



BHAKTI GEMS AND JEWELLERY LTD

Corporate Identification Number L36910GJ2010PLC060064

Registered Office: FF/02, 413/1 Kalp Bhakti House, Nr Narayan Society, B/h Axis Bank, C G Road, Ahmedabad, Gujarat-380009

Tel. No.: 079-26421701; Email: compliancebhakti@gmail.com; Website: www.bhaktijewellery.com;

Contact Person: Mr. Akshay Sevantilal Mehta, Managing Director

ENTITLEMENT LETTER FOR THE RIGHTS ISSUE

Dear Shareholder,

ISSUE OF UP TO 50,13,173 (FIFTY LAKH THIRTEEN THOUSAND ONE HUNDRED SEVENTY THREE) EQUITY SHARES WITH A FACE VALUE OF ₹10 EACH ("RIGHTS EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹12/- (RUPEES TWELVE ONLY) EACH INCLUDING A SHARE PREMIUM OF ₹2/- (RUPEES TWO ONLY) PER RIGHTS EQUITY SHARE ("ISSUE PRICE") FOR AN AGGREGATE AMOUNT UP TO ₹6,01,58,076 (SIX CRORE ONE LAKH FIFTY EIGHT THOUSAND SEVENTY SIX) ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 1 (ONE) RIGHTS EQUITY SHARES FOR EVERY 2 (TWO) FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON WEDNESDAY 31ST MAY, 2023 (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS 1.2 TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" ON PAGE 161.

For details, see "Terms of the Issue" on page 161 of the letter of offer dated May 11th, 2023 of our Company ("Letter of Offer").

Applicants will have to pay Rs.12/- (Including Rs. 2/- Premium) per Rights Equity Share on Application

This letter does not constitute an offer of, or a solicitation of an offer to purchase, any securities of the Company in any jurisdiction where such offers or solicitations are not permitted by law. You are advised to read the disclaimer carefully before reading, accessing or making any other use of the documents. By accessing this letter and its enclosures, you are hereby deemed to represent that you qualify under the above criteria. This letter and its enclosures should not be reproduced, transmitted or distributed to any other person.

You have been sent this letter (including its enclosures) to comply with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and relevant circulars issued by the Securities and Exchange Board of India from time to time. This letter does not constitute an offer of, or a solicitation of an offer to purchase, any securities of the Company in any jurisdiction where offers or solicitations are not permitted by law. The information in this letter is solely intended for distribution to, and use by, Eligible Equity Shareholders as of the Record Date i.e., Wednesday, 31st May 2023, who have provided an Indian address to the Company or who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. By accepting this letter and its enclosures, you are hereby deemed to represent that you qualify under one of the foregoing criteria. This letter and its enclosures should not be reproduced, transmitted or distributed to any other person.

IF YOU ARE NOT PERMITTED TO VIEW THIS LETTER OR ARE IN ANY DOUBT AS TO WHETHER YOU ARE PERMITTED TO VIEW THIS LETTER, PLEASE TREAT THIS LETTER AS SENT FOR INFORMATION PURPOSES ONLY AND SHOULD NOT BE ACTED UPON FOR SUBSCRIPTION TO THE RIGHTS EQUITY SHARES AND SHOULD NOT BE COPIED OR REDISTRIBUTED.

With reference to above, please find below the details of Equity Shares held by you as on Record Date i.e., **Wednesday, 31st May, 2023**, along with your Rights Entitlements for information:

Folio Number/ DP or Client ID	No. of Equity Shares held by you on Record Date	No. of Rights Entitlements

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., [https:// www.skylinerta.com](https://www.skylinerta.com)) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.bhaktijewellery.com).

This is to inform you that the captioned Issue opens for subscription on Friday, June 09th, 2023 and closes for subscription on Tuesday, June 20th, 2023[#].

Our Board or a duly authorised committee thereof will have the right to extend the Issue Period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 days from the Issue Opening Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Procedure for Application in the Issue

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process or the optional mechanism instituted. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or the optional mechanism.

Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Resident Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, "BHAKTI GEMS AND JEWELLERY LTD – UNCLAIMED SUSPENSE ACCOUNT") opened by our Company, for the Resident Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Resident Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

For Eligible Equity Shareholders holding Equity Shares in physical form, please also see 'Attention for Physical Shareholders' below.

Renunciation of Rights Entitlements

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange; or (b) through an off - market transfer, during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation.

In accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to the Registrar to the Issue for credit of REs not later than two working days prior to issue closing date, such that credit of REs in their demat account takes place at least one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements. Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED BY THE INVESTORS ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE. THE REGISTRAR AND OUR COMPANY ACCEPT NO RESPONSIBILITY TO BEAR OR PAY ANY COST, APPLICABLE TAXES, CHARGES AND EXPENSES (INCLUDING BROKERAGE), AND SUCH COSTS WILL BE INCURRED SOLELY BY THE INVESTORS.

For details, please see the section entitled “Terms of the Issue- Procedure for Renunciation of Rights Entitlements” on page 175 of the Letter of Offer.

Fractional Entitlement

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of One (1) Rights Equity Share(s) for every Two (2) Equity Share(s) held by the Equity Shareholders on the Record Date, i.e., May 31st, 2023. For Rights Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders not in the multiple of 1 the fractional entitlement of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Indicative Issue Schedule :

You are requested to take note of the following schedule of the Issue:

Last Date for credit of Rights Entitlements	Monday, 05 th June, 2023
Issue Opening Date	Friday, 09 th June, 2023
Last Date for On Market Renunciation of Rights Entitlements [#]	Thursday, 15 th June, 2023
Issue Closing Date*	Tuesday, 20 th June, 2023
Finalising the basis of allotment with the Designated Stock Exchanges (on or about)	Friday, 23 rd June, 2023
Date of Allotment (on or about)	Friday, 23 rd June, 2023
Date of Listing (on or about)	Tuesday, 27 th June, 2023
Date of Credit (on or about)	Monday, 26 th June, 2023

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

* Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

The above time table is indicative and does not constitute any obligation on our Company.

ATTENTION FOR PHYSICAL SHAREHOLDERS

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form and who have not furnished the details of their demat account to the Registrar or our Company at least two clear Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares in this Issue must check the procedure for application by and credit of Rights Equity Shares to such Eligible Equity Shareholders in “Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form” on page 166 of the Letter of Offer. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse.

Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable securities laws) from the website of the Company or the Registrar or the Stock Exchanges.

Please refer to the FAQs available on the websites of the Company and the Registrar to the Issue, which may be used as guidance for making an Application in the Rights Issue.


NOTICE TO INVESTORS

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue material (collectively, the “Issue Materials”) will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address and who are located in jurisdictions where the offer and sale of the Rights Entitlement and the Rights Equity Shares are permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. For details, see “Restrictions on Foreign Ownership of Indian Securities” beginning on page 206 of Letter of Offer. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof (“United States”), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which the Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, the Issue Material should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

In case of any queries, you may contact the Company or the Registrar at the details mentioned herein:

REGISTRAR TO THE ISSUE 	Skyline Financial Services Pvt. Ltd. A/506 Dattani Plaza, Andheri Kurla Road, Safed Pool, Mumbai, Maharashtra, 400072 Tel No 22- 28511022/62215779, E-mail: mumbai@skylinerta.com Investor Grievance Email: grievances@skylinerta.com Website: www.skylinerta.com Contact Person: Mr. Subhash Dhingreja Tel No: 9920722410 SEBI Registration No.: INR000003241
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Note: All capitalized terms, unless defined herein, shall have the meaning ascribed to them in the Letter of Offer.

For BHAKTI GEMS AND JEWELLERY LTD

Sd/-
Akshay Sevantilal Mehta
Managing Director
DIN: 02986761