

PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF SHANTIVIJAY JEWELS LIMITED

Registered Office: G 37, Gems & Jewellery, Building III, Seepz, Andheri (East), Mumbai - 400 096, Maharashtra, India
Tel. No.: +91 - 22 - 28290006 / 28292749 / 42182244; Fax No.: +91 - 22 - 28291360; Email: investors@shantivijay.com; Website: www.shantivijay.com

This public announcement ("Public Announcement" / "PA") is being issued by Mrs. Rajrani Godha, Mr. Pradeepkumar Godha and Mr. Anurag Godha, members of the promoter and promoter group of Shantivijay Jewels Limited (collectively referred to as the "Acquirers") to the public shareholders of Shantivijay Jewels Limited ("SJJL" / "Company"), in respect of the proposed acquisition and delisting of the fully paid up equity shares of the Company in accordance with Regulation 10 of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended from time to time ("Delisting Regulations") and in accordance with the terms and conditions set out herein below (hereinafter referred to as the "Delisting Offer" / "Offer").

1. BACKGROUND OF THE DELISTING OFFER

(A) The Company is a Public Limited Company incorporated under the Companies Act, 1956, having its registered office at G 37, Gems & Jewellery, Building III, Seepz, Andheri (East), Mumbai - 400 096, Maharashtra. As on the date of PA, the fully paid up equity share capital of the Company is ₹ 3,00,20,000.00 (Rupees Three Crore Twenty Thousand Only) ("Equity Capital") comprising of 30,02,000 fully paid up equity shares having face value of ₹ 10.00 each ("Equity Shares" / "Shares"). The Corporate Identity Number of the Company is L36910MH1980PLC023289. The Equity Shares of the Company are listed and admitted for trading on BSE Limited ("Stock Exchange" / "BSE").

(B) The Acquirers belong to the Promoter and Promoter group and are disclosed under "Promoter and Promoter Group" of the Company in terms of the latest disclosure made by the Company under Clause 35 of the Listing Agreement. The Acquirers along with other members of the Promoter and Promoter Group hold 26,11,606 fully paid up Equity Shares having face value of ₹ 10.00 each representing 87.00% of the paid up Equity Capital of the Company.

(C) The Acquirers through this Delisting Offer seek to acquire all outstanding Shares held by the public shareholders (defined to mean all the shareholders of the Company other than the members of promoters and promoter group and hereinafter referred to as the "Public Shareholders"), being 3,90,394 Equity Shares ("Offer Shares") representing 13.00% of the Company's Equity Capital. Subsequent to the successful completion of the Delisting Offer by acquiring at least 50% of the Offer Shares (1,95,197 Equity Shares) in terms of Regulation 17(b) of Delisting Regulations and fulfillment of other conditions stipulated under the Delisting Regulations, the Company will seek to voluntarily delist the Equity Shares of the Company from BSE, in accordance with the provisions of the Delisting Regulations.

(D) On May 30, 2013, the Acquirers intimated their intention regarding the voluntary delisting of Equity Shares from BSE by making the Delisting Offer to the Board of Directors ("Board") of the Company in accordance with Delisting Regulations ("Delisting Proposal") for their approval and requested the Board to seek approval of the shareholders of the Company for the proposed delisting by way of a special resolution through postal ballot in terms of Regulation 8(1)(b) of the Delisting Regulations and to seek in-principle approval of BSE for the Delisting Proposal in terms of Regulation 8(1)(c) of the Delisting Regulations. The Acquirers also submitted a letter to the Company received from other members of the promoter group consenting to (i) the Delisting Proposal; (ii) aggregate all the Shares owned by them along with the Shares owned by the Acquirers for the purpose of determining the success of the Delisting Offer under the Delisting Regulations and; (iii) not to participate in the Delisting Offer.

(E) The meeting of the Board of Directors was held on June 12, 2013, whereby the Board considered and approved Postal Ballot process for passing necessary Special Resolution along with Draft Notice to be sent to Members, Explanatory Statement, Postal Ballot Form, Calendar of events and Appointment of Scrutinizer for conducting the Postal Ballot in a fair and transparent manner. The outcome of the Board meeting of the Company held for considering the Delisting Proposal was notified to the BSE on the same day.

(F) However in anticipation of personal hearing from Securities Exchange Board of India ("SEBI") in the matter of non compliance with minimum public shareholding norms the Postal ballot process was kept in abeyance. Post personal hearings at SEBI on January 22, 2014 and on June 10, 2014, the Directors recommended the process for voluntary delisting. The Board by resolution passed by circulation on March 25, 2014 approved calendar of events, issue of postal ballot notice along with necessary attachments to get approval of the Shareholders for Voluntary Delisting of the Company. The Board also approved appointment of Mr. Sunil M. Dedhia, Practising Company Secretary, who had given his consent to act as Scrutinizer to the postal ballot process.

(G) A special resolution was passed by the shareholders of the Company through postal ballot, the result of which was declared on May 3, 2014, approving the proposed delisting of the Equity Shares of the Company from the BSE pursuant to the Delisting Regulations. Further, the votes cast by the Public Shareholders in favour of the Delisting Offer were more than two times the number of votes cast by the Public Shareholders against it. Specifically, the votes cast by the Public Shareholders in favour of the Delisting Offer were 124.12 times the number of votes cast by the Public Shareholders against it.

(H) The Company has received in-principle approval for the Delisting Offer from BSE vide their letter dated October 22, 2014.

(I) This Public Announcement is being published in the following newspapers in accordance with Regulation 10(1) of the Delisting Regulations:

News Paper	Language	Editions
Business Standard	English	All
Business Standard	Hindi	All
Mumbai Lakshadep	Marathi	Mumbai

(J) The Acquirers will inform the Public Shareholders, by way of a notice in the aforementioned newspapers in which the present PA is published, of material changes, if any, to the information set out in this PA.

(K) The Acquirers reserve the right to withdraw the Offer in certain cases as more fully set out in paragraph 11 (Conditions to the Delisting Offer) of this PA.

2. OBJECTIVE OF THE DELISTING OFFER

(A) The Delisting Offer, if successful, will result in a scenario where the Company is not subject to the conditions for continuous listing, inter alia, to maintain public shareholding of 25% pursuant to Securities Contract (Regulations) Rules, 1957, as amended from time to time.

(B) The Acquirers also believe that the success of the Delisting Offer will result in increased ownership in the Company, which will provide the Acquirers with increased operational flexibility to support the Company's business; to provide good exit opportunity to the public shareholders of the Company, given the low liquidity in the Equity Shares of the Company.

(C) Accordingly, the Acquirers propose to acquire all the Offer Shares constituting 13.00% of the Equity Capital of the Company and to voluntarily delist the Equity Shares of the Company from BSE in accordance with the Delisting Regulations.

3. INFORMATION ON THE ACQUIRERS

[A] Mrs. Rajrani Godha

a) Mrs. Rajrani Godha currently resides at 56, IRIS, 14th Floor, 45, Cuffe Parade, Mumbai - 400 005, Maharashtra, India. Mrs. Rajrani Godha is a member of the promoter and promoter group of the Company. She currently holds 7,12,714 Equity Shares, comprising 23.74% of the Equity Capital.

b) As per the certificate dated November 07, 2014, by CA. B. F. Chordia, Membership No. 9026, B. F. Chordia & Co., Chartered Accountants, having their office at 17 / 1004, Indra Darshan, Opp. Tarapur Gardens, Oshiwara Link Road, Andheri (W), Mumbai - 400 053, Maharashtra, India, the net worth of Mrs. Rajrani Godha as on March 31, 2014 is ₹ 318.30 Lacs.

[B] Mr. Pradeepkumar Godha

a) Mr. Pradeepkumar Godha currently resides at 56, IRIS, 14th Floor, 45, Cuffe Parade, Mumbai - 400 005, Maharashtra, India. He is Chairman & Managing Director of the Company and is also member of the promoter and promoter group of the Company. He currently holds 3,98,006 Equity Shares, comprising 13.26% of the Equity Capital.

b) As per the certificate dated November 07, 2014, by CA. B. F. Chordia, Membership No. 9026, B. F. Chordia & Co., Chartered Accountants, having their office at 17 / 1004, Indra Darshan, Opp. Tarapur Gardens, Oshiwara Link Road, Andheri (W), Mumbai - 400 053, Maharashtra, India, the net worth of Mr. Pradeepkumar Godha as on March 31, 2014 is ₹ 207.53 Lacs.

[C] Mr. Anurag Godha

a) Mr. Anurag Godha currently resides at 39, 10th Floor, Jalkiran, Cuffe Parade Road, Cuffe Parade, Mumbai - 400 005, Maharashtra, India. He is Vice Chairman & Managing Director of the Company and is also a member of the promoter and promoter group of the Company. He currently holds 3,95,096 Equity Shares, comprising 13.16% of the Equity Capital.

b) As per the certificate dated November 07, 2014, by CA. B. F. Chordia, Membership No. 9026, B. F. Chordia & Co., Chartered Accountants, having their office at 17 / 1004, Indra Darshan, Opp. Tarapur Gardens, Oshiwara Link Road, Andheri (W), Mumbai - 400 053, Maharashtra, India, the net worth of Mr. Anurag Godha as on March 31, 2014 is ₹ 218.72 Lacs.

4. BACKGROUND OF THE COMPANY

(A) The Company is a public limited company incorporated under the Companies Act, with its registered office located at G 37, Gems & Jewellery, Building III, Seepz, Andheri (East), Mumbai - 400 096, Maharashtra, India.

(B) The Company was originally incorporated on April 13, 1973 in the name and style of Shantivijay Jewels Private Limited with Registrar of Companies, Delhi & Haryana. SJJL's registered office was shifted to the state of Maharashtra on October 14, 1980. The Company converted to a public limited company vide fresh certificate of incorporation dated October 28, 1994 issued by the Registrar of Companies, Maharashtra, Mumbai. The Company made a public offer of its equity shares in the year 1995 and the shares were listed at BSE.

(C) Shantivijay Jewels Ltd. is engaged in the gems and jewelry business. The Company is engaged in manufacturing and exports of range of studded gold jewelry and diamond and precious stones. The Company's product range includes rings, pendants, earrings, bracelets, bangles and necklace. The Company exports jewelry to over 20 countries. The Company's geographical segment includes the United States, Europe, the Middle East among others. The Company has 2 (two) wholly owned subsidiaries namely Shantivijay Jewels International Limited (Mauritius) and Shantivijay Impex DMCC (Step-down subsidiary).

(D) The Authorised Share Capital of the Company is ₹ 6,00,00,000.00 (Rupees Six Crore Only) comprising 60,00,000 Equity Shares of ₹ 10.00 each. The paid-up Share Capital of the Company is Rs. ₹ 3,00,20,000.00 (Rupees Three Crore and Twenty Thousand Only) comprising 30,02,000 Equity Shares of ₹ 10.00 each fully paid-up. As on the date of the PA, the Promoters/Promoter Group (including the shareholding of Acquirers) holds 26,11,606 Equity Shares representing 87.00% of the Equity Capital.

(E) A brief summary of the Standalone Financials of the Company for the last 3 financial years ended March 31, 2014, March 31, 2013 and March 31, 2012, and for 6 months period ended September 30, 2014 is available and is provided below:

(₹ in Lac except per share data)

Particular	September 30, 2014 ⁽¹⁾	March 31, 2014 ⁽²⁾	March 31, 2013 ⁽³⁾	March 31, 2012 ⁽⁴⁾
	Unaudited	Audited	Audited	Audited
Revenue from Operations	6634.61	7317.82	6332.37	5178.85
Other Income	31.14	108.36	203.63	77.41
Total Income	3665.75	7426.18	6536.00	5256.26
Profit/(Loss) before tax	(34.98)	139.56	170.62	131.94
Profit/(Loss) after tax	(33.91)	92.88	116.00	89.67
Basic Earnings/(Loss) per Share (₹)	(1.13)	3.09	3.86	2.99
Diluted Earnings/(Loss) per Share (₹)	(1.13)	3.09	3.86	2.99
Equity Share Capital	300.20	300.20	300.20	300.20
Reserves and Surplus	2399.62	2433.52	2340.64	2224.63
Non Current Liabilities	7.35	6.21	6.19	21.17
Current Liabilities	2688.13	2550.61	2259.58	2247.16
Total Liabilities	5395.30	5290.54	4906.61	4793.16
Non Current Assets	1134.97	1151.48	1064.23	1059.48
Current Assets	4260.33	4139.06	3842.38	3733.68
Total Assets	5395.30	5290.54	4906.61	4793.16
Net Worth	2021.36	2055.27	2636.33	2517.80
Net Assets Value per Share ⁽⁵⁾ (₹)	67.33	68.46	87.82	83.87
Return on Net Worth ⁽⁷⁾ (%)	-	3.40	4.39	3.55
Contingent Liabilities on revenue account	678.46	678.46	4.51	7.03

⁽¹⁾ Unaudited financial statements of the Company for 6 months period ended September 30, 2014;

⁽²⁾ Audited financial statements of the Company for the financial year ended March 31, 2014;

⁽³⁾ Audited financial statements of the Company for the financial year ended March 31, 2013;

⁽⁴⁾ Audited financial statements of the Company for the financial year ended March 31, 2012;

⁽⁵⁾ Net Asset Value per Share = Equity Share Capital + Reserves & Surplus (No revaluation reserve) - Contingent liabilities on revenue account - Miscellaneous Expenses, if any.

⁽⁷⁾ Return on Net Worth (%) = Profit / Loss for the period / Net Worth at the end of the period. Negative Return has not been disclosed.

(F) Further information about the Company may be obtained from its website: www.shantivijay.com

5. PRESENT CAPITAL STRUCTURE AND SHAREHOLDING PATTERN OF THE COMPANY

(A) The Authorised Share Capital of the Company is ₹ 6,00,00,000/- (Rupees Six Crore Only) comprising 60,00,000 Equity Shares of ₹ 10.00 each. The paid-up Share Capital of the Company is ₹ 3,00,20,000.00

(Rupees Three Crore Twenty Thousand Only) comprising of 30,02,000 Equity Shares of ₹ 10.00 each fully paid-up.

(B) The Acquirers presently hold 15,05,816 Equity Shares, representing 50.16% of the Equity Capital of the Company. The Acquirers, together with the other members of the promoter and promoter group of the Company, presently hold 26,11,606 Equity Shares, representing 87.00% of the Equity Capital of the Company.

(C) As on the date of this Public Announcement, the Company has no outstanding preference shares, partly paid-up shares, convertible instruments, stock options or any other instruments that may result in the issuance of equity shares by the Company. Further, as on date, none of the Equity Shares held by the Public Shareholders, are subject to any lock-in requirements.

(D) The shareholding pattern of the Company as on October 31, 2014 is as under:

Shareholders Category	Number of Equity Shares	% of Shareholding
(A) Promoters and Promoter Group Shareholding		
Acquirers (Being members of Promoters & Promoter Group)	15,05,816	50.16
Other members of Promoters & Promoter Group	11,05,790	36.84
Total Promoters and Promoter Group Shareholding (A)	26,11,606	87.00
(B) Public Shareholding		
(1) Institutions		
Mutual Funds / UTI	Nil	Nil
Financial Institutions / Banks	Nil	Nil
Foreign Institutional Investors	Nil	Nil
(2) Non-Institutions		
Bodies Corporate	75,083	2.50
Individuals	2,54,779	8.49
Others - Non Resident Indians	60,433	2.01
Others - Clearing Member	99	0.00
Total Public Shareholding (B)	3,90,394	13.00
Grand Total (A) + (B)	30,02,000	100.00

Source: Company Certificate

6. LIKELY POST-DELISTING SHAREHOLDING PATTERN

Shareholder	Number of Shares	% of Shareholding
Acquirers (a)	18,96,210	63.16
Other members of Promoters & Promoter Group (b)	11,05,790	36.84
Public Shareholding (c)	Nil	Nil
Total (a) + (b) + (c)	30,02,000	100.00

7. STOCK EXCHANGE FROM WHICH THE EQUITY SHARES ARE SOUGHT TO BE DELISTED

The Equity Shares of the Company are currently listed on BSE. The Equity Shares are infrequently traded on BSE (within the meaning of explanation to Regulation 15(2) of the Delisting Regulations). The Acquirers are seeking to delist the Company's Equity Shares from BSE in accordance with the Delisting Regulations.

The Public Shareholders should note that as per the Delisting Regulations:

(A) No application for listing shall be made in respect of the Equity Shares which have been delisted pursuant to this Delisting Offer for a period of five years from the delisting, except where a recommendation in this regard has been made by the Board for Industrial and Financial Reconstruction under the Sick Industrial Companies (Special Provisions) Act, 1985.

(B) Any application for listing made in future by the Company in respect of the delisted Equity Shares shall be deemed to be an application for fresh listing of such Equity Shares and shall be subject to provisions of law relating to the listing of equity shares of unlisted companies.

8. INFORMATION REGARDING STOCK MARKET DATA

(A) The high, low and average closing price of the Equity Shares on the BSE during the preceding three calendar years were as follows:

Calendar Year	High*	Low**	Average***
2013	119.00	79.00	100.42
2012	120.00	71.00	90.40
2011	126.00	69.10	92.87

Source: BSE website

*Closing high during the period in ₹ per Equity Share

**Closing low during the period in ₹ per Equity Share

***Average of daily closing prices on the days when shares were traded during the period

(B) The monthly high and low closing prices and the trading volume (number of Equity Shares) of the Company on the BSE during the six calendar months preceding the date of this Public Announcement were as follows:

Calendar Month	High*	Low**	Volume***
October, 2014	70.00	65.10	324
September, 2014	70.60	61.00	811
August, 2014	65.60	62.55	123
July, 2014	76.10	68.95	62
June, 2014	84.55	75.60	746
May, 2014	102.60	89.00	471

Source: BSE website

*Closing high during the period in ₹ per Equity Share

**Closing low during the period in ₹ per Equity Share

***Cumulative trading volume during the period

9. DETERMINATION OF THE FLOOR PRICE

(A) The Acquirers propose to acquire the Offer Shares of the Company from the Public Shareholders pursuant to the Reverse Book Building Process in the manner specified in Schedule II of the Delisting Regulations ("Reverse Book Building" / "RBB").

(B) Under the Delisting Regulations, Regulation 15 prescribes separate modes of determination of the floor price for frequently and infrequently traded equity shares. As per the available trading data, the Equity Shares are infrequently traded on the BSE Limited, within the meaning of explanation to Regulation 15 (2) of the Delisting Regulations.

(C) Regulation 15(2)(b) provides that if the equity shares of a company were infrequently traded in all the recognized stock exchanges where they are listed, the floor price shall be determined in accordance with the provisions of sub-regulation (3) of Regulation 15.

(D) Regulation 15(3) provides that the floor price shall be determined by the promoter and the merchant banker taking into account the highest price paid by the promoter for acquisitions, if any, of equity shares of the class sought to be delisted, including by way of allotment in a public or rights issue or preferential allotment, during the twenty six weeks period prior to the date on which the recognised stock exchanges were notified of the board meeting in which the delisting proposal was considered and after that date up to the date of the public announcement; and other parameters including return on net worth, book value of the shares of the company, earning per share, price earning multiple vis-à-vis the industry average.

(E) The Shares of the Company are listed on BSE only. The annualised trading turnover based on the trading volume in the Shares of the Company on BSE during December, 2012 to May, 2013, Six (6) calendar months preceding the month in which the BSE were notified of the Board meeting in which the Delisting Proposal was considered, i.e. June, 2013, is as under:

Name of Stock Exchange	Total No. of Shares traded during December, 2012 to May, 2013	Total No. of Listed Shares	Annualised Trading Turnover (as a % of Total Listed Shares)
BSE	8,914	30,02,000	0.59

(Source: www.bseindia.com)

(F) Based on available information, the equity shares of the Company are infrequently traded on BSE within the meaning of explanation to Regulation 15(2) of the Delisting Regulations and therefore the Floor Price for the Reverse Book Building Process as stipulated by the Delisting Regulations ("Floor Price") has been determined in accordance with Regulation 15(3) of the Delisting Regulations taking into account the following parameters:

Sr. No.	Particulars	Price (in ₹ per Share)
(i)	Highest price paid by the Promoters/Promoter group for acquisitions, if any, of equity shares of SJJL, including by way of allotment in a public or rights issue or preferential allotment, during the 26 weeks period prior to the date on which the recognized stock exchange was notified of the Board Meeting in which the delisting proposal was considered and after that date up to the date of PA	Not Applicable
(ii)	Other parameters	As on 31.03.2014
1	Return on Net Worth (%)	4.52
2	Book Value per share (₹)	68.46
3	Earnings per share (₹)	3.09
4	Industry Average P/E Multiple ^ (^ Source: AceEquity by Accord Fintech Pvt. Ltd. updated till 08.11.2014)	26.88

CA. Kuldeep Kumar Gupta, Membership No. 71794, Partner, M/s. Kuldeep Kumar Gupta & Co., Chartered Accountants, Firm Registration No. 002703C, having their office at 209, Jaipur Tower, Opp. A.I.R., M.I. Road, Jaipur - 302 001, Rajasthan, have issued a valuation report dated November 10, 2014 for equity shares of SJJL. Based on various methodologies and assumptions, they have estimated the fair value of the equity shares of SJJL at ₹ 59.26 per equity share.

(G) Based on the above, the Acquirers in consultation with the Manager to the Offer have set the Floor Price at ₹ 61.00 per equity share (Rupees Sixty One only) offering a premium of ₹ 1.74 (Rupee One and Seventy Four Paise only) and are prepared to acquire and accept the equity shares at the Floor Price of ₹ 61.00 subject to the Delisting Regulations and other laws, as applicable.

10. DETERMINATION OF DISCOVERED PRICE AND THE EXIT PRICE

(A) All Public Shareholders can tender the Offer Shares of the Company during the Bid Period (as defined in paragraph 12 herein below).

(B) In accordance with the Delisting Regulations, the price payable by the Acquirers for the Offer Shares they propose to acquire pursuant to the Reverse Book Building process will not be less than the price at which the maximum number of Offer Shares have been validly tendered ("Discovered Price") under the RBB process.

(C) The Acquirers are under no obligation to accept the Discovered Price. The Acquirers may at their discretion acquire the Offer Shares at the Discovered Price or at a price higher than the Discovered Price. Such price at which the Delisting Offer is accepted by the Acquirers (not less than the Discovered Price) is referred to as the exit price ("Exit Price").

(D) In terms of Regulation 18 of the Delisting Regulations, the Acquirers shall announce the Discovered Price and their decision to accept or reject the Discovered Price, and if accepted, also announce the Exit Price as applicable through an advertisement, in the same newspapers in which this PA appears, in accordance with the proposed timetable set out in paragraph 20 of this PA.

(E) Once the Acquirers accept the Exit Price, the Acquirers will acquire, subject to the terms and conditions of the PA and the Letter of Offer, including but not limited to fulfillment of the conditions mentioned in paragraph 11 below, all the Shares validly tendered up to and equal to the Exit Price, for a cash consideration equal to the Exit Price for each such Offer Share tendered.

(F) If the Acquirers do not accept the Discovered Price, the Acquirers will have no right or obligation to acquire any Offer Shares tendered pursuant to the Delisting Offer and this Delisting Offer will not be proceeded with, and the physical Offered Shares tendered as per Paragraph 13(J) will be returned to the respective Public Shareholders who have tendered them within ten (10) working days from Bid Closing Date as stipulated under the Delisting Regulations.

11. CONDITIONS TO THE DELISTING OFFER

The acquisition of the Offer Shares by the Acquirers and the delisting of the Equity Shares of the Company are conditional upon:

(A) The Acquirers deciding in their sole and absolute discretion to accept the Discovered Price or offer an Exit Price higher than the Discovered Price. It may be noted that, notwithstanding anything contained in this Public Announcement, the Acquirers reserve the right to reject the Discovered Price if the same is higher than the Floor Price;

(B) A minimum number of 1,95,197 Equity Shares being validly tendered at prices up to or equal to the Exit Price.

(C) There being no amendments to the Delisting Regulations or other applicable laws or regulations or conditions imposed by any regulatory/statutory authority/body or order from a court or competent authority which would in the opinion of the Acquirers, prejudice the Acquirers from proceeding with the Delisting Offer, provided that withdrawal on this count shall be subject to the receipt of regulatory approvals, if any, required for the same.

12. DATES OF OPENING AND CLOSING OF BID PERIOD

(A) The period during which the Public Shareholders may tender their Offer Shares to the Acquirers in the RBB process ("Bid Period") shall commence at 10.00 a.m. on Monday, December 1, 2014 ("Bid Opening Date") and close at 3.00 p.m. on Friday, December 5, 2014 ("Bid Closing Date"). The Public Shareholders may tender their Shares ("Bid") at any of the Bid Centre (as defined in paragraph 13(C) below) through hand delivery between 10.00 a.m. to 3.00 p.m. on any day during the Bid Period. The Acquirers will inform the Public Shareholders by issuing a corrigendum to PA, if there are any changes in the Bid Period.

(B) Bids received after 3.00 p.m. on the Bid Closing Date will not be considered for the purpose of determining the Discovered Price and payment of Exit Price payable by the Acquirers.

(C) A letter inviting the Public Shareholders to submit their Bids ("Letter of Offer") containing the necessary forms and detailed instructions for submitting the Bids will be dispatched to the Public Shareholders as per the proposed time table set out in paragraph 20 below. The Letter of Offer will be dispatched to only those Public Shareholders whose names appear on the register of members of the Company or the depository on the specified date (As stated in Paragraph 20 Proposed Timetable for the Delisting Offer).

13. DETAILS OF TRADING MEMBER, BIDDING CENTRES AND BIDDING PROCEDURE

(A) The Public Shareholders may tender their Offer Shares through an online electronic system facility, which will be provided by BSE. In this regard, the Acquirers have appointed Hem Securities Limited as trading member ("Trading Member"), to facilitate the lodging of Bids on behalf of the Public Shareholders.

(B) In accordance with the Delisting Regulations, the Acquirers, Indusind Bank Limited (“**Escrow Bank**”) having its registered office at 2401, Gen. Thimmayya Road, (Cantonment), Pune - 411001 and the Manager to the Offer have entered into an escrow agreement dated November 8, 2014. Subsequent to which the Acquirers have opened an escrow account number 200999774283 in the name of **Shantivijay Jewels Limited-Delisting Offer-2014-Escrow Account** (“**Escrow Account**”) with the Escrow Bank. The Acquirers have deposited ₹ 2,39,00,000.00 (Rupees Two Crores Thirty Nine Lacs only) which is more than 100.00% of the estimated amount of consideration payable as calculated in paragraph (A) above.

(C) Following the determination of the Discovered Price, and the issuance of the Advertisement in accordance with paragraph 10(D), the Acquirers will comply with the requirements of Regulation 11(2) of the Delisting Regulations and deposit such amount to the Escrow Account as may be required under the Delisting Regulations.

(D) In the event that the Acquirers accept the Discovered Price or offer a price higher than the Discovered Price, the Acquirers shall deposit such additional amount to the Escrow Account (and the definition of “**Escrow Amount**”) shall be deemed to include such increase, if any) as may be required to acquire all of the Equity Shares validly tendered in the Delisting Offer at the Exit Price.

18. PROCEDURE FOR SETTLEMENT

(A) In case the Acquirers accept the Discovered Price or offer a price higher than the Discovered Price and make the Advertisement in accordance with Paragraph 10(D) and all other conditions attaching to the Delisting Offer are satisfied, the Acquirers shall, instruct the Manager to the Offer who in turn will thereafter instruct the Escrow Bank to transfer the Escrow Amount from the Escrow Account to the Special Account, opened with the Escrow Bank, which shall be used for payment to the Public Shareholders who have tendered Equity Shares in the Delisting Offer (“**Special Account**”). The Acquirers shall thereafter acquire all Offer Shares which have been validly tendered at prices up to or equal to the Exit Price, for a cash consideration equal to the Exit Price for each such Offer Share, subject to applicable taxes as described in Paragraph 22 (Tax Deducted to be at Source) of this Public Announcement. The Acquirers shall acquire the Equity Shares validly tendered in the Delisting Offer in such inter-se proportion as may be mutually decided by them, in consultation with the Manager to the Offer.

(B) All the Public Shareholders whose Bids were at a price up to or equal to the Exit Price and whose Bids were verified to be genuine by the Trading Member, the Registrar to the Offer and the Company or the share transfer agent, in accordance with the Delisting Regulations, shall be paid the Exit Price for each Offer Share validly tendered, within ten working days from Bid Closing Date (i.e., by December 5, 2014) by way of crossed account payee cheque/demand draft /pay order/ electronic credit. All cheques/demand drafts /pay orders/ electronic credit will be drawn in the name of the first holder in case of joint holders of Equity Shares. Dispatches involving payment of monies by way of crossed account payee cheque/demand draft/pay order will be made by registered post / courier / speed post.

(C) In order to avoid any fraudulent encashment in transit of the cheque / pay order or demand draft issued by the Acquirers or as the case may be electronic credit towards the consideration payable for the Offer Shares tendered in physical form, the details of the sole shareholder’s bank account (or, in the case of joint holders, the first-named holder’s bank account), as specified in the accompanying Bid Form are required to be filled in the Bid Form, and any consideration payable will be paid by issuing an instrument or electronic transfer carrying the details of the bank account so provided. In case such details are not filled in, any consideration payable will be sent in favour of the sole/first named Public Shareholder at the address provided under the Bid Form (however, there will be no obligation on the Acquirer or Manager to the Offer or the Registrar to the Offer to do the same). For Offer Shares that are tendered in dematerialized form, the bank account details as obtained from the beneficiary position download to be provided by the depositories will be considered and the payment shall be processed with the said bank particulars, and not any details provided in the Bid Form.

(D) Additionally, if and once the Equity Shares have been delisted, all Public Shareholders whose Offer Shares have not been acquired by the Acquirers may validly tender their Equity Shares to the Acquirers at the Exit Price during a period of up to 12 months following the date, being the later of, the date of delisting of the Equity Shares from the BSE (the “**Exit Window**”). Such Public Shareholders may tender their Equity Shares by submitting the required documents to the Registrar to the Offer during the Exit Window, in pursuant to the exit Letter of Offer issued by the Acquirers for such Public Shareholders. A separate Letter of Offer in this regard will be sent to the Public Shareholders who continue to hold Equity Shares after the Delisting Offer. Such Public Shareholders will be required to submit the required documents to the Registrar to the Offer within the stipulated time.

(E) If the Acquirers do not accept or offer an Exit Price, all dematerialized Offer Shares deposited in the Special Depository Account or pledged with the Manager to the Offer in favour of the Special Depository Account, in accordance with Paragraph 13(F) of this Public Announcement and physical Offer Shares tendered in accordance with Paragraph 13(J) of this Public Announcement, will: (i) in the case of dematerialized Offer Shares deposited in the Special Depository Account, be credited back to the respective depository account with the respective depository participants as per the details furnished by the relevant Public Shareholder in the Bid Form; (ii) in the case of dematerialized Offer Shares pledged to the Manager to the Offer in favour of the Special Depository Account, have the pledge revoked; and (iii) in the case of physical Offer Shares, be dispatched together with the share transfer deed to the relevant Public Shareholders by registered post, speed post or courier, at the Public Shareholder’s sole risk; the actions in respect of (i), (ii) and (iii) above being completed within ten working days from the Bid Closing Date (i.e., by December 5, 2014), as stipulated under the Delisting Regulations

(F) Offer Shares from any invalid Bid will: (i) in the case of dematerialized Offer Shares deposited in the Special Depository Account, be credited back to the respective depository account with the respective depository participants as per the details furnished by the relevant Public Shareholder in the Bid Form; (ii) in the case of dematerialized Offer Shares pledged to the Manager to the Offer in favour of the Special Depository Account, have the pledge revoked; and (iii) in the case of physical Offer Shares, be dispatched together with the share transfer deed to the relevant Public Shareholders by registered post, speed post or courier, at the Public Shareholder’s sole risk; the actions in respect of (i), (ii) and (iii) above being completed within ten working days from the Bid Closing Date (i.e., by December 5, 2014), as stipulated under the Delisting Regulations.

19. PERIOD FOR WHICH THE DELISTING OFFER SHALL BE VALID.

The Public Shareholders may submit their Bids during the Bid Period. Additionally, once the Equity Shares have been delisted, the Public Shareholders, whose Equity Shares have not been acquired by the Acquirers or who did not tender their Shares during the Bid Period (“**Residual Shareholders**”), may offer their Equity Shares for sale to the Acquirers at the Exit Price for a period of one year following the date of the delisting (“**Exit Window**”). A separate offer letter in this regard will be sent to such Residual Shareholders, who will be required to submit the necessary documents to the Registrar to the Offer within the stipulated time.

20. PROPOSED TIMETABLE FOR THE OFFER

Activity	Date
Date of publication of the Public Announcement	November 17, 2014
Specified Date for determining the names of the Public Shareholders to whom the Offer Letters shall be sent *	November 17, 2014
Completion of Dispatch of Letter of Offer / Bid Forms to Public Shareholders as on Specified Date	November 22, 2014
Bid Opening Date (10.00 a.m.)	December 1, 2014
Last Date of Revision (upwards) or withdrawal of Bids by the Public Shareholders	December 4, 2014

Bid Closing Date (3.00 p.m.)	December 5, 2014
Last Date for Announcement of Discovered Price / Exit Price and the Acquirers’ Acceptance / Non-acceptance of Discovered Price / Exit Price	December 17, 2014
Last Date for payment of consideration #	December 19, 2014
Last Date for Return of Bid Shares to the Public Shareholders in cases of failure of Delisting Offer/Bids have not been accepted	December 19, 2014

* Specified Date is only for the purpose of determining the names of Public Shareholders as on such date to whom the Letter of Offer shall be sent. However, all Public Shareholders (registered or unregistered) of the Equity Shares of the Company are eligible to participate in the Delisting Offer any time before and on the Bid Closing Date.

Subject to the acceptance of the Discovered Price or offer of an Exit Price by the Acquirers.

All the dates are subject to change and are dependent on obtaining the requisite statutory and regulatory approval as may be applicable. In the event there is any change in the proposed time table, it will be announced by way of corrigendum to the PA and in the same newspapers in which this PA appears.

21. STATUTORY AND REGULATORY APPROVALS

(A) The Company has obtained the approval of its members, by way of a special resolution through postal ballot, the result of which was declared on May 3, 2014 and notified to BSE on the same day approving the delisting of the Company’s Equity Shares from BSE pursuant to the Delisting Regulations. The votes cast by the Public Shareholders in favour of the Delisting Offer were more than two times the number of votes cast by the Public Shareholders against it.

(B) The Company has received in-principle approval for the Delisting Offer from BSE vide their letter dated October 22, 2014.

(C) On June 4, 2013, SEBI passed an Interim Order bearing reference no. WTM/PS/08/CFD/JUNE/2013 against the Company for non compliance of MPS as stipulated under rules 19(2)(b) and 19A of the Securities Contract (Regulations) Rules, 1957. Post grating an opportunity to the Company for personal hearing, on January 22, 2014 and June 10, 2014, Hon’ble Whole Time Member of the SEBI issued an order bearing reference no WTM/PS/29/CFD/AUG/2014 dated August 14, 2014 modifying the directions issued under the Interim Order to the extent permitting the Acquirers to buy the Equity Shares from the Public Shareholders as part of Delisting Offer. The aforesaid order also directed the Company to complete the Delisting process within five (5) months from the date of order.

(D) Pursuant to RBI A. P. (DIR Series) Circular No. 43 dated November 4, 2011, subject to certain conditions, transfer of shares from Non - Residents to Residents does not require prior approval of RBI.

(E) To the best of the Acquirers’ knowledge, as on the date of the PA, there is no other statutory or regulatory approval required to acquire the Offer Shares and implement the Offer.

(F) If any statutory or regulatory approval becomes applicable, the acquisition of Offer Shares by the Acquirers and the Offer will be subject to such statutory or regulatory approvals. The Acquirers reserve the right to withdraw the Delisting Offer in the event all or any of the statutory approvals are refused.

(G) In the event that the receipt of statutory / regulatory approvals, if any, are delayed, changes to the proposed timetable, if any, will be notified to the shareholders by way of a corrigendum to the PA in the same newspapers in which the PA is being issued.

(H) It shall be the responsibility of the Public Shareholders to obtain all requisite approvals (including corporate, statutory or regulatory), if any, prior to tendering their Shares in the Offer. The Acquirers assume no responsibility for the same. The Public Shareholders should attach copies of such approvals, if any, to the Bid Form, wherever applicable. On receipt of the Offer Shares, the Acquirers shall assume that the shareholders have submitted their Bid only after obtaining applicable approvals, if any. The Acquirers reserve the right to reject those Bids which are submitted without attaching a copy of such required approvals.

(I) NRIs / OCBs / Foreign and other non-resident shareholders will also be required to submit the RBI approvals, if any (specific or general) that they would have obtained for acquiring Shares held by them. In case such approvals are not attached, the Bid is liable to be rejected.

22. TAX TO BE DEDUCTED AT SOURCE

Summary of key provisions related to tax deduction at source (“**TDS**”) under the Income-tax Act, 1961 (“**IT Act**”): All the Public Shareholders would be either classified as resident or non-resident, determined on the basis of criteria laid down in Section 6 of the IT Act. Tax withholding for resident Public Shareholders and non-resident Public Shareholders are mentioned as under:

Withholding tax for Public Shareholders being Tax Residents of India

(A) No Tax will be deducted at source for Public Shareholders who are tax residents of India. Resident Public Shareholders must specify the details requested in the Bid Form, including but not limited to their Residential Status.

Withholding tax for Public Shareholders who are not Tax Residents of India

(A) As per the provisions of Section 195(1) of the IT Act, any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including cess & surcharge as applicable). Since, the consideration payable under the Delisting Offer would be chargeable to capital gains under Section 45 of the IT Act, Acquirers will need to deduct tax at source (including cess & surcharge as applicable) at the applicable tax rate on the entire consideration payable to the following categories of Public Shareholders, who are not tax residents of India as given below:

- Non-Resident Indians/Overseas Corporate Bodies/Non-Domestic Companies: Acquirers will deduct tax at source at source at the applicable rates (including applicable cess & surcharge) on the Exit Price as may be applicable on short-term capital gains or business profits or long-term capital gains, as the case may be.

- Foreign Institutional Investors (“**FI**”): Acquirers will not deduct tax at source on the Exit Price if the Shares are held on investment/ capital account in view of the provisions of Section 196D(2) of the IT Act read with the provisions of Section 115AD of the IT Act. Tax will be deducted at source at the applicable rates (plus cess & surcharge as applicable) on the Exit Price if the Shares are held on trade account or if the FI fails to certify in the bid form that the Shares are held by it on investment/capital account.

(B) The rate of deduction of tax in the case of non-residents is dependent on several factors. Since the Acquirers does not have in-house information in respect of various non-resident Public Shareholders, such Public Shareholders must specify the details requested in the Bid Form, including but not limited to the following information: (i) Residential status of the Public Shareholder; (ii) Category to which the non-resident Public Shareholder belongs i.e., Non Resident Indian, Overseas Corporate Body, Non-domestic company, Foreign Institutional Investor, FI other than a company or any other non-resident; (iii) Date of acquisition of Equity Shares; (iv) Whether the Equity Shares are held on investment account or trading account; (v) Whether the shares qualify as long term capital asset or short term capital asset.

Further, for the purpose of determining whether the capital gains are short-term or long-term, Acquirers shall take the following actions based on the information obtained from the Company

- In the case of Shares held in physical form that are registered with the Company in the name of the Shareholder, the date of registration of the Shares with the Company shall be taken as the date of acquisition.
- In the case of Shares held in a physical form and where the Shareholder is not the registered Shareholder, the capital gain shall be assumed to be short-term.
- In the case of dematerialized Shares, the date of credit of the Shares to the Shareholders Demat Account shall be taken as the date of acquisition.

In case of the documents/information as requested in the Bid Form are not submitted to the Acquirers or the Acquirers consider the documents/information submitted to be ambiguous/incomplete/conflicting, the

capital gain shall be assumed to be short-term and Acquirers reserve the right to withhold tax on the gross consideration at the applicable rate.

(C) If the aforementioned categories of Shareholders require the Acquirers not to deduct tax or to deduct tax at a lower rate or on a lower amount, they would need to obtain a certificate from the Income Tax authorities under Section 195(3) or under section 197(1) of the IT Act, and submit it to the Acquirers while submitting the Bid Form. On failure to produce such certificate from the Income Tax authorities, Acquirers will deduct tax as aforesaid on the entire consideration, and a certificate in the prescribed form shall be issued to that effect.

(D) The TDS provisions summarized above are applicable only to those Public Shareholders who have obtained Permanent Account Number (“**PAN**”) under the IT Act and furnished the same in the Bid Form. A self-attested copy of the PAN card/PAN allotment number is also required to be attached as evidence. If PAN is not mentioned in the Bid Form or a self attested copy of PAN card/PAN allotment letter is not attached, in view of Section 206AA of the IT Act, Acquirers will arrange to deduct tax at the rate of 20% or the rate as may be applicable to the category of the Public Shareholder under the IT Act, whichever is higher. Shareholders are advised to consult their tax advisors for the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. Acquirers and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice. Further, the tax laws as mentioned above are based on the prevailing provisions of the IT Act and may undergo change in view of any amendment, if any made in the IT Act. Acquirers reserve the right to apply the rates for tax withholding as applicable at the time of payment to shareholders.

23. CERTIFICATION BY THE BOARD OF DIRECTORS OF THE COMPANY

The Board of Directors of the Company hereby certifies that -

a. The Company has not raised capital by issuing securities during the five years preceding the date of the PA.

b. All material information which is required to be disclosed under the provisions of the continuous listing requirement under the relevant Listing Agreement have been disclosed to BSE, as applicable.

24. COMPLIANCE OFFICER

The Compliance Officer of the Company is:

Mr. Pradeepkumar Godha

SHANTIVIJAY JEWELS LIMITED

G 37, Gems & Jewellery, Building III, Seepz, Andheri (East), Mumbai - 400 096, Maharashtra, India

Tel. No.: +91 - 22 - 28290006 / 28292749 / 42182244; **Fax No.:** +91 - 22 - 2829 1360

Email: investors@shantivijay.com; **Website:** www.shantivijay.com

In case the Public Shareholders have any queries concerning the non-receipt of credit or payment for Equity Shares or on delisting processes and procedure, they may address the same to the Registrar to the Offer or the Manager to the Offer.

25. DISCLAIMER CLAUSE OF BSE

It is to be distinctly understood that the permission given by BSE to use their electronic automated facilities and infrastructures for “Online reverse book building facility for delisting of securities” should not in any way be deemed or construed that the compliance with various statutory and other requirements by Shantivijay Jewels Limited and the Manager to the Offer etc. are cleared or approved by BSE, nor does BSE in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does BSE have any financial responsibility or liability nor does BSE take responsibility in any way for the financial or other soundness of the Company, its promoters or its management.

It is also to be distinctly understood that the approval given by BSE should not in any way be deemed or construed to mean that the Public Announcement has been cleared or approved by BSE, nor does BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the announcements, nor does BSE warrant that the securities will be delisted.

That every person who desires to avail of the exit opportunity may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE or against the Investor Protection Fund set up by BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such offer and tender of securities through reverse book building process whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

26. GENERAL DISCLAIMER

Every person who desires to avail of the Delisting Offer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Acquirers, the Manager to the Offer or the Company whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such Delisting Offer and tender of securities through reverse book building whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

This Public Announcement is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirers or the Manager to the Offer to any new or additional registration requirements. The Letter of Offer will not be filed, registered or approved in any jurisdiction outside India. Recipients of the Letter of Offer resident in jurisdictions outside India should inform themselves of and comply with all applicable legal requirements. This is not an offer for sale, or a solicitation of an offer to buy in the United States of America and cannot be accepted by any means or instrumentality from within the United States of America.

In this PA, all references to “₹” are references to the Indian Rupee, the official currency of the Republic of India.

For further details please refer to the Letter of Offer, the Bid Form and Bid Revision/Withdrawal Form which will be sent to the Public Shareholders who are the Shareholders of the Company as on the Specified Date.

This PA is expected to be available on BSE’s website at www.bseindia.com. Public Shareholders will also be able to download the Offer Letter, the Bid Form and the Bid Revision Form from the website of the BSE.

This PA is issued on behalf of the Acquirers by:

Manager to the Offer:



HEM SECURITIES LIMITED

14/15, Khatau Building, 1st Floor, 40, Bank Street,

Fort, Mumbai - 400 001, Maharashtra

Tel. No.: +91 - 22 - 2267 1543 / 44,

Fax No.: +91 - 22 - 2262 5991,

Website: www.hemonline.com

Email: ib@hemonline.com,

Investor Grievance Email: redressal@hemonline.com

Contact Person: Mr. Mohit Baser

SEBI Regn. No.: INM000010981

Sd/-

Mrs. Rajrani Godha

Place: Mumbai

Registrar to the Offer:



BIGSHARE SERVICES PRIVATE LIMITED

E-2/3, Ansa Industrial Estate, Sakshivihar, Road, Sakinaka,

Andheri (East), Mumbai - 400 072, Maharashtra

Tel. No.: +91 - 22 - 40430200,

Fax No.: +91 - 22 - 28475207,

Website: www.bigshareonline.com

Email: delistingoffer@bigshareonline.com,

Investor Grievance Email: investor@bigshareonline.com

Contact Person: Mr. Ashok Shetty

SEBI Regn. No.: INR000001385

Sd/-

Mr. Pradeepkumar Godha

Sd/-

Mr. Anurag Godha

Date: November 15, 2014