January 09, 2019

To, **Bombay Stock Exchange Limited** P.J. Towers, Dalal Street, Fort, Mumbai - 400 001.	To, **Corporate Relationship Department** **National Stock Exchange Limited** Exchange plaza, Bandra Kurla complex, Bandra (E) Mumbai 400051

Sub: Update on Ministry of Corporate Affairs (MCA) Order on Inspection of Books of Accounts.

Dear Sir,

With reference to the above captioned subject, we would like to update our stakeholders as under:

Ministry of Corporate affairs (MCA) had ordered the Inspection of Books of Accounts for a period of three financial years to be conducted in terms of Section 206(5) of the Companies Act 2013. The scope, inter alia, included :-

- Resignation of Price Water House and Co Chartered Accountants LLP as Statutory Auditors of the Company
- Abnormal trading of the Company stock and consequent action taken by the Stock Exchanges
- Income Tax Assessment order and Tax Audit report for the last 5 years
- Details regarding the Bullion and Jewellery business of the Company
- Shareholding structure of the Company

The Company has received today the Preliminary Findings from Ministry of Corporate Affairs. Please take note that there were no irregularities to the above mentioned matters in the Preliminary findings provided by the MCA.

However, during the inspection there have been few observations in Preliminary Findings such as Amount planned for CSR activities remained unspent, Funds from Franchisee to be considered as deposits or not as per section 76, process of disposal of computers including computer peripherals during FY2016-17 and certain disclosures requirement with respect to financials as per schedule III. They have asked explanations on these observations. On the basis of the reply, they would release the final report.

The aforesaid update is for the information of the stakeholders of the Company.

Thanking you,

Yours Faithfully,

For Vakrangee Limited

Dinesh Nandwana
Managing Director & CEO
(DIN: 00062532)