Total
Financial assets				
Non Current				
Other financial assets	-	12.99	-	12.99
Current				
Trade receivables	-	137.76	-	137.76
Cash and cash equivalents	-	732.94	-	732.94
Other bank balances	-	1.00	-	1.00
Loans	-	0.86	-	0.86
Other financial assets	-	23.50	-	23.50
	-	**909.05**	**-**	**909.05**
Financial Liabilities				
Non Current				
Borrowings	-	317.67	-	317.67
Lease liabilities	-	26.69	-	26.69
Current				
Borrowings	-	54.78	-	54.78
Lease liabilities	-	23.62	-	23.62
Trade payables	-	132.78	-	132.78
Other financial liabilities	-	91.83	-	91.83
	-	**647.37**	**-**	**647.37**

The carrying amounts of each of the categories of financial instruments as at 31 December 2023 are as follows:

	FVTPL	Amortized cost	FVTOCI	Total
Financial assets				
Non Current				
Other financial assets	-	42.79	-	42.79
Current				
Trade receivables	-	62.55	-	62.55
Cash and cash equivalents	-	479.90	-	479.90
Other bank balances	-	82.37	-	82.37
Other financial assets	-	19.68	-	19.68
	-	**687.29**	**-**	**687.29**
Financial Liabilities				
Non Current				
Borrowings	-	26.18	-	26.18
Lease liabilities	-	99.29	-	99.29
Current				
Borrowings		40.60	-	40.60
Lease liabilities	-	65.25	-	65.25
Trade payables	-	115.40	-	115.40
Other financial liabilities	-	84.31	-	84.31
	-	**431.03**	**-**	**431.03**

(Amounts in INR millions, unless otherwise stated)

36 Capital management

The Group's objectives when managing capital are to:
• safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
• Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return on capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity'. No changes were made in the objectives, policies or processes for managing capital during the reporting periods. There are no Debts taken by the Group. Therefore, Capital structure comprised of only equity as there are no external debts availed by Group.

Particulars	As at 31 December 2023	As at 31 December 2022
Interest bearing loans and borrowings	66.78	372.45
Less: Cash and Bank balances	(479.90)	(732.94)
Adjusted net debt	**(413.12)**	**(360.49)**
Total equity	**1,174.02**	**1,090.10**
Gearing ratio [Net debt/(total equity]	**-**	**-**

37 Contingent liabilities and Commitments

KS Trade LLC ("Complainant") has filed a complaint dated December 21, 2017 ("Complaint") against IGI International Gemological Institute Inc. (IGI USA), International Gemological Institute DMCC (IGI UAE) (Subsidiary company) and International Gemmological Institute (India) Limited (collectively, "IGI Entities") and others (together with IGI Entities, "Defendants"), before the Supreme Court of the State of New York. The Complainant has demanded USD 0.75 million and alleged inter alia that the Defendants conspired to misrepresent the true value of diamonds by intentionally over-grading diamonds in IGI Entities' affiliated laboratories outside of New York, thereby allowing diamond dealers and wholesalers to re-sell diamonds at artificially inflated prices. It has also been alleged that IGI USA's grading standards differs substantially from those of other IGI Entities outside New York and it offers to over-grade diamonds in line with Other IGI Entities' grading standard for an illicit fee. The Company has refuted these allegations. The matter is currently sub-judice in the court and the outcome is indeterminate as of now.

(Amounts in INR millions, unless otherwise stated)

38 Revenue from customers

(a) Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Revenue from contract with customers:		
Sale of services		
Certification services	1,011.71	953.77
Educational courses	147.21	128.34
Gross revenue from contract with customers	1,158.92	1,082.11
Less: Consideration payable to customers	-	-
Net revenue from contract with customers	**1,158.92**	**1,082.11**
Geographical markets		
Netherlands	-	-
Outside Netherlands	1,158.92	1,082.11
Net revenue from contract with customers	**1,158.92**	**1,082.11**
Timing of revenue recognition		
Goods or services transferred at a point in time	1,011.71	953.77
Goods or Services transferred over time	147.21	128.34
Net revenue from contract with customers	**1,158.92**	**1,082.11**

(b) Reconciling the amount of revenue recognised in the Statement of profit and loss with the contracted price:

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Revenue as per contracted price	1,159.51	1,082.88
Less: Rebate, discount and other adjustments	(0.59)	(0.77)
Revenue from contract with customers	**1,158.92**	**1,082.11**

(c) Contract balances

The following table provides information about receivables, unbilled revenue and deferred revenue from contracts with customers:

	As at 31 December 2023	As at 31 December 2022
Trade Receivables	62.55	137.76

For details on Performance obligations (Refer accounting policy note 4.1)

39 Segment reporting

The Group's business activity primarily falls within a single business segment based on the nature of activity involved, which is in line with the business risks attached with the segment having regard to the internal organization and management structure. The CODM reviews the Group's performance as a single business segment and not at any other disaggregated level. Hence, no separate financial disclosures provided in respect of its single business segment.

a) Break up of revenue based on geographical segment

Particulars	For the year ended 31 December 2023	For the year ended 31 December 2022
Within Netherlands	-	-
Outside Netherlands	1,158.92	1,082.11
Total	**1,158.92**	**1,082.11**

b) The carrying amount of Non current operating assets by location of assets

Particulars	As at 31 December 2023	As at 31 December 2022
Within Netherlands	-	-
Outside Netherlands	1,183.23	1,027.50
Total	**1,183.23**	**1,027.50**

40 Subsequent events

There are no subsequent events after the end of reporting period which have impact on the Special Purpose Consolidated Financial Statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of the Board of Directors
IGI Netherlands B.V.

Ankush Agrawal
Partner
Membership No : 159694
Place: Mumbai
Date: 06 August 2024

Tejas Deepak Naphade
Director
DIN: 10219144
Place: Mumbai
Date: 06 August 2024

Easwar Iyer
Chief Financial Officer
DIN: 07514017
Place: Mumbai
Date: 06 August 2024

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of

IGI Netherlands B.V. and International Gemmological Institute (India) Limited (formerly "International Gemmological Institute (India) Private Limited")

Report on the Audit of the Special Purpose Interim Consolidated Financial Statements

Opinion

We have audited the accompanying Special Purpose Interim Consolidated Financial Statements of IGI Netherlands B.V. (the "Holding Company") and its subsidiaries (together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at September 30, 2024, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for nine months period ended September 30, 2024, and notes to the Special Purpose Interim Consolidated Financial Statements, including material accounting policy information and other explanatory information and disclosure. (collectively referred to as the "Special Purpose Interim Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the accompanying Special Purpose Interim Consolidated Financial Statements of the Group for nine months period ended September 30, 2024 are prepared, in all material respects, in accordance with basis of preparation set out in Note 2.1 of the Special Purpose Interim Consolidated Financial Statements.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Interim Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Special Purpose Interim Consolidated Financial Statements, 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.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2.1 to the Special Purpose Interim Consolidated Financial Statements, which describes the purpose and basis of preparation of the Special Purpose Interim Consolidated Financial Statements. These Special Purpose Interim Consolidated Financial Statements have been prepared by the Holding Company to assist International Gemmological Institute (India) Limited ("IGI India") to meet the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the proposed Initial Public Offer of equity shares of IGI India and will be included in the Red Herring Prospectus ("RHP") and Prospectus of IGI India. As a result, these Special Purpose Interim Consolidated Financial Statements may not be suitable for another purpose.

Our report is addressed to the Board of Directors of the Holding Company and of IGI India, solely for the purposes stated above and should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Group or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our Opinion is not modified in respect of the above matter.

Responsibilities of Management and Board of Directors for Special Purpose Interim Consolidated Financial Statements

The Holding Company's Management and Board of Directors is responsible for the preparation and fair presentation of these Special Purpose Interim Consolidated Financial Statements in accordance with recognition and measurement principles of Indian Accounting Standard 34 'Interim Financial Reporting' specified under section 133 of the Act and this includes design, implementation and maintenance of such internal control as management determines is necessary to enable the preparation of Special Purpose Interim Consolidated Financial Statements that are free from material misstatement whether due to fraud or error.

In preparing the Special Purpose Interim Consolidated Financial Statements, the respective Management and Board of Directors of the Companies included in the Group are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the companies included in the Group or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Special Purpose Interim Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose Interim Consolidated 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 Special Purpose Interim Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Special Purpose Interim Consolidated 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, but not for expressing our opinion on whether the group has internal financial controls with reference to Special Purpose Interim Consolidated Financial Statements in place and the operating effectiveness of such controls.

- 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 Group’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 Special Purpose Interim Consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Special Purpose Interim Consolidated Financial Statements, including the disclosures, and whether the Special Purpose Interim Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Other Matter

We did not audit the financial statements of three subsidiaries whose financial information reflect total assets of Rs. 309.70 million as at September 30, 2024, total revenues of Rs. 78.50 million and profit after tax amounting to Rs. 20.89 million for the nine months period ended on that date, as considered in the Special Purpose Interim Consolidated Financial Statements. These financial statements are unaudited and have been furnished to us by the Management of the Holding Company and our opinion on the Special Purpose Interim Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiaries, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the Special Purpose Interim Consolidated Financial Statements is not modified in respect of the above matter.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Ankush Agrawal
Partner
Membership No. 159694
UDIN: 24159694BKFHXW4410

Place: Mumbai
Date: November 25, 2024

IGI Netherlands B.V.

Special Purpose Interim Consolidated Balance Sheet as at 30 September 2024

(Amounts in INR millions, unless otherwise stated)

Particulars	Note	As at 30 September 2024
ASSETS		
Non-current assets		
Property, plant and equipment	6	453.79
Right-of-use assets	6.1	122.06
Investment property		16.75
Goodwill	7	481.91
Other intangible assets	8	5.31
Financial assets		
(a) Other financial assets	9	22.84
Income tax assets (net)	11	48.37
Total non-current assets		**1,151.03**
Current assets		
Financial assets		
(a) Trade receivables	12	98.69
(b) Cash and cash equivalents	13	518.08
(c) Bank balances other than (b) above	14	0.39
(d) Other financial assets	9	14.21
Other current assets	10	77.11
Total current assets		**708.48**
TOTAL ASSETS		**1,859.51**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	15	0.01
Other equity	16	1,305.26
Total equity		**1,305.27**
Liabilities		
Non-current liabilities		
Financial liabilities		
(a) Borrowings	17	46.77
(b) Lease liabilities	19	60.56
Employee benefit obligations	18	51.88
Deferred tax liabilities (net)		3.53
Total non-current liabilities		**162.74**
Current liabilities		
Financial liabilities		
(a) Borrowings	17	8.37
(b) Lease liabilities	19	64.70
(c) Trade payables	23	57.87
(d) Other financial liabilities	20	78.47
Other current liabilities	21	151.84
Employee benefit obligations	18	10.79
Income tax liabilities (net)	22	19.46
Total current liabilities		**391.50**
Total liabilities		**554.24**
TOTAL EQUITY AND LIABILITIES		**1,859.51**
See accompanying notes to the Special Purpose Interim Consolidated Financial Statements	1 - 39	

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of
IGI Netherlands B.V.

Rens Wilhelmus van Hoof
Director B

Place: Amsterdam
Date: 25 November 2024

Jan Sebastiaan Donner
Director B

Place: Amsterdam
Date: 25 November 2024

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 25 November 2024

Tejas Deepak Naphade
Director A
DIN: 10219144

Place: Mumbai
Date: 25 November 2024

Chen-hua Fan
Director A

Place: Hongkong
Date: 25 November 2024

IGI Netherlands B.V.

Special Purpose Interim Consolidated Statement of Profit and Loss for the nine months period ended 30 September 2024

(Amounts in INR millions, unless otherwise stated)

Particulars	Note	For the nine months period ended 30 September 2024
Income		
Revenue from operations	24	1,014.26
Other income	25	18.68
Total income		**1,032.94**
Expenses		
Employee benefit expenses	26	438.42
Finance costs	27	7.31
Depreciation and amortization expense	28	116.87
Other expenses	29	309.94
Total expenses		**872.54**
Profit before tax		**160.40**
Tax expense:	30	
- Current tax		(50.88)
- Deferred tax		(0.19)
Total tax expense		**(51.07)**
Profit for the period		**109.33**
Other comprehensive income:		
Items that will not be reclassified to profit and loss:		
Remeasurement of actuarial loss		(2.25)
Income tax on above		-
		(2.25)
Items that will be reclassified to profit and loss		
Foreign currency translation difference of foreign operations		24.17
		24.17
Other comprehensive income for the period, net of tax		**21.92**
Total comprehensive income for the period		**131.25**
Profit for the period attributable to		
Owners of the Holding Company		109.33
Non-controlling interests		-
		109.33
Other comprehensive income for the period attributable to		
Owners of the Holding Company		21.92
Non-controlling interests		**-**
		21.92
Total comprehensive income for the period attributable to		
Owners of the Holding Company		131.25
Non-controlling interests		-
		131.25
Earnings per share (in INR) of face value of Euro 0.10 each		
Basic	31	**1,09,325.11**
Diluted	31	**1,09,325.11**
See accompanying notes to the Special Purpose Interim Consolidated Financial Statements	1 - 39	

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of
IGI Netherlands B.V.

Rens Wilhelmus van Hoof
Director B

Place: Amsterdam
Date: 25 November 2024

Jan Sebastiaan Donner
Director B

Place: Amsterdam
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Partner
Membership No : 159694

Place: Mumbai
Date: 25 November 2024

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Director A
DIN: 10219144

Place: Mumbai
Date: 25 November 2024

Chen-hua Fan
Director A

Place: Hongkong
Date: 25 November 2024

IGI Netherlands B.V.

Special Purpose Interim Consolidated Statement of changes in equity for the nine months period 30 September 2024
(Amounts in INR millions, unless otherwise stated)

A) Equity share capital

Particulars	Number of shares	Amount
Balance as at 1 January 2024	1,000	0.01
Changes in equity share capital during the period	-	-
Balance as at 30 September 2024	**1,000**	**0.01**

B) Other equity

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	General Reserve	Retained Earnings	Securities premium	Legal Reserve	Foreign currency translation reserve	
Balance as at 1 January 2024	210.18	446.70	417.17	1.12	98.84	**1,174.01**
Profit for the period	-	109.33	-	-	-	**109.33**
Foreign currency translation difference during the period	-	-	-	-	24.17	**24.17**
Other comprehensive income	-	(2.25)	-	-	-	**(2.25)**
Balance as at 30 September 2024	**210.18**	**553.78**	**417.17**	**1.12**	**123.01**	**1,305.26**

See accompanying notes to the Special Purpose Interim Consolidated Financial Statements
As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of
IGI Netherlands B.V.

Rens Wilhelmus van Hoof
Director B

Place: Amsterdam
Date: 25 November 2024

Jan Sebastiaan Donner
Director B

Place: Amsterdam
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Director A
DIN: 10219144

Place: Mumbai
Date: 25 November 2024

Chen-hua Fan
Director A

Place: Hongkong
Date: 25 November 2024

IGI Netherlands B.V.

Special Purpose Interim Consolidated Statement of Cash Flows for the nine months period ended 30 September 2024

(Amounts in INR millions, unless otherwise stated)

Particulars	For the nine months period ended 30 September 2024
Cash flow from operating activities	
Profit before tax	**160.40**
Adjustments for:	
Depreciation on property, plant and equipment	58.19
Depreciation on right-of-use assets	57.08
Amortization on other intangible asset	1.60
Interest income on fixed deposits	(1.41)
Interest income on security deposits	(0.64)
Interest on lease liabilities	3.86
Bad debts and provision for doubtful debts	11.67
Loss on sale of property, plant & equipment	(0.25)
Operating profit before changes in working capital	**290.50**
Changes in working capital :	
Decrease in other financial liabilities	(5.85)
Decrease in trade payables	(57.53)
Increase in Employee benefit obligations	0.45
Decrease in other current liabilities	(143.42)
Decrease in other financial assets	26.06
Decrease in other non current assets	6.12
Decrease in other current assets	57.73
Decrease in loans	3.96
Increase in trade receivables	(47.80)
Cash generated from operating activities before taxes	**130.22**
Income tax paid (net)	(76.81)
Net cash generated from operating activities (A)	**53.41**
Cash flows from investing activities	
Payment for property, plant and equipments	(50.06)
Payment for acquisition of other intangible asset	(0.31)
Proceed from redemption of fixed deposits	81.99
Interest income on fixed deposits	1.41
Net cash generated from investing activities (B)	**33.03**
Cash flows from financing activities	
Repayment of borrowings	(11.64)
Principal payment of lease liabilities	(51.45)
Interest paid on lease liabilities	(3.86)
Net cash (used in) financing activities (C)	**(66.95)**
Net increase in cash and cash equivalents (A+B+C)	19.49
Foreign currency translation difference of foreign operations	18.69
Cash and cash equivalents at the beginning of the period	479.90
Cash and cash equivalents at the end of the period (Note 13)	**518.08**

The Statement of Cash flow has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash flows'.
Refer Note 6.1 for reconciliation of movements of lease liabilities to cash flows arising from financing activities.

See accompanying notes to the Special Purpose Interim Consolidated Financial Statements

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

For and on behalf of
IGI Netherlands B.V.

Rens Wilhelmus van Hoof
Director B

Place: Amsterdam
Date: 25 November 2024

Jan Sebastiaan Donner
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Membership No : 159694

Place: Mumbai
Date: 25 November 2024

Tejas Deepak Naphade
Director A
DIN: 10219144
Place: Mumbai
Date: 25 November 2024

Chen-hua Fan
Director A

Place: Hongkong
Date: 25 November 2024

IGI Netherlands B.V.

Special Purpose Interim Consolidated Notes to the Financial Statements for the nine months period ended 30 September 2024

1 Corporate Information

IGI Netherlands B.V. (the "Company" or the "Holding Company" or the "Parent Company") is a Company registered in Netherlands, with its registered office situated at Basisweg 10, 1043AP Amsterdam.

The Special Purpose Interim Consolidated Financial Statements include the Financial Statements of the Holding Company and it's Subsidiaries, as mentioned below, (collectively referred to as the "Group").

Name of the Subsidiaries	Country of incorporation	Percentage holding
International Gemological Institute DMCC	UAE	100%
I.G.I. International Gemmological Institute (Israel) Ltd.	Israel	100%
International Gemmological Identification (Thailand) Limited	Thailand	100%
International Gemological Institute (HK) Limited	Hong Kong	100%
International Gemological Institute for Jewelry and Precious Stones (IGI)	Egypt	100%
IGI (Shanghai) Business Consulting Company Limited	China	100%
IGI (Shanghai) Gemological Training Company Limited	China	100%
IGI (Shanghai) Gemological Research and Testing Limited	China	100%
IGI (Shenzhen) Jewelry Testing Co., Ltd.	China	100%

The Group is primarily engaged in the business of certification of diamonds, gemstones and jewellery with comprehensive analysis and clear documentation for consumers. The Group is having school of Gemmology at various locations and offers a variety of courses designed for professionals and consumer enthusiasts.

The Special Purpose Interim Consolidated Financial Statements of the Group for the period ended 30 September 2024 were authorized for issue in accordance with a resolution of the Board of Directors on 25 November 2024

2 Material accounting policies

2.1 Basis of preparation

The Audited Special Purpose Interim Consolidated Financial Statements have been prepared on a going concern basis under the historical cost convention except for certain financial instruments that are measured at fair value as explained in the accounting policies below.

These Audited Special Purpose Interim Consolidated Financial Statements of the Group have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard – 34 "Interim Financial Reporting" as prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. However, the Special Purpose Interim Consolidated Financial Statements do not include comparative financial information as required by Ind AS 34, Interim Financial Reporting and Ind AS 1, Presentation of Financial Statements.

These Audited Special Purpose Interim Consolidated Financial Statements have been prepared by the Holding Company to assist International Gemmological Institute (India) Limited ("IGI India") to meet the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the proposed Initial Public Offer of equity shares of IGI India and will be included in the Red Herring Prospectus ("RHP") and Prospectus of IGI India.

All amounts in the Audited Special Purpose Interim Consolidated Financial Statements are presented in Indian rupees (INR million), except for share and per share data, unless otherwise specified. Amounts shown as "0" are non-zero figures rounded off to the nearest INR million. Due to rounding, totals may not add up exactly, and percentages may not match the absolute figures.

2.2 Principles of Consolidation

Subsidiaries

Subsidiaries is an entity controlled by the Holding company. Control exists when the Holding company is exposed to or has rights, to variable returns from its involvement with the entity, and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. Upon loss of control, the Group derecognizes the assets and liabilities of the subsidiaries, derecognizes any non-controlling interests, derecognizes the cumulative translation difference recorded in equity, recognizes the fair value of the consideration received related to the subsidiaries. Any surplus or deficit arising on the loss of control is recognized in the special purpose interim consolidated statement of profit and loss.

Consolidation procedure

The Consolidated Financial Statements of the Group has been combined on a line-by-line basis by adding assets, liabilities, income, expense and cash flows. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing these interim consolidated financial statements. The carrying amount of the parent's investment in subsidiaries and the parent's portion of equity of subsidiaries has been eliminated. The accounting policies of subsidiaries have been harmonised to ensure consistency with the policies adopted by the Holding Company.

Foreign Subsidiaries

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of the balance sheet
- income and expenses are translated at average exchange rates
- Equity and reserves are translated at historical exchange rates

On Consolidation, exchange differences are recognized as foreign currency translation reserve in Other Comprehensive income and accumulated in equity (as exchange differences on translating the Financial Statements of a foreign operation).

3 Significant accounting judgements, estimates and assumptions

The preparation of Special Purpose Interim Consolidated Financial Statements in conformity with Ind AS requires management, where necessary, to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

The key assumptions concerning future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

3.1 Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon likely timing and level of future taxable profits, together with future tax planning strategies.

3.2 Provision for Expected Credit Losses (ECL) of trade receivables and contract assets

The Group uses past data and experience based on historical default rates to measure the ECL on trade receivables. Based on evaluation carried out and to the best estimate of management, historical loss sufficiently covers expected loss as well as future contingencies. Adjustment for forward looking factors are not considered significant, hence no adjustment for forward looking factors is made.

3.3 Employee retirement plans

The cost of the end of service benefit (EOSB) and severance benefit expense are based on actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date.

3.4 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded, cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

3.5 Leases - Estimating the incremental borrowing rate and lease term

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use assets in a similar economic environment. IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available. The Group estimates the IBR using observable inputs (such as market interest rates).

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

3.6 Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less cost of disposal and its value in use. The fair value less costs of disposal calculation is based on observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted cashflow model (DCF model). The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

3.7 Impairment of Goodwill

Goodwill is tested for impairment annually and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

4 Summary of Material accounting policies

4.1 Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/ non-current classification. An asset is treated as current when it is:

• Expected to be realized or intended to be sold or consumed in the normal operating cycle
• Held primarily for the purpose of trading
• Expected to be realized within twelve months after the reporting period
Or
• Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non-current.

A liability is current when:
• It is expected to be settled in the normal operating cycle
• It is held primarily for the purpose of trading
• It is due to be settled within twelve months after the reporting period
Or
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of activities of the Group and the time between the acquisition of assets for processing and their realization in Cash or cash equivalents, the Group has ascertained its normal operating cycle as 12 months for the purpose of Current / Non-current classification of assets and liabilities.

4.2 Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment if the recognition criteria is met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the period in which they are incurred.

The useful life is taken by management based on industry trends, nature of asset and past experience.

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial period end.

De-recognition: An item of property, plant and equipment including any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognized in profit or loss in the period the asset is derecognized is the difference between the net sales proceeds and the carrying amount of the relevant asset.

4.3 Goodwill and Impairment of Goodwill

The acquisition method of accounting is used to account for all business combinations. The consideration transferred for the acquisition of a subsidiary comprises the
(i) fair values of the assets transferred;
(ii) liabilities incurred to the former owners of the acquired business;
(iii) equity interests issued by the group; and
(iv) fair value of any asset or liability resulting from a contingent consideration arrangement.

The excess of the
(i) consideration transferred;
(ii) amount of any non-controlling interest in the acquired entity, and
(iii) acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired and liabilities assumed is recorded as goodwill.

If those amounts are less than fair value of net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

4.4 Other intangible assets

Other intangible assets acquired separately are measured on initial recognition at cost. Other intangible assets with finite lives are subsequently amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period for other intangible asset with a finite useful life are reviewed at least at each financial period end.

The economic useful life is estimated by the Management basis industry trends and nature of intangible asset.

Other intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Special Purpose Consolidated statement of profit and loss when the asset is derecognized.

4.5 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs if the recognition criteria are met. When significant parts of the investment properties are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred. The management believes that the estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

4.6 Foreign Currency Transactions

(a) Functional and presentation currency

The functional currency of IGI Netherlands B.V. is USD. Items included in the Special Purpose Interim Consolidated Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR).

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/(losses) arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the period end at the exchange rate prevailing at the period end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

4.7 Leases

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets for all leases, except for short-term leases and leases of low-value assets.

(a) Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. In such cases, the Group reviews the estimated residual values and expected useful lives of assets at least annually.

The right-of-use assets are also subject to impairment.

(b) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

Lease payments and receipts under operating leases are recognized as an expense and income respectively, on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

4.8 Security Deposits

Security deposits are initially recognized at fair value and subsequently measured at amortized cost. Any difference between the initial fair value and the nominal amount is included as a component of operating lease income and recognized on a straight-line basis over the lease term.

4.9 Revenue

(a) Revenue from grading and certification services

The Group recognizes revenue from grading and certification of diamonds, colored stones and jewellery which is measured at a point in time upon satisfaction of the performance obligation, when the report/certificate in relation to completion of such activities is generated and is ready to be issued to the customer. There are no significant activities undertaken between the time that the report is generated and the time that the customer obtains the report. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts or rebates, if any, as specified in the contract with the customer. Revenue is recognized exclusive of taxes.

(b) Revenue from educational courses

Revenue from providing gemological education on sorting and grading of gems, diamonds and jewellery is recognized over a period of time as and when the educational course is completed.

4.10 Other Income

(a) Interest income

Interest income is accounted for on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial assets.

4.11 Contract Balances

Contract assets and contract liabilities

A contract asset is the right to consideration in exchange for goods or services transferred to the customer when that right is conditioned on something other than the passage of time, for example, billings require certification by the customer. Upon receipt of such certification from a customer, the amount recognized as contract assets is reclassified to trade receivables. Contract assets are subject to impairment assessment on the same basis as financial assets that are within the scope of Ind AS 109.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognized as revenue when the Holding company performs under the contract (i.e. transfers control of the related goods or services to the customer).

4.12 Fair Value Measurement

The Group measures financial instruments at fair value at each balance sheet date.
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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
• In the principal market for the asset or liability
Or
• In the absence of a principal market, in the most advantageous market for the asset or liability
The principal or the most advantageous market must be accessible at the measurement date.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using asset in its highest and best use or by selling it to another market participant that would use asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities, for which fair value is measured or disclosed in the Special Purpose Interim Consolidated Financial Statements, are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the Special Purpose Interim Consolidated Financial Statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4.13 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash generating unit's (CGU's) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations are recognized in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior periods. Such reversal is recognized in the statement of profit or loss.

4.14 Financial instruments – initial recognition and subsequent measurement

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

(a) Financial Assets

Initial recognition and measurement

Financial assets are classified at initial recognition, and subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. As the Group's rent and other trade receivables do not contain a significant financing component or for which the Group has applied the practical expedient, they are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortized cost or fair value through other comprehensive income (OCI), it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Subsequent measurement

Financial assets measured at amortized cost

The Group measures financial assets at amortized cost if both of the following conditions are met:
• The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost includes trade receivables, loans to related parties, security deposit and financial assets included in other receivables.

Financial assets designated at fair value through OCI (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled in profit or loss. Dividends are recognized as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets measured at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the financial statement at fair value with net changes in fair value recognized in profit or loss.

This category includes equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value profit or loss are also recognized as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized (i.e., removed from the Group’s statement of financial position) when:

• The rights to receive cash flows from the asset have expired
Or
• The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

General approach

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward looking information.

Simplified approach

For trade receivables and contract assets, that do not contain a significant financing component, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date (i.e., a loss allowance for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default). The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(b) Financial Liabilities

The Group recognizes a financial liability when it first becomes a party to the contractual rights and obligations in the contract. All financial liabilities are initially recognized at fair value, minus (in the case of a financial liability that is not at FVTPL) transaction costs that are directly attributable to issuing the financial liability. Financial liabilities are measured at amortized cost, using the effective interest method unless the Group opted to measure a liability at FVTPL. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires. Financial liabilities included in trade and other payables, borrowings and other financial liabilities. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance costs in profit or loss.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

(c) Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

4.15 Employee benefits

(a) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

(b) Long-term employment benefits

i) Defined benefit - End of service benefit (EOSB) & severance benefit

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation at the balance sheet date by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

4.16 Taxes

Income tax expenses comprises of current tax expenses and deferred tax charge / credit.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, at the reporting date where the Group operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

(i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

(ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

(i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

(ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4.17 Cash and Cash Equivalents
Cash and cash equivalents in the balance sheet comprises cash at bank and on hand subject to an insignificant risk of changes in value.

4.18 Provisions and contingencies
Provisions: A provision is recognized when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

Contingent Liability: A contingent liability is

(a) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or

(b) a present obligation that arises from past events but is not recognized because;
- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
- the amount of the obligation cannot be measured with sufficient reliability.

The Group does not recognize a contingent liability but discloses the same as per the requirements of Ind AS 37.

4.19 Segment reporting
The operating segments have been identified based on the conditions specified in paragraph 5 to Ind AS 108, i.e. an operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available that is evaluated regularly by the CODM, in deciding how to allocate resources and assessing performance.

5 Recent accounting pronouncements
The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the nine months period ended 30 September 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

IGI Netherlands B.V.

Special Purpose Interim Consolidated Notes to the Financial Statements for the nine months period ended 30 September 2024
(Amounts in INR millions, unless otherwise stated)

6 Property, plant and equipment

Particulars	Leasehold Improvements	Buildings	Furniture and Fixtures	Plant and Machinery	Electrical Equipment	Office Equipment	Computers	Vehicle	Precious Stones & Laboratory Master Sets	Total
Gross carrying amount										
Balance as at 1 January 2024	41.16	309.00	44.73	114.18	70.13	8.95	7.82	2.74	23.04	621.75
Additions	-	2.13	4.93	23.71	4.75	10.50	0.04	-	6.46	52.52
Deductions/ adjustments	-	-	(0.00)	-	(0.00)	(0.02)	-	-	-	(0.02)
Translation exchange difference	0.38	0.50	0.73	(1.63)	1.87	(1.46)	0.09	0.02	0.34	0.84
Balance as at 30 September 2024	**41.54**	**311.63**	**50.39**	**136.26**	**76.75**	**17.97**	**7.95**	**2.76**	**29.84**	**675.09**
Accumulated Depreciation										
Balance as at 1 January 2024	19.47	46.25	22.70	45.18	18.62	2.53	5.27	0.40	1.49	161.91
Depreciation charge during the period	7.26	17.66	7.38	12.65	5.90	4.75	1.12	0.51	0.96	58.19
Translation exchange difference	0.23	0.04	0.40	0.10	0.64	(0.31)	0.06	0.01	0.03	1.20
Balance as at 30 September 2024	**26.96**	**63.95**	**30.48**	**57.93**	**25.16**	**6.97**	**6.45**	**0.92**	**2.48**	**221.30**
Net carrying amount as at 30 September 2024	**14.58**	**247.68**	**19.91**	**78.33**	**51.59**	**11.00**	**1.50**	**1.84**	**27.36**	**453.79**

(Amounts in INR millions, unless otherwise stated)

6.1 Leases

i. Right-of-use asset

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

Particulars	Leasehold Premises	Total
Gross carrying amount		
As at 1 January 2024	257.69	257.69
Additions	9.46	9.46
Disposals	(9.26)	(9.26)
Translation exchange difference	4.87	4.87
Balance as at 30 September 2024	**262.76**	**262.76**
Accumulated amortization		
Balance as at 1 January 2024	90.71	90.71
Amortization charge during the year	57.08	57.08
Deductions/ adjustments	(9.26)	(9.26)
Translation exchange difference	2.16	2.16
Balance as at 30 September 2024	**140.69**	**140.69**
Net carrying amount as at 30 September 2024	**122.07**	**122.07**

ii. Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	As at 30 September 2024
As at 1 January 2024	**164.54**
Additions	9.46
Accretion of interest	3.86
Rent Payments	(55.31)
Translation exchange difference	2.71
Balance as at 30 September 2024	**125.26**

Refer note in cash flow for reconciliation with cash flow of lease payment

The following is the break-up of lease liability as at reporting date

Particulars	As at 30 September 2024
Non-current lease liabilities	60.56
Current lease liabilities	64.70
Total	**125.26**

The following are the amounts recognized in profit or loss:

Particulars	For the nine months period ended 30 September 2024
Depreciation expense of right-of-use assets	57.08
Interest expense on lease liabilities	3.86
Expense relating to short-term leases	7.23
Total	**68.17**

The below table provides the details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	For the nine months period ended 30 September 2024
Less than 1 year	68.13
1-5 years	61.87
More than 5 years	-
Total	**130.00**

The Group had total cash outflows for leases of INR 55.31 million for the nine months period ended 30 September 2024.

7 Goodwill

Particulars	Goodwill	Total
As at 1 January 2024	476.35	**476.35**
Additions during the period	-	**-**
Foreign currency translation reserve	5.56	**5.56**
As at 30 September 2024	481.91	**481.91**

Goodwill is arising on account of acquisition of International Gemological Institute DMCC, I.G.I. International Gemmological Institute (Israel) Ltd., International Gemmological Identification (Thailand) Limited and IGI (Shanghai) Business Consulting Co. Ltd., IGI (Shanghai) Gemological Research and Testing Ltd., IGI (Shanghai) Gemological Research and Testing Ltd., IGI (Shenzhen) Jewelry Testing Co., Ltd. The recoverable amount of cash generating units is more than its carrying value, thus there is no impairment of Goodwill as at 30 September 2024.

(Amounts in INR millions, unless otherwise stated)

8 Other intangible assets

Particulars	Computer Software	Intangible Assets	Total
Gross carrying amount			
Balance as at 1 January 2024	0.26	9.68	9.94
Additions	0.05	-	0.05
Translation exchange difference	0.02	0.16	0.18
Balance as at 30 September 2024	**0.33**	**9.84**	**10.17**
-			
Balance as at 1 January 2024	0.05	3.30	3.35
Amortization charge during the period	0.04	1.56	1.60
Translation exchange difference	0.00	(0.10)	(0.09)
Balance as at 30 September 2024	**0.09**	**4.76**	**4.86**
Net carrying amount as at 30 September 2024	**0.24**	**5.08**	**5.31**

9 Other financial assets

Particulars	Non current As at 30 September 2024	Current As at 30 September 2024
Security deposits	22.84	4.41
Interest accrued on fixed deposits	-	0.06
Other receivables	-	9.74
	22.84	**14.21**

10 Other current assets

Particulars	Non current As at 30 September 2024	Current As at 30 September 2024
Advances to suppliers	-	53.25
Balance with Government authorities	-	2.87
Prepaid & others	-	20.99
	-	**77.11**

11 Income tax assets (net)

Particulars	Non current As at 30 September 2024	Current As at 30 September 2024
Tax receivables (net)	48.37	-
	48.37	**-**

12 Trade receivables

Particulars	Non current As at 30 September 2024	Current As at 30 September 2024
Trade receivables		
Unsecured, considered good (Refer note 33)	-	116.80
	-	**116.80**
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	(18.11)
	-	**(18.11)**
	-	**98.69**

13 Cash and cash equivalents

Particulars	Non current As at 30 September 2024	Current As at 30 September 2024
Cash on hand	-	6.84
Balances with banks:		
In Current accounts	-	511.24
	-	**518.08**

14 Bank balances other than (note 13) above

Particulars	Non current As at 30 September 2024	Current As at 30 September 2024
Fixed Deposit with Original maturity more than 3 months but less than 12 months	-	0.39
	-	**0.39**

(Amounts in INR millions, unless otherwise stated)

15 Equity share capital

Particulars	As at 30 September 2024
Authorized:	
1000 Equity Shares of Euro 0.10 each	0.01
	0.01
Issued, subscribed and paid-up capital:	
1000 Equity Shares of Euro 0.10 each	0.01
	0.01

16 Other equity

Particulars	As at 30 September 2024
Retained earnings	553.78
Securities premium	417.17
General reserve	210.18
Legal Reserve	1.12
Foreign currency translation reserve	123.01
	1,305.26

(A) Retained earnings

	As at 30 September 2024
Opening balance	446.70
Profit for the period	109.33
Other comprehensive income for the period, net of tax	(2.25)
Closing balance	**553.78**

(B) Share premium

	As at 30 September 2024
Balance at the beginning and end of the period	417.17
Closing balance	**417.17**

(C) General Reserve

	As at 30 September 2024
Balance at the beginning and end of the period	210.18
Closing balance	**210.18**

(D) Legal Reserve

	As at 30 September 2024
Balance at the beginning and end of the period	1.12
Closing balance	**1.12**

(E) Foreign currency translation reserve

	As at 30 September 2024
Opening balance	98.84
Addition	24.17
Closing balance	**123.01**

Nature & Purpose of Reserves

General Reserve: General reserve is created from time to time by transferring profits from retained earnings and can be utilized for purposes such as dividend payout, bonus issue, etc.

Retained Earnings: Retained earnings are the profits that the Group has earned till date, less any transfers to general reserves, dividends or other distributions paid to shareholders.

Legal reserve: The legal reserve is part of the Holding Company's equity that cannot be distributed to shareholders. According to the Thai Civil and Commercial Code : Section 1202 Reserve Fund. The Company must also appropriate a reserve fund (called "Legal Reserve"), at each distribution of dividend, being at least one-twentieth (5%) of the net profit after tax (Retained earnings and annual net profit) or more until such appropriation reaches one-tenth (10%) of the registered capital of the Company. This requirement is included in the law for protection to creditors who will have the right to receive payment before shareholders when dissolution of company.

Share Premium: Share premium account comprises of premium on issue of shares.

Foreign currency translation reserve: Gains/(losses) arising on translation of foreign operations are recognized in FCTR.

(Amounts in INR millions, unless otherwise stated)

17 Borrowings

Particulars	Non Current As at 30 September 2024	Current As at 30 September 2024
Unsecured:		
Loans from related party (Refer note 33)	46.77	8.37
	46.77	**8.37**

Notes:

i) The unsecured loan was availed from a related party carrying interest rate of 6.35% p.a. This loan is repayable in 36 equal monthly instalments commencing 9 June 2023 till 9 June 2026.

ii) The short term loan was availed from related party carrying interest rate of 5.5% p.a. This loan is repayable within 12 months from reporting date.

18 Employee benefit obligations

Particulars	Non Current As at 30 September 2024	As at 30 September 2024
End of service and severance benefit (Refer note 32)	51.88	10.79
	51.88	**10.79**

19 Lease liabilities

Particulars	Non Current As at 30 September 2024	Current As at 30 September 2024
Lease liabilities (Refer note 6.1)	60.56	64.70
	60.56	**64.70**

20 Other financial liabilities

Particulars	Non Current As at 30 September 2024	Current As at 30 September 2024
Employee related payables (Refer note 33)	-	9.31
Other payables	-	69.16
	-	**78.47**

21 Other current liabilities

Particulars	Non Current As at 30 September 2024	Current As at 30 September 2024
Advance from customers	-	148.53
Statutory dues payable	-	3.31
	-	**151.84**

22 Income Tax liabilities (net)

Particulars	Non Current As at 30 September 2024	Current As at 30 September 2024
Tax payable	-	19.46
	-	**19.46**

23 Trade payables

Particulars	As at 30 September 2024	As at 30 September 2024
Trade payables (Refer note 33)	-	57.87
	-	**57.87**

(Amounts in INR millions, unless otherwise stated)

24 Revenue from operations

Particulars	For the nine months period ended 30 September 2024
Revenue from contract with customers (Refer note 37)	
Sale of services	
Certification services	893.78
Educational courses	120.48
Total Revenue from operations	**1,014.26**

25 Other income

Particulars	For the nine months period ended 30 September 2024
Interest income on fixed deposits	1.41
Interest income on security deposits	0.64
Rental income	1.37
Gain on sale of property plant and equipment	0.25
Miscellaneous income	15.01
Total Other income	**18.68**

26 Employee benefit expenses

Particulars	For the nine months period ended 30 September 2024
Salaries, wages & bonus	388.08
Staff welfare	44.03
End of service and severance benefit (Refer note 32)	6.31
Total Employee benefit expenses	**438.42**

27 Finance costs

Particulars	For the nine months period ended 30 September 2024
Interest expenses on financial liabilities measured at amortized cost:	
Interest on lease liabilities	3.86
Interest expense and other finance charges	3.45
Total Finance costs	**7.31**

28 Depreciation and amortization expense

Particulars	For the nine months period ended 30 September 2024
Depreciation on property, plant and equipment	58.19
Depreciation on right-of-use assets	57.08
Amortization on other intangible asset	1.60
Total Depreciation and amortization expense	**116.87**

(Amounts in INR millions, unless otherwise stated)

29 Other expenses

Particulars	For the nine months period ended 30 September 2024
Legal and professional fees	56.86
Advertising and exhibition expenses	36.69
Office and administrative expenses	19.03
Travelling and conveyance	16.67
Stationery and consumables	88.41
Bad debts	9.79
Repair and maintenance	8.94
Rent expense	7.23
Foreign exchange losses	16.14
Business promotion expenses	5.18
Computer expenses	4.72
Insurance expenses	4.45
Communication fee	3.94
Rates and taxes	3.79
Freight and forwarding expenses	3.15
Electricity expenses	3.14
Sales and marketing expenses	2.67
Bank charges	2.37
Provision for doubtful debts	1.88
Laboratory expenses	1.64
Commission expenses	0.49
Miscellaneous expenses	12.76
Total Other expenses	**309.94**

(Amounts in INR millions, unless otherwise stated)

30 Tax expense

(i) The major components tax expense are:

Statement of profit or loss

Particulars	For the nine months period ended 30 September 2024
Current income tax:	
Current income tax charge	(50.88)
Deferred tax (charge)/credit	
Relating to origination and reversal of temporary differences	(0.19)
Income tax expense reported in the statement of profit or loss	**(51.07)**

(ii) Deferred tax assets/ (deferred tax liabilities) relates to the following:

	As at 30 September 2024
Property Plant and equipment	(0.79)
Right of use assets	5.89
Lease liabilities	(8.40)
Others	(0.23)
Deferred tax assets/(Liabilities) net	**(3.53)**

Reflected in the statement of financial position as follows:

Particulars	As at 30 September 2024
Deferred tax assets	5.89
Deferred tax liabilities	(9.42)
Deferred tax assets/(Liabilities) net	**(3.53)**

(iii) Movement in deferred tax assets/ (liabilities)

Particulars	As at 1 January 2024	Impact on Profit and loss	Impact on other comprehensive income	Exchange Difference	As at 30 September 2024
Property Plant and equipment	(0.52)	(0.19)	-	(0.08)	(0.79)
Right of use assets	5.89	-	-	-	5.89
Lease liabilities	(8.40)	-	-	-	(8.40)
Others	(0.23)	-	-	-	(0.23)
Total	**(3.26)**	**(0.19)**	**-**	**(0.08)**	**(3.53)**

31 Earnings per share

Basic EPS amount is calculated by dividing the profit for the period attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table set forth the computation of basic and dilutive earnings per share:

Particulars	For the nine months period ended 30 September 2024
Net profit for the period attributable to equity shareholders (INR million)	109.33
Weighted average number of shares	1,000
Earnings per equity share# [Face value of Euro 0.10 each]	**1,09,325.11**

Basic and diluted earnings per share during the period are same as the Group has no potentially dilutive equity shares outstanding as at the period end.

Reconciliation of shares used in computing earnings per share

Particulars	For the nine months period ended 30 September 2024
No. of equity shares at the beginning of the period	1,000
Add: Shares issued during the period	-
Less: Shares bought back during the period	-
No. of equity shares at the end of the period	**1,000**

Weighted average number of equity shares of Euro 0.10 each used for calculation of basic and diluted earnings per share.	**1,000**

(Amount in INR millions, unless otherwise stated)

32 Employee benefits

(a) Defined benefit plans

A. EOSB and severance benefit
The cost of providing defined benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains/losses are immediately recognized in the other comprehensive income and are not deferred. The plan is a funded scheme.

Expense recognized in Special Purpose Consolidated Statement of profit and loss

Particulars	For the nine months period ended 30 September 2024
i. Amounts recognized in Consolidated Statement of profit and loss in respect of defined benefit plans:	
Components of employer's expense	
Current service cost	5.34
Interest cost	0.97
Benefits Paid	-
Interest income on plan assets	-
Total expense recognized in the Consolidated Statement of Profit and Loss (A)	**6.31**
ii. Remeasurements recognized in other comprehensive income are as follows:	
Actuarial changes arising from changes in financial assumptions	-
Actuarial changes arising from changes in demographic assumptions	-
Actuarial changes arising from changes in experience adjustments	2.25
Actuarial (Gain)/ Losses	-
Total (gain)/ loss recognized in other comprehensive income (B)	**2.25**
Total (A+B)	**8.56**

B. Amount recognized in the Special Purpose Consolidated balance sheet

Particulars	As at 30 September 2024
Present value of defined benefit obligation recognized in the Consolidated balance sheet	62.67
Current portion	10.79
Non current portion	51.88

C. Reconciliation of the net defined benefit (asset)/ liability
The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components:

Particulars	As at 30 September 2024
Reconciliation of present value of defined benefit obligation (DBO)	
Opening balance	59.97
Benefits paid	(7.01)
Current service cost	5.34
Interest cost	0.97
Actuarial (gains)/ losses recognized in other comprehensive income	-
Due to Change in Financial Assumptions	-
Due to Experience	2.25
Translation exchange difference	1.15
Balance	**62.67**
Plan assets	-
Closing net defined benefit obligation (DBO)	**62.67**

Changes in fair value of assets and obligation:

Particulars	As at 30 September 2024
Defined benefit Obligation	62.67
Fair value of plan assets	-
Funded Status	62.67
Net Defined Benefit Liability	(62.67)

D. Defined benefit obligations

Actuarial assumptions

Particulars	As at 30 September 2024 International Gemological Institute DMCC	As at 30 September 2024 International Gemmological Identification (Thailand) Limited
Discount rate (per annum)	2.15%	2.74%
Rate of salary increase	6.00%	6.00%
Mortality rate	100% IALM - 12-14	100% IALM - 12-14
Retirement age	65	60
Attrition rate	5.00%	5.00%

Data

Particulars	As at 30 September 2024 International Gemological Institute DMCC	As at 30 September 2024 International Gemmological Identification (Thailand) Limited
No.	46	9
Average Age (yrs)	35.17	52.01
Average Past service (yrs)	4.89	8.90
Average sal Mly (INR mn)	0.12	0.10
Future Service (yrs)	29.83	7.99
Weighted Average Duration of DBO	15.16	9.91

E. Expected Future Cash outflow:

Expected Benefit Payment	As at 30 September 2024
Year 1	2.02
Year 2	1.69
Year 3	3.89
Year 4	1.64
Year 5	3.85
Next 5 years	8.86

The Gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

1. Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

2. Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

3. Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. The entity has to manage pay-out based on pay as you go basis from own funds.

4. Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

ii. Sensitivity analysis

Particulars	As at 30 September 2024 Impact on DBO
Change in Discount rate (1% movement)	
Delta effect + 1%	55.34
Delta effect - 1%	71.17
Change in rate of salary increase (1% movement)	
Delta effect + 1%	70.57
Delta effect - 1%	55.64
Change in attrition rate (1% movement)	
Delta effect + 1%	59.95
Delta effect - 1%	65.34

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

F. 'The functional currency of International Gemological Institute DMCC is AED and International Gemmological Identification (Thailand) Limited is THB. All amounts are reported in Indian Rupees in millions (INR Million).

(Amounts in INR millions, unless otherwise stated)

33 Related Parties Disclosures

A) Relationship & Name of related parties

Relationship	Name of parties
Holding Company	BCP Asia II Topco Pte. Ltd.
Entity under common control	International Gemmological Institute BV
Entity under common control	International Gemological Institute, Inc.
Entity under common control	International Gemmological Institute (India) Limited
Entity under common control	International Gemmological Institute Turkey Gemoloji Ticaret Anonim Şirketi
Key Management Personnel	Alwina Wang
Key Management Personnel	Yao Yuan
Key Management Personnel	Robert Martha L Van Es
Key Management Personnel	Easwar Iyer
Key Management Personnel	Tehmasp Nariman Printer
Key Management Personnel	Shaunak Shastree (Until 3 July 2024)
Key Management Personnel	Johan Dsouza (From 1 August 2024)
Key Management Personnel	Yongwoon Sim
Key Management Personnel	Chen-hua Fan
Key Management Personnel	Tejas Deepak Naphade
Key Management Personnel	Rens Wilhelmus van Hoof
Key Management Personnel	Jan Sebastiaan Donner

B) Related party transactions during the period

Particulars	For the nine months period ended 30 September 2024
Director remuneration & Director Sitting Fees	
Robert Martha L Van Es	13.15
Yong Sim woon	10.68
Johan Dsouza	5.90
Shaunak Shastree	15.68
Sales - Diamonds	
International Gemological Institute (India) Limited	0.23
Sales - Stationery	
International Gemological Institute (India) Limited	0.50
International Gemological Institute Inc.	0.05
International Gemological Institute BV	0.19
Purchases - Diamonds	
International Gemological Institute (India) Limited	0.23
Purchases - Stationery	
International Gemological Institute (India) Limited	18.94
International Gemmological Institute BV	3.65
Purchases - Lab instrument	
International Gemmological Institute BV	0.12
Reimbursement of Expenses	
International Gemological Institute Inc.	0.01
International Gemological Institute (India) Limited	0.52
International Gemmological Institute BV	0.01
Interest Expenses	
International Gemmological Institute BV	3.00
Loan Received	
International Gemmological Institute BV	17.36
Repayment of Loan	
International Gemmological Institute BV	29.18

C) Outstanding balances as at period end

Particulars	As at 30 September 2024
Employee related payables	
Robert Martha L Van Es	4.62
Trade receivable	
International Gemological Institute BV	0.79
International Gemological Institute (India) Limited	0.55
International Gemological Institute Inc.	0.05
Trade payable	
International Gemological Institute (India) Limited	4.04
International Gemmological Institute BV	8.54
Loan from related parties	
International Gemmological Institute BV	55.14
Interest payable	
International Gemmological Institute BV	5.25

(Amounts in INR millions, unless otherwise stated)

34 Financial instruments risk management objectives and policies

The Group is exposed primarily to market risk, credit risk and liquidity risk. The management of the Group oversees the management of these risks. The management advises on financial risks and the appropriate financial risk governance framework for the Group and also provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

(a) Market risk
Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Group income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt.

i) Interest rate risk
Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group has taken borrowings from related parties at a fixed interest rate, hence the Group is not exposed to the interest rate risk as there are no variable interest bearing borrowings/ investments.

ii) Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group’s exposure to the financial instruments dominated in foreign currency is very minimal, hence no major foreign currency risk exists.

iii) Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Group’s trade receivables, security deposits, bank balances, loans and other financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The gross carrying amounts of following financial assets represent the maximum credit risk exposure:

	As at 30 September 2024
Bank balances	0.39
Cash and cash equivalents	518.08
Security deposits	27.25
Other financial assets	9.80
	555.52

Balances with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks as approved by the Board of directors.

Based on assessment carried by the Group, entire receivable under this category is classified as "Stage 1". There is no history of loss and credit risk and the amount of provision for expected credit losses on other financial assets is negligible.

Trade receivables:
The Group applies the Ind AS 109 simplified approach for measuring expected credit losses which uses a lifetime expected loss allowance (ECL) for trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Group uses past data and experience based on Group's historical default rates to measure the ECL on trade receivables. Based on evaluation carried out and to the best estimate of management, historical loss sufficiently covers expected loss as well as future contingencies. Adjustment for forward looking factors are not considered significant, hence no adjustment for forward looking factors is made.

Computation of Allowance for impairment losses:
Specific provision: Entire trade receivables outstanding as at reporting period are assessed for specific provisioning. Items considered when determining allowance amounts include sustainability of the counterparty's business plan, its ability to improve performance once a financial difficulty has arisen, availability of other financial support and realizable value of collateral and timing of expected cash flows. The impairment losses are evaluated at the end of each reporting period, unless unforeseen circumstances require more careful attention. Specific provision may be required due to various reasons such as credit deterioration, etc. Trade receivable under specific provision case, are assessed individually. The impairment allowances is recognized to the extent of trade receivables not covered by fair value of collaterals.

Collective Provisions: ECL is computed based on the trade receivable as at reporting period minus specific provision by applying the bucket wise lifetime loss rate (PDs) determined for each reporting period.

The movement in provision for expected credit loss is as follows:

	As at 30 September 2024
Opening provision	16.03
Impairment loss recognized	1.88
Foreign exchange movement	0.20
Closing provision	**18.11**

(iii) Liquidity risk
Liquidity risk is the current and prospective risk arising out of an inability to meet financial commitments as they fall due, through available cash flows or through the sale of assets at fair market value. Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Group’s treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The management monitors the Group’s net liquidity position through forecasts on the basis of expected cash flows. Group has sufficient working capital to meets its financial commitments shown below.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	Within 1 year	1 to 3 years	More than 3 years	Total
As at 30 September 2024				
Borrowings	8.37	46.77	-	55.14
Lease liabilities	68.13	61.87	-	130.00
Trade payables	57.87	-	-	57.87
Other financial liabilities	78.47	-	-	78.47
	212.84	**108.64**	**-**	**321.48**

(Amounts in INR millions, unless otherwise stated)

(iv) Fair value measurement hierarchy
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The fair value of cash and cash equivalents, trade receivables, trade payables, loan, borrowings (current), other financial liabilities and other financial assets approximate their carrying amount largely due to short term nature of these instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security deposits and Borrowings (Non-current) are not significantly different from the carrying amount.

(v) Financial instruments by category

The carrying amounts of each of the categories of financial instruments as at 30 September 2024 are as follows:

	FVTPL	Amortized cost	FVTOCI	Total
Financial assets				
Non Current				
Other financial assets	-	22.84	-	22.84
Current				
Trade receivables	-	98.69	-	98.69
Cash and cash equivalents	-	518.08	-	518.08
Loans	-	-	-	-
Other bank balances		0.39	-	0.39
Other financial assets	-	14.21	-	14.21
	-	**654.21**	**-**	**654.21**
Financial Liabilities				
Non Current				
Borrowings	-	46.77	-	46.77
Lease liabilities	-	60.56	-	60.56
Current				
Borrowings	-	8.37	-	8.37
Lease liabilities	-	64.70	-	64.70
Trade payables	-	57.87	-	57.87
Other financial liabilities	-	78.47	-	78.47
	-	**316.74**	**-**	**316.74**

(Amounts in INR millions, unless otherwise stated)

35 Capital management

The Group's objectives when managing capital are to:
• safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
• Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity'. No changes were made in the objectives, policies or processes for managing capital during the reporting periods. There are no Debts taken by the Group. Therefore, Capital structure comprised of only equity as there are no external debts availed by Group.

Particulars	**As at 30 September 2024**
Interest bearing loans and borrowings	55.14
Less: Cash and Bank balances	(518.08)
Adjusted net debt	**(462.94)**
Total equity	**1,305.27**
Gearing ratio [Net debt/(total equity]	**-**

36 Contingent liabilities and Commitments

KS Trade LLC ("Complainant") has filed a complaint dated December 21, 2017 ("Complaint") against IGI International Gemmological Institute Inc. (IGI USA), International Gemological Institute DMCC (IGI UAE) (Subsidiary company) and International Gemmological Institute (India) Limited (collectively, "IGI Entities") and others (together with IGI Entities, "Defendants"), before the Supreme Court of the State of New York. The Complainant has demanded USD 0.75 million and alleged inter alia that the Defendants conspired to misrepresent the true value of diamonds by intentionally over-grading diamonds in IGI Entities' affiliated laboratories outside of New York, thereby allowing diamond dealers and wholesalers to re-sell diamonds at artificially inflated prices. It has also been alleged that IGI USA's grading standards differs substantially from those of other IGI Entities outside New York and it offers to over-grade diamonds in line with Other IGI Entities' grading standard for an illicit fee. The Group has refuted these allegations and has seeked mediation for speedy resolution of the matter. The matter is under mediation and the outcome is indeterminate as of now.

(Amounts in INR millions, unless otherwise stated)

37 Revenue from customers

(i) Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Particulars	For the nine months period ended 30 September 2024
Revenue from contract with customers:	
Sale of services	
Certification services	893.78
Educational courses	120.48
Gross revenue from contract with customers	1,014.26
Less: Consideration payable to customers	-
Net revenue from contract with customers	**1,014.26**
Geographical markets	
Netherlands	-
Outside Netherlands	1,014.26
Net revenue from contract with customers	**1,014.26**
Timing of revenue recognition	
Goods or services transferred at a point in time	893.78
Goods or Services transferred over time	120.48
Net revenue from contract with customers	**1,014.26**

(ii) Reconciling the amount of revenue recognized in the Statement of profit and loss with the contracted price:

Particulars	As at 30 September 2024
Revenue as per contracted price	1,017.32
Less: Rebate, discount and other adjustments	(3.06)
Revenue from contract with customers	**1,014.26**

(iii) Contract balances

a) The following table provides information about receivables, unbilled revenue and deferred revenue from contracts with customers:

	As at 30 September 2024
Trade Receivables	98.69

38 Segment reporting

The Group's business activity primarily falls within a single business segment based on the nature of activity involved, which is in line with the business risks attached with the segment having regard to the internal organization and management structure. The CODM reviews the Group's performance as a single business segment and not at any other disaggregated level. Hence, no separate financial disclosures provided in respect of its single business segment.

(i) Break up of revenue based on geographical segment

Particulars	For the nine months period ended 30 September 2024
Within Netherlands	-
Outside Netherlands	1,014.26
Total	**1,014.26**

(ii) The carrying amount of Non current operating assets by location of assets

Particulars	As at 30 September 2024
Within Netherlands	-
Outside Netherlands	1,128.21
Total	**1,128.21**

39 Subsequent events

There are no subsequent events after the end of reporting period which have impact on the Special Purpose Interim Consolidated Financial Statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No : 105047W

Ankush Agrawal
Partner
Membership No : 159694

Place: Mumbai
Date: 25 November 2024

For and on behalf of
IGI Netherlands B.V.

Rens Wilhelmus van Hoof
Director B

Place: Amsterdam
Date: 25 November 2024

Jan Sebastiaan Donner
Director B

Place: Amsterdam
Date: 25 November 2024

Tejas Deepak Naphade
Director A
DIN: 10219144

Place: Mumbai
Date: 25 November 2024

Chen-hua Fan
Director A

Place: Hongkong
Date: 25 November 2024

OTHER FINANCIAL INFORMATION

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars	As at and for the				
	Nine-months period ended September 30, 2024	Nine-months period ended September 30, 2023	Calendar Year ended December 31, 2023	Calendar Year ended December 31, 2022	Calendar Year ended December 31, 2021
Basic earnings per Equity Share (in ₹)	8.22	6.02	8.18	6.09	4.32
Diluted earnings per share (in ₹)	8.22	6.02	8.18	6.09	4.32
Return on Net Worth (%) (1)	56.59	60.50	76.58	83.13	74.39
Net Asset Value per Equity Share (in ₹) (2)	16.22	11.34	12.83	8.55	6.11
Restated profit from continuing operations after tax (in ₹ million)	3,260.60	2,386.94	3,247.38	2,417.58	1,715.30
EBITDA (in ₹ million) (3)	4,291.82	3,213.16	4,501.18	3,351.82	2,406.48
EBITDA Margin (%) (4)	71.97%	70.81%	70.49%	68.27%	65.99%

Notes:

(1) Return on Net Worth is our profit for the year/period, divided by the average net worth. Average net worth is the sum of opening and closing total equity divided by two.

(2) Net Asset Value per share represents net worth at the end of the year/period divided by the weighted average number of shares outstanding during the period/year.

(3) EBITDA is calculated as restated profit /(loss) for the period/year plus tax expense, finance cost, depreciation and amortization expenses less other income.

(4) EBITDA Margin is calculated as the percentage of EBITDA divided by revenue from operations.

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company for Calendar Years 2023, 2022 and 2021 ("**Audited Financial Statements**") are available on the website of our Company at https://investor.igi.org/shareholder-information/documents/. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of the Red Herring Prospectus; or (ii) this Prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements should not be considered as part of information that any investor should consider when subscribing for or purchasing any securities of our Company and should not be relied upon or used as a basis for any investment decision. None of our Company or any of its advisors, nor BRLMs or the Promoter Selling Shareholder, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from reliance placed on any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

Reconciliation of Non-GAAP Measures

Reconciliation for the various Non-GAAP Financial Measures included in this Prospectus are given below.

Reconciliation of EBITDA to our profit

Particulars	Post-Acquisition Group		Pre-Acquisition Group				
	For the nine-months period ended September 30, 2024	For the year ended December 31, 2023	For the nine-months period ended September 30, 2024	For the nine-months period ended September 30, 2023	For the year ended December 31, 2023	For the year ended December 31, 2022	For the year ended December 31, 2021
Restated profit for the period / year (A)	3,168.33	3,308.48	3,260.60	2,386.94	3,247.38	2,417.58	1,715.30
Add: Tax expense (B)	1,177.90	1,245.83	1,136.12	762.75	1,190.40	876.03	645.16
Add: Finance costs (C)	72.45	104.23	17.81	18.57	33.08	26.34	17.04
Add: Depreciation and amortization expenses (D)	311.56	418.59	108.64	99.27	131.64	115.25	124.95
Less: Other income (E)	313.10	117.11	231.35	54.37	101.32	83.38	95.97

Particulars	Post-Acquisition Group		Pre-Acquisition Group				
	For the nine-months period ended September 30, 2024	For the year ended December 31, 2023	For the nine-months period ended September 30, 2024	For the nine-months period ended September 30, 2023	For the year ended December 31, 2023	For the year ended December 31, 2022	For the year ended December 31, 2021
EBITDA (F) (F = A + B + C + D - E)	**4,417.14**	**4,960.02**	**4,291.82**	**3,213.16**	**4,501.18**	**3,351.82**	**2,406.48**
Revenue from Operations (G)	7,881.60	8,980.14	5,963.57	4,537.88	6,385.28	4,909.94	3,646.91
EBITDA Margin % (H) (H = F/G)	**56.04**	**55.23**	71.97	70.81	**70.49**	**68.27**	**65.99**

Reconciliation of net worth and Return on Net Worth

Particulars	Post-Acquisition Group		Pre-Acquisition Group				
	As at and for the nine-months period ended September 30, 2024	As at and for the year ended December 31, 2023	As at and for the nine-months period ended September 30, 2024	As at and for the nine-months period ended September 30, 2023	As at and for the year ended December 31, 2023	As at and for the year ended December 31, 2022	As at and for the year ended December 31, 2021
Restated profit for the period / year (A)	3,168.33	3,308.48	3,260.60	2,386.94	3,247.38	2,417.58	1,715.30
Opening total equity / net worth (B)	(5,798.44)	N.A.	5,090.09	3,390.73	3,390.73	2,425.89	2,186.03
Closing total equity / net worth (C)	**(4,508.05)**	**(5,798.44)**	**6,434.12**	**4,499.89**	**5,090.09**	**3,390.73**	**2,425.89**
Average net worth (D) (D = (B+C)/2)	(5,153.25)	N.A.	5,762.11	3,945.31	4,240.41	2,908.31	2,305.96
Return on Net Worth (E) (E = A/D)	**N.A.#**	N.A.	**56.59**	**60.50**	**76.58**	**83.13**	**74.39**

 # Since net worth is negative for the period/ year, Return on Net Worth is not derived here.

Reconciliation of Return on Capital Employed

Particulars	Post-Acquisition Group		Pre-Acquisition Group				
	As at and for the nine-months period ended September 30, 2024	As at and for the year ended December 31, 2023	As at and for the nine-months period ended September 30, 2024	As at and for the nine-months period ended September 30, 2023	As at and for the year ended December 31, 2023	As at and for the year ended December 31, 2022	As at and for the year ended December 31, 2021
Total equity (A)	(4,508.05)	(5,798.44)	**6,434.12**	**4,499.89**	5,090.09	3,390.73	2,425.89
Lease liabilities (non-current) (B)	1,187.08	1,287.72	211.24	242.19	227.30	211.00	127.14
Lease liabilities (current) (C)	220.79	217.78	79.65	82.52	79.13	56.05	36.09
Deferred tax liabilities (net) (D)	5.11	3.73	1.58	0.21	0.47	58.45	39.77
Capital employed (E) (E = A + B + C + D)	**(3,095.07)**	**(4,289.21)**	**6,726.59**	**4,824.82**	**5,396.99**	**3,716.23**	**2,628.89**

Restated profit for the period / year (F)	3,168.33	3,308.48	3,260.60	2,386.94	3,247.38	2,417.58	1,715.30
Add: Tax expense (G)	1,177.90	1,245.83	1,136.12	762.75	1,190.40	876.03	645.16
Add: Finance costs (H)	72.45	104.23	17.81	18.57	33.08	26.24	17.04
Less: Other income (I)	313.10	117.11	231.35	54.37	101.32	83.38	95.97
EBIT (J) (J = F + G + H - I)	**4,105.58**	**4,541.43**	**4,183.17**	**3,113.89**	**4,369.54**	**3,236.57**	**2,281.53**
Return on capital employed % (K) (K =J/D)	**N.A.#**	**N.A.#**	62.19*	64.54*	80.96	87.09	86.79

***Not annualized.**

 # Since capital employed is negative for the period/ year, return on capital employed is not derived.

Reconciliation of Net Asset Value per share

Particulars	Pre-Acquisition Group				
	As at and for the six-months period ended September 30, 2024	**As at and for the six-months period ended September 30, 2023**	**As at and for the year ended December 31, 2023**	**As at and for the year ended December 31, 2022**	**As at and for the year ended December 31, 2021**
Total equity / Net worth (A)	6,434.12	4,499.89	5,090.09	3,390.73	2,425.89
Weighted average number of equity shares (B)*	396,783,045	396,783,045	396,783,045	396,783,045	396,783,045
Net Asset Value (NAV) per share (C) (C = A/B)	**16.22**	**11.34**	**12.83**	**8.55**	**6.11**

*****1. *Pursuant to a resolution passed by our Board on April 25, 2024, and a resolution passed by our Shareholders on May 8, 2024, the issued, subscribed and paid-up capital of our Company was sub-divided from 394,809 equity shares of face value of ₹10 each to 1,974,045 equity shares of face value of ₹ 2 each. Sub-division of equity shares is retrospectively considered for the computation of net asset value (NAV) per share.*

2.Pursuant to a resolution passed by our Board on April 25, 2024 and a resolution passed by our Shareholders on May 21, 2024, the issuance of 394,809,000 equity shares equity shares of face value ₹2 each by way of a bonus issue in the ratio of 200 Equity Share for every one equity share of face value ₹2 each held, was approved, which were allotted on June 6, 2024. Such Equity Shares allotted pursuant to the bonus issue are retrospectively considered for the computation of Net Asset Value (NAV) per share.

Reconciliation of net working capital

Particulars	Post-Acquisition Group		Pre-Acquisition Group				
	As at and for the six-months period ended September 30, 2024	**As at and for the year ended December 31, 2023**	**As at and for the nine-months period ended September 30, 2024**	**As at and for the nine-months period ended September 30, 2023**	**As at and for the year ended December 31, 2023**	**As at and for the year ended December 31, 2022**	**As at and for the year ended December 31, 2021**
Current assets (A)	6,317.03	4,932.27	5,148.09	3,367.58	3,607.97	2,757.59	2,051.39
Less: Current liabilities (B)	14,900.20	14,667.59	998.04	576.10	639.67	386.29	564.58
Net working capital (C) (C = A – B)	**(8,583.17)**	**(9,735.32)**	**4,150.05**	**2,791.48**	**2,968.30**	**2,371.30**	**1,486.81**
Revenue from operations (D)	7,881.60	8,980.14	5,963.57	4,537.88	6,385.28	4909.94	3646.91
Net working capital as a % of revenue from operations (E) (E = C/D)	**(108.90)**	**(108.41)**	**69.59**	**61.52**	**46.49**	**48.30**	**40.77**

Days sales outstanding

Particulars	Post-Acquisition Group		Pre-Acquisition Group				
	As at and for the six-months period ended September 30, 2024	As at and for the year ended December 31, 2023	As at and for the nine-months period ended September 30, 2024	As at and for the nine-months period ended September 30, 2023	As at and for the year ended December 31, 2023	As at and for the year ended December 31, 2022	As at and for the year ended December 31, 2021
Opening Trade receivables (A)	1,254.98	901.15	1,077.90	630.54	630.54	341.16	273.03
Closing Trade receivables (B)	1,491.42	1,254.98	1,305.47	1,159.74	1,077.90	630.54	341.16
Average Trade receivables (C) (C = (A+B)/2)	**1,373.20**	**1,078.07**	**1,191.69**	**895.14**	**854.22**	**485.85**	**307.10**
Revenue from operations (D)	7,881.60	8,980.14	5,963.57	4,537.88	6,385.28	4,909.94	3,646.91
Number of days during period / year (E)	274	365	274	273	365	365	365
Daily revenue from operations (F) (F = D/E)	**28.76**	**24.60**	**21.76**	**16.62**	**17.49**	**13.45**	**9.99**
Days sales outstanding (in days) (G) (G = C/F)	**47.74**	**43.82**	**54.75**	**53.85**	**48.83**	**36.12**	**30.74**

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 ‘Related Party Disclosures’ for the nine-months period ended September 30, 2024, September 30, 2023 and for Calendar Years ended December, 2023, December 31, 2022 and December 31, 2021, and as reported in the Restated Financial Information, see “*Restated Financial Information –Notes to the Restated Financial Information – Note 36: Related party disclosures*” on page 258.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at the nine-months period ended September 30, 2024, on the basis of amounts derived from our Restated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "*Risk Factors*", "*Financial Information*", "*Other Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", on pages 32, 214, 502 and 508, respectively.

(₹ in million, unless otherwise stated)

Particulars	Pre-Offer as at September 30, 2024	Adjusted for the Offer*
Total borrowings		
Current borrowings**(A)**	-	-
Non-current borrowings (including current maturities)(**B**)	-	-
Total borrowings (C=A+B)	-	-
Total equity		
Equity share capital **(D)**	793.57	864.32
Other equity **(E)**	5,640.55	20,319.80^
Total equity (F=D+E)	6,434.12	21,184.12
Ratio: Non-current borrowings/ Total equity (B)/(F) (in times)	-	-
Ratio: Total borrowings/ Total equity (C)/(F) (in times)	-	-

* *Subject to finalization of Basis of Allotment.*

^*Excluding impact of expenses incurred towards the Offer.*

FINANCIAL INDEBTEDNESS

As on the date of this Prospectus, there are no outstanding borrowings of our Company, on a consolidated basis.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our Restated Financial Information as of and for the nine-months period ended September 30, 2024 and 2023, CY2023, CY2022 and CY2021, including the related annexures. Unless otherwise stated, this section has been prepared on the basis of the Restated Financial Information and relates to the historical financial performance of the Pre-Acquisition Group.

As used herein, references to the "Post-Acquisition Group" or "IGI" (including in the context of any pro forma financial information) refer to the IGI business globally, comprising our Company, our Subsidiary, the IGI Belgium Group and the IGI Netherlands Group, assuming the completion of the Proposed Acquisitions only. As used herein references to the "Pre-Acquisition Group" (including in the context of any financial information) are to the Company and our Subsidiary as of the date of this Prospectus and prior to the completion of the Proposed Acquisitions. References to "we", "our" or "us", as the context so requires, will be to our Pre-Acquisition Group or Post-Acquisition Group, as the case may be.

Our fiscal year ends on December 31 of each year, and references to a particular calendar year, or "Calendar Year" or "CY" are to the 12 months ended December 31 of that year, being our financial year. References to "FY" are to the year beginning on April 1 of the base year and continues until March 31 of the succeeding year. Unless otherwise indicated or the context requires otherwise, the financial information included herein for the nine-months period ended September 30, 2024 and CY2023, 2022 and 2021, is based on the Company's Restated Financial Information included in this Prospectus. For further information, see "Restated Financial Information" on page 214.

Unless otherwise indicated, industry and market data used in this section has been derived or extracted from the Redseer Report, which has been commissioned, and paid for, by us exclusively in connection with the Offer, pursuant to an engagement letter dated May 6, 2024, as no report is publicly available which provides a comprehensive industry analysis, particularly for our services, that is similar to the Redseer Report. The Redseer Report is available on the website of our Company at https://investor.igi.org/shareholder-information/documents/ from the date of this Prospectus until the Bid/Offer Closing Date and has also been included in "Material Contracts and Documents for Inspection – Material Documents" on page 598. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Redseer Report and included herein with respect to any particular year, refers to such information for the relevant year. See "Risk Factors – This Prospectus contains information from an industry report which we have commissioned and paid for from Redseer." on page 52. References to segments in "Industry Overview" beginning on page 113 and information derived from the Redseer Report are in accordance with the presentation, analysis and categorization in the Redseer Report. Some of the information set out in this section, especially information with respect to our business plans, the Proposed Acquisitions and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" beginning on page 29 for a discussion of the risks and uncertainties related to those statements and "Risk Factors" beginning on page 32 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward -looking statements.

Overview of the Pre-Acquisition Group

As used herein references to the "Pre-Acquisition Group" (including in the context of any financial information) are to our Company (or IGI India) and our Subsidiary as of the date of this Prospectus and prior to the completion of the Proposed Acquisitions. References to "we", "our" or "us", as the context so requires, will be to our Pre-Acquisition Group.

The Pre-Acquisition Group's primary business is the provision of services related to the certification and accreditation of natural diamonds, laboratory-grown diamonds, studded jewelry and colored stones as well as the offering of educational programs. The Pre-Acquisition Group is part of the International Gemmological Institute ("**IGI**") group, and is responsible for the operation of the business under the "IGI" brand exclusively in India and Türkiye. IGI is one of the established reputed certifiers in the global market, according to the Redseer Report (see page 143 of "*Industry Overview*"). See "*- Overview of the Post-Acquisition Group*" on page 511 for more information on IGI.

According to the Redseer Report (see page 128 of "*Industry Overview*"), in India, which is the world's largest center for cutting and polishing diamonds accounting for approximately 95% of the world's total polished diamonds in volume terms in CY2023, IGI India is the largest independent certification and accreditation services provider in India, holding approximately 50% market share in terms of number of certifications of diamonds, studded jewelry and colored stones for CY2023. According to the Redseer Report (see page 144 of "*Industry Overview*"), as of September 30, 2024, IGI India has the largest pan-India laboratory network among its global peers for grading lab-grown diamonds. As of September 30, 2024, the Pre-Acquisition Group has 19 IGI laboratories in India and 1 IGI laboratory in Türkiye which perform certification services.

The key services/offerings of the Pre-Acquisition Group are as follows:

- **Comprehensive diamond grading**, including issuing reports assessing the 4Cs (cut, color, clarity, and carat weight) of natural and laboratory-grown diamonds, along with additional information such as fluorescence and symmetry. We also provide screening and sorting services, if required by our customers.

- **Evaluating the quality and authenticity of colored stones**, including rubies, sapphires, emeralds, and other precious and semi-precious stones, and issuing grading reports detailing their characteristics.
- **Grading and assessment of finished jewelry pieces**, including assessing the quality of diamonds, colored stones, craftsmanship, such as mounting and symmetry, and overall value.
- **Conducting educational programs and courses** in gemology, diamond grading, jewelry design, and related subjects for professionals and enthusiasts in the diamonds, studded jewelry and colored stones industry. Our certification and accreditation business benefits from a foundation in education offered through our gemology education institution, the IGI Schools of Gemology, where we leverage educating the industry on the importance of diamonds, studded jewelry and colored stones certifications and the terminology used in the industry as a precursor to demand for our certification business.

The following diagram illustrates the revenue segments of the Pre-Acquisition Group for CY2023:

According to the Redseer Report (see page 144 of "*Industry Overview*"), IGI India was the first to provide certification and accreditation services among our global peers in 1999 and was the first international laboratory for diamonds, studded jewelry and colored stones certification to be established. We have built customer relationships over the years, by focusing on service quality and full-service offering across all types of diamonds, studded jewelry and colored stones certification and accreditation. Throughout this journey, we have aimed to provide our services with quality, accuracy, and integrity. The Pre-Acquisition Group has a diversified customer base spanning across the value chain of the diamonds, studded jewelry and colored stones industry. According to the Redseer Report (see page 144 of "*Industry Overview*"), as the largest certification services provider for laboratory-grown diamonds in India, IGI India serves more than 5 Indian growers of laboratory-grown diamonds with over ₹1,000 million of revenue for FY2023. As per the Redseer Report (see page 144 of "*Industry Overview*"), IGI India also served 9 out of the top 10 jewelry chains in India by revenue for FY2024.

Over the years, we have further strengthened our relationships with our customers and stakeholders through various initiatives such as introducing co-branded reports, in-factory laboratory set-ups, mobile laboratory set-ups, and continually expanding our suite of certification and accreditation services. For example, in 2021, our Company launched in-factory laboratory set-ups for laboratory-grown diamond growers in India to deliver on-site certification services to our customers to provide a more convenient option to fulfil their certification needs.

Our ability to attract and retain our talent has been key to our market position in the diamonds, studded jewelry and colored stones industry in India. Our network of 20 laboratories and 9 schools under the Pre-Acquisition Group is supported by 843 employees, including 316 gemologists and other professionals in research, education, and certification processes as of September 30, 2024. The gemologists under the Pre-Acquisition Group have an average tenure of 6.24 years with us as of September 30, 2024. Our focus on innovation is supported by our gemologists and research personnel who endeavour to stay up-to-date with advancements in gemology and by engaging in workshops, seminars, and educational programs in the diamonds, studded jewelry and colored stones industry held around the world.

We are led by a diverse and experienced management team, many of whom have been instrumental in shaping our Company's trajectory for decades, and we benefit from their extensive industry knowledge and leadership. Our Managing Director and Chief Executive Officer, Tehmasp Nariman Printer, has been with us for 25 years and has been instrumental in establishing and expanding our Company in India. He has been awarded '*Outstanding Zarathushti Professional of the Year – 2023*' by W.Z.C.C and '*GJTCI Excellence Award*' under '*Excellence in Laboratory Services*' by Gem & Jewellery Trade Council of India at GJTCI Excellence Awards, Second Edition, 2014.

Since May 2023, BCP Asia II TopCo Pte. Ltd., which is our Promoter, and is an affiliate of funds managed and/or advised by affiliates of Blackstone, currently holds 100.00% of our pre-Offer issued, subscribed and paid-up Equity Share capital. We benefit from the resources, relationships and experience of Blackstone, which is the world's largest alternative asset manager based on assets under management of US$1,107.63 billion as at September 30, 2024, according to the Redseer Report (see page 145 of "*Industry Overview*"). Blackstone's assets under management include global investment strategies focused on real estate, private equity, infrastructure, life sciences, growth equity, credit, real assets, secondaries and hedge funds.

Our business model has enabled the Pre-Acquisition Group to deliver a demonstrated track record of growth and profitability. For the nine-months period ended September 30, 2024 and 2023, and for CY2023, 2022 and 2021, revenue from operations of the Pre-Acquisition Group was ₹5,963.57 million, ₹4,537.88 million, ₹6,385.28 million, ₹4,909.94 million and ₹3,646.91 million, respectively, representing a CAGR of 32.32% from CY2021 to CY2023. For the nine-months period ended September 30, 2024 and 2023, and for CY2023, 2022 and 2021, EBITDA margin of the Pre-Acquisition Group was 71.97%, 70.81%, 70.49%, 68.27% and 65.99%, respectively and the profit after tax margins of the Pre-Acquisition Group was 54.68%, 52.60%, 50.86%, 49.24% and 47.03%, respectively. The Pre-Acquisition Group is also net cash positive as of September 30, 2024 and December 31, 2023, 2022 and 2021.

Overview of the Post-Acquisition Group

The following sets forth an overview of the Post-Acquisition Group. As used herein, references to the "Post-Acquisition Group" or "IGI" (including in the context of any pro forma financial information) refer to the IGI business globally, comprising our Company, our Subsidiary, the IGI Belgium Group and the IGI Netherlands Group, assuming the completion of the Proposed Acquisitions. References to "we", "our" or "us", as the context so requires, will be to our Pre-Acquisition Group.

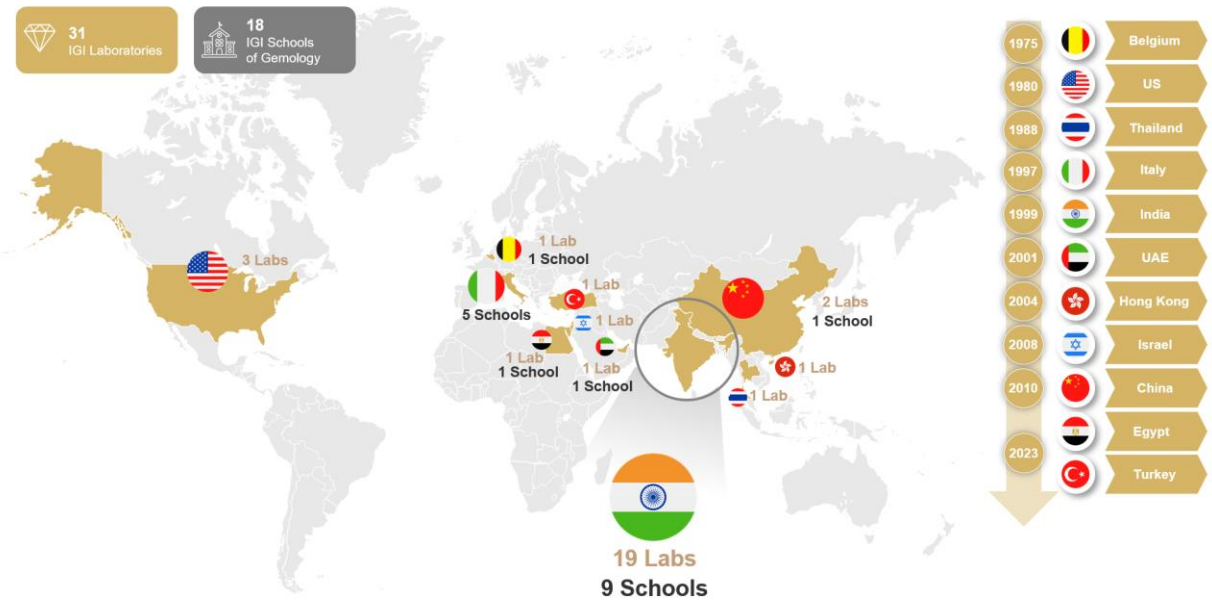
IGI is the world's second largest independent certification and accreditation services provider based on revenue for CY2023 among global peers for diamonds, studded jewelry and colored stones certifications, with a global market share of approximately 33%, based on the number of certifications of diamonds, studded jewelry and colored stones performed in CY2023, according to the Redseer Report (see page 144 of "*Industry Overview*"). IGI is one of the established reputed certifiers in the global market, according to the Redseer Report (see page 143 of "*Industry Overview*"). For the certification and accreditation of laboratory-grown diamonds, which according to the Redseer Report (see page 145 of "*Industry Overview*") is the fastest growing sub-segment within the overall jewelry market with a CAGR of approximately 19% from CY2019 to CY2023, IGI is the global leader with approximately 65% of the market share based on the number of certifications for CY2023. According to the Redseer Report (see page 141 of "*Industry Overview*"), IGI also has a global market share of approximately 42% in terms of the number of certifications of studded jewelry in CY2023.

According to the Redseer Report (see page 145 of "*Industry Overview*"), IGI is one of three players that offer a full stack of comprehensive offerings among our global peers, covering grading and classification services across different stone types.

IGI's operations first started in Belgium in 1975 through the establishment of IGI Belgium, and as of September 30, 2024, IGI has a global network of 31 branches which are equipped with IGI laboratories across 10 countries and 18 schools of gemology across 6 countries. As per the Redseer Report (see page 144 of "*Industry Overview*"), IGI has the largest number of laboratories globally and the largest number of schools established, among our global peers, as of September 30, 2024. According to the Redseer Report (see page 140 of "*Industry Overview*"), in 1980, IGI USA was the first to issue jewelry identification reports among its global peers. According to the Redseer Report (see page 138 of "*Industry Overview*"), in CY2005, IGI was also the first among our global peers to issue certification reports for laboratory-grown diamonds globally.

As of September 30, 2024, IGI had over 7,500 customers located across 10 countries, including laboratory-grown diamonds growers, natural diamond and colored stone wholesalers, jewelry manufacturers and retailers. IGI has developed multi-year relationships with many brands and retailers, including international jewelry brands and retailers.

The following map sets out the geographical locations of IGI's branches (which are equipped with IGI laboratories) and our IGI Schools of Gemology, as of September 30, 2024:



IGI's certification business is conducted through its global network of 31 branches as of September 30, 2024 which are equipped with IGI laboratories located across 10 countries, including in key markets such as Surat and Mumbai in India, Antwerp, Belgium, New York, USA, Bangkok, Thailand, Dubai, UAE, Hong Kong and Shanghai, the PRC, among other cities. IGI's global presence allows it to serve customers across geographies and assists in providing timely and accessible services.

IGI's laboratories are equipped with gemological instruments and technologies, some of which are developed by in-house. Our investments in innovation through the adoption of new technologies have sought to improve efficiencies during the grading processes. Additionally, in 2018, IGI introduced the Dcheck System that enables us to differentiate between laboratory-grown diamonds and natural diamonds in loose as well as in mounted condition, and includes advanced features and attachments for bangles and bracelets as well as live screens to enable identification of accurate markings and separations of the diamonds.

To support our laboratory-based services, IGI offers digital solutions through our online platforms including IGI's website and application programming interface ("**API**"), for customers and their end-consumers to access their respective grading reports. These are accessible through a QR code in our grading reports and also allows our customers to track the status of their submissions. We also conduct research and development activities through our in-house research and development team in gemology and related fields to advance knowledge and understanding of diamonds and colored stones, their characteristics, treatments, and identification methods. Certain research and development activities are complementary to the key services we offer customers and allow us to improve and enhance our service offerings.

IGI's global education platform, the IGI Schools of Gemology, enables us to promote the IGI brand, raise awareness about the need for certification in the diamonds, studded jewelry and colored stones industry, and helps upskill industry professionals. We provide a range of courses spanning the study of polished and rough diamonds, colored stone grading, jewelry design and retail support courses along with a graduate gemologist diploma (IGI, G.G.). Through our IGI Schools of Gemology, we aim to create partnerships with our customers by providing courses to help train their employees, enabling us to further establish our relationships with them. Our IGI Schools of Gemology also serves as a recruitment platform where we can source and recruit new talent who complete courses with us to work in our laboratories.

The following table sets forth the metrics of the Pre-Acquisition Group as derived from the Restated Financial Information and the Post-Acquisition Group as derived from the Unaudited Pro Forma Condensed Combined Financial Information, as at and for the years/periods indicated:

	Post-Acquisition Group		**Pre-Acquisition Group**					
Particulars	**As at/for the nine-months period ended September 30,**	**As at/ for Year Ended December 31,**	**As at/for the nine-months period ended September 30,**		**As at/ for Calendar Year Ended December 31,**			**CAGR (CY2021 to CY2023)***
	2024	**2023**	**2024**	**2023**	**2023**	**2022**	**2021**	
Financial metrics								
Revenue from operations *(in ₹ millions)*	7,881.60	8,980.14	5,963.57	4,537.88	6,385.28	4,909.94	3,646.91	32.32%

Particulars	Post-Acquisition Group		Pre-Acquisition Group					
	As at/for the nine-months period ended September 30,	As at/ for Year Ended December 31,	As at/for the nine-months period ended September 30,		As at/ for Calendar Year Ended December 31,			CAGR (CY2021 to CY2023)*
	2024	2023	2024	2023	2023	2022	2021	
Revenue from Certification Services *(in ₹ millions)*	7,633.24	8,631.57	5,856.58	4,410.59	6,206.82	4,777.44	3,574.30	31.78%
Natural diamonds *(in ₹ millions)*	1,411.38	1,662.18	1,157.49	930.31	1,224.16	1,221.39	1,183.51	1.70%
Laboratory-grown diamonds *(in ₹ millions)*	4,072.04	4,128.27	3,515.52	2,337.91	3,338.65	2,049.88	1,286.73	61.08%
Studded jewelry and colored stones *(in ₹ millions)*	2,149.82	2,841.12	1,183.57	1,142.37	1,644.00	1,506.17	1,104.06	22.03%
Revenue from Education *(in ₹ millions)*	189.18	227.93	36.99	45.42	53.59	38.73	24.71	47.28%
Revenue from Others(1) *(in ₹ millions)*	59.18	120.64	70.00	81.87	124.87	93.77	47.90	61.46%
EBITDA(2) *(in ₹ millions)*	4,417.14	4,960.02	4,291.82	3,213.16	4,501.18	3,351.82	2,406.48	36.76%
EBITDA margin(3) *(%)*	56.04	55.23	71.97	70.81	70.49	68.27	65.99	3.36%
Profit before tax *(in ₹ millions)*	4,346.23	4,554.31	4,396.72	3,149.69	4,437.78	3,293.61	2,360.46	37.11%
Profit before tax margin(4) *(%)*	55.14	50.72	73.73	69.41	69.50	67.08	64.73	3.62%
Profit after tax *(in ₹ millions)*	3,168.33	3,308.48	3,260.60	2,386.94	3,247.38	2,417.58	1,715.30	37.59%
Profit after tax margin(5) *(%)*	40.20	36.84	54.68	52.60	50.86	49.24	47.03	3.98%
Days Sales Outstanding(6) (in days)	47.74	43.82	54.75	53.85	48.83	36.12	30.74	-
Net working capital(7)	(8,583.17)	(9,735.32)	4,150.05	2,791.48	2,968.30	2,371.30	1,486.81	41.30%
Net working capital as a percentage of revenue from operations(8) (%)	(108.90)	(108.41)	69.59	61.52	46.49	48.30	40.77	-
Return on Net Worth (%)(9)	N.A.	N.A.	56.59	60.50	76.58	83.13	74.39	-
Return on Capital Employed (%)(10)	N.A.	N.A.	62.19	64.54	80.96	87.09	86.79	-
Operational metrics								
Number of IGI laboratories(11)	31	31	20	20	20	19	16	-
Number of schools(12)	18	18	9	9	9	8	8	-
Number of reports (in millions)(13)	7.72	8.39	6.86	5.17	7.21	5.87	4.29	29.64%

**Compound Annual Growth Rate of the Pre-Acquisition Group from CY2021 to CY2023.*
Notes:

(1) *Others comprise revenue from contracts with customers from the sale of traded goods and other operating revenue from advertisement and show income and commission income (exports).*
(2) *EBITDA is calculated as the restated profit /(loss) for the period/year plus tax expense, finance cost, depreciation and amortization expenses less other income. EBITDA is a non-GAAP measure. For a reconciliation of EBITDA to our Restated Financial Information or Unaudited Pro Forma Condensed Combined Financial Information, see "Other Financial Information – Reconciliation of Non-GAAP Measures" on page 502.*
(3) *EBITDA margin is calculated as our EBITDA divided by our revenue from operations. EBITDA margin is a non-GAAP measure. For a reconciliation of EBITDA margin to our Restated Financial Information or Unaudited Pro Forma Condensed Combined Financial Information, see "Other Financial Information – Reconciliation of Non-GAAP Measures" on page 502.*
(4) *Profit before tax margin is calculated as our profit before tax divided by our revenue from operations.*
(5) *Profit after tax margin is calculated as our profit after tax divided by our revenue from operations.*
(6) *Days Sales Outstanding calculates the average number of days it takes to collect payment after making a sale, by multiplying the average trade receivables by 365 (in the case of CY2021 to CY2023) and by 274 (in the case of the nine-months period ending September 30, 2024), and dividing by the revenue from operations for the year/period. Average trade receivables is calculated as the sum of our opening trade receivables and closing trade receivables for the year/period, divided by 2. Days Sales Outstanding is a non-GAAP measure. For a reconciliation of Days Sales Outstanding to our Restated Financial Information or Unaudited Pro Forma Condensed Combined Financial Information, see "Other Financial Information – Reconciliation of Non-GAAP Measures" on page 502.*
(7) *Net working capital is calculated as current assets minus current liabilities. Net working capital is a non-GAAP measure. For a reconciliation of net working capital to our Restated Financial Information or Unaudited Pro Forma Condensed Combined Financial Information, see "Other Financial Information – Reconciliation of Non-GAAP Measures" on page 502.*
(8) *Net working capital as a percentage of revenue from operations is calculated as our net working capital divided by our revenue for operations. Net working capital as a percentage of sales is a non-GAAP measure. For a reconciliation of net working capital as a percentage of revenue from operations to our Restated Financial Information or Unaudited Pro Forma Condensed Combined Financial Information, see "Other Financial Information – Reconciliation of Non-GAAP Measures" on page 502.*
(9) *Return on net worth is our profit for the year/period, divided by the average net worth. Average net worth is calculated as the sum of the opening total equity and the closing total equity, divided by 2. Return on net worth is a non-GAAP measure. For a reconciliation of return on net worth as a percentage of revenue from operations to our Restated Financial Information or Unaudited Pro Forma Condensed Combined Financial Information, see "Other Financial Information – Reconciliation of Non-GAAP Measures" on page 502.*
(10) *Return on capital employed is calculated as EBIT divided by the capital employed for the year/period. EBIT is calculated as the sum of restated profit, tax expenses and finance costs less other income. EBIT and return on capital employed are non-GAAP measures. For a reconciliation of EBIT and return on capital employed to our Restated Financial Information or Unaudited Pro Forma Condensed Combined Financial Information, see "Other Financial Information – Reconciliation of Non-GAAP Measures" on page 502.*
(11) *Refers to the number of IGI laboratories located in the branches of the Pre-Acquisition Group or Post-Acquisition Group (as the case may be), as at period/year end, excluding in-factory laboratory set-ups and mobile laboratory set-ups.*
(12) *Refers to the number of IGI Schools of Gemology of the Pre-Acquisition Group or Post-Acquisition Group (as the case may be), as at end of the period/ year.*
(13) *Refers to the number of certification reports issued by the Pre-Acquisition Group or Post-Acquisition Group (as the case may be) for the period/ year.*

Factors Affecting Our Results of Operations and Financial Condition

Macro-economic conditions and factors affecting the industries in which our customers operate, including prices of diamonds, studded jewelry and colored stones

We derive substantially all of our revenue from our certification of natural diamonds, laboratory-grown diamonds, studded jewelry and colored stones. For the nine-months period ended September 30, 2024 and 2023, and CY2023, 2022 and 2021, the revenue of the Pre-Acquisition Group from certification services was 98.21%, 97.20%, 97.21%, 97.30% and 98.01% of our total revenue from operations, respectively. Similarly, the IGI Belgium Group and the IGI Netherlands Group also derive substantially all of their revenue from such certification services. As such, our revenue is substantially dependent on the overall performance of the diamonds, studded jewelry and colored stones industry.

to the Redseer Report (see page 146 of "*Industry Overview*"), fluctuations in diamond prices, influenced by factors like supply, demand, and economic conditions, can impact the demand for certification services, and during periods of low prices, demand for certification may decrease as traders and retailers become more price-sensitive. Any increase in demand for diamonds, studded jewelry and colored stones would result in an increase in demand for our certification services. Conversely, any adverse developments in these industries which our customers operate in could result in a shift in the demand for diamonds, studded jewelry and colored stones and a decrease in demand for certification and grading, which would have an adverse effect on our revenue and operational efficiencies. Additionally, the prices we are able to charge for our certification services are dependent on the prices of diamonds, studded jewelry and colored stones, which affects our revenues and profitability. We do not enter into long-term agreements with our customers. Any reduction in the prices of such stones could adversely affect the profit margins of our customers, and result in pricing pressures on us to reduce the prices of our certification services. In particular, as per the Redseer Report (see page 129 of "*Industry Overview*"), laboratory-grown diamond per carat retail prices have seen a price decline by 65% from CY2016 to CY2020 and by approximately 37% from CY2020 to CY2023. Any decrease in the price of laboratory-grown diamonds could also cause our customers and end-consumers to reconsider the necessity of our certification services, which often helps to validate the value or resale value of a laboratory-grown diamond. Additionally, the availability of natural diamonds is significantly influenced by the political situation in diamond producing countries and by the Kimberley Process. Macro-economic conditions such as the sanctions and import restrictions on diamonds that are mined, processed or produced in Russia following the Russia-Ukraine conflict have also adversely affected the supply of natural diamonds. According to the Redseer Report (see page 126 of "*Industry Overview*"), approximately 35% of the world's rough diamonds are of Russian origin in CY2022 and international sanctions due to the Russia-Ukraine war limiting or prohibiting the importation of Russian diamonds could negatively affect the worldwide supply of natural diamonds. A reduction in the supply of natural diamonds could result in increased prices for rough diamonds, resulting in increased costs and potentially lower margins for many of our customers, particularly jewellery brands and jewellery retailers, which could have a negative impact on the price and demand of our certification services.

Customers and customer mix

Our customer base spans across the value chain of the diamonds, studded jewelry and colored stones industry, comprising laboratory-grown diamonds growers, diamond and colored stone wholesalers, jewelry manufacturers, retailers and end-consumers. Revenue from the certification business of the Pre-Acquisition Group has increased to ₹5,856.58 million in the nine-months period ended September 30, 2024 from ₹4,410.59 million in the nine-months period ended September 30, 2023, and to ₹6.206.82 million in CY2023, from ₹4,777.44 million in CY2022 and ₹3,574.30 million in CY2021, primarily attributable to the increase in the sales volumes. The number of reports of the Pre-Acquisition Group was 6.86 million, 7.21 million, 5.87 million and 4.29 million for the nine-months period ended September 30, 2024 and in CY2023, CY2022 and CY2021, respectively. This increase was driven by the growth of the loose stones and studded jewelry certification market, of which, the certification and accreditation of laboratory-grown diamonds was the fastest growing sub-segment with a CAGR of approximately 19% in value from CY2019 to CY2023, as per the Redseer Report (see page 145 of "*Industry Overview*"). The Pre-Acquisition Group relied on certain significant customers for a substantial portion of revenue for the last three Calendar Years. The top 15 customers accounted for 51.45%, 48.70%, 46.46%, 38.98% and 29.01% of the revenue of the Pre-Acquisition Group for the nine-months period ended September 30, 2024 and 2023, and CY2023, CY2022 and CY2021, respectively. Consequently, the loss of any of our key customers or a reduction in the amount of business we obtain from them could have a significant impact on our revenue and sales volumes, and adversely affect our results of operations.

Further, revenue from the certification of laboratory-grown diamonds has increased to 52.29%, 41.75% and 35.28% of total revenue from operations of the Pre-Acquisition Group for CY2023, CY2022 and CY2021. Additionally, revenue from the certification of laboratory-grown diamonds increased to 58.95% for the nine-months period ended September 30, 2024 from 51.52% for the nine-months period ended September 30, 2023. Accordingly, the mix of customers of the Pre-Acquisition Group has changed over time, with laboratory-grown diamond growers gaining increasing significance as compared to our other customers, as well as changes between services utilized by different laboratory-grown diamond growers from one financial period to the next. The volumes required by such customers may also fluctuate depending on their requirements from one financial period to the next, and any decrease in volume by these customers could have an adverse impact on our revenue and profitability.

Acquisition of IGI Belgium and IGI Netherlands and expanding our global operations

As of the date of this Prospectus, our Company, which is held by our Promoter, is responsible for the operation of the IGI business in India and Türkiye. Our Promoter is also the 100% shareholder of the IGI Belgium and IGI Netherlands, which, together with their respective subsidiaries, are responsible for the operation of the IGI business outside of India, including Netherlands, Belgium, UAE, Egypt, Israel, Thailand, Hong Kong, PRC and United States. As part of our proposed restructuring, our Company intends to utilize a portion of the Net Proceeds towards acquiring 100% of the shareholding held by the Promoter of the IGI Belgium Group and IGI Netherlands Group. Following the completion of the Proposed Acquisitions, our Company will become the sole shareholder of IGI Belgium and IGI Netherlands, and will be responsible for the operation of the IGI business globally. As such, the performance of the business of the Post-Acquisition Group will be subject to the legal, regulatory, economic, social and political conditions of each of the countries in which the Post-Acquisition Group operates. Further, following the completion of the Proposed Acquisitions, we may also continue to expand our global laboratory network in different countries. See "*Proposed Acquisitions*" on page 147 for further details on the Proposed Acquisitions. See "*Unaudited Pro Forma Condensed Combined Financial Information*" on page 268 for the Unaudited Pro Forma Condensed Combined Financial Information which shows the impact of the Proposed Acquisitions, as if they had been consummated on January 1, 2023.

Operating across different countries exposes us to a variety of market dynamics, including customer preferences and varying levels of competition in each geography from well-entrenched local players or other global firms, which may affect our ability to increase our market share and pricing strategies in these geographies. For any new geographies that we choose to expand into, we may also be required to commit additional resources to establish brand recognition, which could cause our business promotion expenses to increase. Such expenses may not be effective in increasing our market share, and our revenue and profitability could be adversely affected.

Reputation of our brand

The demand for our certification services and education programs offered through our IGI School of Gemology depends significantly on the strength and reputation of our brand. According to the Redseer Report (see page 143 of "*Industry Overview*"), with a legacy of approximately 50 years, IGI is one of the established reputed certifier in the global market. Brand reputation is a significant differentiator in a competitive market as a certification report by a reputable provider carries more value and credibility. As such, our strong brand reputation is our key competitive advantage, as it enables us to attract new customers and fosters loyalty among existing clients, contributing to repeat business and referrals, thereby enabling us to increase our market share and revenues. Any adverse impact on our reputation, including negative publicity, regardless of their merits, could erode the trust and confidence of our customers in the credibility of our certification services, and materially and adversely impact our revenues.

Additionally, our commitment to innovation has also contributed to the strong brand reputation we have built over the years. Since the founding of the business in 1975, IGI has advanced various technical and industry practices in the diamond, studded jewelry and colored stone certification segment, according to the Redseer Report (see page 140 of "*Industry Overview*"). For instance, according to the Redseer Report (see page 140 of "*Industry Overview*"), IGI USA was the first to issue jewelry identification reports among its global peers in 1980. Our success therefore depends largely on our ability to anticipate and gauge changing consumer preferences and trends in a timely manner, and introduce new product or service offerings to meet the demands of our customers and their end-consumers. There can be no assurance that our efforts will be successful, and if our new initiatives fail to gain market acceptance or if we fail to cater changing customer preferences our brand image and revenues could be adversely affecteded.

Our laboratory operations

Our results of operations are directly affected by the volume of reports we are able to generate at our laboratories. For the nine-months period ended September 30, 2024 and CY2023, CY2022 and CY2021, the Pre-Acquisition Group generated 6.86 million, 7.21 million, 5.87 million and 4.29 million reports, respectively. Our laboratory operations are also dependent on our ability to attract and retain our gemmologists, including through offering competitive salaries, wages and bonus. The following table sets forth the employee benefits expenses of the Pre-Acquisition Group, which comprised salaries, wages and bonus, contribution to provident and other funds and staff welfare, for the periods indicated:

Particulars	For the nine-months period ended September 30,				For the Calendar Year ended December 31,					
	2024		2023		2023		2022		2021	
	(₹ in millions)	(% of Total Expenses)	(₹ in millions)	(% of Total Expenses)	(₹ in millions)	(% of Total Expenses)	(₹ in millions)	(% of Total Expenses)	(₹ in millions)	(% of Total Expenses)
Employee benefits expenses	840.60	46.75%	708.88	49.14%	970.91	47.39%	876.33	51.56%	735.21	53.18%

We expect to continue incurring employee benefit expenses, including for our gemologists, in line with the growth of our operations.

We perform our services primarily through (1) IGI laboratories that are located within close proximity to the locations of our customers, (2) in-factory set-ups which are located within the premises of our laboratory-grown diamond grower customers and are integrated with their business processes and (3) mobile set-ups which deliver onsite services for jewelry manufacturers.

The expansion of our business in new and existing geographies is dependent on our ability to increase our network of laboratories. We strategically position our IGI laboratories within close proximity to the locations of our customers, to minimize the time required to deliver the diamond, colored stone or studded jewelry to and from our customers' premises. For instance, in India, some of our IGI laboratories are located in the states of Gujarat and Maharashtra, which are diamond manufacturing and trading hubs in India. Surat, a city in the state of Gujarat, has been a diamond trading center for several decades and is the primary hub of cutting and polishing diamonds, and Mumbai, the capital city of Maharashtra, is where Bharat Diamond Bourse, the world's largest diamond bourse by area in CY2022 is located, as per the Redseer Report (see page 144 of "*Industry Overview*"). We are also in the process of commissioning a new 214,159 sq. ft. facility in Surat, India, to support our ability to cater to the rising demand in the certification services industry. If we are unsuccessful in identifying strategic locations where there is high demand for certification services to expand our laboratory network or if we fail to manage our costs associated with the expansion of IGI laboratories, this may lead to operational and financial inefficiencies, and adversely affect our profitability. Additionally, we also conduct our certification services through in-factory laboratory set-ups, which are located within the factories of our laboratory-diamond grower customers. As gemologists are required to be situated on-site at our customers' premises, if the business volumes generated by such laboratory-diamond grower customers decreases, this could result in a decrease in revenues from these in-factory laboratory set-ups.

Competition

As per the Redseer Report (see page 143 of "*Industry Overview*"), the diamonds, studded jewelry and colored stones certification market exhibits oligopolistic characteristics and is dominated by a few players, primarily due to the need to build up a strong reputation and credibility, alongside the requirement for specialized expertise and advanced equipment. We face competition from other major global players, namely Gemological Institute of America (GIA) and Hoge Raad Voor Diamant (HRD) Antwerp, as well as global players who have recently emerged in the 2000s including Gemological Science International (GSI) and Solitaire Gemmological Laboratories (SGL) as well as a few local and regional players, as per the Redseer Report (see page 137 of "*Industry Overview*"). Competition may be based on many factors, including quality and reliability, turnaround time, technological capabilities, price and brand recognition. Some of our competitors may possess a more established brand presence and a longer history of operations in certain geographies compared to us, which could enhance the perceived value of their certifications and make it challenging for us to expand our market share and increase our revenues in these geographies.

If our competitors are able to offer their certification services at lower price points, or provide a shorter turnaround time, at equivalent or in some cases even reduced effort and better efficiency, we may lose our customers and new business opportunities, leading to a decrease in revenue. Some of our competitors who wish to increase their market share may also undercut our prices, which may place pressures on us to adjust our pricing strategies in response to customer pressures and to maintain our market share. Our competitors may have lower cost structures or greater financial, technical and/ or marketing resources than us. If we are unable to adjust our pricing model to remain competitive, by increasing our sales volumes and lowering our expenses to offset any decreases in our pricing, our profitability will be adversely affected. Further, we may also need to increase spending on marketing, advertising and new product innovation to protect existing market share or increase market share, and there is no assurance that we will be successful in doing so. As a result, our increased expenditures may not maintain or enhance market share and could result in lower revenue and profitability.

Fluctuations in exchange rates

The financial statements of the Pre-Acquisition Group are presented in Indian Rupees. As the services of the Post-Acquisition Group are offered to customers located outside of India, a portion of business transactions of the Post-Acquisition Group will be denominated in foreign currencies following the completion of the Proposed Acquisitions, particularly the currencies of the countries in which they operate in, such as the Euro and U.S. Dollar. As we do not manage our foreign currency exposure in a manner which eliminates the effects of changes in foreign exchange rates, the financial performance and results of operations of the Post-Acquisition Group will be positively or negatively impacted by changes in foreign exchange rates in any given reporting period, and such changes could be significant.

Government regulation

Regulatory and policy changes may adversely affect our business, financial condition, results of operations and prospects to the extent that we are unable to suitably respond to, and comply with, any changes in applicable law and policy. The Central or State Governments in India or any other governments in the existing countries in which we operate in and new countries to which we plan to expand in the future, may, from time to time, may implement new regulations and policies which may require us to obtain additional approvals and licenses or may impose onerous requirements and conditions on our operations. For details of the regulations and policies currently applicable to our Company in jurisdictions in which we operate, see "*Key Regulations and Policies"* on page 188. Further, there can be no assurance that we will be able to comply with such revised regulations in a timely manner or at all, which may subject us to increased compliance costs and regulatory action, including payment of penalties.

As we expand into new geographies, we may face additional compliance and regulatory requirements which can introduce additional complexities and costs to operations. In addition, changes in tax regulation and international tax treaties could significantly reduce our financial performance and operations outside of India or the magnitude of their contributions to our overall financial performance.

Significant Accounting Judgements, Estimates and Assumptions

The preparation of Restated Financial Information in conformity with Ind AS requires management, where necessary, to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon likely timing and level of future taxable profits, together with future tax planning strategies.

Provision for expected credit losses of trade receivables and contract assets

The Pre-Acquisition Group uses past data and experience based on historical default rates to measure the expected credit loss on trade receivables. Based on evaluation carried out and to the best estimate of management, historical loss sufficiently covers expected loss as well as future contingencies. Adjustment for forward looking factors are not considered significant, hence no adjustment for forward looking factors is made.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded, cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Leases – Estimating the incremental borrowing rate

The Pre-Acquisition Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Pre-Acquisition Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Pre-Acquisition Group 'would have to pay', which requires estimation when no observable rates are available. The Pre-Acquisition Group estimates the IBR using observable inputs (such as market interest rates).

Key components of Income and Expenses of the Pre-Acquisition Group

Income and expenditure of the Pre-Acquisition Group is reported in the following manner:

Income

Total income comprises revenue from operations and other income.

Revenue from operations. Revenue from operations primarily comprise revenue from contracts with customers, arising from sale of services, i.e., from certification services and, educational courses; and from sale of goods, comprising traded goods; and other operating revenue. Revenue from traded goods relate to revenue received through the sale of our Dcheck System equipment to customers. Other operating revenue comprises advertisement and show income and commission income from exports. Advertisement and show income relate to revenue received from "D Shows".

Revenue from Operations of the Pre-Acquisition Group	**For the nine-months period ended September 30,**		**For the Calendar Year ended December 31,**		
	2024	**2023**	**2023**	**2022**	**2021**
	(₹ million)				
Revenue from contracts with customers					
Certification services	5,856.58	4.410.59	6,206.82	4,777.44	3,574.30
Educational courses	36.99	45.42	53.59	38.73	24.71
Traded goods	16.10	34.33	35.05	24.24	24.69
Other operating revenue					
Advertisement and show income	50.03	44.85	85.58	68.99	16.80
Commission income	3.87	2.69	4.24	0.54	6.41
Total revenue from operations	**5,963.57**	**4,537.88**	**6,385.28**	**4,909.94**	**3,646.91**

Other income. Other income primarily comprises interest income on fixed deposits, interest income on security deposit, foreign exchange gain, credit balance written back and miscellaneous income.

Expenses

Purchase of stock-in-trade. Purchase of stock-in-trade primarily comprises of Dcheck System equipment and purchase of printing paper and stationery.

Change in inventories of stock-in-trade. Change in inventories of stock-in-trade primarily comprises of Dcheck System equipment and other laboratory equipment such as ultraviolet lamps.

Employee benefits expenses. Employee benefits expense primarily comprises salaries and wages, contribution to provident and other funds and staff welfare expenses.

Finance costs. Finance costs primarily comprise interest expenses and other finance charges and interest on lease liabilities.

Depreciation and amortization expense. Depreciation and amortization expense include depreciation on property, plant and equipment, depreciation on right-of-use assets and amortization on other intangible assets.

Other expenses. Other expenses primarily comprise commission expenses, advertising and exhibition expenses, legal and professional fees and printing and stationery expenses. Commission expenses are generally incurred in connection with our co-branded reports, where we receive revenue from certification fees paid by manufacturers and a portion of such certification fees is paid to the retailer as commissions.

Income tax expenses

Income tax expense primarily comprises current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the period/ year as determined in accordance with the applicable tax rates and provisions of the applicable tax laws. Deferred tax liability or credit is recognized based on the difference between taxable profit and book profit due to the effect of timing differences. Deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

Other comprehensive income

Other comprehensive income / (loss) comprises (i) re-measurement of actuarial gain / (loss); and (ii) deferred tax (charge) / credit.

Results of Operations of the Pre-Acquisition Group

The following table sets forth select financial data of the Pre-Acquisition Group from the restated financial statements of profit and loss for the nine-months period ended September 30, 2024 and 2023, and CY2023, CY2022 and CY2021, the components of which are also expressed as a percentage of total income for such periods:

Particulars	For the nine-months period ended September 30,				For the Calendar Year ended December 31,					
	2024		2023		2023		2022		2021	
	(₹ in millions)	(% of Total Income)	(₹ in millions)	(% of Total Income)	(₹ in millions)	(% of Total Income)	(₹ in millions)	(% of Total Income)	(₹ in millions)	(% of Total Income)
Income										
Revenue from operations	5,963.57	96.27%	4,537.888	98.82%	6,385.28	98.44%	4,909.94	98.33%	3,646.91	97.44%
Other income	231.35	3.73%	54.37	1.18%	101.32	1.56%	83.38	1.67%	95.97	2.56%
Total income	6,194.93	**100.00%**	**4,592.25**	**100.00%**	**6,486.60**	**100.00%**	**4,993.32**	**100.00%**	**3,742.88**	**100.00%**
Expenses										
Purchase of stock-in-trade	32.86	0.53%	35.02	0.76%	39.13	0.60%	20.18	0.40%	15.31	0.41%
Change in inventories of stock-in-trade	(6.94)	(0.11%)	(7.20)	(0.16%)	(6.10)	(0.09%)	0.18	0.00%	2.04	0.05%
Employee benefits expenses	840.60	13.57%	708.88	15.44%	970.91	14.97%	876.33	17.55%	735.21	19.64%
Finance costs	17.81	0.29%	18.57	0.40%	33.08	0.51%	26.34	0.53%	17.04	0.46%
Depreciation and amortization expenses	108.64	1.75%	99.27	2.16%	131.64	2.03%	115.25	2.31%	124.95	3.34%
Other expenses	805.23	13.00%	588.02	12.80%	880.16	13.57%	661.43	13.25%	487.87	13.03%
Total expenses	**1,798.20**	**29.03%**	**1,442.56**	**31.41%**	**2,048.82**	**31.59%**	**1,699.71**	**34.04%**	**1,382.42**	**36.93%**
Restated Profit before tax	**4,396.72**	**70.97%**	**3,149.69**	**68.59%**	**4,437.78**	**68.41%**	**3,293.61**	**65.96%**	**2,360.46**	**63.07%**
Income tax expenses										
- Current tax	(1,112.84)	(17.96)%	(765.86)	(16.68)%	(1,197.00)	(18.45)%	(859.31)	(17.21)%	(606.94)	(16.22)%
- Adjustment of tax relating to earlier periods	(12.36)	(0.20)%	-	-	-	-	-	-	-	-
- Deferred tax	(10.92)	(0.18%)	3.11	0.07%	6.60	0.10%	(16.72)	(0.33)%	(38.22)	(1.02)%
Total tax expense	**(1,136.12)**	**(18.34%)**	**(762.75)**	**(16.61%)**	**(1,190.40)**	**(18.35)%**	**(876.03)**	**(17.54)%**	**(645.16)**	**(17.24)%**
Restated Profit for the period / year	**3,260.60**	**52.63%**	**2,386.94**	**51.98%**	**3,247.38**	**50.06%**	**2,417.58**	**48.42%**	**1,715.30**	**45.83%**
Restated Other comprehensive income:										
Items that will not be reclassified to profit or loss:										

Particulars	For the nine-months period ended September 30,				For the Calendar Year ended December 31,					
	2024		2023		2023		2022		2021	
	(₹ in millions)	(% of Total Income)	(₹ in millions)	(% of Total Income)	(₹ in millions)	(% of Total Income)	(₹ in millions)	(% of Total Income)	(₹ in millions)	(% of Total Income)
Remeasurement of actuarial gain/(loss)	(38.94)	(0.63%)	(219.06)	(4.77%)	(204.14)	(3.15)%	7.77	0.16%	6.80	0.18%
Income tax on above	9.80	0.16%	55.13	1.20%	51.38	0.79%	(1.96)	(0.04)%	(1.71)	(0.05)%
	(29.14)	**(0.47%)**	**(163.93)**	**(3.57%)**	**(152.76)**	**(2.36)%**	**5.81**	**0.12%**	**5.09**	**0.14%**
Items that will be reclassified to profit or loss										
Foreign currency translation difference of foreign operations	10.24	0.17%	9.38	0.20%	1.97	0.03%	2.24	0.04%	0.00	0.00%
	10.24	**0.17%**	**9.38**	**0.20%**	**1.97**	**0.03%**	**2.24**	**0.04%**	**0.00**	**0.00%**
Restated Other Comprehensive Income / (Loss) for the period / year, net of tax	**(18.90)**	**(0.31%)**	**(154.55)**	**(3.37%)**	**(150.79)**	**(2.32)%**	**8.05**	**0.16%**	**5.09**	**0.14%**
Restated Total Comprehensive Income for the period / year	**3,241.70**	**52.33%**	**2,232.39**	**48.61%**	**3,096.59**	**47.74%**	**2,425.63**	**48.58%**	**1,720.39**	**45.96%**

Nine-months period ended September 30, 2024 compared to nine-months period ended September 30, 2023

Total Income

Total income increased by 34.90% to ₹ 6,194.92 million for the nine-months period ended September 30, 2024 from ₹ 4,592.25 million for the nine-months period ended September 30, 2023.

Revenue from Operations. Revenue from operations increased by 31.42% to ₹ 5,963.57 million for the nine-months period ended September 30, 2024 from ₹ 4,537.88 million for the nine-months period ended September 30, 2023, primarily due to an increase in revenue from certification services by 32.78% to ₹ 5,856.58 million for the nine-months period ended September 30, 2024 from ₹ 4,410.59 million for the nine-months period ended September 30, 2023. Such increase was primarily due to increase in revenue from the certification of (a) laboratory-grown diamonds, which increased by 50.37% to ₹ 3,515.52 million for the nine-months period ended September 30, 2024 from ₹ 2,337.91 million for the nine-months period ended September 30, 2023, (b) natural diamonds, which increased by 24.42% to ₹ 1,157.49 million for the nine-months period ended September 30, 2024 from ₹ 930.31 million for the nine-months period ended September 30, 2023 and (c) studded jewelry and colored stones, which increased by 3.61% to ₹ 1,183.57 million for the nine-months period ended September 30, 2024 from ₹ 1,142.37 million for the nine-months period ended September 30, 2023. Such increases in revenue from certification were primarily due to an increase in sales volume, with the number of reports generated by the Pre-Acquisition Group increasing by 32.85% from 5.17 million in the nine-months period ended September 30, 2023 to 6.86 million in the nine-months period ended September 30, 2024.

Revenue from educational courses, however, decreased by 18.56% to ₹ 36.99 million for the nine-months period ended September 30, 2024 from ₹ 45.42 million for the nine-months period ended September 30, 2023, primarily due to courses cancelled as a result of low enrolment in certain locations in India. Revenue from traded goods also decreased by 53.10% to ₹ 16.10 million for the nine-months period ended September 30, 2024 from ₹ 34.33 million for the nine-months period ended September 30, 2023, primarily due to a decrease in the number of sales of Dcheck System equipment as certain components of such equipment was not available in the period.

Other income. Other income increased by 325.51% to ₹ 231.35 million for the nine-months period ended September 30, 2024 from ₹ 54.37 million for the nine-months period ended September 30, 2023, primarily due to an increase in interest income on fixed deposits, miscellaneous income, interest income on income tax refund, foreign exchange gain and credit balance written back.

Expenses

Expenses increased by 24.65% to ₹ 1,798.20 million for the nine-months period ended September 30, 2024 from ₹ 1,442.56 million for the nine-months period ended September 30, 2023. Such increase was primarily due to an increase in employee benefits expense and other expenses.

Employees benefits expense. Employees benefits expense increased by 18.58% to ₹ 840.60 million for the nine-months period ended September 30, 2024 from ₹ 708.88 million for the nine-months period ended September 30, 2023, primarily due to increases in salaries, wages and bonus by 17.22% to ₹ 749.84 million for the nine-months period ended September 30, 2024 from ₹ 639.71 million for the nine-months period ended September 30, 2023, in line with the increase in the number of employees to 843 as of September 30, 2024 from 697 as of September 30, 2023 and annual wage increments.

Other expenses. Other expenses increased by 36.94% to ₹ 805.23 million for the nine-months period ended September 30, 2024 from ₹ 588.02 million for the nine-months period ended September 30, 2023, primarily due to increases in (a) legal and professional fees by 263.47% to ₹ 174.11 million for the nine-months period ended September 30, 2024 from ₹ 47.90 million for the nine-months period ended September 30, 2023, due to services in connection with the Offer and expenses incurred to implement our systems, applications and products software, (b) printing and stationery expenses by 59.22% to ₹ 271.26 for the nine-months period ended September 30, 2024 from ₹ 170.37 million for the nine-months period ended September 30, 2023, in line with the increase in revenue from the certification business, (c) CSR expense by 484.00% to ₹ 65.70 million for the nine-months period ended September 30, 2024 from ₹ 11.25 million for the nine-months period ended September 30, 2023 due to an increase in the required CSR spending level as per section 135 of the Companies Act, 2013, which was calculated based on our average net profit for the immediately preceding three financial years, (d) business promotion expenses by 272.46% to ₹ 33.00 million for the nine-months period ended September 30, 2024 from ₹ 8.86 million for the nine-months period ended September 30, 2023, partially offset by decreases in advertising and exhibition expenses by 35.14% to ₹ 56.08 million for the nine-months period ended September 30, 2024 from ₹ 86.46 million for the nine-months period ended September 30, 2023.

Income Tax Expense

Income tax expense increased by 48.95% to ₹ 1,136.12 million for the nine-months period ended September 30, 2024 from ₹ 762.75 million for the nine-months period ended September 30, 2023, primarily due to the increase in current income tax payable as a result of an increase in revenue.

Profit for the Period

As a result of the foregoing, profit for the period increased by 36.60% to ₹ 3,260.60 million for the nine-months period ended September 30, 2024 from ₹ 2,386.94 million for the nine-months period ended September 30, 2023.

CY2023 compared to CY2022

Total Income

Total income increased by 29.91% to ₹ 6,486.60 million for CY2023 from ₹ 4,993.32 million for CY2022.

Revenue from Operations. Revenue from operations increased by 30.05% to ₹ 6,385.28 million for CY2023 from ₹ 4,909.94 million for CY2022, primarily due to an increase in revenue from certification services by 29.92% to ₹ 6,206.82 million for CY2023 from ₹ 4,777.44 million for CY2022. Such increase was primarily due to increase in revenue from the certification of (a) natural diamonds, which increased by 0.23% to ₹ 1,224.16 million for CY2023 from ₹ 1,221.39 million for CY2022, (b) laboratory-grown diamonds, which increased by 62.81% to ₹ 3,338.65 million for CY2023 from ₹ 2,049.88 million for CY2022 and (c) studded jewelry and colored stones, which increased by 9.15% to ₹ 1,644.00 million for CY2023 from ₹ 1,506.17 million for CY2022. Such increases in revenue from certification were primarily due to an increase in sales volume, with the number of reports generated by the Pre-Acquisition Group increasing by 22.77% from 5.87 million as of December 31, 2022 to 7.21 million as of December 31, 2023.

Additionally, revenue from educational courses increased by 38.37% to ₹ 53.59 million for CY2023 from ₹ 38.73 million for CY2022, primarily due to an increase in the number of enrolments in the schools of the Pre-Acquisition Group. Revenue from traded goods also increased by 44.60% to ₹ 35.05 million for CY2023 from ₹ 24.24 million for CY2022, primarily due to an increase in the number of sales of Dcheck System equipment.

Other income. Other income increased by 21.52% to ₹ 101.32 million for CY2023 from ₹ 83.38 million for CY2022, primarily due to an increase in miscellaneous income and interest income on security deposit, partially offset by decreases in interest income on fixed deposits, foreign exchange gain and credit balance written back.

Expenses

Expenses increased by 20.54% to ₹ 2,048.82 million for CY2023 from ₹ 1,699.71 million for CY2022. Such increase was primarily due to an increase in employee benefits expense and other expenses.

Employees benefits expense. Employees benefits expense increased by 10.79% to ₹ 970.91 million for CY2023 from ₹ 876.33 million for CY2022, primarily due to increases in salaries, wages and bonus by 12.93% to ₹ 886.05 million for CY2023 from ₹ 784.60 million for CY2022, in line with the increase in the number of employees to 727 as of December 31, 2023 from 542 as of December 31, 2022 and annual wage increments.

Other expenses. Other expenses increased by 33.07% to ₹880.16 million for CY2023 from ₹ 661.43 million for CY2022, primarily due to an increase in (a) advertising and exhibition expenses by 34.89% to ₹ 123.45 million for CY2023 from ₹ 91.52 million for CY2022, due to an increase in marketing spending (b) legal and professional fees by 55.95% to ₹ 94.04 million for CY2023 from ₹ 60.30 million for CY2022 due to audit and other consultancy services, (c) printing and stationery expenses by 37.07% to ₹ 241.49 million for CY2023 from ₹ 176.17 million for CY2022, in line with the increase in revenue from the certification business and (d) one-time provision for doubtful debts of ₹ 58.02 million in CY2023 following the implementation of a revised credit policy for recognizing doubtful debts.

Income Tax Expense

Income tax expense increased by 35.89% to ₹ 1,190.40 million for CY2023 from ₹ 876.03 million for CY2022, primarily due to the increase in current income tax payable as a result of an increase in revenue.

Profit for the Year

As a result of the foregoing, profit for the year increased by 34.32% to ₹ 3,247.38 million for CY2023 from ₹ 2,417.58 million for CY2022.

CY2022 compared to CY2021

Total Income

Total income increased by 33.41% to ₹ 4,993.32 million for CY2022 from ₹ 3,742.88 million for CY2021.

Revenue from Operations. Revenue from operations increased by 34.63% to ₹ 4,909.94 million for CY2022 from ₹ 3,646.91 million for CY2021, primarily due to an increase in revenue from certification services by 33.66% to ₹ 4,777.44 million for CY2022 from ₹ 3,574.30 million for CY2021. Such increase was primarily due to an increase in revenue from the certification of (a) natural diamonds, which increased by 3.20% to ₹ 1,221.39 million for CY2022 from ₹ 1,183.51 million for CY2021, (b) laboratory-grown diamonds, which increased by 59.31% to ₹ 2,049.88 million for CY2022 from ₹ 1,286.73 million for CY2021 and (c) studded jewelry and colored stones, which increased by 36.42% to ₹ 1,506.17 million for CY2022 from ₹ 1,104.06 million for CY2021. Such increase in revenues were primarily due to an increase in sales volume, with the number of reports generated by the Pre-Acquisition Group increasing by 36.73% from 4.29 million as of December 31, 2021 to 5.87 million as of December 31, 2022.

Additionally, revenue from educational courses increased by 56.74% to ₹ 38.73 million for CY2022 from ₹ 24.71 million for CY2021, primarily due to an increase in the number of enrolments in the schools of the Pre-Acquisition Group. Such increases were partially offset by a slight decrease in revenue from traded goods by 1.82% to ₹ 24.24 million for CY2022 from ₹ 24.69 million for CY2021.

Other income. Other income decreased by 13.12% to ₹ 83.38 million for CY2022 from ₹ 95.97 million for CY2021, primarily due to a decrease in interest income on fixed deposits.

Expenses

Expenses increased by 22.95% to ₹ 1,699.71 million for CY2022 from ₹ 1,382.42 million for CY2021. Such increase was primarily due to an increase in employee benefits expense and other expenses.

Employees benefits expense. Employees benefits expense increased by 19.19% to ₹ 876.33 million for CY2022 from ₹ 735.21 million for CY2021, primarily due to increases in salaries, wages and bonus by 19.17% to ₹ 784.60 million for CY2022 from ₹ 658.37 million for CY2021, in line with the increase in the number of employees to 542 as of December 31, 2022 from 498 as of December 31, 2021 and annual wage increments.

Other expenses. Other expenses increased by 35.58% to ₹ 661.43 million for CY2022 from ₹ 487.87 million for CY2021, primarily due to an increase in (a) legal and professional fees by 78.88% to ₹ 60.30 million for CY2022 from ₹ 33.71 million for CY2021, primarily due to legal fees incurred in connection with the set up of the Türkiye office, and the hiring of certain employees on a contractual basis during COVID-19 (b) printing and stationery expenses by 55.90% to ₹ 176.17 million for CY2022 from ₹ 113.00 million for CY2021, in line with the increase in business volumes of the certification business, (c) advertising and exhibition expenses by 143.27% to ₹ 91.52 million for CY2022 from ₹ 37.62 million for CY2021 due to an increase in our marketing spendings. Such increases were partially offset by a decrease in commission expense by 24.41% to ₹ 74.20 million for CY2022 from ₹ 98.16 million for CY2021, primarily due to a decrease in commissions paid to brands and retailers in connection with co-branded reports.

Income Tax Expense

Income tax expense increased by 35.78% to ₹ 876.03 million for CY2022 from ₹ 645.16 million for CY2021, primarily due to the increase in current income tax payable as a result of an increase in revenue.

Profit for the Year

As a result of the foregoing, profit for the year increased by 40.94% to ₹ 2,417.58 million for CY2022 from ₹ 1,715.30 million for CY2021.

Liquidity and Capital Resources

Our Company's primary uses of cash relate to payments for operating expenses and capital expenditures. Historically, our Company has funded the liquidity requirements of the Pre-Acquisition Group primarily using cash generated by the operating activities of the Pre-Acquisition Group. Following the Offer, we expect that our liquidity requirements will be financed through cash generated by our operating activities and/or other funds raised from issuing equity securities.

As of September 30, 2024, cash and cash equivalents of the Pre-Acquisition Group was ₹ 203.01 million. For the nine-months period ended September 30, 2024, CY2023, CY2022 and CY2021, the Pre-Acquisition Group did not incur any borrowings or financial indebtedness.We believe that our current cash and anticipated cash flow generated from operating activities will be sufficient to meet our anticipated working capital requirements, including our cash needs for operating expenses and capital expenditures, in the next 12 months. We may, however, need additional cash resources in the future if we experience changes in business condition or other developments, or if we find and wish to pursue opportunities for investments, acquisitions, capital expenditures or similar actions. If we determine that our cash requirements exceed the amount of cash and cash equivalents we have on hand at the time or that at any given time, we may seek to issue equity or debt securities, or obtain credit facilities.

Cash flows and cash and cash equivalents

The following table sets forth the cash flows and cash and cash equivalents of the Pre-Acquisition Group for the periods indicated:

	For the nine-months period ended September 30,		For the Calendar Year ended December 31,		
	2024	2023	2023	2022	2021
	(₹ million)				
Net cash flows generated from operating activities (A)	3,274.50	1,981.96	2,972.81	1,941.68	1,933.87
Net cash flows (used in)/generated from investing activities (B)	(2,275.99)	(132.17)	(660.08)	(430.53)	(127.10)
Net cash flows used in financing activities (C)	(1,973.99)	(1,189.80)	(1,488.23)	(1,537.74)	(1,714.77)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**(975.48)**	**659.99**	**824.50**	**(26.59)**	**92.00**
Foreign currency translation difference of foreign operations	11.69	13.60	1.97	2.24	-
Cash and cash equivalents at the beginning of the period/ year	1,166.80	340.33	340.33	364.68	272.68
Cash and cash equivalents at the end of the period/ year	**203.01**	**1,013.92**	**1,166.80**	**340.33**	**364.68**

Operating activities

Net cash generated from operating activities aggregated to ₹ 3,274.50 million for the nine-months period ended September 30, 2024. Profit before tax of ₹ 4,396.72 million was adjusted primarily for depreciation on property, plant and equipment of ₹ 37.96 million, depreciation on right-of-use assets of ₹ 62.74 million, interest income on fixed deposits of ₹ 191.62 million and interest expense on lease liabilities of ₹ 17.81 million. Changes in working capital for the nine-months period ended September 30, 2024 primarily consisted of an increase in (a) other financial liabilities of ₹ 286.87 million, (b) trade receivables of ₹ 228.00 million, and (c) other current assets of ₹ 187.80 million, and a decrease in employee benefit obligations of ₹ 48.26 million.

Net cash generated from operating activities aggregated to ₹ 1,981.96 million for the nine-months period ended September 30, 2023. Profit before tax of ₹ 3,149.69 million, was adjusted primarily for depreciation on property, plant and equipment of ₹ 30.86 million, depreciation on right-of-use assets of ₹ 59.55 million, interest income on fixed deposits of ₹ 39.47 million, interest expense on lease liabilities of ₹ 17.04 million and bad debts and provision for doubtful debts of ₹ 22.24 million. Changes in working capital for the nine-months period ended September 30, 2023 primarily consisted of an increase in trade receivables of ₹ 551.44 million and other financial liabilities of ₹ 189.71 million and, a decrease in employee benefit obligations of ₹ 164.57 million and other current assets of ₹ 172.42 million.

Net cash flows from operating activities aggregated to ₹ 2,972.81 million for CY2023. Profit before tax of ₹ 4,437.78 million, was adjusted primarily for depreciation on property, plant and equipment of ₹ 40.44 million, depreciation on right-of-use assets of ₹ 81.00 million, interest income on fixed deposits of ₹ 74.46 million and bad debts and provision for doubtful debts of ₹ 61.24 million. Changes in working capital for CY2023 primarily consisted of an increase in (a) other financial liabilities of ₹ 211.53 million, (b) trade receivables of ₹ 508.60 million, (c) trade payables of ₹ 42.22 million, and a decrease in (a) employee benefit obligations of ₹ 167.13 million, (b) other non current assets of ₹ 166.19 million and (c) other current liabilities of ₹ 19.17 million.

Net cash flows from operating activities aggregated to ₹ 1,941.68 million for CY2022. Profit before tax of ₹ 3,293.61 million, was adjusted primarily for depreciation on property, plant and equipment of ₹ 37.04 million, depreciation on right-of-use assets of ₹ 65.87 million and interest income on fixed deposits of ₹ 76.11 million. Changes in working capital for CY2022 primarily consisted of an increase in (a) other current assets of ₹ 53.78 million, (b) trade receivables of ₹ 288.20 million and (c) employee benefit obligations of ₹ 25.91 million and a decrease in trade payables of ₹ 92.93 million.

Net cash flows from operating activities aggregated to ₹ 1,933.87 million for CY2021. Profit before tax of ₹ 2,360.46 million, was adjusted primarily for depreciation on property, plant and equipment of ₹ 60.31 million, depreciation on right-of-use assets of ₹ 57.47 million and interest income on fixed deposits of ₹ 92.37million. Changes in working capital for CY2021 primarily consisted of an increase in (a) provision of ₹ 8.06 million and (b) trade receivables of ₹ 76.20 million (c) trade payables of ₹ 67.29 million and (d) other current assets of ₹ 69.85 million.

Investing activities

Net cash flows used in investing activities aggregated to ₹ 2,275.99 million for the nine-months period ended September 30, 2024, primarily due to investment in fixed deposits of ₹ 2,206.03 million, as we invested a portion of our increased net cash generated from operating activities for the nine-months period ended September 30, 2024, and payment for property, plant and equipment and items capitalized in capital work-in progress of ₹ 132.32 million. These outflows were partially off-set by interest received of ₹ 87.03 million.

Net cash flows used in investing activities aggregated to ₹ 132.17 million for the nine-months period ended September 30, 2023, primarily due to payment for property, plant and equipment and items capitalized in capital work-in progress of ₹ 234.44 million, which was partially off-set by proceeds received from redemption of fixed deposits of ₹ 71.32 million and interest received of ₹ 33.23 million.

Net cash flows used in investing activities aggregated to ₹ 660.08 million for CY2023, primarily due to payment for property, plant and equipment and items capitalized in capital work-in progress of ₹ 379.12 million towards infrastructure costs for developing the new facility in Surat, payment on acquisition of intangible asset of ₹ 9.89 million and investment in fixed deposit of ₹ 329.42 million partially offset by cash inflows from interest received of ₹ 53.81 million.

Net cash flows used in investing activities aggregated to ₹ 430.53 million for CY2022, primarily due to payment for property, plant and equipment and items capitalized in capital work-in progress of ₹ 102.90 million towards legal and professional fees paid towards developing the new facility in Surat, payment on acquisition of intangible asset of ₹ 8.49 million and investment in fixed deposit of ₹ 381.82 million, and partially offset by cash inflows from interest received of ₹ 62.67 million.

Net cash flows used investing activities aggregated to ₹ 127.10 million for CY2021, primarily due to payment for property, plant and equipment and items capitalized in capital work-in progress of ₹ 39.30 million, payment on acquisition of intangible asset of ₹ 9.99 million and investment in fixed deposit of ₹ 179.61 million, and partially offset by cash inflows from interest received of ₹ 92.37 million.

Financing activities

Net cash flows used in financing activities aggregated to ₹ 1,973.99 million for the nine-months period ended September 30, 2024, primarily due to dividend paid of ₹ 1,897.67 million and principal repayment of lease liabilities of ₹ 58.51 million.

Net cash flows used in financing activities aggregated to ₹ 1,189.80 million for the nine-months period ended September 30, 2023, primarily due to dividend paid of ₹ 1,123.23 million and principal repayment of lease liabilities of ₹ 49.53 million.

Net cash flows used in financing activities aggregated to ₹ 1,488.23 million for CY2023, primarily due to dividend paid of ₹ 1,397.23 million and principal repayment of lease liabilities of ₹ 66.39 million.

Net cash flows used in financing activities aggregated to ₹ 1,537.74 million for CY2022, primarily due to dividend paid of ₹ 1,460.79 million and principal repayment of lease liabilities of ₹ 54.17 million.

Net cash flows used in financing activities aggregated to ₹ 1,714.77 million for CY2021, primarily due to dividend paid of ₹ 1,480.53 million and principal repayment of lease liabilities of ₹ 217.20 million.

Capital and other commitments

The table below summarizes the maturity profile of the Pre-Acquisition Group's financial liabilities based on contractual undiscounted payments as of September 30, 2024:

	Within 1 year	**1 to 3 years**	**More than 3 years**	**Total**
	(₹ million)			
Trade payables	91.41	-	-	**91.41**
Other financial liabilities	521.42	-	-	**521.42**
Financial liabilities based on contractual undiscounted payments	**612.83**	**-**	**-**	**612.83**

Capital expenditure

Capital expenditure primarily relates to purchase of buildings, laboratory equipment, plant and machinery, leasehold improvements, furniture and fixtures, precious stones and laboratory master sets, computers, office equipment, electrical equipment and vehicles.

In the nine-months period ended September 30, 2024, the Pre-Acquisition Group incurred capital expenditure of ₹ 163.88 million, primarily due to the acquisition of property, plant and equipment assets of ₹ 132.32 million comprising mainly of laboratory equipment, plant and machinery, computers and precious stones and laboratory master sets.

In the nine-months period ended September 30, 2023, the Pre-Acquisition Group incurred capital expenditure of ₹ 238.79 million, primarily due to the acquisition of property, plant and equipment assets of ₹ 234.44 million comprising mainly of laboratory equipment, plant and machinery, computers and precious stones and laboratory master sets.

In CY2023, the Pre-Acquisition Group incurred capital expenditure of ₹ 389.01 million, primarily due to the acquisition of property, plant and equipment assets of ₹ 379.12 million comprising mainly of furniture and fixtures, laboratory equipment, plant and machinery, computers, vehicles and precious stones and laboratory master sets, including capital expenditure of ₹199.09 million incurred in connection with the development of the new facility in Surat.

In CY2022, the Pre-Acquisition Group incurred capital expenditure of ₹ 111.39 million, primarily due to the acquisition of property, plant and equipment assets of ₹ 102.90 million comprising mainly of laboratory equipment, plant and machinery, computers, furniture and fixtures, computers and precious stones and laboratory master sets.

In CY2021, the Pre-Acquisition Group incurred capital expenditure of ₹ 49.29 million, primarily due to the acquisition of property, plant and equipment assets of ₹ 39.30 million comprising mainly of laboratory equipment, plant and machinery, vehicles and computers.

Capital Commitments and Contingent Liabilities

The table below sets forth the capital commitments and contingent liabilities of the Pre-Acquisition Group as reflected in Restated Financial Information for the periods indicated:

	As at September 30, 2024	**As at September 30, 2023**	**As at December 31,**		
			2023	**2022**	**2021**
	(₹ in millions)				
Claims against group not acknowledged as debt					
– Income tax	1.48	1.48	1.48	2.03	46.27
– ESIC	0.16	0.16	-	5.38	5.38
– Professional tax department	-	-	0.16	0.16	-
– Estimated amounts of contracts remaining to be executed on the capital account and not provided for in respect of capital assets (net of advances paid)	352.07	303.49	299.76	662.53	701.53

We are in the process of developing our 214,159 square feet facility in Surat, India which is expected to be completed in 2025. We incurred capital expenditure of ₹199.09 million in CY2023 and we have capital commitments of ₹ 352.07 million as at September 30, 2024 in connection with the development of such new facility in Surat. We typically fund our capital expenditures primarily using cash generated from our operations and expect to fund future capital expenditures primarily using cash generated from our operations.

For details in relation to the contingent liabilities of the Pre-Acquisition Group as at September 30, 2024, see "*Restated Financial Information – Notes to the Restated Financial Information – Note 39: Capital commitments and contingent liabilities*" on page 263.

Off-balance sheet commitments and arrangements

The Pre-Acquisition Group does not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Quantitative and Qualitative Analysis of Market Risks

We are exposed to various types of market risks during the normal course of business. For further details, see "*Risk Factors*" beginning on page 32.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Our exposure to the risk of changes in foreign exchange rates relates primarily to our operating activities (when revenue or expense is denominated in a different currency from our Company's functional currency).

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate, with all other variables held constant of the Pre-Acquisition Group's profit before tax.

	% Impact	Trade Receivables	Trade Payables
		Effect on profit before tax	Effect on profit before tax
For September 2024			
Strengthening of INR	5.00%	(2.91)	1.23
Weakening of INR		2.91	(1.23)
For September 2023			
Strengthening of INR	5.00%	(2.59)	1.10
Weakening of INR		2.59	(1.10)
For December 2023			
Strengthening of INR	5.00%	(2.77)	1.38
Weakening of INR		2.77	(1.38)
For December 2022			
Strengthening of INR	5.00%	(1.66)	2.15
Weakening of INR		1.66	(2.15)
For December 2021			
Strengthening of INR	5.00%	(1.71)	7.41
Weakening of INR		1.71	(7.41)

Credit risk

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from our trade receivables, security deposits, bank balances and other financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. We assess the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The following table sets forth the gross carrying amounts of certain financial assets which represent the maximum credit risk exposure of the Pre-Acquisition Group:

	As at September 30,		As at December 31,		
	2024	2023	2023	2022	2021
	(₹ million)				
Bank balances	3,198.11	1,048.34	1,217.08	1,652.16	1,270.34
Cash and cash equivalents	203.01	1,013.92	1,166.80	340.33	364.68
Other financial assets	1,203.61	621.82	869.67	80.21	74.70
Total	**4,604.72**	**2,684.08**	**3,253.55**	**2,072.70**	**1,709.72**

Balances with banks as well as cash and cash equivalents are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial institutions as approved by the board of directors. Other financial assets mainly include security deposit given, term deposits, interest accrued on deposits, etc. Based on assessment carried by our Company, entire receivable under this category is classified as "Stage 1". There is no history of loss and credit risk and the amount of provision for expected credit losses on other financial assets is negligible.

Liquidity risk

Liquidity risk is the current and prospective risk arising out of an inability to meet financial commitments as they fall due, through available cash flows or through the sale of assets at fair market value. Liquidity risk is the risk that we will not be able to meet our financial obligations as they become due. We manage liquidity risk by ensuring, as far as possible, that we will always have sufficient liquidity to meet our liabilities when due.

Our treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by our senior management. Our management monitors our net liquidity position through forecasts on the basis of expected cash flows.

Unusual or infrequent events or transactions

There have been no unusual or infrequent events or transactions that have in the past or may in the future affect the business operations or future financial performance of the Pre-Acquisition Group.

Significant Economic Changes and Known trends or uncertainties

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in "- *Factors Affecting Our Results of Operations and Financial Condition*" above and the uncertainties described in "*Risk Factors*" on page 32. Except as disclosed in this Prospectus, there are no known factors which we expect to have a material impact on our income.

Future relationship between cost and revenue

Other than as described in "*Risk Factors*" and this section, there are no known factors that might affect the future relationship between cost and revenue.

Related party transactions

The Pre-Acquisition Group has engaged in the past, and may engage in the future, in transactions with related parties. For details of the related party transactions of the Pre-Acquisition Group, see "*Other Financial Information – Related Party Transactions*" on page 505.

Competitive conditions

We operate in a competitive environment. Please refer to "*Risk Factors*", "*Industry Overview*" and "*Our Business*" on pages 32, 113 and 159, respectively, for further information on our industry and competition.

Seasonality and cyclicality of business

Our business is not subject to seasonality.

Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices

Changes in revenue in the last three Calendar Years are as described in "*Management's Discussion and Analysis of Financial Condition and Results of Operations – CY2023 compared to CY2022*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations – CY2022 compared to CY2021*" above on page 522.

Significant dependence on single or few customers

Revenues from any particular customer may vary between financial reporting periods depending on the nature and term of ongoing contracts with such customer.

The following table sets forth details of revenue generated from the top 15 customers of the Pre-Acquisition Group for the periods indicated:

₹ in millions, except percentages

Revenue from Top Customers	Nine-months period September 30,				Calendar Year ended December 31,					
	2024		2023		2023		2022		2021	
Top 10 customers	2,633.94	44.17%	1,981.89	43.67%	2,597.92	40.69%	1,666.23	33.94%	861.88	23.63%
Top 15 customers	3,068.54	51.45%	2,209.83	48.70%	2,966.52	46.46%	1,914.06	38.98%	1,058.01	29.01%

See "*Risk Factors – The Pre-Acquisition Group derived a significant portion of our revenue from our top 15 customers, and any inability to retain our key customers or attract new customers and expand our customer network, could negatively affect our business and results of operations.*" on page 40.

New products or business segments

Except as disclosed in "*Our Business*" on page 159, and products that we announce in the ordinary course of business, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant developments occurring after September 30, 2024

Except as disclosed in this Prospectus, there are no significant developments occurring after September 30, 2024.

Recent accounting pronouncements

As on the date of this Prospectus, there are no recent accounting pronouncements, which, we believe, would have a material effect on the financial condition or results of operations of the Pre-Acquisition Group.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by statutory or regulatory authorities; (iii) claims related to direct and indirect taxes; and (iv) other proceedings which have been determined to be material pursuant to the policy of materiality for identification of material litigation involving our Company, Subsidiary, IGI Belgium Group, IGI Netherlands Group, Directors or Promoter ("**Relevant Parties**" and such policy, "**Materiality Policy**"). Further, except as disclosed in this section, there are no (i) disciplinary actions including penalty imposed by the SEBI or stock exchanges against our Promoter in the last five Financial Years; and (ii) pending litigation matters involving our Group Companies which have a material impact on our Company.*

For the purpose of (iv) above, our Board in its meeting held on August 6, 2024, has considered and adopted the Materiality Policy. All outstanding litigation, including any litigation involving the Relevant Parties, other than (i) outstanding criminal proceedings; (ii) outstanding actions by regulatory and statutory authorities; (iii) disciplinary actions including penalty imposed by the SEBI or stock exchanges against our Promoter in the last five Financial Years; and (iv) tax matters (direct or indirect), would be considered 'material', would be considered 'material' if:

(i) the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of 1% of our Company's average profit after tax (for the last three Calendar Years), as per the Restated Financial Information of the Company, being ₹24.70 million;

(ii) where monetary liability is not quantifiable or where the monetary liability does not meet the materiality threshold set out above, where an adverse outcome would materially and adversely affect the business, operations, prospects, performance or financial position or reputation of our Company; or

(iii) pending litigations where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed the materiality threshold set out above.

It is clarified that for the above purposes, pre-litigation notices received by Relevant Parties from third parties (excluding those notices issued by statutory or regulatory or governmental or taxation authorities), have not been considered as litigation until such time that the Relevant Parties are not impleaded as a defendant in the litigation proceedings before any judicial/ quasi-judicial or arbitral forum, unless otherwise decided by our Board.

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors ("**Creditors' Materiality Policy**"). In terms of the Creditors' Materiality Policy, outstanding dues to any creditor of our Company having monetary value exceeding ₹ 4.57 million, which is 5% of the total trade payables of our Company as on September 30, 2024, as per the Restated Financial Information included in this Prospectus, shall be considered as 'material'. Accordingly, as on September 30, 2024, any outstanding dues exceeding ₹ 4.57 million have been considered as material outstanding dues for the purpose of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or medium enterprise ("**MSME**"), the disclosure is based on information available with the Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Act, 2006, as amended.*

We have disclosed matters relating to direct and indirect taxes involving the Relevant Parties (as applicable) in a consolidated manner giving details of number of cases and total amount involved in such claims and details of such matters wherein the amount involved exceeds ₹ 24.70 million.

I. Litigation involving our Company

Litigation against our Company

Material Civil Litigation

1. KS Trade LLC ("**Complainant**") has filed a complaint dated December 21, 2017 ("**Complaint**") against our Company, IGI USA, IGI UAE (collectively, "**IGI Entities**") and others (together with IGI Entities, "Defendants"), before the Supreme Court of the State of New York. The Complainant has alleged inter alia that the Defendants conspired to misrepresent the true value of diamonds by intentionally over-grading diamonds in IGI Entities' affiliated laboratories overseas, thereby allowing diamond dealers and wholesalers to re-sell diamonds at artificially inflated prices. It has also been alleged that IGI USA offers to overgrade diamonds for an illicit fee. The matter is currently pending. Further, see *"Risk Factors - Due to the inherent subjective nature of the grading process, we may not be successful in the prevention of fraud, discrepancies, human error or quality control issues during our certification process, which may expose us to claims by our customers and could have a material adverse effect on our business, reputation and financial performance"* on page 45.

2. Rohit Agarwal, a former employee of our Company ("**Petitioner**"), filed a complaint dated January 9, 2003 against our Company before the Second Labour Court at Mumbai ("**Labour Court**") alleging unfair labour practices under the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labor Laws Practices Act ,1971 in relation to the termination of his services by our Company. The Labour Court pursuant to the order February 26, 2009 ("**Order**") directed our Company to reinstate the Petitioner, with continuity of service as an employee and pay him 25% of the back-wages. Subsequently, our Company, filed a writ petition before the Bombay High Court, challenging the Order. The Bombay High Court pursuant to the order dated October 10, 2011, granted a stay on the Order, on the condition that our Company deposits the back-wages due to the Petitioner. Our Company has deposited the back-wages pursuant to the Order. The matter is currently pending.

Criminal Litigation

Nil

Actions taken by Regulatory or Statutory Authorities

1. A notice dated September 20, 2022 ("**Notice**") was issued by the Deputy Director, Employees' State Insurance Corporation ("**ESIC**") to our Company and our Managing Director and Chief Executive Officer, Tehmasp Nariman Printer, alleging failure on the part of our Company to pay the contributions in accordance with applicable provisions of the Employees' State Insurance Act, 1948 ("**ESI Act**") for the Financial Year 2018. In terms of the Notice, an aggregate amount of ₹27.37 million was booked under the head "*Other Expense - (2) Business Promotion*" and our Company was asked to show cause as to why assessment should not be made, directing our Company to pay ₹1.77 million as contributions in accordance with ESI Act. Subsequently, ESIC passed an order on December 2, 2022 ("**Order**") under Section 45(A) of the ESI Act and held that our Company was liable to pay the amount as directed under Notice. Pursuant to the Order, our Company made a partial payment of ₹0.94 million and submitted a letter dated December 28, 2022 to the ESIC contending that the amount of expenditure which was considered by the concerned officer for determining the amount payable under the Notice, basis which the Order was passed, was incorrect. Our Company has pursuant to the letter dated December 7, 2023 requested the ESIC to issue a closure order. The matter is currently pending.

2. A show cause notice dated April 3, 2024 ("**SCN**") was issued to our Company by the Regional Provident Fund Commissioner - II, Employees' Provident Fund Organisation ("**EPFO**"), alleging failure to remit the provident fund contributions and other dues as required under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and asking our Company to show cause as to why action should not be taken against it. Our Company has submitted a reply dated July 12, 2024 ("**Letter**") contending that due to technical error leading to dual provident fund number generation of one of the employees, the provident fund contribution amount was transferred to an old provident fund account instead of the new account of the said employee. Pursuant to the Letter, our Company has requested the EPFO to provide assistance in transferring the provident fund contribution amount from the old provident fund account to the new account of the said employee. The matter is currently pending.

Other Matters

1. Pursuant to a letter dated April 26, 2024, issued by the Office of the Regional Director, Western Region, Ministry of Corporate Affairs ("**Regional Director**"), we were informed of the initiation of inspection of the books of accounts and other papers of our Company in terms of Section 206(5) of the Companies Act, 2013 and were directed to submit within seven days from the date of the letter, certified copies of *inter-alia* our charter documents, income tax assessment orders, annual reports, details of borrowings, details of loans and advances, shareholding pattern etc. from FY 2019-2020 till date and details of directors and KMPs, copies of regulatory orders if any, holding structure of our Company, list of subsidiaries, associates, joint ventures etc. Subsequently, our Company received an e-mail dated June 11, 2024 from the Assistant Director, Western Region, Ministry of Corporate Affairs, seeking additional information on the books of accounts and records of our Company with respect to financial statements as at and for December 31, 2022, which our Company submitted pursuant to e-mail dated June 21, 2024. In furtherance of the same, pursuant to letters dated June 19, 2024 read with emails dated July 9, 2024, our Directors, Tehmasp Nariman Printer, Prateek Roongta and Tejas Naphade appeared in person before the inspecting officer on July 23, 2024, July 24, 2024 and July 23, 2024, respectively, in connection with examination of allegations/violations of the provisions of the Companies Act, 2013, and provided the requested information at such hearing.

   Pursuant to the inspection of books of accounts and other records of our Company, the Regional Director issued a letter dated September 2, 2024 alleging that our Company (a) undertook a related party transaction with IGI Hong Kong aggregating ₹ 0.45 million during the Calendar Year ended 2020, which were not at arm's length and no Board approval was obtained for such transactions; (b) failed to disclose details of the said related party transaction as not being on arms' length, in the board report for Calendar Year 2020; (c) failed to make adequate disclosure of "trade payables" in the balance sheet of our Company as at December 31, 2020, December 31, 2021 and December 31, 2022 and details of “non-current investment” in the balance sheet as at December 31, 2022; (d) failed to make specified disclosures in the financial statements for the Calendar Year ended December 31, 2022 for a loan provided to IGI Turkey aggregating INR 73.67 million disclosed in the financial statements; and (e) failed to disclose IGI Shanghai as a related party in the financial statements for the Calendar Year 2022. The letter has also alleged that our then auditors have failed to qualify their report for FY 2020 and FY 2022 in relation to the non-compliances in issues (a) and (d) above respectively. Our Company has submitted its reply dated October 1, 2024. In relation to issues (a), (b) and (c), our Company has acknowledged the inadvertent error made by our Company on account of the materiality thresholds of the items involved and proposed to proceed with voluntary compounding in respect of the said matters and has filed a compounding application and an application for adjudication each dated November 22, 2024 in this regard. Further, with respect to issues (d), and (e), our Company has submitted detailed responses explaining how the relevant requirements have been complied with. Further, the then statutory auditors Subramaniam Bengali & Associates, have also submitted their response letter dated September 30, 2024. The matter is currently pending.

Litigation by our Company

Material Civil Litigation

Nil

Criminal Litigation

The existing litigations involving the Company are not so major that the Company's survival is dependent on the outcome of the pending litigation.

II. Litigation involving our Promoter

Litigation against our Promoter

Material Civil Litigation

Nil

Criminal Litigation

Nil

Actions taken by Regulatory or Statutory Authorities

Nil

Disciplinary action by SEBI or Stock Exchanges in the last five Financial Years

Nil

Litigation by our Promoter

Material Civil Litigation

Nil

Criminal Litigation

Nil

III. Litigation involving our Subsidiary

Litigation against our Subsidiary

Material Civil Litigation

Nil

Criminal Litigation

Nil

Actions taken by Regulatory or Statutory Authorities

Nil

Litigation by our Subsidiary

Material Civil Litigation

Nil

Criminal Litigation

Nil

IV. Litigation involving our Directors

Litigation against our Directors

Material Civil Litigation

Nil

Criminal Litigation

Nil

Actions taken by Regulatory or Statutory Authorities

Tehmasp Nariman Printer

1. A notice dated September 20, 2022 was issued by the Deputy Director, Employees' State Insurance Corporation to our Company and our Managing Director and Chief Executive Officer, Tehmasp Nariman Printer, alleging failure on the part of our Company to pay the contributions in accordance with applicable provisions of the Employees' State Insurance Act, 1948 for the Financial Year 2018. For details, see "- *Litigation involving our Company – Litigation against our Company – Actions taken by Regulatory or Statutory Authorities*" on page 530.

Litigation by our Directors

Material Civil Litigation

Nil

Criminal Litigation

Nil

V. Litigation involving our Group Companies

Except as disclosed in "- *Litigation involving the IGI Belgium Group and IGI Netherlands Group*" below, there is no outstanding litigation involving our Group Companies. Further, as on the date of this Prospectus, there is no pending litigation involving our Group Companies which will have a material impact on our Company.

VI. Litigation involving the IGI Belgium Group and IGI Netherlands Group

Litigation against the IGI Belgium Group and IGI Netherlands Group

Material Civil Litigation

IGI UAE

1. KS Trade LLC has filed a complaint against our Company, IGI USA, IGI UAE and others before the Supreme Court of the State of New York. For details, see "- *Litigation involving our Company – Litigation against our Company – Material Civil Litigation*" on page 529.

IGI USA

1. KS Trade LLC has filed a complaint against our Company, IGI USA, IGI UAE and others before the Supreme Court of the State of New York. For details, see "- *Litigation involving our Company – Litigation against our Company – Material Civil Litigation*" on page 529.

2. On April 15, 2024, three former employees of International Gemological Institute, Inc. ("**IGI USA**"), graphic artist Hao Ni, gemologist Peter Strutynsky, and engraver technician Laila Masood (collectively, "**Complainants**"), filed three complaints against IGI USA in the Supreme Court of New York, County of New York. The Complainants have each alleged that IGI USA discriminated against each of them on the basis of their age by terminating their employment. Further, the Complainants have alleged that each of them should be deemed a manual worker under the New York Labor Law ("**NYLL**") and, as a result, that IGI USA violated NYLL Section 191 requiring that manual workers be paid their wages on a weekly basis, unlike other workers. In July 2024, each judge signed an order confirming the parties' stipulation to stay court proceedings in favour of binding arbitration. The parties are in confidential arbitration and are currently in discussions to try to resolve this matter by mediation or other means. The matter is currently pending.

Criminal Litigation

Nil

Actions taken by Regulatory or Statutory Authorities

Nil

Litigation by the IGI Belgium Group and IGI Netherlands Group

Material Civil Litigation

Nil

Criminal Litigation

Nil

Tax Claims

Except as disclosed below, there are no outstanding litigations involving claims related to direct and indirect taxes involving our Company, Subsidiary, Directors, Promoter and the IGI Belgium Group and IGI Netherlands Group.

Nature of case	Number of cases	Amount involved (in ₹ million)#
Litigation involving our Company		
Direct Tax	2	9.95
Indirect Tax	4	37.32
Litigation involving our Subsidiary		
Direct Tax	Nil	N.A.
Indirect Tax	Nil	N.A.
Litigation involving our Promoter		
Direct Tax	Nil	N.A.
Indirect Tax	Nil	N.A.
Litigation involving our Directors		
Direct Tax	Nil	N.A.
Indirect Tax	Nil	N.A.
Litigation involving the IGI Belgium Group and IGI Netherlands Group		
Direct Tax	Nil	N.A.
Indirect Tax	Nil	N.A.

To the extent quantifiable.

Outstanding dues to Creditors

In terms of the Creditors' Materiality Policy adopted by our Board in its meeting held on August 6, 2024, creditors of our Company to whom an amount exceeding 5% of our total trade payables as on September 30, 2024 was outstanding, were considered 'material' creditors. As per the Restated Financial Information, our total trade payables as on September 30, 2024, was ₹ 91.41 million and accordingly, creditors to whom outstanding dues exceeded ₹ 4.57 million have been considered as material creditors for the purposes of disclosure in this Prospectus.

Details of outstanding dues owed to material creditors, micro, small and medium enterprises and other creditors as on September 30, 2024 are set out below:

Types of Creditors	Number of Creditors	Amount involved (in ₹ million)
Micro, Small and Medium Enterprises[#]	34	26.32
Material Creditors	4	45.52
Other Creditors	91	19.57
Total	**129**	**91.41**

As certified by S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, pursuant to their certificate dated December 17, 2024.
[#] As defined under the Micro, Small and Medium Enterprises Development Act, 2006.

Material Developments

Other than as stated in "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments occurring after September 30, 2024*" on page 528, there have not arisen, since the date of the last financial statement disclosed in this Prospectus, 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.

GOVERNMENT AND OTHER APPROVALS

*We have set out below the material approvals, consents, licenses, and registrations from various governmental, statutory and/or regulatory authorities required to be obtained by our Company, IGI Belgium Group and IGI Netherlands Group for the purpose of undertaking their respective business activities and operations ("**Material Approvals**"). In view of the approvals, our Company can undertake the Offer and business activities, as applicable.*

Unless otherwise stated, these approvals or licenses are valid as of the date of this Prospectus. Certain Material Approvals of our Company, IGI Belgium Group and IGI Netherlands Group may have lapsed or expired or may lapse in their normal course and our Company, IGI Belgium Group and IGI Netherlands Group have either already made applications to the appropriate authorities for renewal of such Material Approvals or is in the process of making such renewal applications in accordance with applicable requirements and procedures.

For further details in connection with the applicable regulatory and legal framework within which we operate, see "Key Regulations and Policies" beginning on page 188.

I. Incorporation related approvals of our Company

(a) Certificate of incorporation dated February 23, 1999, issued by the RoC, to our Company, under the name '*International Gemmological Institute (India) Private Limited*'.

(b) Fresh certificate of incorporation dated July 10, 2024 issued by the RoC consequent upon the change of our Company's name from '*International Gemmological Institute (India) Private Limited*' to '*International Gemmological Institute (India) Limited*', pursuant to conversion of our Company from a private limited company to a public limited company.

(c) The CIN of our Company is U74999MH1999PLC118476.

II. Approvals in relation to the Offer

For details regarding the approvals and authorizations obtained by our Company in relation to the Offer, see "*Other Regulatory and Statutory Disclosures - Authority for the Offer*" on page 541.

III. Material Approvals in relation to the business operations of our Company

Our Company requires various approvals to carry on their business and operations. Some of these may expire in the ordinary course of business, the applications for renewal of which are submitted in accordance with applicable procedures and requirements. Our Company has received the following Material Approvals pertaining to the operations and business of our Company:

(a) *Foreign trade related approvals*

- Under the Foreign Trade Policy 2023, issued by the Ministry of Commerce and Industry, Government of India, our Company is an authorized agency permitted to import diamonds for certification/grading and re-export.

- Our Company has obtained a certificate of Importer Exporter Code bearing number 0399004793 from the Ministry of Commerce and Industry, Government of India on May 7, 1999.

(b) *Tax-related approvals*

- Permanent account number AAACI6824P, issued by the Income Tax Department, Government of India.

- Tax deduction account number MUMI05327A, issued by the Income Tax Department, Government of India.

- GST registration numbers of our branches of our Company, except for the branches as disclosed in "-*Material Approvals applied for but not received*" for GST payments under state goods and services tax legislations, including GST registration number 27AAACI6824P1Z3 for Maharashtra, where our Company's Registered and Corporate Office is located.

- Professional tax registration under the applicable state specific laws.

(c) ***Labour related approvals***

- Our Company is required to obtain registrations under the shops and establishments legislations for its branches under the applicable state legislations for all of our Company's branches and our Company has obtained the required registrations for all of the branches of our Company, except for the branches as disclosed in '- *Material Approvals applied for but not received'* below.

- Our Company has obtained registration under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

- Our Company has obtained registration for all our branches under the Employees State Insurance Act, 1948.

IV. Material Approvals applied for but not received

(a) Application for registration under the respective state shop and establishment act to the competent authority for two branches of our Company located in Surat, Gujarat.

V. Material Approvals expired and renewal yet to be applied for

Nil

VI. Material Approvals required but not obtained or applied for

Nil

VII. Material Approvals obtained in relation to IGI Belgium Group and the IGI Netherlands Group

(a) Qualification certificate for inspection and testing institution, bearing registration number 210921342025, issued to IGI Shanghai Testing by the Shanghai Municipal Administration for Market Supervision.

(b) Private school operating license, bearing registration number 33000000024049, issued by the Huangpu Human Resource and Social Security Bureau to IGI Shanghai Training to provide vocational skill training for precious metal jewellery and gemstone testers, jewellery designers, etc.

(c) Registration for consignees and consigners of imported and exported goods (wholesale of other stationery goods), bearing registration number 31222409UJ, issued by the Shanghai Pudong Customs to IGI Shanghai Consulting to conduct import and export business.

VIII. Material Approvals expired and renewal yet to be applied for in relation to IGI Belgium Group and the IGI Netherlands Group

Nil

IX. Material Approvals which will expire by March 31, 2025

(a) Shops and establishment registration obtained for a branch of the Company located in Hyderabad, India will be expiring on December 31, 2024.

(b) The Company undertakes to apply for renewal of the abovementioned approval to the competent authority in a timely manner.

SECTION VII: OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations and the applicable accounting standards, the term 'group companies' of our Company shall include (i) the companies (other than our Subsidiary) with which there were related party transactions, in accordance with Ind AS 24, as disclosed in the Restated Financial Information; and (ii) such other companies as considered material by the Board.

With respect to (ii) above, our Board in its meeting held on August 22, 2024 has considered that such companies (other than our Subsidiary, as applicable) that are a part of the Promoter Group with which there were transactions in the most recent calendar year and stub period, if any, to be included in the Offer documents ("**Test Period**"), and which individually or in the aggregate, exceed 10% of the total restated turnover of our Company for the Test Period, shall also be classified as Group Companies.

Accordingly, based on the parameters outlined above, as on the date of this Prospectus, our Company has the following Group Companies:

Indian Group Companies

1. Gajvrat Realty Private Limited; and
2. Assaying & Authenticity Alliance Private Limited.

Foreign Group Companies

1. Lorie Holding B.V.("**Lorie Holding**");
2. I.G.I International Gemmological Institutes (Israel) Ltd. ("**IGI Israel**");
3. International Gemmological Institute B.V. ("**IGI Belgium**");
4. International Gemological Institute DMCC ("**IGI UAE**");
5. International Gemological Institute (HK) Limited ("**IGI Hong Kong**");
6. International Gemological Institute, Inc. ("**IGI USA**");
7. International Gemmological Identification (Thailand) Limited ("**IGI Thailand**");
8. IGI (Shanghai) Business Consulting Company Limited ("**IGI Shanghai Consulting**");
9. IGI (Shenzhen) Jewelry Testing Co., Ltd. ("**IGI Shenzhen**"); and
10. BCP Asia Holdco III Pte. Ltd.

Details of our top five Group Companies

Our Company's top five Group Companies on the basis of the turnover of previous three years, in accordance with the SEBI ICDR Regulations comprise (i) IGI USA; (ii) IGI Israel; (iii) IGI Belgium; (iv) IGI UAE; and (v) IGI Hong Kong. In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Company's top five Group Companies for the previous three calendar years, extracted from their respective audited financial statements (as applicable for unlisted group companies) are hosted on the website of our Company. Our Company is providing links to such websites solely to comply with the requirement specified under the SEBI ICDR Regulations. Such financial information of the Group Companies and other information provided on such websites does not constitute a part of this Prospectus. Such information should not be considered as part of information that any investor should consider before making any investment decision. In accordance with the SEBI ICDR Regulations, details of our top five Group Companies have been set out below.

1. ***IGI USA***

Registered Office

The registered office of IGI USA is situated at 545 Fifth Avenue, 11th floor, New York, NY 10017, USA.

Financial information

Certain financial information derived from the audited financial statements of IGI USA for Calendar Year 2023, 2022 and 2021, as required by the SEBI ICDR Regulations, is available on the website of our Company at https://investor.igi.org/shareholder-information/documents/.

2. ***IGI Belgium***

Registered Office

The registered office of IGI Belgium is situated at Schupstraat 1-7, 2018 Antwerp, Belgium.

Financial information

Certain financial information derived from the audited financial statements of IGI Belgium for Calendar Year 2023, 2022 and 2021, as required by the SEBI ICDR Regulations, is available on the website of our Company at https://investor.igi.org/shareholder-information/documents/.

3. ***IGI Hong Kong***

Registered Office

The registered office of IGI Hong Kong is situated at Unit 705, 7/F Fu Hang Industrial Building 1 Hok Yuen Street East, Hung Hom, Kowloon.

Financial information

Certain financial information derived from the audited financial statements of IGI Hong Kong for Calendar Year 2023, 2022 and 2021, as required by the SEBI ICDR Regulations, is available on the website of our Company at https://investor.igi.org/shareholder-information/documents/.

4. ***IGI UAE***

Registered Office

The registered office of IGI UAE is situated at Unit No:27 A B C G &H, Almas Tower, Jumeirah Lakes Towers, Dubai, United Arab Emirates.

Financial information

Certain financial information derived from the audited financial statements of IGI UAE for Calendar Year 2023, 2022 and 2021, as required by the SEBI ICDR Regulations, is available on the website of our Company at https://investor.igi.org/shareholder-information/documents/.

5. ***IGI Israel***

Registered Office

The registered office of IGI Israel is situated at Yahalom Building, 31st floor, Room 78, Tuval 21, Ramat Gan, Israel.

Financial information

Certain financial information derived from the audited financial statements of IGI Israel for Calendar Year 2023, 2022 and 2021, as required by the SEBI ICDR Regulations, is available on the website of our Company at https://investor.igi.org/shareholder-information/documents/.

Details of other Group Companies

1. ***Lorie Holding[@]***

The registered office of Lorie Holding B.V. is situated at Krijn Taconiskade 430, 1087 HW, Amsterdam, Netherlands.

[@] *Lorie Holding has entered liquidation as of December 23, 2021 and is currently under liquidation.*

2. ***Assaying & Authenticity Alliance Private Limited***

The registered office of Assaying & Authenticity Alliance Private Limited is situated at 205, 2nd Floor, Sea Flama, Tokersey Jivraj Road Dosti Flamingo, Sewree West, Mumbai City, Mumbai 400 015, Maharashtra, India.

3. ***Gajvrat Realty Private Limited***

The registered office of Gajvrat Realty Private Limited is situated at 205, Sea Flama, Dosti Flamingos, T J Road, Sewri, Mumbai 400 015, Maharashtra, India.

4. ***IGI Thailand***

The registered office of International Gemmological Identification (Thailand) Limited is situated at 3rd Fl, BGI Building 9, Soi Charoenkrung 36 Charoenkrung Road, Bangrak, Bangkok 10500.

5. ***IGI Shanghai Consulting***

The registered office of IGI Shanghai Consulting is situated at Unit 02, 12/F, Building 2, No. 600 Zhongshan East 2nd Road, Huangpu District, Shanghai, China.

6. ***IGI Shenzhen***

The registered office of IGI Shenzhen is situated at Room 1501, Jinzhan Jewelry Plaza, No. 20 Shuibeiyi Road, Cuijin Community, Cuizhu Street, Luohu District, Shenzhen, China.

7. ***BCP Asia Holdco III Pte. Ltd.***

The registered office of BCP Asia Holdco III Pte. Ltd.is situated at 77, Robinson Road, #13-00, Robinson 77, Singapore 068 896.

Nature and extent of interest of our Group Companies

In the promotion of our Company

None of our Group Companies have an interest in the promotion of our Company as on the date of this Prospectus. However, Lorie Holding and Alpha Yu were the previous promoters of our Company. For details of the change in control of our Company, see "*Promoter and Promoter Group – Change in our Promoter*" on page 211 and "*Capital Structure – History of the equity share capital held by our Promoter - Build-up of the shareholding of our Promoter in our Company*" on page 83.

In the properties acquired by our Company in the past three years before filing this Prospectus or proposed to be acquired by our Company

None of our Group Companies are interested in the properties acquired by our Company in the three years preceding the filing of this Prospectus. Further, our Group Companies are not interested in the properties proposed to be acquired by our Company. However, pursuant to the acquisition of shares of IGI Belgium and IGI Netherlands, the Company will acquire interest in the properties owned by the IGI Belgium Group and the IGI Netherlands Group. For further details, see "*Proposed Acquisitions*" on page 147 and "*Objects of the Offer*" on page 90.

In transactions for acquisition of land, construction of building and supply of machinery, etc.

None of our Group Companies are interested in any transactions by our Company for acquisition of land, construction of building or supply of machinery, etc. However, pursuant to the acquisition of shares of IGI Belgium and IGI Netherlands, the Company will acquire interest in the land and buildings owned by the IGI Belgium Group and the IGI Netherlands Group. For further details, see "*Proposed Acquisitions*" on page 147 and "*Objects of the Offer*" on page 90.

Common pursuits among our Group Companies and our Company

Except for (i) IGI Israel; (ii) IGI Belgium; (iii) IGI UAE; (iv) IGI Hong Kong; (v) IGI USA; (vi) IGI Thailand; (vii) IGI Shanghai Consulting; and (viii) IGI Shenzhen, who are in the same line of business as our Company, there are no common pursuits amongst our Group Companies and our Company. The aforenamed entities are proposed to be acquired by our Company pursuant to the Proposed Acquisitions. For further details, see "*Proposed Acquisitions*" on page 147 and "*Objects of the Offer*" on page 90.

Related business transactions with our Group Companies and significance on the financial performance of our Company

Except as disclosed in this section under "*Restated Financial Information –Notes to the Restated Financial Information – Note 36: Related party disclosures*" on page 258, there are no other related business transactions with our Group Companies.

Litigation

Except as disclosed in "*Outstanding Litigation and Other Material Developments - Litigation involving the IGI Belgium Group and IGI Netherlands Group*" on page 532, there is no outstanding litigation involving our Group Companies. Further, as on the date of this Prospectus, there is no pending litigation involving our Group Companies which will have a material impact on our Company.

Business interest of our Group Companies

Except in the ordinary course of business and as stated in "*Restated Financial Information –Notes to the Restated Financial Information – Note 36: Related party disclosures*" on page 258 none of our Group Companies have any business interest in our Company.

Other confirmations

None of our Group Companies have any securities listed on any stock exchange. Further, none of our Group Companies has made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Prospectus.

SECTION VIII: OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorised by resolutions passed by our Board at their meetings held on August 7, 2024 and August 22, 2024, and the Fresh Issue has been authorised by a resolution passed by the Board at their meeting held on November 25, 2024 and by our Shareholders at their meeting held on August 10, 2024.

Further, our Board has taken on record the Offer for Sale by the Promoter Selling Shareholder pursuant to its resolution dated August 22, 2024. The Draft Red Herring Prospectus has been approved pursuant to a resolution passed by our Board on August 22, 2024.

The Red Herring Prospectus has been approved pursuant to a resolution passed by our Board on December 6, 2024. Further, our Board has approved this Prospectus pursuant to its resolution dated December 17, 2024.

The Offer for Sale has been authorised by the Promoter Selling Shareholder pursuant to a resolution dated August 7, 2024 passed by its board of directors and it has confirmed inclusion of the Offered Shares as part of the Offer for Sale pursuant to its consent letter dated August 9, 2024.

In-principle listing approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters each dated October 7, 2024.

Prohibition by SEBI, RBI or other Governmental Authorities

Our Company, Promoter, members of the Promoter Group, Directors and the Promoter Selling Shareholder are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Our Directors and Promoter are not directors or promoters of any other company which has been debarred from accessing the capital markets by SEBI.

Our Company, Promoter and Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on Wilful Defaulters or Fraudulent Borrowers issued by the RBI.

Our Promoter or Directors have not been declared as Fugitive Economic Offenders.

Directors associated with the Securities Market

Except as disclosed below, none of our Directors are associated with the securities market:

Prateek Roongta, who is associated as a (a) non-executive director of ASK Investment Managers Limited, which is registered as a portfolio manager and a manager to a Category III AIF Fund; (b) as a non-executive director of ASK Long-Short Fund Managers Private Limited, which is registered as a manager to a Category III AIF Fund; and (c) as a non-executive director of ASK Wealth Advisors Private Limited, which is registered as an investment adviser, portfolio manager and manager to Category III and Category II AIF Fund.

Further, there have been no outstanding actions initiated by SEBI against our Directors, who have been associated with entities in the securities market, in the five years preceding the date of this Prospectus.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoter and members of the Promoter Group and the Promoter Selling Shareholder severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(2) of the SEBI ICDR Regulations, which states as follows:

"*An issuer not satisfying the condition stipulated in sub-regulation (1) of the SEBI ICDR Regulations shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least* *seventy-five per cent of the net offer to qualified institutional buyers and to refund the full subscription money if it fails to do so.*"

(in ₹ million, unless otherwise stated)

Particulars	As at and for the period/year ended		
	Calendar Year ended December 31, 2023	**Calendar Year ended December 31, 2022**	**Calendar Year ended December 31, 2021**
Net tangible assets[(1)], as restated (A)	5,059.50	3,417.81	2,430.44
Operating profit[(2)], as restated (B)	4,369.54	3,236.58	2,281.53
Net worth[(3)], as restated (C)	5,090.09	3,390.73	2,425.89
Monetary assets[(4)], as restated (D)	3,148.38	1,992.49	1,635.02
Monetary assets, as restated as a % of Net tangible assets[(5)], as restated (E)=(D)/(A) (in %)	62.23%	58.30%	67.27%

(1) *Net tangible assets, as restated, means the sum of all net assets of our Company, excluding intangible assets, as defined in Ind AS 26 or Ind AS 38.*
(2) *Restated operating profit has been calculated as restated net profit before tax excluding other income and finance cost each on a restated and consolidated basis.*
(3) *Restated net worth means the aggregate value of paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*
(4) *Restated monetary assets means cash in hand, balance with bank in current and deposit account (net of bank deposits not considered as cash and cash equivalent).*
(5) *Monetary assets as restated as a percentage of the net tangible assets' means monetary assets as restated divided by net tangible assets, as restated, expressed as a percentage.*

We are an unlisted company that does not satisfy the conditions specified in Regulation 6(1)(a) of the SEBI ICDR Regulations and are therefore required to meet the conditions detailed in Regulation 6(2) of the SEBI ICDR Regulations.

We undertake to comply with Regulation 6(2) of the SEBI ICDR Regulations. Not less than 75% of the Net Offer is proposed to be Allotted to QIBs and in the event that we fail to do so, the full Bid Amounts shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and other applicable laws.

The Promoter Selling Shareholder confirms that the Offered Shares is eligible to be offered for sale in the Offer in accordance with Regulation 8 and 8A of the SEBI ICDR Regulations, to the extent applicable to it, as on the date of this Prospectus.

Our Company shall not make an Allotment if the number of prospective Allottees is less than 1,000 in accordance with Regulation 49(1) of the SEBI ICDR Regulations and other applicable law. Further, our Company confirms that it was not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. Our Company is in compliance with the conditions specified in Regulation 7(1), to the extent applicable, of the SEBI ICDR Regulations and it is also in compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

The status of compliance of our Company with the conditions as specified under Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

(i) Our Company, our Promoter (also the Promoter Selling Shareholder), members of the Promoter Group and our Directors are not debarred from accessing the capital markets by SEBI;

(ii) The companies with which our Promoter or Directors are associated as a promoter or director are not debarred from accessing the capital markets by SEBI;

(iii) Neither our Company, nor our Promoter or Directors is a Wilful Defaulter or a Fraudulent Borrower;

(iv) None of our Promoter or Directors have been declared as a Fugitive Economic Offender;

(v) There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Prospectus;

(vi) Our Company along with Registrar to the Offer has entered into tripartite agreements each dated June 21, 2024, with NSDL and CDSL, respectively, for dematerialisation of the Equity Shares;

(vii) The Equity Shares of our Company held by our Promoter are in dematerialised form;

(viii) All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Prospectus; and

(ix) There are no requirements to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue and existing identifiable internal accruals.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING AXIS CAPITAL LIMITED, KOTAK MAHINDRA CAPITAL COMPANY LIMITED, MORGAN STANLEY INDIA COMPANY PRIVATE LIMITED AND SBI CAPITAL MARKETS LIMITED ("BRLMS"), HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS PROSPECTUS, THE BRLMS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 22, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THIS PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLMS, ANY IRREGULARITIES OR LAPSES IN THIS PROSPECTUS.

Disclaimer from our Company, the Directors, the Promoter Selling Shareholder and BRLMs

Our Company, the Promoter Selling Shareholder, our Directors and the BRLMs accept no responsibility for statements made otherwise than in the Red Herring Prospectus and this Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, or the respective websites of our Promoter, Promoter Group or any affiliate of our Company would be doing so at their own risk. It is clarified that the Promoter Selling Shareholder, its directors, affiliates, partners, trustees, associates, and officers accept no responsibility for any statements made or undertakings provided in the Red Herring Prospectus and this Prospectus other than those specifically made or confirmed by the Promoter Selling Shareholder in relation to itself as a Promoter Selling Shareholder and the Offered Shares.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement, and as has been provided for in the Underwriting Agreement.

All information, to the extent required in relation to the Offer, was made and shall be made available by our Company, the Promoter Selling Shareholder, severally and not jointly (to the extent the information pertains to the Promoter Selling Shareholder and the Offered Shares), and the BRLMs to the Bidders and the public at large and no selective or additional information was and would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders were required to confirm and are deemed to have represented to our Company, the Promoter Selling Shareholder, the Underwriters and their respective directors, officers, agents, affiliates, trustees and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Promoter Selling Shareholder, the Underwriters and each of their respective directors, officers, agents, affiliates, trustees and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, the Promoter Selling Shareholder and our Group Companies, and their respective directors and officers, affiliates, associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoter Selling Shareholder and our Group Companies, and each of their respective directors and officers, partners, associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of jurisdiction

The Offer was being made in India to persons resident in India (who were competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who were authorised under their constitution to hold and invest in equity shares, state industrial development corporations, public financial institutions under Section 2(72) of the Companies Act, insurance companies registered with IRDAI, provident funds with minimum corpus of ₹250 million (subject to applicable law) and pension funds with minimum corpus of ₹250 million registered with the Pension Fund Regulatory and Development Authority established under section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, Systemically Important NBFCs registered with the RBI and registered multilateral and bilateral development financial institutions) and permitted Non-Residents including FPIs and Eligible NRIs and AIFs that they were eligible under all applicable laws and regulations to purchase the Equity Shares.

The Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus and this Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, India only. This Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Prospectus has been filed with the SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be issued, directly or indirectly, and this Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any offer or sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or the Promoter Selling Shareholder since the date of this Prospectus or that the information contained herein is correct as at any time subsequent to this date. Invitations to subscribe to or purchase the Equity Shares in the Offer was being made only pursuant to the Red Herring Prospectus if the recipient was in India or the preliminary offering memorandum for the Offer, which comprised the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

No person outside India was eligible to Bid for Equity Shares in the Offer unless that person had received the preliminary offering memorandum for the Offer, which contained the selling restrictions for the Offer outside India.

Eligibility and Transfer Restrictions

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Prospectus as "U.S. QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in "offshore transactions" as defined in, and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Prospectus as "QIBs".

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.

Until the expiry of 40 days after the commencement of this Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Offer) may violate the registration requirements of the U.S. Securities Act.

Eligible Investors

The Equity Shares were being offered and sold:

(i) in the United States or to, or for the account or benefit of, persons reasonably believed to be U.S. QIBs in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act; and

(ii) 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 are made; and

(iii) in each case who are deemed to have made the representations set forth immediately below.

Equity Shares Offered and Sold within the United States

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer within the United States, by its acceptance of the Red Herring Prospectus and the purchase of the Equity Shares, is deemed to have acknowledged, represented to and agreed, on behalf of itself and each person for which it is acting, with our Company, the Promoter Selling Shareholder and the Book Running Lead Managers that it has received a copy of the Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorised to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly are subject to restrictions on transfer 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;

3. the purchaser (i) is a U.S. QIB, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the U.S. Securities Act, and (iii) is acquiring such Equity Shares for its own account or for the account of a U.S. QIB with respect to which it exercises sole investment discretion;

4. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

5. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A under the U.S. Securities Act or (ii) in an "offshore transaction" complying with Regulation S under the U.S. Securities Act and (B) in accordance with all applicable laws, including the securities laws of the states of the United States. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;

6. the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any such Equity Shares;

7. the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

8. the purchaser agrees that neither the purchaser, nor any of its affiliates (as defined in Rule 405 of the U.S. Securities Act), nor any person acting on behalf of the purchaser or any of its affiliates (as defined in Rule 405 of the U.S. Securities Act), will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares or "general solicitation" or "general advertising" (within the meaning of Rule 502(c) of Regulation D under the U.S. Securities Act), in the United States in connection with any offer or sale of the Equity Shares;

9. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

   THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES 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 ACCORDINGLY, THE EQUITY SHARES MAY ONLY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED (1) WITHIN THE UNITED STATES, SOLELY TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE U.S. SECURITIES ACT OR ANOTHER EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, AND (2) OUTSIDE THE UNITED STATES IN AN "OFFSHORE TRANSACTION" AS DEFINED IN AND IN COMPLIANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT AND THE APPLICABLE LAWS OF THE JURISDICTION WHERE THOSE OFFERS AND SALES ARE MADE.

10. our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

11. the purchaser acknowledges that our Company, the Promoter Selling Shareholder, the Book Running Lead Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All Other Equity Shares Offered and Sold in this Offer

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer outside the United States, by its acceptance of the Red Herring Prospectus and of the Equity Shares offered pursuant to this Offer, is deemed to have acknowledged, represented to and agreed with our Company, the Promoter Selling Shareholder and the Book Running Lead Managers that it had received a copy of the Red Herring Prospectus and such other information as it deemed necessary to make an informed investment decision and that:

1. the purchaser is authorised to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered, resold, pledged or transferred 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;

3. the purchaser is purchasing the Equity Shares offered pursuant to this Offer in an offshore transaction meeting the requirements of Regulation S under the U.S. Securities Act;

4. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Offer, was located outside the United States at the time (i) the offer for such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;

5. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

   the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;

6. our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

7. the purchaser acknowledges that our Company, the Promoter Selling Shareholder, the Book Running Lead Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Our Company, the Promoter Selling Shareholder, the Book Running Lead Managers and their affiliates, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

Bidders were advised to ensure that any Bid from them did not exceed investment limits or maximum number of Equity Shares that could be held by them under applicable law. Further, each Bidder was required to agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

Disclaimer Clause of BSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company by way of its in-principle approval dated October 7, 2024, post scrutiny of the Draft Red Herring Prospectus is set forth below:

"*The Exchange does not in any manner: -*

a. *warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or*

b. *warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or*

c. *take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company,*

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever."

Disclaimer Clause of NSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company by way of its in-principle approval dated October 7, 2024, post scrutiny of the Draft Red Herring Prospectus is set forth below:

"*As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/4354 dated October 07, 2024, permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.*

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Listing

The Equity Shares offered through the Red Herring Prospectus and this Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. NSE is the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/Offer Closing Date or such other time as prescribed by SEBI. If our Company does not Allot Equity Shares pursuant to the Offer within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period or such other rate prescribed by SEBI.

The Promoter Selling Shareholder, confirms that it shall provide such reasonable support and cooperation as may be requested by our Company and the BRLMs, to the extent such support and cooperation is required from it in relation to the Offered Shares to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within three Working Days from the Bid/Offer Closing Date or such other time as prescribed by SEBI.

Consents

Consents in writing of the Promoter Selling Shareholder, our Directors, our Company Secretary and Compliance Officer, legal counsel to our Company as to Indian law, Bankers to our Company, the BRLMs, Registrar to the Offer, Redseer, Statutory Auditors and consents in writing of the Syndicate Members, Escrow Collection Bank(s)/ Refund Bank(s)/ Public Offer Account/ Sponsor Bank(s) and the Monitoring Agency to act in their respective capacities, were obtained and have been be filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents have not been withdrawn up to the time of delivery of this Prospectus for filing with the RoC.

Experts to the Offer

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

Our Company has received a written consent dated December 17, 2024 from our Statutory Auditor, namely, M/s. M S K A & Associates, Chartered Accountants, holding a valid peer review certificate from the ICAI, to include their names as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 (and not as defined under the U.S. Securities Act) to the extent and in their capacity as our Statutory Auditor, and in respect of their (a) examination report dated August 6, 2024, on the Restated Financial Information, (b) report dated August 22, 2024 on the statement of possible special tax benefits available to our Company and its Shareholders, (c) the audit reports each dated August 6, 2024 for the CY 2021 and CY 2022 Special Purpose Consolidated Financial Statements for IGI Belgium Group, CY 2023 Special Purpose Consolidated Financial Statements for IGI Belgium Group and audit report dated November 25, 2024 Stub Period Special Purpose Consolidated Financial Statements for IGI Belgium Group, respectively, included in this Prospectus, (d) the audit reports each dated August 6, 2024 for the CY 2021 and CY 2022 Special Purpose Consolidated Financial Statements for IGI Netherlands Group, CY 2023 Special Purpose Consolidated Financial Statements for IGI Netherlands Group and audit report dated November 25, 2024 Stub Period Special Purpose Consolidated Financial Statements for IGI Netherlands Group, respectively, included in this Prospectus, and (e) report dated November 25, 2024 on the Unaudited Pro Forma Condensed Combined Financial Information.

Our Company has received written consent dated December 17, 2024 from S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, holding a valid peer review certificate from the ICAI, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations in this Prospectus and as an ‘expert’ as defined under Section 2(38) of Companies Act in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company, and such consent has not been withdrawn as on the date of this Prospectus.

Our Company has received written consent dated August 12, 2024 from D&P Advisory, an independent valuer, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations in this Prospectus and as an ‘expert’ as defined under Section 2(38) of Companies Act in respect of the Valuation Report issued by them in their capacity as an independent valuer, and such consent has not been withdrawn as on the date of this Prospectus.

Particulars regarding public or rights issues during the last five years

Our Company has not made any rights issue of Equity Shares during the five years immediately preceding the date of this Prospectus.

Further, our Company has not made any public issue of Equity Shares during the five years immediately preceding the date of this Prospectus.

Particulars regarding capital issues by our Company and its listed subsidiaries, group companies, associate entities during the last three years

Our Company has not made any capital issues during the three years preceding the date of this Prospectus.

Our Company does not have any listed group company or any listed subsidiary. Our Company does not have any associate companies.

Commission and Brokerage paid on previous issues of the Equity Shares in the last five years

Since this is the initial public offer of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the last five years preceding the date of this Prospectus.

Performance vis-à-vis objects – Public/rights issue of our Company

Our Company has not made any public/rights issue (as defined in the SEBI ICDR Regulations) during the last five years preceding the date of this Prospectus.

Performance vis-à-vis objects – Public/rights issue of the listed subsidiaries and promoter

None of the equity shares of our Subsidiary or our Promoter is listed on any stock exchanges.

Price information of past issues handled by the BRLMs

A. Axis Capital Limited

1. Price information (during the current Financial Year and two Financial Years preceding the current Financial Year) of past issues handled by Axis:

Sr. No.	Issue Name	Issue Size (₹ Mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Zinka Logistics Solutions Limited[% (1)]	11,147.22	273.00	November 22, 2024	280.90			
2.	Niva Bupa Health Insurance Company Limited[(2)]	22,000.00	74.00	November 14, 2024	78.14	+12.97%, [+5.25%]	-	-
3.	Waaree Energies Limited[(2)]	43,214.40	1,503.00	October 28, 2024	2,500.00	+68.05%, [-0.59%]	-	-
4.	Northern Arc Capital Limited[&(2)]	7,770.00	263.00	September 24, 2024	350.00	-7.15%, [-5.80%]	-	-
5.	Bajaj Housing Finance Limited[(2)]	65,600.00	70.00	September 16, 2024	150.00	+99.86%, [-1.29%]	+89.23%,[-2.42%]	-
6.	Baazar Style Retail Limited[$(1)]	8,346.75	389.00	September 6, 2024	389.00	-1.32%, [+0.62%]	-16.11%,[-0.28%]	-
7.	Interarch Building Products Limited[!(2)]	6,002.87	900.00	August 26, 2024	1,299.00	+41.04%, [+3.72%]	+59.33%,[-4.41%]	-
8.	Ola Electric Mobility Limited[# (2)]	61,455.59	76.00	August 9, 2024	91.20	+44.17%, [+1.99%]	-2.11%, [+0.48%]	-
9.	Akums Drugs and Pharmaceuticals Limited[@ (2)]	18,567.37	679.00	August 6, 2024	725.00	+32.10%, [+5.03%]	+23.99%, [+0.89%]	-
10.	Emcure Pharmaceuticals Limited[^(2)]	19,520.27	1,008.00	July 10, 2024	1,325.05	+27.94%, [-0.85%]	+32.08%, [+1.94%]	-

Source: www.nseindia.com and www.bseindia.com
[(1)] BSE as designated stock exchange
[(2)] NSE as designated stock exchange
[%] Offer Price was ₹ 248.00 per equity share to eligible employees
[&] Offer Price was ₹ 239.00 per equity share to eligible employees
[$] Offer Price was ₹ 354.00 per equity share to eligible employees
[!] Offer Price was ₹ 815.00 per equity share to eligible employees
[#] Offer Price was ₹ 69.00 per equity share to eligible employees
[@] Offer Price was ₹ 615.00 per equity share to eligible employees

^ Offer Price was ₹ 918.00 per equity share to eligible employees

Notes:

a. Issue Size derived from Prospectus/final post issue reports, as available.

b. The CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the designated stock exchange disclosed by the respective Issuer at the time of the issue, as applicable.

c. Price on NSE or BSE is considered for all of the above calculations as per the designated stock exchange disclosed by the respective Issuer at the time of the issue, as applicable.

d. In case 30th/90th/180th day is not a trading day, closing price of the previous trading day has been considered.

e. Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Axis:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-2025*	16	366,789.53	-	-	2	6	5	2	-	-	-	4	-	1
2023-2024	18	218,638.22	-	-	4	2	6	6	-	-	3	7	4	4
2022-2023	11	279,285.39	-	1	6	-	2	2	-	2	5	-	3	1

** The information is as on the date of the document*

The information for each of the financial years is based on issues listed during such financial year

***Note**:*

1. *Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.*

B. Kotak Mahindra Capital Company Limited

1. Price information (during the current Financial Year and two Financial Years preceding the current Financial Year) of past issues handled by Kotak:

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Niva Bupa Insurance Company Limited	22,000.00	74.00	November 14, 2024	78.14	12.97%, [5.25%]	Not applicable	Not applicable
2.	Acme Solar Holdings Limited	29,000.00	289.00[1]	November 13, 2024	251.00	-6.02%, [4.20%]	Not applicable	Not applicable
3.	Swiggy Limited	113,274.27	390.00[2]	November 13, 2024	420.00	29.31%, [4.20%]	Not applicable	Not applicable
4.	Hyundai Motor India Limited	278,556.83	1,960.00[3]	October 22, 2024	1,934.00	-6.64%, [-3.90%]	Not applicable	Not applicable
5.	Western Carriers (India) Limited	4,928.80	172.00	September 24, 2024	171.00	-20.69%, [-5.80%]	Not applicable	Not applicable
6.	Bajaj Housing Finance Limited	65,600.00	70.00	September 16, 2024	150.00	+99.86%, [-1.29%]	+89.23%, [-2.42%]	Not applicable
7.	Premier Energies Limited	28,304.00	450.00[4]	September 3, 2024	991.00	+146.93%, [+2.07%]	+172.40%, [-3.33%]	Not applicable
8.	Brainbees Solutions Limited	41,937.28	465.00[5]	August 13, 2024	651.00	+37.49%, [+3.23%]	+21.39%, [+0.04%]	Not applicable
9.	Ola Electric Mobility Limited	61,455.59	76.00[6]	August 9, 2024	76.00	+44.17%, [+1.99%]	-2.11%, [+0.48%]	Not applicable
10.	Emcure Pharmaceuticals Limited	19,520.27	1,008.00[7]	July 10, 2024	1,325.05	+27.94%, [-0.85%]	+32.18%, [+1.94%]	Not applicable

Source: www.nseindia.com and_www.bseindia.com

Notes:

1. *In Acme Solar Holdings Limited, the issue price to eligible employees was ₹ 262 after a discount of ₹ 27 per equity share*
2. *In Swiggy Limited, the issue price to eligible employees was ₹ 365 after a discount of ₹ 25 per equity share*
3. *In Hyundai Motor India Limited, the issue price to eligible employees was ₹ 1,774 after a discount of ₹ 186 per equity share*
4. *In Premier Energies Limited, the issue price to eligible employees was ₹ 428 after a discount of ₹ 22 per equity share*
5. *In Brainbees Solutions Limited, the issue price to eligible employees was ₹ 421 after a discount of ₹ 44 per equity share*
6. *In Ola Electric Mobility Limited, the issue price to eligible employees was ₹ 69 after a discount of ₹ 7 per equity share*
7. *In Emcure Pharmaceuticals Limited, the issue price to eligible employees was ₹ 918 after a discount of ₹ 90 per equity share*
8. *In the event any day falls on a holiday, the price/index of the immediately preceding trading day has been considered.*
9. *The 30th, 90th, 180th calendar days from listed day have been taken as listing day plus 29, 89 and 179 calendar days.*
10. *Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.*
11. *Restricted to last 10 equity initial public issues.*

2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Kotak:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25	12	713,025.27	-	-	3	2	5	2	-	-	-	2	-	-
2023-24	11	179,436.83	-	-	-	2	4	5	-	-	-	7	3	1
2022-23	10	367,209.37	-	1	2	-	3	4	-	2	1	2	3	2

***Notes**:*

1. *The information is as on the date of this Prospectus.*
2. *The information for each of the financial years is based on issues listed during such financial year.*

C. Morgan Stanley India Company Private Limited

1. Price information (during the current Financial Year and two Financial Years preceding the current Financial Year) of past issues handled by Morgan Stanley:

Sr. No.	Issue Name	Issue Size (₹ Mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Zinka Logistics Solutions Limited	11,147.00	273.00	November 22, 2024	280.90	NA	NA	NA
2.	Niva Bupa Health Insurance Company limited	22,000.00	74.00	November 14, 2024	78.14	NA	NA	NA
3.	Hyundai Motor India Limited	278,556.83	1,960.00	October 22, 2024	1,934.00	-6.6% [-5.1%]	NA	NA
4.	Brainbees Solutions Limited	41,937.28	465.00	August 13, 2024	651.00	+ 37.5% [+ 2.3%]	+21.4% [-0.8%]	NA
5.	Go Digit General Insurance Limited	26,146.46	272.00	May 23, 2024	286.00	+ 22.8% [+ 4.0%]	+ 30.8% [+ 9.3%]	+ 16.3% [+ 3.8%]
6.	Delhivery Limited	52,350.00	487.00	May 24, 2022	495.20	+ 3.5% [- 4.9%]	+17.0% [+ 9.5%]	-28.0% [+ 12.9%]

Source: www.nseindia.com; ; for price information and prospectus/ basis of allotment for issue details

***Notes**:*

1. *Issue size is as per the prospectus filed with SEBI with the figures rounded off to the nearest decimal point.*
2. *Benchmark index considered is NIFTY50.*
3. *If the 30th/90th/180th day falls on a trading holiday then pricing information on the preceding trading day has been considered.*
4. *Pricing performance for the company is calculated as per the final offer price.*
5. *Pricing Performance for the benchmark index is calculated as per the close on the day prior to the listing date.*

2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Morgan Stanley:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25*	5*	101,230.74*	-	-	1*	-	1*	1*	-	-	-	-	-	1*
2023-24	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2022-23	1	52,350.00	-	-	-	-	-	1	-	1	-	-	-	-

Source: www.nseindia.com

Notes:

**Total number of IPOs and total amounts of funds raised includes five Issues: Zinka Logistics Solutions Limited, Niva Bupa Health Insurance Company limited, Hyundai Motor India Limited, Brainbees Solutions Limited and Go Digit General Insurance Limited. Trading performance includes 3 issues: Hyundai Motor India Limited, Brainbees Solutions Limited and Go Digit General Insurance Limited (as Zinka Logistics Solutions Limited and Niva Bupa Health Insurance Company Limited have not completed 30 trading days since listing)*

D. SBI Capital Markets Limited

1. Price information (during the current Financial Year and two Financial Years preceding the current Financial Year) of past issues handled by SBICAPS:

Sr. No.	Issue Name**	Issue Size (₹ Mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Suraksha Diagnostic Limited@	8462.49	441.00	December 6, 2024	437.00	-	-	-
2	Afcons Infrastructure Limited#	54,300.00	463.00	November 4. 2024	430.05	+6.56% [+1.92%]	-	-
3	Godavari Biorefineries Limited@	5,547.50	352.00	October 30, 2024	310.55	-0.16% [-1.12%]	-	-
4	Waaree Energies Limited#	43,214.40	1,493.00	October 28, 2024	2,500.00	+68.05% [-0.59%]	-	-
5	Bajaj Housing Finance Limited#	65,600.00	70.00	September 16,2024	150.00	+ 99.86% [-1.29%]	+ 89.23% [-2.42%]	-
6	Ola Electric Mobility Limited# (1)	61,455.59	76.00	August 9, 2024	76.00	+44.17% [+1.99%]	-2.11% [+0.48%]	-
7	Bansal Wire Industries Limited#	7,450.00	256.00	July 10, 2024	356.00	+37.40% [-0.85%]	+61.17% [+1.94%]	-
8	Stanley Lifestyles Limited@	5,370.24	369.00	June 28, 2024	499.00	+55.96% [+2.91%]	+31.29% [+7.77%]	-
9	Dee Development Engineers Limited(2) #	4,180.15	203.00	June 26, 2024	339.00	+81.16% [+2.25%]	+47.44% [+8.67%]	-
10	Aadhar Housing Finance Ltd(3)#	30,000.00	315.00	May 15, 2024	315.00	+25.56% [+5.40%]	+33.89% [+9.67%]	+45.76% [+8.77%]

Source: www.nseindia.com and www.bseindia.com

Notes:

* *The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days isa trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.*

** *The information is as on the date of this document.*

* *The information for each of the financial years is based on issues listed during such financial year.*

@ *The S&P BSE SENSEX index is considered as the Benchmark Index, BSE being the designated stock exchange*

\# *The Nifty 50 index is considered as the Benchmark Index, NSE being the designated stock exchange*

1 *Price for eligible employee was Rs 184.00 per equity share*
2 *Price for eligible employee was Rs 184.00 per equity share*
3 *Price for eligible employee was Rs 292.00 per equity share*

(i) Summary statement of price information of past public issues (during the current Fiscal and the two Fiscals immediately preceding the current Financial Year):

Financial Year	Total no. of IPOs #	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25*	11	3,28,330.37	-	-	1	5	3	1	-	-	-	1	1	-
2023-24	12	1,32,353.46			6	2	3	1			3	5	2	2
2022-23	3	2,28,668.02	-	1	1	-	1	-	-	1	1	-	-	1

* *The information is as on the date of this offer document.*

\# *Date of Listing for the issue is used to determine which financial year that particular issue falls into.*

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in the SEBI circular dated January 10, 2012, bearing reference number CIR/MIRSD/1/2012, see the websites of the BRLMs, as provided in the table below.

S. No.	Name of the BRLM	Website
1.	Axis Capital Limited	www.axiscapital.co.in
2.	Kotak Mahindra Capital Company Limited	https://investmentbank.kotak.com
3.	Morgan Stanley India Company Private Limited	www.morganstanley.com/india
4.	SBI Capital Markets Limited	www.sbicaps.com

Stock Market Data of Equity Shares

This being the initial public offer of Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

In terms of SEBI Master Circular SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI Master Circular SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period and such compensation to investors shall be computed from T+3 day. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the SCSBs and the Book Running Lead Managers shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay. Further, in terms of SEBI Master Circular SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

All Offer-related grievances, other than for Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, UPI ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Bank(s) for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Promoter Selling Shareholder, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the applicable provisions of SEBI ICDR Regulations. Bidders can contact our Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned herein.

Disposal of investor grievances by our Company

Our Company has obtained authentication on the SCORES in terms of the SEBI circular bearing number SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023 in relation to redressal of investor grievances through SCORES.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has not received any investor grievances in the last three Calendar Years prior to the filing of this Prospectus. As at the date of this Prospectus there are no outstanding investor grievances.

Our Company has also appointed Hardik Desai, Company Secretary of our Company, as the Compliance Officer for the Offer. For details, see "*General Information*" on page 70.

Our Company has constituted a Stakeholders Relationship Committee comprising Prateek Roongta, Bimal Tanna and Tehmasp Nariman Printer as members. For details, see "*Our Management – Committees of our Board – Stakeholders' Relationship Committee*" on page 214.

Exemption from complying with any provisions of SEBI ICDR Regulations

Our Company had filed an application dated July 12, 2024 and a follow-up application dated July 30, 2024 with SEBI for seeking exemption under Regulation 300(1)(c) of SEBI ICDR Regulations, from categorising Alpha Yu (an erstwhile shareholder of our Company) and CHINDEX Shanghai International Trading Company Limited ("**CHINDEX**") (an affiliate of Alpha Yu) as 'group companies' of our Company under Regulation 2(1)(t) of the SEBI ICDR Regulations.

During CY 2021 and CY 2022, the Company has recorded the following related party transactions with Alpha Yu and CHINDEX in CY 2021 and CY 2022: (i) payment of dividend to Alpha Yu and; (ii) receivables due from CHINDEX against certain masks supplied by the Company to CHINDEX during the COVID-19 outbreak. For details see "*Summary of the Offer Document – Summary of Related Party Transactions*" and "*Other Financial Information – Related Party Transactions*" on pages 19 and 505, respectively.

Our Company had accordingly approached the representatives of Alpha Yu and CHINDEX to obtain the necessary information and certifications required from them in their respective capacity as 'group companies' under the SEBI ICDR Regulations. However, despite several requests, both Alpha Yu and CHINDEX have refused to provide the relevant information. Following the divestment of shareholding by Alpha Yu in our Company, we have no control, business or transactions with Alpha Yu or CHINDEX and have no ability to influence their decision making in order to obtain the requisite information. provide reference to history section. We had therefore sought an exemption from categorising these entities as 'group companies' of our Company. Pursuant to the letter dated August 20, 2024, SEBI has granted the aforesaid exemption to our Company. See, "*Material Contracts and Documents for Inspection – Material Documents*" on page 598.

It is further confirmed that there have not been any related party transactions between the Company and the aforementioned entities in CY 2023 and the nine months ended September 30, 2024 and September 30, 2023. Our Company further undertakes and confirms that there shall not be any further related party transactions in accordance with the Indian accounting standard notified under Section 133 of the Companies Act, 2013 and referred to in the Companies (Indian Accounting Standards) Rules, 2015 between our Company and Alpha Yu and/or CHINDEX in the future.

SECTION IX: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and Allotted pursuant to the Offer was subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, SEBI Listing Regulations, the terms of the Red Herring Prospectus, this Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN/ Allotment Advice and other terms and conditions as may be incorporated in other documents/ certificates that may be executed in respect of the Offer. The Equity Shares are also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the Offer of capital and listing and trading of securities, issued from time to time, by SEBI, the GoI, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the GoI, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

Ranking of the Equity Shares

The Allottees upon Allotment of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares transferred in the Offer shall be *pari passu* with the existing Equity Shares in all respects including dividends. For further details, see "*Main Provisions of Articles of Association*" beginning on page 591.

Mode of payment of dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association, dividend distribution policy of our Company, and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of Articles of Association*" beginning on pages 213 and 591, respectively.

Face Value, Offer Price and Price Band

The face value of each equity share is ₹2 and the Offer Price at the lower end of the Price Band is ₹397 per equity share of face value ₹2 and at the higher end of the Price Band is ₹417 per equity share of face value ₹2. The Anchor Investor Offer Price is ₹417per Equity Share. An Employee Discount of ₹39 per Equity Share was offered to Eligible Employees Bidding in the Employee Reservation Portion, in accordance with the SEBI ICDR Regulations.

The Price Band, Employee Discount and the minimum Bid Lot for the Offer was decided by our Company in consultation with the BRLMs, and published and advertised in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and Mumbai editions of Navshakti, a Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and were made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, was pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Offer Price was determined by our Company, in consultation with the Book Running Lead Managers, after the Bid/Offer Closing Date on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process.

At any given point of time, there shall be only one denomination for the Equity Shares.

The Offer

The Offer comprises a Fresh Issue of Equity Shares by our Company and Offer for Sale by the Promoter Selling Shareholder. Expenses for the Offer shall be shared amongst our Company and the Promoter Selling Shareholder in the manner specified in "*Objects of the Offer - Offer related expenses*" on page 93.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our equity Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and the Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "*Main Provisions of Articles of Association*" beginning on page 591.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Offer:

- Tripartite agreement dated June 21, 2024 amongst our Company, NSDL and Registrar to the Offer; and
- Tripartite agreement effective as June 21, 2024 amongst our Company, CDSL and Registrar to the Offer.

Employee Discount

Employee discount was offered to Eligible Employees bidding in the Employee Reservation Portion respectively. Eligible Employees bidding in the Employee Reservation Portion respectively at a price within the Price Band could make payment based on, Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price had to ensure payment at the Cap Price, less Employee Discount, at the time of making a Bid.

Market lot and trading lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of 35 equity shares of face value ₹2 each. For further details, see "*Offer Procedure*" beginning on page 569.

Joint Holders

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Mumbai, Maharashtra, India.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the Sole Bidder, or the First Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or modified by nominating any other person in place of the present nominee, by the holder of the Equity Shares who made the nomination, by giving a notice of such cancellation or variation to our Company. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Bid/ Offer programme

BID/OFFER OPENED ON	Friday, December 13, 2024 [1]
BID/OFFER CLOSED ON	Tuesday, December 17, 2024

[1] *The Anchor Investor Bid/Offer Period was one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations, i.e., Thursday, December 12, 2024.*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Wednesday, December 18, 2024
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about Thursday, December 19, 2024
Credit of Equity Shares to dematerialized accounts of Allottees	On or about Thursday, December 19, 2024
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Friday, December 20, 2024

* *In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked; (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The post Offer BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. The Bidder shall be compensated in the manner specified in the SEBI Master Circular SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable, issued by SEBI, and any other applicable law in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.*

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, the Promoter Selling Shareholder or the BRLMs.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days from the Bid/Offer Closing Date or such other time as prescribed by SEBI, the timetable may be extended due to various factors, such as any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Promoter Selling Shareholder confirms that it shall extend such reasonable support and co-operation as may be required under Applicable Law or requested by our Company and/or the BRLMs, in relation to it and the Offered Shares, to facilitate the completion of listing and commencement of trading of Equity Shares on the Stock Exchanges within three Working Days from the Bid/Offer Closing Date or such time as prescribed by SEBI.

The Registrar to the Offer shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/ Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the Registrar to the Offer on a daily basis in accordance with the SEBI RTA Master Circular. To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within such period as may be prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“**IST**”)
Bid/Offer Closing Date	
Submission of electronic Applications (Online ASBA through 3-in-1 accounts) – For RIBs and Eligible Employees Bidding in the Employee Reservation Portion.	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of physical Applications (Syndicate Non-Retail, Non-Individual Applications	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ Revision/cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIBs and Eligible Employees Bidding in the Employee Reservation Portion.	Only between 10.00 a.m. and up to 5.00 p.m. IST

On the Bid/ Offer Closing Date, the Bids were required to be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and NIBs, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs and Eligible Employees Bidding in the Employee Reservation Portion.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount was not blocked by SCSBs, or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, were rejected.

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders were advised to submit their Bids one day prior to the Bid/ Offer Closing Date. Any time mentioned in the Red Herring Prospectus and this Prospectus is IST. Bidders were cautioned that, in the event a large number of Bids were received on the Bid/ Offer Closing Date, some Bids would not have been uploaded due to lack of sufficient time. Such Bids that could not be uploaded were not considered for allocation under the Offer. Bids and any revision in Bids were accepted only during Working Days during the Bid/ Offer Period. Bidders may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated

July 6, 2006 issued by BSE and NSE, respectively, Bids and any revision in Bids were not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders were uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. The Designated Intermediaries modified select fields uploaded in the Stock Exchange Platform during the Bid/ Offer Period till 5:00 pm on the Bid/ Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

In case of discrepancy in data entered in the electronic book vis-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges were taken as the final data for the purpose of Allotment.

Minimum Subscription

If (i) our Company does not make the minimum Allotment in the Offer as specified under Rule 19(2)(b) of the SCRR or does not achieve the minimum subscription of 90% of the Fresh Issue on the Bid/ Offer Closing Date; or (ii) subscription level falls below the aforesaid minimum subscription after the Bid/ Offer Closing Date due to withdrawal of Bids, or after technical rejections, or any other reason; or (iii) in case of devolvement of Underwriting, aforesaid minimum subscription is not received within 60 days from the date of Bid/ Offer Closing Date; or (iv) if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares in the Offer, the Promoter Selling Shareholder, to the extent of the Offered Shares and our Company shall forthwith refund the entire subscription amount in accordance with applicable law.

In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, Allotment shall first be made towards the Fresh Issue as required under Rule 19(2)(b) of the SCRR and 90% of the Fresh Issue, the balance subscription in the Offer will be met in the following order of priority: (i) through the sale of Offered Shares being offered by the Promoter Selling Shareholder in the Offer for Sale followed by (ii) the issuance of balance part of the Fresh Issue.

If there is a delay beyond two days, our Company, and every Director of our Company, who are officers in default, shall pay interest at the rate of 15% per annum in accordance with the SEBI ICDR Regulations and any other applicable law including the SEBI master circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024. The Promoter Selling Shareholder shall reimburse, in proportion to the Offered Shares, any expenses and interest incurred by our Company on behalf of it for any delays in making refunds as required under the Companies Act and any other applicable law, provided that the Promoter Selling Shareholder shall not be responsible or liable for payment of such interest, unless such delay is solely and directly attributable to an act or omission of the Promoter Selling Shareholder in relation to the Offered Shares. All refunds made, interest borne, and expenses incurred (with regard to payment of refunds) by our Company on behalf of the Promoter Selling Shareholder will be adjusted or reimbursed by the Promoter Selling Shareholder (only to the extent of the Offered Shares), to our Company as agreed among our Company and the Promoter Selling Shareholder in writing, in accordance with Applicable Law. The requirement for minimum subscription is not applicable for the Offer for Sale.

In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and in compliance with Rule 19(2)(b) of the SCRR, the Allotment for the valid Bids will be made in the first instance towards subscription for 100% of the Fresh Issue. If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made towards Equity Shares offered by the Selling Shareholder in such manner as specified in the Offer Agreement.

Further our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of the SEBI ICDR Regulations, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for disposal of odd lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one equity share of face value ₹2 each.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restrictions, if any on transfer and transmission of Equity Shares

Except for the lock-in of the pre-Offer Equity Share capital of our Company, minimum Promoter's contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" beginning on page 78, and except as provided in our Articles of Association as detailed in "*Main Provisions of Articles of Association*" beginning on page 591, there are no restrictions on transfer and transmission of the Equity Shares, and on their consolidation or splitting.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

OFFER STRUCTURE

The Offer of 101,323,893* equity shares of face value ₹2 each for cash at a price of ₹417 per equity share of face value ₹2 (including a premium of ₹415 per equity share of face value ₹2) aggregating to ₹42,250* million comprising of a Fresh Issue of to 35,376,651* equity shares of face value ₹2 each aggregating to ₹14,750* million by our Company and an Offer for Sale of 65,947,242* equity shares of face value ₹2 each aggregating to ₹27,500* million by the Promoter Selling Shareholder. For details, see "*The Offer*" beginning on page 63. The Offer shall constitute 23.45% of the post-Offer paid-up Equity Share capital of our Company.

**Subject to finalisation of Basis of Allotment.*

The Offer comprises of a Net Offer of 101,270,983* equity shares of face value ₹2 each and Employee Reservation Portion of 52,910* equity shares of face value ₹2 each aggregating to ₹20 million*. The Offer and the Net Offer shall constitute 23.45% and 23.43%, respectively of the post-Offer paid-up Equity Share capital of our Company.

**Subject to finalisation of Basis of Allotment.*

In terms of Rule 19(2)(b) of the SCRR, the Offer was made through the Book Building Process, in compliance with Regulation 31 of the SEBI ICDR Regulations.

Particulars	QIBs(1)	NIBs	RIBs	Employee Reservation Portion(2)
Number of Equity Shares available for Allotment or allocation*(3)	75,953,238* equity shares of face value ₹2 each	15,190,647* equity shares of face value ₹2 each available for allocation or Offer less allocation to QIB Bidders and RIBs	10,127,098* equity shares of face value ₹2 each available for allocation or Offer less allocation to QIB Bidders and NIBs	52,910* equity shares of face value ₹2 each
Percentage of Offer size available for Allotment or allocation	Not less than 75% of the Net Offer was made available for allocation to QIBs. However, 5% of the QIB Portion (excluding the Anchor Investor Portion) was made available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion were also eligible for allocation in the remaining balance QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the could have been be available for allocation to other QIBs	Not more than 15% of the Net Offer, or the Offer less allocation to QIB Bidders and RIBs was made available for allocation, subject to the following: (i) one-third of the portion available to NIBs was reserved for applicants with an application size of more than ₹200,000 and up to ₹1,000,000; and (ii) two-third of the portion available to NIBs was reserved for applicants with application size of more than ₹1,000,000 provided that the unsubscribed portion in either of the subcategories specified above could have been allocated to applicants in the other sub-category of Non-Institutional Bidders.	Not more than 10% of the Net Offer or the Offer less allocation to QIB Bidders and NIBs was made available for allocation	The Employee Reservation Portion constituted 0.01% of our post-Offer paid-up Equity Share capital
Basis of Allotment if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): a) 1,519,065* equity shares of face value ₹2 each was made available for	The Equity Shares available for allocation to NIBs under the Non-Institutional Portion, was subject to the following: a) one third of the portion available to	Allotment to each RIB shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate	Proportionate; unless the Employee Reservation Portion was undersubscribed, the value of allocation to an Eligible Employee could not exceed ₹200,000 (net of the Employee Discount). In the event of under-subscription

Particulars	QIBs[1]	NIBs	RIBs	Employee Reservation Portion[2]
	allocation on a proportionate basis to Mutual Funds only; and b) 30,381,296* equity shares of face value ₹2 each was made available for allocation on a proportionate basis to all other QIBs, including Mutual Funds receiving allocation as per (a) above Up to 60% of the QIB Category (of up to 45,571,942* equity shares of face value ₹2 each) could be allocated on a discretionary basis to Anchor Investors of which one-third was made available for allocation to domestic Mutual Funds only, subject to valid Bids having been received from Mutual Funds at or above the Anchor Investor Allocation Price	NIBs being 5,063,549* equity shares of face value ₹2 each were reserved for Bidders Biddings more than ₹200,000 and up to ₹1,000,000; and b) two third of the portion available to NIBs being 10,127,098* equity shares of face value ₹2 each were reserved for Bidders Bidding more than ₹1,000,000. Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above, could have been allocated to Bidders in the other category. The allotment to each Non- Institutional Bidder was required to not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. For details, see "*Offer Procedure*" beginning on page 569.	basis. For details, see "*Offer Procedure*" beginning on page 569.	in the Employee Reservation Portion, the unsubscribed portion could have been allocated, on a proportionate basis, to Eligible Employees Bidding in the Employee Reservation Portion for a value exceeding ₹200,000 (net of Employee Discount) subject to total Allotment to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount).
Mode of Bid	Through ASBA Process only (excluding UPI Mechanism) except in case of Anchor Investors[4]			
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of 35 equity shares of face value ₹2 each thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of 35 equity shares of face value ₹2 each thereafter	35 Equity Shares and in multiples of 35 equity shares of face value ₹2 each thereafter	Such number of Equity Shares in multiples of 35 equity shares of face value ₹2 each thereafter
Maximum Bid	Such number of Equity Shares and in multiple of 35 equity shares of face value ₹2 each not exceeding the size of the Net Offer, subject to applicable limits	Such number of Equity Shares and in multiples of 35 equity shares of face value ₹2 each not exceeding the size of the Net Offer (excluding QIB portion), subject to applicable limits	Such number of Equity Shares and in multiples of 35 equity shares of face value ₹2 each so that the Bid Amount does not exceed ₹200,000	Such number of Equity Shares and in multiples of 35 equity shares of face value ₹2 each, so that the maximum Bid Amount by each Eligible Employee in this portion did not exceed ₹500,000, less Employee Discount
Mode of Allotment	Compulsorily in dematerialised form			
Bid Lot	35 equity shares of face value ₹2 each and in multiples of 35 equity shares of face value ₹2 thereafter			
Allotment lot	A minimum of 35 equity shares of face value ₹2 each and in multiples of one equity share of face value ₹2 thereafter.			
Trading lot	One equity share of face value ₹2			

Particulars	QIBs[(1)]	NIBs	RIBs	Employee Reservation Portion[(2)]
Who can apply[(5)]	Public financial institutions as specified in Section 2(72) of the Companies Act, scheduled commercial banks, Mutual Funds, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million registered with the Pension Fund Regulatory and Development Authority established under section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund set up by the GoI through resolution F. No.2/3/2005-DD-II dated November 23, 2005, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the *karta*), companies, corporate bodies, scientific institutions, societies and trusts, and FPIs who are individuals, corporate bodies and family offices and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of *karta*)	Eligible Employees
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[(6)] **In case of all other Bidders**: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder, or by the Sponsor Bank(s) through the UPI Mechanism (other than Anchor Investors), that is specified in the ASBA Form at the time of submission of the ASBA Form			

* *Subject to finalisation of Basis of Allotment.*

1. *Our Company, in consultation with the Book Running Lead Managers could allocate 60% of the QIB Portion to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50 million per Anchor Investor, and (iii) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof will be permitted, subject to minimum allotment of ₹50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹100 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors.*
2. *Eligible Employees Bidding in the Employee Reservation Portion could Bid up to a Bid Amount of ₹500,000 (net of Employee Discount). However, a Bid by an Eligible Employee in the Employee Reservation Portion was considered for allocation, in the first instance, for a Bid Amount of up to ₹200,000 (net of the Employee Discount). In the event of under-subscription in the Employee Reservation Portion the unsubscribed portion could have been available for allocation and Allotment, proportionately to all Eligible Employees who had Bid in excess of ₹200,000 (net of the Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of Employee Discount). Further, an Eligible Employee Bidding in the Employee Reservation Portion could also Bid in the Net Offer and such Bids were not be treated as multiple Bids subject to applicable limits. The undersubscribed portion, if any, in the Employee Reservation Portion was required to be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription was permitted from the Employee Reservation Portion.*

3. *Subject to valid Bids having been received at or above the Offer Price. This was an Offer in terms of Rule 19(2)(b) of the SCRR and Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Net Offer was made available for allocation on a proportionate basis to QIBs, provided that our Company in consultation with the Book Running Lead Managers could allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares was required to be added to the Net QIB Portion. Further, 5% of the Net QIB Portion was required to be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the Net QIB Portion was required to be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. Further, not more than 15% of the Net Offer was required to be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Net Offer was required to be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price.*
4. *Anchor Investors were not permitted to use the ASBA process. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors viz. Retail, QIB, NIB and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.*
5. *In the event that a Bid is submitted in joint names, the relevant Bidders were required to ensure that the depository account was also held in the same joint names and the names were in the same sequence in which they appeared in the Bid cum Application Form. The Bid cum Application Form was required to contain only the name of the First Bidder whose name was required to also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserved the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.*
6. *Full Bid Amount was payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.*

Bidders were required to confirm and were deemed to have represented to our Company, the Promoter Selling Shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they were eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Bids by FPIs with certain structures as described under "*Offer Procedure - Bids by FPIs*" on page 576 and having same PAN could be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) could be proportionately distributed.

Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band could make payment based on Bid Amount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price had to ensure payment at the Cap Price, at the time of making a Bid.

Subject to valid Bids having being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, could have been allowed to be met with spill over proportionately from any other category or combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see "*Terms of the Offer*" on page 559.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public announcement and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

OFFER PROCEDURE

All Bidders were required to read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which was part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors were required to note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders were required to refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application were rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) disposal of applications; and (xiii) interest in case of delay in allotment or refund.

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, had introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective until June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by UPI Bidders through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 had extended the timeline for implementation of UPI Phase II until further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**") and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, had introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Subsequently, SEBI vide the SEBI RTA Master Circular, consolidated and rescinded the aforementioned circulars to the extent relevant for RTAs. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹500,000 shall use the UPI Mechanism. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). These circulars are effective for initial public offers opening on/or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Prospectus.*

The BRLMs shall be the nodal entity for any issues arising out of public issuance process.

Our Company, the Promoter Selling Shareholder and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders were advised to make their independent investigations and ensure that their Bids were submitted in accordance with applicable laws and did not exceed the investment limits or maximum number of the Equity Shares that could be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.

Book Building Procedure

The Offer was made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Net Offer was allocated on a proportionate basis to QIBs, provided that our Company in consultation with the BRLMs, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the Net QIB Portion was made available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the Net QIB Portion was made available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. Further, in accordance with Regulation 40(3) of the SEBI ICDR Regulations, the QIB Portion was not underwritten by the Underwriters pursuant to the Underwriting Agreement. Further, not more than 15% of the Net Offer was made be available for allocation on a proportionate basis to NIBs of which one-third of the Non-Institutional Portion was made available for allocation to Bidders with an application size of more than ₹200,000 up to ₹1,000,000 and two-thirds of the Non-Institutional Portion was made available for allocation to Bidders with an application size of more than ₹1,000,000 and undersubscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Further, not more than 10% of the Net Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, 52,910* equity shares of face value ₹2 each (constituting 0.01% of our Company's post-Offer paid-up Equity Share capital) aggregating to ₹20 million was made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price.

**Subject to finalisation of Allotment*

Under-subscription, if any, in any category, except in the QIB Portion, was allowed to be met with spill over proportionately from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, was allowed to be met with spill-over from any other category or a combination of categories.

In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion could have been made available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000 (net of Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹500,000), shall be added to the Net Offer.

Investors were required ensure that their PAN is linked with Aadhaar and are in compliance with the notification by the CBDT dated February 13, 2020 read with press releases dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which did not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, were treated as incomplete and were rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, a RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 had extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications on a daily basis to the SCSBs, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline and submit confirmation of the same to the BRLMs and the Registrar to the Offer would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post Offer BRLM will be required to compensate the concerned investor.

The Offer was made under UPI Phase III of the UPI Circulars.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. Our Company has appointed certain of the SCSBs as the Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the UPI Bidders using the UPI Mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus were made available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. Electronic copies of the Bid cum Application Forms was also available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/ Offer Opening Date. The Bid Cum Application Forms for Eligible Employees Bidding in the Employee Reservation Portion were made available only at our Company's offices in India.

Copies of the Anchor Investor Application Form were available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) were required to mandatorily participate in the Offer only through the ASBA process, which included the UPI Mechanism in case of UPI Bidders. Anchor Investors were permitted to participate in the Offer through the ASBA process.

UPI Bidders Bidding using the UPI Mechanism were required to provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that did not contain the UPI ID were liable to be rejected.

ASBA Bidders were required to provide either (i) the bank account details and authorisation to block funds in their respective ASBA Accounts, or (ii) the UPI ID, as applicable in the relevant space provided in the ASBA Form. The ASBA Forms that did not contain such details were liable to be rejected.

Since the Offer was made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

(i) UPI Bidders using the UPI Mechanism could submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) QIBs and NIBs (other than NIBs using UPI Mechanism) could submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

The ASBA Bidders, including UPI Bidders, were required to ensure that they had sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder would be processed after the Bid amount was blocked in the ASBA account of the Bidder pursuant to SEBI Master Circular SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024.

ASBA Bidders were required to ensure that the Bids were made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp were liable to be rejected. UPI Bidders using UPI Mechanism, were required to submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account could submit their ASBA Forms with the SCSBs (except UPI Bidders using the UPI Mechanism). ASBA Bidders were required to ensure that the ASBA Account had sufficient credit balance such that an amount equivalent to the full Bid Amount could be blocked by the SCSB or the Sponsor Bank(s), as applicable at the time of submitting the Bid.

UPI Bidders bidding through UPI Mechanism were required to provide the UPI ID in the relevant space provided in the Bid cum Application Form.

Anchor Investors were not permitted to participate in the Offer through the ASBA process. For Anchor Investors, the Anchor Investor Application Form was available with the BRLMs.

The prescribed colour of the Bid cum Application Form for the various categories was as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, NIBs, RIBs and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	Blue
Anchor Investors	White
Eligible Employees Bidding in the Employee Reservation Portion	Pink

* *Excluding electronic Bid cum Application Forms*

Notes:

(1) Electronic Bid cum Application forms and the abridged prospectus were also made available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com)

(2) Bid cum Application Forms for Anchor Investors were made available at the office of the BRLMs

In case of ASBA forms, the relevant Designated Intermediaries were required to upload the relevant bid details in the electronic bidding system of the Stock Exchanges and the Stock Exchanges were required to accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on application monies blocked. For UPI Bidders using UPI Mechanism, the Stock Exchanges were required to share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders using UPI Mechanism) Designated Intermediaries (other than SCSBs) were required to submit/ deliver the ASBA Forms to the respective SCSB where the Bidder had an ASBA bank account and could not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders using the UPI Mechanism, the Stock Exchanges were required to share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank(s) were required to initiate request for blocking of funds through NPCI to UPI Bidders, who was required to accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI was required to maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate the UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions would be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the issuer bank) at whose end the lifecycle of the transaction had come to a halt. The NPCI were required to share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer were required to provide the audit trail to the Book Running Lead Managers for analysing the same and fixing liability.

For ensuring timely information to investors, SCSBs were required to send SMS alerts for mandate block and unblock including details specified in SEBI Master Circular SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024. For all pending UPI Mandate Requests, the Sponsor Bank(s) initiated requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders Bidding through the UPI Mechanism were required to accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time lapsed. Further, modification/cancellation of Bids (if any) was allowed in parallel during the Bid/Offer Period until the Cut-Off Time.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/ Offer Opening Date until the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in accordance with SEBI Master Circular SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 and any subsequent circulars or notifications issued by SEBI in this regard.

Pursuant to NSE circular dated August 3, 2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

a. Cut-off time for acceptance of UPI Mandate shall be up to 5:00 pm on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the offer and depository participants shall continue till further notice.

b. There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued.

c. Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 4:00 p.m. for QIBs and Non-Institutional Bidders categories and up to 5.00 p.m. for Retail Individual on the initial public offer closure day;

e. QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids;

d. Exchanges shall display bid details of only successful ASBA blocked applications i.e. Application with latest status as RC 100 – Block Request Accepted by Investor/ Client.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Prospectus as "U.S. QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in "offshore transactions" as defined in, and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Prospectus as "QIBs".

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Electronic registration of Bids

a. The Designated Intermediary could register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries could also set up facilities for off-line electronic registration of Bids, subject to the condition that they subsequently uploaded the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer, subject to applicable laws.

b. On the Bid/Offer Closing Date, the Designated Intermediaries could upload the Bids until such time as was permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus and this Prospectus.

c. Only Bids that were uploaded on the Stock Exchanges Platform were considered for allocation/Allotment. The Designated Intermediaries were given until 5:00 pm on the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) sent the bid information to the Registrar to the Offer for further processing.

Participation by the Promoter, Promoter Group, the BRLMs, associates and affiliates of the BRLMs and the Syndicate Member and the persons related to Promoter, Promoter Group, BRLMs and the Syndicate Member

The BRLMs and the Syndicate Member were not allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Member could purchase Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Member, were treated equally for the purpose of allocation to be made on a proportionate basis.

Except for Mutual Funds sponsored by entities which are associates of the BRLMs or AIFs sponsored by entities which are associates of the BRLMs or FPIs (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs, no BRLMs or their respective associates could apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor was deemed to be an "associate of the Lead Manager" if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

Further, our Promoter and members of the Promoter Group could not participate by applying for Equity Shares in the Offer, except in accordance with the applicable law. Furthermore, persons related to our Promoter and the Promoter Group could not apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate was required to be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserved the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds were required to specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid could be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund was not treated as multiple Bids provided that the Bids clearly indicated the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or exchange traded fund or sector or industry specific schemes. No Mutual Fund under all its schemes can own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs could obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange were considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms were required to authorise their respective SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non- Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms were required to authorise their respective SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

NRIs were permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs could use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility was enabled for their NRE/ NRO accounts. NRIs applying in the Offer through the UPI Mechanism were advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form. In accordance with FEMA Non-debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity share capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity share capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant or such other limit as may be stipulated by RBI in each case, from time to time. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the members of the Indian Company in a general meeting. Our Company has, pursuant to a Board resolution dated August 2, 2024 and Shareholders' resolution dated August 10, 2024, increased the limit of investment of NRIs and OCIs from 10% to up to 24% of the paid-up equity share capital of our Company, provided however that the shareholding of each

NRI in our Company shall not exceed 5% of the Equity Share capital or such other limit as may be stipulated by RBI in each case, from time to time.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

For details of investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 589. Participation of Eligible NRIs was subject to the FEMA Non-debt Instruments Rules.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs were required to be made in the individual name of the *Karta*. The Bidder was required to specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids by HUFs were considered at par with Bids from individuals.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below.

1) Anchor Investor Application Forms were made available for the Anchor Investor Portion at the offices of the Book Running Lead Managers.

2) The Bid was required to be for a minimum of such number of Equity Shares so that the Bid Amount exceeded ₹100 million. A Bid could not be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund were be aggregated to determine the minimum application size of ₹100 million.

3) One-third of the Anchor Investor Portion was reserved for allocation to domestic Mutual Funds subject to valid Bids being received from domestic Mutual Funds at or above Anchor Investor Allocation Price.

4) Bidding for Anchor Investors opened one Working Day before the Bid/ Offer Opening Date and was completed on the same day.

5) Our Company in consultation with the Book Running Lead Managers finalized allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion were not less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion was up to ₹100 million; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion was more than ₹100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor; and (c) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹50 million per Anchor Investor.

6) Allocation to Anchor Investors was completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, was made available in the public domain by the Book Running Lead Managers before the Bid/ Offer Opening Date, through intimation to the Stock Exchanges.

7) Anchor Investors could not withdraw or lower the size of their Bids at any stage after submission of the Bid.

8) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price was required to be paid by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.

9) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment and the remaining 50% of the Equity Shares Allotted to Anchor Investors will be locked in for a period of 30 days from the date of Allotment.

10) Neither the Book Running Lead Managers or any associate of the Book Running Lead Managers (other than Mutual Funds sponsored by entities which are associates of the BRLMs or AIFs sponsored by entities which are associates of the BRLMs or FPIs (other than individuals, corporate bodies and family offices) which are associates of the BRLMs

or insurance companies promoted by entities which are associates of the BRLMs or pension funds sponsored by entities which are associates of the BRLMs) shall apply in the Offer under the Anchor Investors Portion. For details, see "*Offer Procedure – Participation by the Promoter, Promoter Group, the BRLMs, associates and affiliates of the BRLMs and the Syndicate Member and the persons related to Promoter, Promoter Group, BRLMs and the Syndicate Member*" on page 574. Further, no person related to the Promoter or Promoter Group shall apply under the Anchor Investors category.

11) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion were not considered multiple Bids.

Bids by FPIs

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations was required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLMs, reserved the right to reject any Bid without assigning any reason, subject to applicable laws.

To ensure compliance with the applicable limits, SEBI, pursuant to its master circular bearing reference number SEBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022 and the SEBI RTA Master Circular, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs/ FPI investor group who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for Offer procedure, as prescribed by SEBI from time to time.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager structure, indicating the name of their respective investment managers in such confirmation;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

FPIs were permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments was also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it subject to, *inter alia*, the following conditions:

(a) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

The FPIs who wished to participate in the Offer were advised to use the Bid cum Application Form for Non-Residents (in blue colour).

Further, Bids received from FPIs bearing the same PAN were treated as multiple Bids and were liable to be rejected, except for Bids from FPIs that utilized the multiple investment manager structure ("**MIM Structure**") in accordance with the SEBI master circular bearing reference number SEBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022, provided such Bids had been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who did not utilize the MIM Structure, and bear the same PAN, were liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilized the MIM Structure and indicate the names of their respective investment managers in such confirmations. In the absence of such confirmation from the relevant FPIs, such multiple Bids were rejected.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in this Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form "*exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of this Prospectus.*"

In terms of the SEBI FPI Regulations, the offer of Equity Shares to a single FPI or an investor group (which means multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our total paid-up Equity Share capital of our Company, on a fully diluted basis. Further, in terms of the FEMA Non-debt Instruments Rules, the total holding by each FPI, of an investor group, shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be the sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis. 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, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%).

For details of investment by FPIs, see "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 589. Participation of FPIs was subject to the FEMA Non-debt Instruments Rules.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs. The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. While the SEBI VCF Regulations have since been repealed, the funds registered as VCFs under the SEBI VCF Regulations continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF of FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs. Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. AIFs which are authorised under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, was required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee were required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLMs reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the as per the Banking Regulation Act, and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. Further no bank shall hold along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid-up share capital engaged in non-financial services. However, this cap does not apply to the cases mentioned in (i) and (ii) above.

The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves. Bids by banking companies should not exceed the investment limits prescribed for them under the applicable laws.

Bids by SCSBs

SCSBs participating in the Offer were required to comply with applicable law, including the terms of the SEBI Master Circular SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 dated September 13, 2012 and January 2, 2013, respectively. Such SCSBs were required to ensure that for making applications on their own account using ASBA, they should have had a separate account in their own name with any other SEBI registered SCSBs. Further, such account was required to be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI was required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers were prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, read with the Investments – Master Circular dated October 27, 2022, each as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

Bids by provident funds/ pension funds

In case of Bids made by provident funds with minimum corpus of ₹250 million and pension funds with minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable laws, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund was required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserved the right to reject any Bid, without assigning any reason thereof.

Bids under power of attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, insurance companies, systemically important NBFCs, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable law) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws were required be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserved the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLMs in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLMs may deem fit.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important NBFCs, were required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer were required to comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Eligible Employees

The Bid was required to be for a minimum of 35 equity shares of face value ₹2 each and in multiples of 35 equity shares of face value ₹2 each thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹500,000 (net of the Employee Discount). However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (net of the Employee Discount). Only in the event of an under-subscription in the Employee Reservation Portion post the initial allocation, such unsubscribed portion may be allocated on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000 (net of the Employee Discount), subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (net of the Employee Discount). Subsequent undersubscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer. Eligible Employees under the Employee Reservation Portion may Bid at Cut-off Price.

Bids under Employee Reservation Portion by Eligible Employees were required to be:

- Made only in the prescribed Bid cum Application Form or Revision Form.
- Only Eligible Employees (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) were eligible to apply in this Offer under the Employee Reservation Portion.
- In case of joint bids, the sole/ first Bidder was required to be the Eligible Employee.
- Bids by Eligible Employees could be made at Cut-off Price.
- Only those Bids, which were received at or above the Offer Price, was considered for allocation under this portion.
- The Bids was required to be for a minimum of 35 equity shares of face value ₹2 each and in multiples of 35 equity shares of face value ₹2 each thereafter so as to ensure that the Bid Amount payable by the Eligible Employee subject

to a maximum Bid Amount of ₹500,000 on a net basis.

- Eligible Employees bidding in the Employee Reservation Portion could Bid through the UPI mechanism.
- If the aggregate demand in this portion was less than or equal to 52,910 equity shares of face value ₹2 each at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- Bids by Eligible Employees in the Employee Reservation Portion and in the Net Offer portion were not treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.
- Eligible Employees were required to mention their employee number at the relevant place in the Bid cum Application Form or Revision Form.

In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion could have been made available for allocation and Allotment, proportionately to all Eligible Employees who Bid in excess of ₹200,000 (net of the Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of the Employee Discount).

In accordance with existing regulations issued by the RBI, OCBs could not participate in the Offer.

The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus and this Prospectus. Bidders were advised to make their independent investigations and ensure that any single Bid from them did not exceed the applicable investment limits or maximum number of the Equity Shares that could be held by them under applicable law or regulation or as specified in the Red Herring Prospectus and this Prospectus.

Information for Bidders

The relevant Designated Intermediary could enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options were not considered as multiple Bids. It was the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary did not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip was required to be non-negotiable and by itself did not create any obligation of any kind. When a Bidder revised his or her Bid, he /she was required to surrender the earlier Acknowledgement Slip and was permitted to request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus or this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

Please note that QIBs and NIBs were not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs and Eligible Employees Bidding in the Employee Reservation Portion could revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors were not allowed to withdraw their Bids after the Anchor Investor Bid/Offer Period.

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed

form;

4. Ensure that you (other than in the case of Anchor Investors) have mentioned the correct details of ASBA Account number (i.e. bank account number or UPI ID, as applicable) and PAN in the Bid cum Application Form if you are not an UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are an UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;

5. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in the list available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time;

6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;

7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;

8. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with the Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;

9. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the First Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the ASBA Account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

10. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary, if applicable;

11. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;

12. UPI Bidders in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

14. RIBs not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs;

15. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank(s), as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank(s) for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details

evidencing the same. All other applications in which PAN is not mentioned were rejected;

17. Ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press releases dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023;

18. Ensure that the Demographic Details are updated, true and correct in all respects;

19. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

20. Ensure that the category and the investor status is indicated in the Bid cum Application Form;

21. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

22. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;

23. Since the Allotment will be in dematerialised form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the depository database;

24. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI;

25. UPI Bidders who wish to Bid using the UPI Mechanism, should submit Bid with the Designated Intermediaries, pursuant to which the UPI Bidder should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;

26. Anchor Investors should submit the Anchor Investor Application Forms to the BRLMs;

27. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. on the Bid/ Offer Closing Date;

28. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which were required to be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids were rejected;

29. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, a UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank(s) to block the Bid Amount mentioned in the Bid Cum Application Form;

30. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in); and

31. The ASBA bidders shall ensure that bids above ₹500,000, are uploaded only by the SCSBs.

The Bid cum Application Form was liable to be rejected if the above instructions, as applicable, were not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the list available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, was liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by RIBs) and ₹500,000 (net of the Employee Discount) for Bids by Eligible Employees Bidding in the Employee Reservation Portion;

3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

5. Do not Bid at Cut-off Price (for Bids by QIBs and NIBs);

6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

7. Do not submit the Bid for an amount more than funds available in your ASBA account.

8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;

9. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;

10. If you are a UPI Bidder and are using UPI Mechanism, do not submit more than one ASBA Form for each UPI ID;

11. Anchor Investors should not Bid through the ASBA process;

12. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

13. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

14. Do not submit the General Index Register (GIR) number instead of the PAN;

15. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

16. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

17. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

18. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

19. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

20. Do not Bid on another ASBA Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

21. Do not Bid for Equity Shares in excess of what is specified for each category;

22. If you are a QIB, do not submit your Bid after 3 p.m. IST on the QIB Bid/Offer Closing Date (for online applications) and after 12:00 p.m. on the Bid/ Offer Closing Date (for physical applications);

23. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;

24. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a NIB. RIBs and Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids on or before the Bid/ Offer Closing Date;

25. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;

26. If you are an UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;

27. Do not submit the Bid cum Application Forms to any non-SCSB bank;

28. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;

29. Do not submit a Bid cum Application Form with a third-party UPI ID or using a third-party bank account (in case of Bids submitted by UPI Bidders using the UPI Mechanism);

30. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned in the list provided on the SEBI website is liable to be rejected;

31. Do not Bid if you are an OCB; and

32. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹ 500,000.

The Bid cum Application Form was liable to be rejected if the above instructions, as applicable, were not complied with.

Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in list available on the website of SEBI, www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time is liable to be rejected.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/ dematerialised credit/refund orders/unblocking etc., investors can reach out to our Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, see "*General Information*" beginning on page 70.

For helpline details of the BRLMs pursuant to the SEBI/HO/CFD/DIL-2/OW/P/2021/2481/1/M dated March 16, 2021, see "*General Information - Book Running Lead Managers*" on page 71.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; and (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The post Offer BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. The Bidder shall be compensated in the manner specified in the SEBI Master Circular SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable. The BRLMs shall be the nodal entity for any issues arising out of the public issuance process.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI Master Circular SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the BRLMs and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares offered through the Red Herring Prospectus and this Prospectus except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Offer to public may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to applicants other than to the RIBs, NIBs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as determined and disclosed.

The Allotment of Equity Shares to each RIB was not allowed to be less than the minimum bid lot, subject to the availability of shares in RIB Portion, and the remaining available Equity Shares, if any, was allotted on a proportionate basis The allocation to each of the NIBs shall not be less than the minimum application size, subject to the availability of Equity Shares in Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the SEBI ICDR Regulations. One-third of the Non-Institutional Portion shall be reserved for applicants with application size of more than ₹0.20 million and up to ₹1.00 million, two-thirds of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than ₹1.00 million and the unsubscribed portion in either of the above subcategories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders.

Payment into Escrow Account(s) for Anchor Investors

Our Company in consultation with the BRLMs, in their absolute discretion, decided the list of Anchor Investors to whom the CAN was sent, pursuant to which the details of the Equity Shares allocated to them in their respective names was notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) was to be drawn in favour of:

(a) In case of resident Anchor Investors: "International Gemmological Institute India Limited Anchor R Accounts"

(b) In case of Non-Resident Anchor Investors: "International Gemmological Institute (India) Limited Anchor NR Accounts "

Anchor Investors were required to note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement amongst our Company, the Promoter Selling Shareholder, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Our Company, after filing the Red Herring Prospectus with the RoC, published a pre- Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and Mumbai editions of Navshakti, a Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation.

In the pre-Offer advertisement, our Company stated the Bid/ Offer Opening Date and the Bid/ Offer Closing Date. This advertisement, was in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment Advertisement

The Allotment advertisement shall be uploaded on the websites of our Company, BRLMs and Registrar to the Offer, before 9 p.m. IST, on the date of receipt of the final listing and trading approval from the Stock Exchanges, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from the Stock Exchanges is received post 9:00 p.m. IST on that date, then the Allotment Advertisement shall be uploaded on the websites of our Company, BRLMs and Registrar to the Offer, following the receipt of final listing and trading approval from all the Stock Exchanges.

Our Company, the BRLMs and the Registrar to the Offer shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and Mumbai editions of Navshakti, a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation.

The above information is given for the benefit of the Bidders/applicants. Our Company, the Promoter Selling Shareholder and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders/applicants were advised to make their independent investigations and ensure that the number of Equity Shares Bid for did not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Promoter Selling Shareholder and the Underwriters entered into an Underwriting Agreement after the finalisation of the Offer Price but prior to the filing of this Prospectus.

(b) This Prospectus has been filed with the RoC in accordance with applicable law, and contains details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and is complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"*Any person who:*
(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,
shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹1 million or 1% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements have been made to collect all Bid cum Application Forms submitted by Bidders (including Anchor Investor Application Form from Anchor Investors);

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within three Working Days from the Bid/Offer Closing Date or such other time as prescribed by SEBI under applicable law;

- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law for the delayed period;

- the funds required for making refunds/unblocking (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- no further issue of the Equity Shares shall be made until the Equity Shares offered through this Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.;

- our Company, in consultation with the BRLMs, reserve the right not to proceed with the Offer, in whole or in part thereof, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed;

- if our Company, in consultation with the BRLMs withdraw the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh red herring prospectus with SEBI;

- that our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received; and

- Promoter's contribution, if any, shall be brought in advance before the Bid/Issue Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees.

Undertakings by the Promoter Selling Shareholder

The Promoter Selling Shareholder undertakes that:

- the Offered Shares being sold by it pursuant to the Offer has been held by it in accordance with Regulation 8 and 8A of the SEBI ICDR Regulations, is fully paid-up and is in dematerialised form;

- it is the legal and beneficial owner of the Offered Shares which are offered by it pursuant to the Offer for Sale;

- the Offered Shares which are offered by it pursuant to the Offer for Sale are free and clear of any encumbrances;

- it shall not have recourse to its proceeds of the Offer for Sale until final approval for trading of the Equity Shares from the Stock Exchanges has been received;

- that it shall provide assistance to our Company and the BRLMs in redressal of such investor grievances that pertain to the Offered Shares;

- it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer, except for fees or commission for services rendered in relation to the Offer; and

- it shall transfer its portion of the Offered Shares to an escrow demat account in dematerialized form in accordance with the Share Escrow Agreement.

Utilisation of Offer Proceeds

Our Board of Directors certifies and declares that:

- all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section 3 of Section 40 of the Companies Act;

- details of all monies utilised out of the Offer shall be disclosed, and continue to be disclosed till the time any part of the Offer proceeds remains un-utilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

- details of all un-utilised monies out of the Offer, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such un-utilised monies have been invested.

Withdrawal of the Offer

The Offer shall be withdrawn in the event the requirement of the minimum subscription as prescribed under Regulation 45 of the SEBI ICDR Regulations is not fulfilled. Our Company, in consultation with the Book Running Lead Managers, reserve the right not to proceed with the Fresh Issue and the Promoter Selling Shareholder, reserves the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of the Offered Shares, after the Bid/ Offer Opening Date but before Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The Book Running Lead Managers, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank(s), to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared, and the Stock Exchanges will also be informed promptly. If our Company, in consultation with the Book Running Lead Managers withdraws the Offer after the Bid/ Offer Closing Date and thereafter determine that our Company will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the GoI and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991 unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy, which, with effect from October 15, 2020 consolidated and superseded all previous press notes, press releases, circulars and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions. For further details, see *"Key Regulations and Policies*" beginning on page 188.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and 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 the SEBI/ RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Non-debt Instruments Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the GoI is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in the Offer.

Foreign Exchange Laws

The foreign investment in our Company is governed by *inter alia* the FEMA, as amended, the FEMA Non-debt Instruments Rules and the FDI Policy issued and amended by way of press notes.

In terms of the FEMA Non-debt Instruments Rules, a person resident outside India may make investments into India, subject to certain terms and conditions. In terms of the FEMA Non-debt Instruments Rules and the FDI Policy, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land borders with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Non-debt Instruments Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/ Offer Period.

In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The aggregate limit for FPI investments shall be the sectoral cap applicable to our Company. In accordance with the FEMA Non-debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10%

of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. Our Company has, pursuant to a Board resolution dated August 2, 2024 and Shareholders' resolution dated August 10, 2024, increased the limit of investment of NRIs and OCIs from 10% to up to 24% of the paid-up equity share capital of our Company, provided however that the shareholding of each NRI in our Company shall not exceed 5% of the Equity Share capital or such other limit as may be stipulated by RBI in each case, from time to time.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Prospectus as "U.S. QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in "offshore transactions" as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Prospectus as "QIBs".

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders were advised to make their independent investigations and ensure that the number of Equity Shares Bid for did not exceed the applicable limits under laws or regulations.

SECTION X: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below. Except for the following, there is no material clause in the Articles of Association which have been left out from disclosure having bearing on the Offer.:

Authorised share capital

Article 5 provides that the authorised share capital of the Company shall be such amount, divided into such class(es), denomination(s) and number of shares in the Company as may from time to time be provided in Clause 5 of the Memorandum of Association, with power to increase or reduce such capital from time to time and power to divide share capital into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with these Articles, subject to the provisions of applicable law for the time being in force.

Shares at the disposal of the Board of Directors

Article 8 provides that subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of all or any of such shares to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provision of the Section 53 of the Act) and at such time as they may from time to time think fit and, with the sanction of the Company in General Meeting, give to any person the option or right to call for any shares either at par or premium during such time and for such consideration as the Board of Directors think fit.

Further issue of shares

Article 11 provides that, where at any time the Board or the Company, as the case may be, propose to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of Section 62 of the Act, and the rules notified thereunder: :

(A)

(i) to the persons who at the date of the offer are holders of the shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (ii) to (iv) below;

(ii) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen (15) days (or such lesser number of days as may be prescribed under the Act or the rules notified thereunder, or other applicable law) and not exceeding thirty (30) days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined;

(iii) Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three (3) days before the opening of the issue;

(iv) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right;

(v) After the expiry of time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Members and the Company.

(B) to employees under any scheme of employees' stock option subject to Special Resolution passed by the shareholders of the Company and subject to the rules and such other conditions, as may be prescribed under applicable law; or

(C) to any person(s), if it is authorised by a Special Resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the Act and the rules notified thereunder;

Lien

Article 27 provides that the Company shall subject to applicable law have a first and paramount lien on every share / debenture (not being a fully paid-up share / debenture) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share / debenture and no equitable interest in any share shall be created upon the footing and condition that this Article will have full effect. Unless otherwise agreed, the registration of transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares / debentures.

Article 28 provides that the Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen (14) days' after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.

No Member shall exercise any voting right 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 exercised any right of lien.

Article 29 provides that to give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

Article 30 provides that the receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case maybe) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

Article 31 provides that the proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

Calls on Shares

Article 34 provides that the Board may subject to the provisions of the Act and any other applicable law, from time to time, make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one (1) month from the date fixed for the payment of the last preceding call. A call may be revoked or postponed at the discretion of the Board. The power to call on shares shall not be delegated to any other person except with the approval of the shareholders in a General Meeting and as maybe permitted by law.

Article 36 provides that the Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is so determined a call shall be deemed to have been made at the date when the resolution authorizing such call was passed at the meeting of the Board and may be required to be paid in installments.

Article 37 provides that the joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

Article 39 provides that any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

Article 40 provides that in case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Forfeiture of Shares

Article 43 provides that if a Member fails to pay any call, or installment of a call or any money due in respect of any share on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

Article 46 provides that any share forfeited in accordance with these Articles, shall be deemed to be the property of the Company and may be sold, re-allocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board thinks fit.

Article 48 provides that a person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

Article 56 provides that the provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Transfer and Transmission of shares

Article 58 provides that the Company shall keep a “Register of Transfers” and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares. The Company shall also use a common form of transfer.

Article 60 provides that:

(a) The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. The Company shall use the form of transfer, as prescribed under the Act, in all cases. In case of transfer of shares, where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply.

(b) The Board may decline to recognize any instrument of transfer unless-

   (i) the instrument of transfer is in the form prescribed under the Act;

   (ii) the instrument of transfer is accompanied by the certificate of shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

   (iii) the instrument of transfer is in respect of only one class of shares.

(c) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

Article 63 provides that subject to the provisions of these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may (at its own absolute and uncontrolled discretion) decline or refuse by giving reasons, whether in pursuance of any power of the Company under these Articles or otherwise, to register or acknowledge any transfer of, or the transmission by operation of law of the right to, any securities or interest of a Member in the Company, after providing sufficient cause, within a period of thirty (30) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company. Provided that the registration of transfer of any securities shall not be refused on the ground of the transferor being alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has a lien on shares. Transfer of shares/debentures in whatever lot shall not be refused.

Buy back of shares

Article 76 provides that notwithstanding anything contained in these Articles, but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

General Meetings

Article 75 provides that all General Meetings other than the Annual General Meeting shall be called "Extraordinary General Meeting". Provided that, the Board may, whenever it thinks fit, call an Extraordinary General Meeting.

Article 79 provides that the Board shall, on the requisition of Members, convene an Extraordinary General Meeting of the Company in the circumstances and in the manner provided under the Act.

Article 80 provides that all General Meetings shall be convened by giving not less than clear twenty one (21) days' notice, in such manner as is prescribed under the Act, specifying the place, date and hour of the meeting and a statement of the business proposed to be transacted at such a meeting, in the manner mentioned in the Act. Notice shall be given to all the Members and to such persons as are under the Act and/or these Articles entitled to receive such notice from the Company but any accidental omission to give notice to or non-receipt of the notice by any Member or other person to whom it should be given shall not invalidate the proceedings of any General Meetings.

The Members may participate in General Meetings through such modes as permitted by applicable laws.

Article 81 provides that upon compliance with the relevant provisions of the Act, any General Meeting may be convened by giving a shorter notice less than twenty one (21) days (a) if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the shareholders entitled to vote at that meeting in case of Annual General Meeting and (b) if consent is given in writing or by electronic mode by majority in number of Members entitled to vote and who represent not less than ninety-five per cent. of such part of the paid-up share capital of the Company as gives a right to vote at the meeting, in case of any other general meeting.

Adjournment of Meetings

Article 88 provides that subject to the provisions of the Act, the chairman of a General Meeting may, with the consent given in the meeting at which a quorum is present (and shall if so directed by the meeting) adjourn that meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When the meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as nearly to the original meeting, as may be possible. Save as aforesaid and as provided in the Act, it shall not be necessary to give any notice of adjournment of the business to be transacted at an adjourned meeting.

Any Member who has not appointed a proxy to attend and vote on his behalf at a general meeting may appoint a proxy for any adjourned general meeting, not later than forty-eight hours before the time of such adjourned Meeting.

Vote rights

Article 93 provides that subject to any rights or restrictions for the time being attached to any class or classes of shares:

(a) On a show of hands every Member holding shares and present in person shall have one vote.

(b) On a poll, every Member holding shares shall have voting rights in proportion to his share in the paid-up equity share capital.

(c) A Member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

Article 94 provides that in case of joint holders, the vote of first named of such joint holders in the Register of Members who tender a vote whether in person or by proxy shall be accepted, to the exclusion of the votes of other joint holders.

Article 95 provides that a Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or legal guardian may, on a poll, vote by proxy.

Article 96 provides that no Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by such Member have been paid, or in regard to which the Company has lien and has exercised any right of lien.

Proxy

Article 97 provides that subject to the provisions of the Act and these Articles, any Member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

Article 98 provides that an instrument appointing a proxy shall be in the form as prescribed under the Act for this purpose. The instrument appointing a proxy shall be in writing under the hand of appointer or of his attorney duly authorized in writing or if appointed by a body corporate either under its common seal or under the hand of its officer or attorney duly authorized in writing by it. Any person whether or not he is a Member of the Company may be appointed as a proxy.

The instrument appointing a proxy and power of attorney or other authority (if any) under which it is signed or a notarized copy of that power or authority was required to be deposited at the Office of the Company not less than forty eight (48) hours prior to the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

Article 99 provides that a vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Directors

Article 101 provides that unless otherwise determined by General Meeting, the number of Directors shall not be less than three (3) and not more than fifteen (15), and at least one (1) Director shall be resident of India in the previous year.

Provided that the Company may appoint more than fifteen (15) directors after passing a Special Resolution.

Article 102 provides that any person whether a member of the Company or not may be appointed as Director and no qualification by way of holding shares shall be required of any Director.

Article 103 provides that subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles. Any such additional director shall hold office only up to the date of the upcoming Annual General Meeting.

Article 106 provides that:

(a) A Director (other than a managing Director or whole-time Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of Directors or any committee thereof attended by him. The remuneration of Directors including managing Director and/or whole-time Director may be paid in accordance with the applicable provisions of the Act.

(b) The Board of Directors may allow and pay or reimburse any Director who is not a bona fide resident of the place where a meeting of the Board or of any committee is held and who shall come to such place for the purpose of attending such meeting or for attending its business at the request of the Company, such sum as the Board may consider fair compensation for travelling, and out-of-pocket expenses and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company’s business he shall be entitled to be reimbursed any travelling or other expenses incurred in connection with the business of the Company.

(c) The managing Directors/ whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

Article 109 provides that the office of a Director shall be deemed to have been vacated under the circumstances enumerated under Act.

Article 110 provides that at the Annual General Meeting of the Company to be held every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election.

Proceedings of the Board of Directors

Article 116 provides that:

(a) The Board of Directors shall meet at least once in every quarter with a maximum gap of one hundred and twenty (120) days between two (2) meetings of the Board for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every calendar year. Place of meetings of the Board shall be at a location determined by the Board at its previous meeting, or if no such determination is made, then as determined by the chairman of the Board.

(b) The chairman may, at any time, and the secretary or such other Officer of the Company as may be authorised in this behalf on the requisition of Director shall at any time summon a meeting of the Board. Notice of at least seven (7) days in writing of every meeting of the Board shall be given to every Director and every alternate Director at his usual address whether in India or abroad, provided always that a meeting may be convened by a shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting and in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director, if any.

(c) The notice of each meeting of the Board shall include (i) the time for the proposed meeting; (ii) the venue for the proposed meeting; and (iii) an agenda setting out the business proposed to be transacted at the meeting.

(d) To the extent permissible by applicable law, the Directors may participate in a meeting of the Board or any committee thereof, through electronic mode, that is, by way of video conferencing i.e., audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Any Director participating in a meeting through the use of video conferencing shall be counted for the purpose of quorum.

Article 117 provides that questions arising at any time at a meeting of the Board shall be decided by majority of votes and in case of equality of votes, the chairman, in his absence the vice chairman or the Director presiding shall have a second or casting vote.

Article 128 provides that subject to the provisions of the Act and other applicable law, the quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

At any time, the number of interested Directors is equal to or exceeds two-thirds of total strength, the number of remaining Directors, that is to say the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of Board after deducting there from the number of Directors, if any, whose places are vacant at the time. The term 'interested director' means any Director whose presence cannot, by reason of applicable provisions of the Act be counted for the purpose of forming a quorum at meeting of the Board, at the time of the discussion or vote on the concerned matter or resolution.

Article 120 provides that:

(a) The Board may elect a chairman of its meeting and determine the period for which he is to hold office.

(b) If at any meeting the chairman is not present within fifteen (15) minutes after the time appointed for holding the meeting the Directors present may choose one among themselves to be the chairman of the meeting.

Article 121 provides that:

(a) The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act or any other applicable law, or by the Memorandum or by the Articles required to be exercised by the Company in a General Meeting, subject nevertheless to these Articles, to the provisions of the Act or any other applicable law and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in a General Meeting; but no regulation made by the Company in a General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

(b) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case maybe, by such person and in such manner as the Board shall from time to time by resolution determine.

Delegation of Powers

Article 122 provides that the Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such members of its body as it thinks fit. Any committee so formed shall, in the exercise of the power so delegated conform to any regulations that may be imposed on it by the Board.

Borrowing Powers

Article 128 provides that subject to the provisions of the Act and these Articles, the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this Company or any other company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities; provided however, that the moneys to be borrowed, together with the money already borrowed by the Company apart from temporary loans (as defined under Section 180(1) of the Act) obtained from the Company's bankers in the ordinary course of business shall not, without the sanction of the Company by a Special Resolution at a General Meeting, exceed the aggregate of the paid-up share capital of the Company, its free reserves and securities premium. Provided that every Special Resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow shall specify the total amount up to which moneys may be borrowed by the Board of Directors.

The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or managing Director or to any other person permitted by applicable law, if any, within the limits prescribed.

To the extent permitted under the applicable law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and the same shall be in the interests of the Company.

Any bonds, debentures, debenture-stock or other securities may if permissible under applicable law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, attending (but not voting) in the General Meeting, appointment of Directors or otherwise. Provided that debentures with rights to allotment of or conversion into shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

SECTION XI: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts were entered (not being contracts entered into in the ordinary course of business carried on by our Company) which are material were attached to the copy of the Red Herring Prospectus filed with the RoC. Copies of the contracts and documents for inspection referred to hereunder, were available for inspection at our Registered Office between 10 a.m. to 5 p.m. on all Working Days from date of the Red Herring Prospectus until the Bid/ Offer Closing Date. The copies of the contracts and documents for inspection referred to hereunder were uploaded on the website of our Company at https://investor.igi.org/shareholder-information/documents/, and will be available for inspection from date of the Red Herring Prospectus until the Bid/ Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date).

A. Material contracts for the Offer

(1) Offer Agreement dated August 22, 2024 among our Company, the Promoter Selling Shareholder and the Book Running Lead Managers.

(2) Registrar Agreement dated August 22, 2024 read with the amendment to the Registrar Agreement dated December 4, 2024 among our Company, the Promoter Selling Shareholder and the Registrar to the Offer.

(3) Cash Escrow and Sponsor Bank Agreement dated December 4, 2024 among our Company, the Promoter Selling Shareholder, the Registrar to the Offer, the Book Running Lead Managers, the Syndicate Members, the Escrow Collection Bank(s), Sponsor Bank(s), Public Offer Bank and the Refund Bank(s).

(4) Share Escrow Agreement dated December 4, 2024 among the Promoter Selling Shareholder, our Company and the Share Escrow Agent.

(5) Syndicate Agreement dated December 4, 2024 among our Company, the Promoter Selling Shareholder, the Registrar, the Book Running Lead Managers, and Syndicate Members.

(6) Monitoring Agency Agreement dated November 28, 2024 entered into between our Company and the Monitoring Agency.

(7) Underwriting Agreement dated December 17, 2024 among our Company, the Promoter Selling Shareholder and the Underwriters.

B. Material Documents

(1) Certified copies of updated MoA and AoA, amended from time to time.

(2) Certificate of incorporation of our Company dated February 23, 1999, issued in the name of 'International Gemmological Institute (India) Private Limited'.

(3) Certificate of incorporation dated July 10, 2024, for conversion of our Company from a private limited company to a public limited company.

(4) Resolutions of our Board dated August 7, 2024 and August 22, 2024, authorising the Offer and other related matters.

(5) Shareholders' resolution dated August 10, 2024 and resolution of our Board dated November 25, 2024, in relation to the Offer, approving the Fresh Issue and other related matters.

(6) Resolution of our Board dated August 22, 2024, approving the Draft Red Herring Prospectus.

(7) Resolution of the Board of Directors dated December 6, 2024 approving the Red Herring Prospectus.

(8) Resolutions of the Board of Directors dated December 17, 2024, approving this Prospectus.

(9) Resolution of the board of directors of Promoter Selling Shareholder dated August 7, 2024, consenting to participate in the Offer for Sale.

(10) Consent letter dated August 9, 2024 from our Promoter Selling Shareholder, consenting to participate in the Offer for Sale.

(11) Consent dated December 17, 2024, from our Statutory Auditor, namely, M/s M S K A & Associates, Chartered Accountants, to include their name as required under section 26(5) of the Companies Act read with the SEBI ICDR Regulations, in this RHP, and as an "expert" as defined under section 2(38) of the Companies Act in respect of their (a) examination report dated November 25, 2024, on the Restated Financial Information, (b) report dated August 22, 2024, on the statement of special tax benefits, (c) the audit reports each dated August 6, 2024 for the CY 2021 and CY 2022 Special Purpose Consolidated Financial Statements for IGI Belgium Group, CY 2023 Special Purpose Consolidated Financial Statements for IGI Belgium Group and audit report dated November 25, 2024 on the Stub Period Special Purpose Consolidated Financial Statements for IGI Belgium Group, respectively, included in this Prospectus; (d) the audit reports dated each dated August 6, 2024 for the CY 2021 and CY 2022 Special Purpose Consolidated Financial Statements for IGI Netherlands Group, CY 2023 Special Purpose Consolidated Financial Statements for IGI Netherlands Group and audit report dated November 25, 2024 on the Stub Period Special Purpose Consolidated Financial Statements for IGI Netherlands Group, respectively, and (e) report dated November 25, 2024 on the Unaudited Pro Forma Condensed Combined Financial Information, included in this Prospectus. However, the term "expert" and "consent" shall not be construed to mean an "expert" and "consent" as defined under the U.S. Securities Act.

(12) Consent dated December 17, 2024 from S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, holding a valid peer review certificate from the ICAI, to include their name as required under Section 26(5) of the Companies Act read with the SEBI ICDR Regulations in this Prospectus and as an "expert" as defined under Section 2(38) of Companies Act in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company, and such consent has not been withdrawn as on the date of this Prospectus.

(13) The examination report dated November 25, 2024, of our Statutory Auditor on the Restated Financial Information, included in this Prospectus.

(14) The audit reports each dated August 6, 2024 for the CY 2021 and CY 2022 Special Purpose Consolidated Financial Statements for IGI Belgium Group, CY 2023 Special Purpose Consolidated Financial Statements for IGI Belgium Group and audit report dated November 25, 2024 for the Stub Period Special Purpose Consolidated Financial Statements for IGI Belgium Group, respectively, included in this Prospectus.

(15) The audit reports dated each dated August 6, 2024 for the CY 2021 and CY 2022 Special Purpose Consolidated Financial Statements for IGI Netherlands Group, CY 2023 Special Purpose Consolidated Financial Statements for IGI Netherlands Group and audit report dated November 25, 2024 for the Stub Period Special Purpose Consolidated Financial Statements for IGI Netherlands Group, respectively, included in this Prospectus.

(16) The report dated November 25, 2024 on the Unaudited Pro Forma Condensed Combined Financial Information.

(17) The statement of special tax benefits dated August 22, 2024, from our Statutory Auditors.

(18) Consents of our Directors, our Company Secretary and Compliance Officer, Legal Counsel to our Company, Bankers to our Company, Banker(s) to the Offer, the Book Running Lead Managers, Syndicate Members, and the Registrar to the Offer, Monitoring Agency, to act in their respective capacities.

(19) Certificate dated December 17, 2024, from S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, with respect to our key performance indicators.

(20) Resolution of the Audit Committee dated December 1, 2024, approving our key performance indicators.

(21) Trademark license agreement dated July 4, 2024, entered into between our Company and IGI Belgium.

(22) Restrictive covenant agreement dated May 19, 2023, entered into between our Promoter and Roland Lorie.

(23) Letter of employment dated June 1, 2023, entered into between our Company and our Managing Director and Chief Executive Officer.

(24) Consent letter dated December 3, 2024, from Redseer with respect to the Redseer Report.

(25) Industry Report titled "*Loose stones and studded jewelry Certification Market*" dated December 3, 2024, prepared and issued by Redseer and commissioned and paid for by our Company, exclusively for the purpose of this Offer and engagement letter issued in May 6, 2024, among our Company and Redseer.

(26) Valuation report dated December 4, 2024 prepared D&P Advisory in connection with the Proposed Acquisitions.

(27) Share purchase agreement dated August 22, 2024 and an addendum to the agreement dated November 29, 2024 entered into between our Company and our Promoter in relation to the Proposed Acquisitions. For details see "*Proposed Acquisitions*" and "*Objects of the Offer*" on pages 147 and 90, respectively.

(28) Due diligence certificate dated August 22, 2024, addressed to SEBI from the Book Running Lead Managers.

(29) Tripartite agreement dated June 21, 2024, among our Company, CDSL and Registrar to the Offer.

(30) Tripartite agreement dated June 21, 2024, between our Company, NSDL and Registrar to the Offer.

(31) In-principle listing approvals each dated October 7, 2024 issued by BSE and NSE respectively.

(32) SEBI final observation letter dated November 28, 2024.

(33) Application dated July 12, 2024 and follow-up application dated July 30, 2024 filed with SEBI for seeking exemption under Regulation 300(1)(c) of SEBI ICDR Regulations, from categorising Alpha Yu and CHINDEX Shanghai International Trading Company Limited as 'group companies' of our Company under the SEBI ICDR Regulations.

(34) SEBI letter SEBI/HO/CFD/RAC-DIL1/P/OW/2024/26359/1 dated August 20, 2024 granting exemption under Regulation 300(1)(c) of SEBI ICDR Regulations, from categorising Alpha Yu and CHINDEX Shanghai International Trading Company Limited as 'group companies' of our Company under the SEBI ICDR Regulations.

(35) Certificate dated December 17, 2024, from S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, with respect to weighted average price and cost of acquisition of equity shares by the Promoter Selling Shareholder.

(36) Certificate dated December 17, 2024, from S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, with respect to outstanding dues to creditors and micro, small and medium enterprises.

(37) Certificate dated December 17, 2024, from S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, with respect to ESOP disclosures.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without notice to our Shareholders subject to compliance with the provisions contained in the Companies Act and other applicable law.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the rules, guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations notified thereunder, as the case may be. I further certify that all disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Bimal Tanna

Chairman and Independent Director

Date: December 17, 2024

Place: Mumbai, India

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the rules, guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations notified thereunder, as the case may be. I further certify that all disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Tehmasp Nariman Printer

Managing Director and Chief Executive Officer

Date: December 17, 2024

Place: Mumbai, India

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the rules, guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations notified thereunder, as the case may be. I further certify that all disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Mukesh Mehta

Non-Executive (Nominee) Director

Date: December 17, 2024

Place: Mumbai, India

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the rules, guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations notified thereunder, as the case may be. I further certify that all disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Prateek Roongta

Non-Executive (Nominee) Director

Date: December 17, 2024

Place: Mumbai, India

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the rules, guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations notified thereunder, as the case may be. I further certify that all disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Tejas Naphade

Non-Executive (Nominee) Director

Date: December 17, 2024

Place: Mumbai, India

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the rules, guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations notified thereunder, as the case may be. I further certify that all disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Sangeeta Tanwani

Independent Director

Date: December 17, 2024

Place: Mumbai, India

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the rules, guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations notified thereunder, as the case may be. I further certify that all disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Easwar Subramanian Iyer

Date: December 17, 2024

Place: Mumbai, India

DECLARATION

We, BCP Asia II TopCo Pte. Ltd., the Promoter Selling Shareholder, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by us in this Prospectus in relation to ourselves, as the Promoter Selling Shareholder and the Offered Shares, are true and correct. We assume no responsibility, for any other statements, disclosures and undertakings, including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other person(s) in this Prospectus.

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Signed for and on behalf of BCP Asia II TopCo Pte. Ltd.

Name: Wang Lixian

Designation: Director

Place: Singapore

Date: December 17, 2024